As filed with the Securities and Exchange Commission on December 1, 2020

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM F-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

I-MAB

(Exact name of Registrant as specified in its charter)

Not Applicable
(Translation of Registrant's name into English)

Cayman Islands	**2834**	**Not Applicable**
(State or other jurisdiction of incorporation or organization)	**(Primary Standard Industrial Classification Code Number)**	**(I.R.S. Employer Identification No.)**

Suite 802, West Tower, OmniVision, 88 Shangke Road, Pudong District
Shanghai, 201210
People's Republic of China
+86 21-6057-8000
(Address, including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Cogency Global Inc.
122 East 42nd Street, 18th Floor
New York, NY 10168
(800) 221-0102
(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public: From time to time after this Registration Statement is declared effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933. Emerging growth company ☒

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 7(a)(2)(B) of the Securities Act. ☒

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities To Be Registered	Amount To Be Registered	Proposed Maximum Offering Price Per Share(2)	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(2)
Ordinary shares, par value US$0.0001 per share(1)	25,123,751	US$16.55	US$415,907,313	US$45,375.49

(1) American depositary shares issuable upon deposit of ordinary shares registered hereby have been registered under a separate registration statement on Form F-6 (Registration No. 333-235557). Each ten (10) American depositary shares represent twenty-three (23) ordinary shares.

(2) Pursuant to Rule 457(c) under the Securities Act, the proposed maximum offering price per security, the proposed maximum aggregate offering price and the amount of registration fee are estimated solely for the purpose of calculating the amount of the registration fee and are based on the average of the high and low trading prices on November 30, 2020 of the Registrant's American depositary shares listed on the Nasdaq Global Market, with each ten (10) American depositary shares representing twenty-three (23) ordinary shares of the Registrant.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject to Completion
Preliminary Prospectus dated December 1, 2020.

Up to 10,923,370 American Depositary Shares

I-MAB

Representing Up to 25,123,751 Ordinary Shares

The selling shareholders identified in this prospectus may offer, from time to time, up to 25,123,751 ordinary shares, including ordinary shares represented by American depositary shares ("ADSs") of I-Mab. Each ten (10) ADSs represent twenty-three (23) of our ordinary shares, par value US$0.0001 per share. The selling shareholders identified in this prospectus are party to the subscription agreements we entered into with them in September 2020. We are not selling any ordinary shares or ADSs. We will not receive any of the proceeds from the sale of the ordinary shares or ADSs by the selling shareholders.

Our ADSs are listed on the Nasdaq Global Market under the symbol "IMAB." On November 30, 2020, the closing trading price for our ADSs, as reported on the Nasdaq Global Market, was US$39.14 per ADS.

At the time the selling shareholders offer ordinary shares or ADSs under this prospectus, we will provide a prospectus supplement, if required, that will contain specific information about the terms of the offering and that may add to or update the information in this prospectus. You should read this prospectus and any applicable prospectus supplement carefully before you invest.

The selling shareholders may offer ordinary shares or ADSs in amounts, at prices and on terms determined by market conditions at the time of the offering. The selling shareholders may sell ordinary shares or ADSs through agents it selects or through underwriters and dealers it selects. The selling shareholders also may sell ordinary shares or ADSs directly to investors. If the selling shareholders use agents, underwriters or dealers to sell ordinary shares or ADSs, we will name them and describe their compensation in a prospectus supplement.

We are an "emerging growth company" under applicable U.S. federal securities laws and are eligible for reduced public company reporting requirements.

Investing in our ordinary shares or ADSs involves risks. See "Risk Factors" beginning on page 23 for factors you should consider before buying our ordinary shares or ADSs.

Neither the United States Securities and Exchange Commission nor any other regulatory body has approved or disapproved of these securities, or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

Prospectus dated , 2020.

This prospectus is part of a registration statement we filed with the Securities and Exchange Commission (the "SEC") using a "shelf" registration process. Under this shelf registration process, the selling shareholders may, from time to time, offer and sell, in one or more offerings, ordinary shares or ADSs.

At the time the selling shareholders offer ordinary shares or ADSs under this prospectus, if required, we will provide a prospectus supplement that will contain specific information about the terms of the offering and that may add to or update the information in this prospectus. If the information in this prospectus is inconsistent with a prospectus supplement, you should rely on the information in that prospectus supplement. You should read this prospectus and any applicable prospectus supplement as well as any post-effective amendments to the registration statement of which this prospectus forms a part before you make any investment decision. You should read both this prospectus and any applicable prospectus supplement together with additional information described under the heading "Where You Can Find Additional Information."

We are responsible for the information contained in this prospectus, any applicable prospectus supplement or in any free writing prospectus prepared by or on behalf of us that we have referred to you. Neither we nor the selling shareholders have authorized anyone to provide you with additional information or information different from that contained in this prospectus or in any free writing prospectus filed with the SEC and we take no responsibility for any other information that others may give you. The selling shareholders are offering to sell, and seeking offers to buy, ordinary shares or ADSs only in jurisdictions where offers and sales are permitted. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any sale of ordinary shares or ADSs. Our business, operating results or financial condition may have changed since such date.

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PROSPECTUS SUMMARY

The following summary is qualified in its entirety by, and should be read in conjunction with, the more detailed information and financial statements appearing elsewhere in this prospectus. In addition to this summary, we urge you to read the entire prospectus carefully, especially the risks of investing in our ordinary shares or ADSs discussed under "Risk Factors," before deciding whether to invest in our ordinary shares or ADSs.

Overview

We are a clinical stage biopharmaceutical company committed to the discovery, development and commercialization of novel or highly differentiated biologics to treat diseases with significant unmet medical needs, particularly cancers and autoimmune disorders.

We were founded to capture the opportunities presented by the confluence of two major developments—the emergence of an attractive and growing biologics market in China, and the revolutionary scientific breakthroughs in cancer and autoimmune disease medicines. We believe we are well-positioned to become a biotech leader in China because of our innovative discovery expertise, fit-for-purpose technology platforms, biomarker-enabled translational medicine capabilities, and clinical development capabilities. These integrated capabilities are further enhanced by our deep understanding of China's biologics regulatory framework and our direct access to extensive pre-clinical and clinical trial resources in China. To date, we have developed an innovative pipeline of more than 10 clinical and pre-clinical stage assets through our internal research and development efforts and in-licensing arrangements with global pharmaceutical and biotech companies.

Commercial Opportunities in China and Our Unique Position

We are fully aware of the competitive and regulatory challenges we face as an innovative clinical stage biotech company based in China, including need to raise significant capital, significant competition from global and other China-based biopharmaceutical companies, less streamlined regulatory pathway compared to countries with long-established regulatory systems, and potential implementation challenges and uncertainties of the recent government reform of the drug approval system. However, with these challenges in mind, we have been mitigating the risks through our internal R&D system that integrates multi-functional aspects of our drug development process to proactively deal with some of the regulatory challenges mentioned above. Furthermore, through our Beijing office which focuses on regulatory matters, we have established an effective communication channel with the regulatory agencies to discuss and resolve various regulatory issues promptly and effectively. We see vast opportunities for immuno-oncology and autoimmune biologics therapies in China. First, both the incidence and mortality of cancers in China have been increasing in recent years and are outpacing those in the United States and the rest of the world. Second, many innovative biologics approved to treat cancer and autoimmune diseases in the United States and Europe are not yet available in China. Third, the Chinese government has implemented new policies and regulations to simplify the review and approval cycle of clinical trials and new drug applications to encourage biologics innovation. Fourth, there has been a continuous and rapid increase in personal disposable income in China coupled with ongoing improvement in basic national health insurance coverage, making innovative biologics more accessible to more Chinese patients.

We believe we are uniquely positioned as a China-based global player to tap into these vast commercial opportunities. This is best demonstrated by our short journey in becoming one of the top clinical stage immunology companies in China. For example, in 2018 and 2019, we are the only China-based biotech company recognized by Genetic Engineering & Biotechnology News (GEN) as a top 10 immuno-oncology start-up in the world. To date, our research and development capabilities encompass discovery, translational medicine, biologics

CMC development, pre-clinical development and clinical development with footprints in Shanghai, Beijing and the United States. We are now at a critical juncture to transition from a clinical stage biotech company into a fully integrated end-to-end global biopharmaceutical company in the next few years.

Our Unique Business Model

To achieve our mission and capitalize on these commercial opportunities, we have developed a business model built on two pillars: a fast-to-market China strategy and a fast-to-PoC (proof of concept) global strategy.

Fast-to-Market China Strategy

Our fast-to-market China strategy focuses on seeking opportunities to in-license the development and commercialization rights of investigational drugs from global biopharmaceutical companies for Greater China. We only select investigational drugs that have the potential to become novel or highly differentiated medicines. Through our substantial in-house research and development efforts, we build additional data packages to meet the requirements of the National Medical Products Administration (the "NMPA") to ensure programs are ready for late-stage or registrational clinical development. Our internal development capabilities combined with our deep insight into China's regulatory framework and our clinical network enable us to efficiently navigate through the drug development process to registration. To date, we have built an innovative China Portfolio consisting of five investigational drugs with an aim for near-term product launch. All of these investigational drugs have met the related pre-set safety and preliminary efficacy endpoints in Phase 1 or Phase 2 clinical trials in Europe, the United States or elsewhere and are either in or ready for Phase 2 or Phase 3 clinical trials in China. Set forth below is a summary of the latest development status of the anchor assets in our China Portfolio:

- For felzartamab (TJ202), a differentiated anti-CD38, we are conducting two parallel registrational trials as a third-line monotherapy and as a second line combination therapy with lenalidomide, both in patients with multiple myeloma in Greater China. The recruitment progress for these two trials remains on track, and we expect to submit an NDA to the NMPA in 2021.

- For eftansomatropin (TJ101), a differentiated long-acting growth hormone, in September 2020, the NMPA approved our IND application for a registrational Phase 3 trial in pediatric growth hormone deficiency (PGHD). We expect to initiate this trial in the first quarter of 2021.

- For enoblituzumab, a humanized antibody directed at B7-H3, in the first quarter of 2021, MacroGenics expects to initiate a Phase 2 study of enoblituzumab in a chemo-free regimen in combination with either retifanlimab (an investigational PD-1 antibody) in front-line patients with SCCHN who are PD-L1 positive or with tebotelimab (an investigational PD-1 x LAG-3 bispecific DART® antibody) in SCCHN patients who are PD-L1 negative. We expect to participate in any subsequent Phase 3 global study if and when initiated. In addition, considering the dynamic regulatory environment and evolving clinical practice, we have been continually refining the development of enoblituzumab in our territory.

- For efineptakin (TJ107), a long-acting interleukin 7, we obtained regulatory clearance from the NMPA in April 2020 to initiate a Phase 2 clinical trial in glioblastoma multiforme (GBM) patients with lymphopenia. We expect to initiate this trial in the fourth quarter of 2020.

As a result, the investigational drugs in our China Portfolio are positioned for a series of new drug applications (NDAs) in China with the submission of the first NDA expected in 2021.

Fast-to-PoC Global Strategy

Our fast-to-PoC global strategy focuses on advancing our own novel or differentiated biologics towards clinical validation in the United States. First, we seek PoC of these drug candidates in the United States by conducting early phase clinical trials with a set of safety and efficacy endpoints and leveraging the FDA's streamlined regulatory system for innovative drug development, including a predictable timeline towards IND approval. Second, we will use the data generated to advance clinical development in China, which we believe confers several advantages, including access to China's large patient pool, extensive clinical trial resources through collaborations with leading hospitals in China, and a regulatory pathway for fast-track approval of drugs supported by solid overseas clinical data. Building on this approach, we may out-license the global rights (excluding Greater China) of these investigational drugs following clinical validation in the United States, while retaining the Greater China rights for further development and commercialization. We believe this approach will allow Chinese patients to benefit from our most advanced treatments concurrently or soon after their market approvals elsewhere. To date, we have created a Global Portfolio that consists of two molecular classes—monoclonal antibodies and bi-specific antibodies, which are internally generated. They are highly innovative molecules compared to global competitor assets in the same or related classes of drug candidates. Set forth below is a summary of the latest development status of the anchor assets in our Global Portfolio:

- For lemzoparlimab (TJC4), a differentiated anti-CD47, the topline results of the recently completed Phase 1a dose escalation monotherapy trial in the United States have demonstrated the differentiated profile of lemzoparlimab in drug safety and favorable pharmacokinetics in cancer patients. The key findings include: (i) lemzoparlimab was well tolerated up to 30 mg/kg on a weekly basis without priming dosing strategy, and no dose-limiting toxicity and no clinical or laboratory evidence of hemolytic anemia were observed throughout; (ii) lemzoparlimab PK appears to be linear at mid to high dose levels following a single dose with no significant "sink effect" and (iii) one confirmed Partial Response (PR) was observed in the 30 mg/kg monotherapy cohort (N=3), and this patient had failed prior treatments with checkpoint inhibitors. In September 2020, we received the NMPA approval for a Phase 1 clinical trial of lemzoparlimab in relapsed or refractory advanced lymphoma in China as part of the ongoing international multi-center trial. In addition, lemzoparlimab is being evaluated in a Phase 1/2a clinical trial in China in patients with relapsed or refractory acute myeloid leukemia (r/r AML) or myelodysplastic syndrome (MDS), and we anticipate reporting top-line results in early 2021. We have also entered into a clinical trial collaboration and supply agreement with Merck Sharp & Dohme Corp, or MSD, through a subsidiary, under which we will sponsor a Phase 1 clinical trial in the United States evaluating lemzoparlimab in combination with KEYTRUDA® (pembrolizumab), MSD's anti-PD-1 therapy, in patients with multiple types of solid tumors. In September 2020, we granted AbbVie a global license, excluding Mainland China, Hong Kong and Macau, to develop and commercialize lemzoparlimab (as well as certain other compounds directed against CD47), and we will retain all rights to develop and commercialize lemzoparlimab in Mainland China, Hong Kong and Macau.

- For uliledlimab (TJD5), a differentiated anti-CD73, we are conducting a Phase 1 clinical trial in the United States as a single agent and in combination with atezolizumab (TECENTRIQ®), a PD-L1 antibody marketed by Roche, in patients with advanced solid tumors. The preliminary data of this trial in the United States are expected by mid-2021. In China, we are conducting a Phase 1/2 clinical trial to evaluate uliledlimab in patients with advanced solid tumors. The first patient was dosed in May 2020. This Phase 1/2 study is a multicenter, open-label, dose escalation and cohort expansion study, which will evaluate safety, tolerability, pharmacokinetics, pharmacodynamics and efficacy of uliledlimab, and determine a recommended dose for further planned clinical studies of its efficacy and safety as a single agent and in combination with standard dose of toripalimab (TUOYI®) in patients with advanced or metastatic cancers who are refractory to or intolerant of all

available therapies; for the combination therapy. We have been able to accelerate the Phase 1/2 trial in China by leveraging data from the ongoing Phase 1 clinical study of ulileDlimab in the United States, which is a testament to our global clinical development capabilities and well-executed pipeline strategies.

- For plonmarlimab (TJM2), an anti-GM-CSF, we have completed a single-dose first-in-human study in healthy volunteers in the United States. It is the first antibody of its class entering clinical development in China. We dosed the first patient in a Phase 1b study of plonmarlimab in August 2020 in patients with rheumatoid arthritis (RA). We may expand plonmarlimab to other autoimmune and inflammatory indications with high unmet medical need, where GM-CSF is known as a pathogenic cytokine in disease activity and progression. If approved, plonmarlimab is expected to provide an effective treatment option as a disease-modifying anti-rheumatic drug ("DMARD") therapy. In addition, since the COVID-19 outbreak, we have sprung into action to prioritize plonmarlimab in response to the urgent medical needs. In May 2020, we announced preliminary results from part 1 of a clinical study in the United States of plonmarlimab in patients with cytokine release syndrome (CRS) associated with severe COVID-19, in which plonmarlimab was found to be well tolerated. We are currently conducting part 2 of this clinical trial to evaluate the efficacy, safety and cytokine levels following a single dose of 6 mg/kg plonmarlimab or placebo (standard care) in patients with severe COVID-19. We are currently in discussion with the FDA to finalize the plan for plonmarlimab in relation to clinical development and potential registration in the United States.

These two strategies and the resulting two portfolios complement each other. This enables us to achieve a balance among our ambition to develop novel or highly differentiated drugs, our goal to efficiently advance our pipeline assets towards commercialization and the inherent development risks. With this goal in mind, we are also aware that the intended novelty and key differentiation of our investigational drugs or drug candidates are subject to pivotal clinical validation and approval by the relevant regulatory authorities. There is no assurance that any such investigational drug or drug candidate will receive regulatory approval. See "Risk Factors" for a detailed description of the risks related to the development and commercialization of our drug candidates.

Our Capabilities

Our Innovative Discovery Expertise

Built by an elite group of seasoned immunologists with extensive academic research and drug development experience, our discovery engine has generated a panel of internally developed innovative drug molecules in a short span of five years. Among them, 12 innovative drug molecules have met our standard of novelty or high differentiation and have advanced toward further development. This achievement is a testament to our discovery team's acumen and technical prowess in translating target biology into points of innovation or differentiation.

The discovery of lemzoparlimab showcases our innovative research capabilities. Not settling on performing routine or traditional antibody screening, we set a specific goal to identify and select a unique CD47 antibody that is free from binding to red blood cells (RBC) from all CD47 antibody leads. As a result, we selected by design, our proprietary CD47 antibody (TJC4) with a rare epitope that spares binding to RBCs as a differentiation point from other CD47 antibodies that typically cause inherent hematologic side effects. The topline results of the recently completed Phase 1a dose escalation monotherapy trial in the United States have demonstrated the differentiated profile of lemzoparlimab in drug safety and favorable pharmacokinetics in cancer patients. The key findings include: (i) lemzoparlimab was well tolerated up to 30 mg/kg on a weekly basis without priming dosing strategy, and no dose-limiting toxicity and no clinical or laboratory evidence of

hemolytic anemia were observed throughout; (ii) lemzoparlimab PK appears to be linear at mid to high dose levels following a single dose with no significant "sink effect" and (iii) one confirmed Partial Response (PR) was observed in the 30 mg/kg cohort (N=3), and this patient had failed prior treatments with checkpoint inhibitors. Three patients achieved Stable Disease (SD). Therefore, we believe that lemzoparlimab, if approved, will be a potentially highly differentiated antitumor CD47 antibody with the advantage of minimizing hematologic side effects.

Another example of our R&D capability relates to our novel bi-specific antibody panel that represents a new wave of oncology drug candidates. We created novel biological properties of these bi-specific antibodies that are capable of enriching immune cells in tumors through dual targeting of PD-L1 and immune cells for a synergistic anti-tumor effect. These bi-specific drug candidates have been shown to exhibit unique properties that render tumors more responsive to treatment. Our discovery expertise, when combined with our "fit-for-purpose" antibody engineering technology platforms, becomes a powerful engine of innovation to create novel molecules.

Our Fit-for-Purpose Technology Platforms

Our proprietary antibody engineering platforms enable us to accurately capture the biological properties of bi-specific antibodies and retain good manufacturability and druggability of the molecules. To date, we have eight novel pre-clinical stage bi-specific drug molecules. In addition to our own bi-specific antibody platform, we partnered with ABL Bio and WuXi Biologics to access their antibody engineering platforms in order to increase the probability of success, as different molecular configurations require different technologies. Furthermore, our proprietary antibody-cytokine technology has enabled another form of bi-specific antibodies such as TJ-L1I7 and TJ-C4GM that link a tumor-engaging antibody with an immuno-modulatory cytokine. Superior to monoclonal antibodies or cytokines alone, this class of bi-specific antibodies has demonstrated unique properties of concentrating the drug molecules in tumors for a desired target effect with reduced systemic toxicity of cytokines or creating biologic synergy that can potentially translate into better treatment outcome.

Our Biomarker-Enabled Translational Medicine Capabilities

As we focus on developing innovative drug molecules, the ability to apply relevant biomarkers that link a drug response to treatment effects is critical for early-stage clinical trials of our investigational drugs. This translational medicine capability requires cross-functional knowledge and unique skills to link the target biology of an investigational drug to clinical responses. We have been developing tailor-made biomarkers for each of our investigational drugs, which are used to select potential responders, predict and measure target engagement, support dose determination and enable timely informed decisions on advancing our assets to the next phase of clinical development. For example, for the development of uliledlimab, we intend to use CD73 in tumor tissue in combination with other tumor biomarkers to stratify potential target patient populations in our clinical trial. To that end, we have developed assays to measure CD73 expression and activity in tumor tissues. Furthermore, we have developed specialized assays to measure uliledlimab drug concentrations in tumor tissues. By linking drug concentration with its activity in the same tumor location, these data help us determine appropriate dose selection for further clinical studies.

Our Clinical Development Capabilities

Our clinical development is led by a global team of clinical scientists, industry physicians and experts in portfolio management, quantitative science, clinical operations, drug safety and quality control. Our clinical team accounts for approximately 80% of our entire R&D organization's headcount and 80% of our budget allocation. The skillset of our clinical development team is highlighted by a combination of extensive global pharma, local drug development and operation experiences with clinical networks in China and the United States. The team is driven by high ethical standards, with passion for improving the lives of patients.

Our team has the ability to integrate internal core development functions to conduct global and local clinical trials. We also effectively leverage external resources, including clinical contract research organizations, academic clinical centers and/or networks, and global pharmaceutical or biotech partnerships. Furthermore, we have established and implemented a robust internal clinical governance system and processes to safeguard patient safety and data integrity. Our current clinical development functions and teams are strategically based in Shanghai, Beijing, and the United States to cover Phase 1 through Phase 3 clinical trials in China and early-stage clinical trials in the United States.

Our clinical development capabilities are best demonstrated by the rapid implementation of 11 clinical trials, including one completed trial in the United States and ten on-going Phase 1/2 or registration trials in the United States and China in the past three years. To ensure regulatory approval and subsequent product launch as currently planned, we strive to reach the following critical clinical milestones by the end of 2020: 11 active clinical programs consisting of two Phase 3 or registrational trials in China, three Phase 2 trials and six Phase 1/2 trials in the United States and China.

Our Global Strategic Collaborations

We have established an excellent track record of in-licensing and out-licensing deals with our global and regional partners. These in-licensing deals enable us to acquire multiple innovative clinical stage assets with favorable clinical data packages. We have quickly built our China Portfolio through in-licensing deals with global biotech partners, including MorphoSys, Genexine, MacroGenics and Ferring (as the sublicensee under our agreement with Ferring related to olamkicept). Over the past three years, we have established more than 10 global and regional partnerships with reputable pharma or biotech companies. Our partners selected us among many China-based companies with the belief that we are an ideal partner in China given our strength in science and drug development capability, our outstanding track record of execution demonstrated by rapidly progressing drug development programs in China and the United States, and our vision and network to tap into business opportunities and China's growing pharmaceutical market. For example, MorphoSys, MacroGenics and Genexine all stated that we are an ideal or the best partner in China in their press releases or public announcements. The out-licensing deals enable us to streamline our pipeline, focus our resources on the most valuable assets in the most desirable territories and build strategic alliances with leading global biopharmaceutical companies. In addition, we seek co-development opportunities to share development costs, risks and territorial commercial rights with our partners. In the past several years, we have out-licensed four assets and initiated multiple co-development programs with partners such as ABL Bio, MSD, Roche and Junshi and WuXi Biologics. The revenue from out-licensing and co-development deals is expected to continue to grow as our pipeline progresses.

Global Strategic Partnership with AbbVie

In September 2020, we, through I-Mab Biopharma Co., Ltd. and I-Mab Biopharma US Limited, each a wholly-owned subsidiary of our company, entered into a broad global strategic collaboration with AbbVie Ireland Unlimited Company ("AbbVie"), a leading global, research-based biopharmaceutical company. Pursuant to this collaboration, we grant AbbVie a global license, excluding Mainland China, Hong Kong and Macau, to develop and commercialize lemzoparlimab. We retain all rights to develop and commercialize lemzoparlimab (as well as certain other compounds directed against CD47) in Mainland China, Hong Kong and Macau. AbbVie will conduct further global clinical trials (which we may elect to co-fund) to evaluate lemzoparlimab in multiple cancers. This deal also allows for potential collaboration on future CD47-related therapeutic agents, including CD47-based bispecific antibodies and combination therapies with lemzoparlimab and AbbVie's venetoclax (Venclexta®). Each party will have the opportunity, subject to rights of first negotiation to further licenses, to explore certain of each other's related CD47-antibody programs in their respective territories. In addition, we and AbbVie will share manufacturing responsibilities, with AbbVie being the primary manufacturer for supply

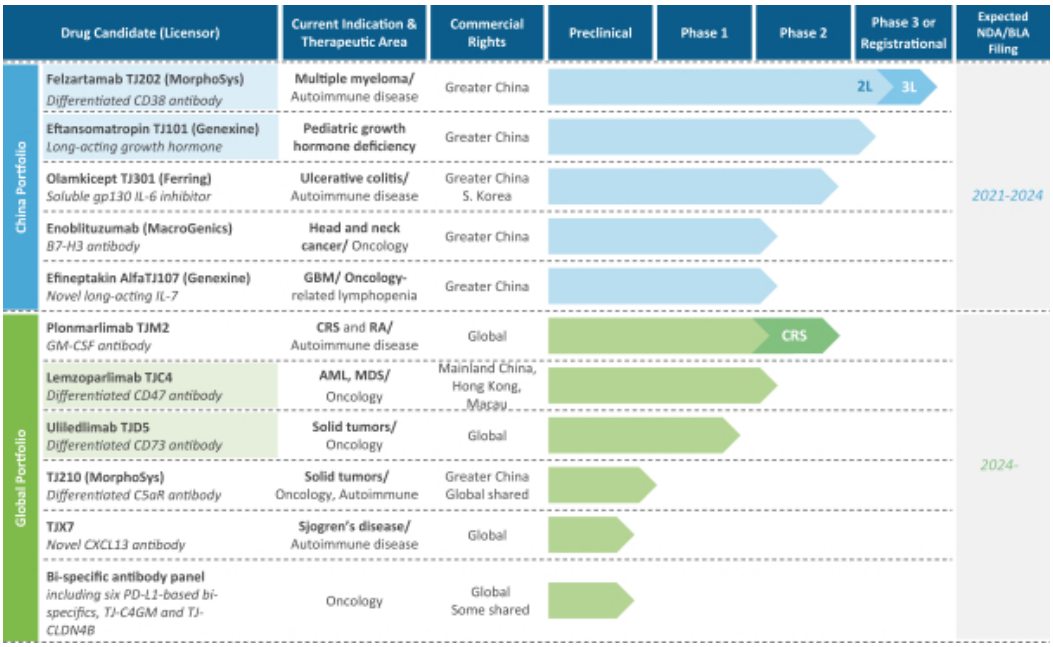
outside of Mainland China, Hong Kong and Macau and us being the primary manufacturer for supply in Mainland China, Hong Kong and Macau. We believe that this collaboration will accelerate the establishment of our commercial production operations in China.

Pursuant to this collaboration, AbbVie will pay us an upfront payment of US$180 million. Additionally, in connection with the recently released clinical data from the Phase 1 trial of lemzoparlimab in the United States, we expect to be paid a first milestone payment of US$20 million. We will also be eligible to receive up to US$1.74 billion in further success-based development, regulatory and sales milestone payments for lemzoparlimab, of which US$840 million are based on clinical development and regulatory approval milestones, with the remainder based on commercial milestones. Upon commercialization of lemzoparlimab, AbbVie will also pay tiered royalties from low double-digit percentages on global net sales outside of Mainland China, Hong Kong and Macau. In addition, AbbVie has a license and right of first negotiation to further develop and commercialize two additional lemzoparlimab-based bispecific antibodies discovered and currently being developed by us and we cannot commercialize products containing these two additional lemzoparlimab-based bispecific antibodies outside of Mainland China, Hong Kong and Macau even if AbbVie does not exercise its right of first negotiation or we are unable to come to financial terms on such products. The potential value of each such license is minimum US$500 million in upfront and milestone payments, for a combined total of no less than US$1 billion.

This strategic collaboration with AbbVie reinforces our internal research and development capabilities and our leading position in immuno-oncology and enables us to realize the full potential of our innovation. By leveraging the combined development strength of our company and AbbVie, we aim to speed lemzoparlimab to market for patients in need around the world.

Our Drug Pipeline

The chart below summarizes the development status of our drug pipeline.



Notes:

* (i) for felzartamab (TJ202), we are conducting two parallel registrational trials with felzartamab as a third-line monotherapy and as a second line combination therapy with lenalidomide, both in patients with multiple myeloma in Greater China. The recruitment progress for these two trials remains on track, and we expect to submit an NDA to the NMPA in 2021. In addition, we submitted an IND application to the NMPA in October 2019 for a Phase 1b trial for felzartamab in SLE; (ii) for eftansomatropin (TJ101), in September 2020, the NMPA approved our IND application for a registrational Phase 3 trial of eftansomatropin in pediatric growth hormone deficiency (PGHD). We expect to initiate this trial in the first quarter of 2021; (iii) for enoblituzumab, we expect to submit an IND application in 2021 for a Phase 2 trial; (iv) for efineptakin (TJ107), we have obtained regulatory clearance from the NMPA to initiate a phase 2 clinical trial in GBM patients with lymphopenia. We expect to initiate this trial in the fourth quarter of 2020; and (v) for olamkicept (TJ301), we are conducting an ongoing Phase 2 clinical trial in patients with active ulcerative colitis. The enrollment of this trial is complete and topline data are expected to be released by early 2021.

** We were collaborating with Everest Medicines Limited ("Everest") to co-develop and commercialize felzartamab in Greater China for all indications in hematologic oncology. Everest was primarily responsible for sharing with us, by the proportion of 75% for Everest and 25% for us, the development costs of felzartamab. On November 4, 2019, we and Everest terminated the collaboration agreement (including all the supplements and amendments thereto) with respect to the co-development and commercialization of felzartamab in Greater China. Upon the termination, Everest will not retain any rights or entitlements to develop or commercialize felzartamab or any economic interest in its commercialization. All intellectual property rights in respect of felzartamab arising from its development under the collaboration agreement are vested and owned by us, and we hold all intellectual property rights and have maximum flexibility to further develop, manufacture and commercialize felzartamab in Greater China. In consideration of the above arrangements, we issued a total value of US$37.0 million of ordinary shares (the "CPP Shares") to Everest, representing Everest's historical contribution to our collaboration and the associated time cost. The CPP Shares were issued concurrently with the completion of our initial public offering in January 2020, at a per share price equal to the initial public offering price adjusted to reflect the ADS-to-ordinary share ratio.

*** Our bi-specific antibody panel consists of (i) six PD-L1-based bi-specific antibodies, including TJ-L1C4 (PD-L1 × CD47), TJ-L1A3 (PD-L1 × LAG3), TJ-L1H3 (PD-L1 × B7-H3), TJ-L14B (PD-L1 × 4-1BB), TJ-L1T6 (PD-L1 × T1G1T) and TJ-L1I7 (anti-PD-L1 × IL-7 cytokine), (ii) TJ-C4GM (anti-CD47 × GM-CSF cytokine), and (iii) TJ-CLDN4B (Claudin 18.2 × 4-1BB).

Highlights of Our Fast-to-Market China Portfolio

Our fast-to-market China strategy is demonstrated by our China Portfolio, which consists of novel or highly differentiated investigational drugs. Felzartamab, efineptakin, enoblituzumab and eftansomatropin are the four anchor assets in our China Portfolio. While we have been diligently pursuing our fast-to-market China strategy, we are aware that there is no assurance that we will always be successful in commercializing any of our product candidates in our China Portfolio in an accelerated manner. See "Risk Factors" for a detailed description of the risks related to the development and commercialization of our drug candidates.

Felzartamab is a differentiated CD38 antibody originally developed by MorphoSys that meets the pre-set clinical safety and preliminary efficacy endpoints from a clinical trial conducted in the European Union (EU). In-licensed from MorphoSys, felzartamab is being developed to address the current unmet needs and commercial opportunities in China for multiple myeloma and potentially autoimmune diseases, such as SLE. We own an exclusive license to develop felzartamab in Greater China. We believe felzartamab, if approved, is potentially highly differentiated compared with the currently marketed CD38 antibody. First, under a similar pre-medication condition with dexamethasone, anti-pyretics and anti-histamines, felzartamab has demonstrated a

significantly shorter infusion time and lower infusion reaction rate. Second, unlike the currently marketed CD38 antibody, felzartamab does not down-regulate CD38 expression on the surface of bone marrow myeloma cells in vitro, maintaining sensitivity of myeloma cells to felzartamab for repeated treatments. We are conducting two parallel registrational trials with felzartamab as a third-line monotherapy and as a second line combination therapy with lenalidomide, both in patients with multiple myeloma in Greater China. The recruitment progress for these two trials remains on track. We aim to submit an NDA for felzartamab as a third-line monotherapy in 2021, followed by another NDA submission for felzartamab as a second-line combination therapy. Moreover, we believe felzartamab has great market potential in the treatment of pathogenic antibody-mediated autoimmune diseases, such as SLE, where there is a significant unmet need for more effective therapies. Additionally, we submitted an IND application to the NMPA in October 2019 for a Phase 1b trial for felzartamab in SLE.

Efineptakin is the first long-acting recombinant human IL-7 known to boost cancer-fighting T lymphocytes by increasing their number and function and is being developed as a potential oncology investigational drug. The clinical safety and effect of efineptakin on T cells have been investigated in multiple previous and ongoing clinical trials in South Korea and the United States. Efineptakin is being positioned to address a huge unmet medical need in oncology. First, efineptakin can be an oncology-care agent to treat cancer treatment-related lymphopenia (low blood lymphocyte levels), a common condition that occurs in cancer patients who have received chemotherapy or radiation therapy, and there is no approved treatment for this condition. This condition causes further damage to patients' already compromised immune system and weakens its ability to fight cancers. Second, efineptakin has been shown to synergize with a PD-1 antibody in a tumor animal model potentially through increased T lymphocyte activation and proliferation. In May 2020, we obtained regulatory clearance from the NMPA to initiate a phase 2 clinical trial with efineptakin in GBM patients with lymphopenia. We expect to initiate this trial in the fourth quarter of 2020. We are coordinating our study globally with Genexine, which is conducting a Phase 2 clinical trial in South Korea and parallel clinical trials in the United States towards clinical PoC.

Enoblituzumab is a humanized antibody directed at B7-H3, a member of the B7 family of T cell checkpoint regulators that is widely expressed across multiple tumor types and plays a key role in the regulation of immune response against cancers. Similar to other inhibitors of the B7 family such as PD-L1, targeting B7-H3 potentially provides a treatment option for a variety of cancers expressing B7-H3. Enoblituzumab was originally developed by MacroGenics, and we own the Greater China rights of this investigational drug. In multiple clinical trials conducted by MacroGenics, when combined with pembrolizumab in recurrent or metastatic squamous cell carcinoma of the head and neck ("SCCHN") and non-small cell lung cancer ("NSCLC"), enoblituzumab has shown favorable clinical results that warrant further investigation. In the first quarter of 2021, MacroGenics expects to initiate a Phase 2 study of enoblituzumab in a chemo-free regimen in combination with either retifanlimab (an investigational PD-1 antibody) in front-line patients with SCCHN who are PD-L1 positive or with tebotelimab (an investigational PD-1 x LAG-3 bispecific DART® antibody) in SCCHN patients who are PD-L1 negative. We expect to participate in any subsequent Phase 3 global study if and when initiated. In addition, considering the dynamic regulatory environment and evolving clinical practice, we have been continually refining the development of enoblituzumab in our territory. Further clinical development may be planned together with MacroGenics to extend to other cancer indications in China and/or globally.

Eftansomatropin is a potentially highly differentiated long-acting human growth hormone that is being developed as a weekly treatment for pediatric growth hormone deficiency as compared to currently available daily regimens of recombinant human growth hormone ("rhGH"). Eftansomatropin was originally developed by Genexine, and we own the Greater China rights of this product, which has the potential to address an important clinical need and to cover a significant market gap in pediatric growth hormone deficiency. In a previous Phase 2 trial conducted by Genexine in South Korea and the EU, both weekly and bi-weekly administration of Eftansomatropin demonstrated similar therapeutic effects to daily injection of Genotropin, a short-acting rhGH.

In September 2020, the NMPA approved our IND application for a registrational Phase 3 trial of eftansomatropin in pediatric growth hormone deficiency (PGHD). We expect to initiate this trial in the first quarter of 2021.

Highlights of Our Fast-to-PoC Global Portfolio

Our fast-to-PoC global strategy is demonstrated by our Global Portfolio, which mainly consists of our internally developed novel or differentiated biologics. Our Global Portfolio focuses on two molecular classes— monoclonal antibodies and bi-specific antibodies. While we have been diligently pursuing our fast-to-PoC global strategy, we are aware that there is no assurance that we will always be successful in achieving PoC or pivotal development milestones for any of our product candidates in our Global Portfolio in an accelerated manner. See "Risk Factors" for a detailed description of the risks related to the development and commercialization of our drug candidates.

Monoclonal antibodies—Among the five monoclonal antibody drug candidates, lemzoparlimab (TJC4), uliledlimab (TJD5) and plonmarlimab (TJM2) are in clinical development.

Lemzoparlimab is an internally discovered, fully human monoclonal antibody targeting CD47, which is one of the most promising immuno-oncology targets after PD-1/PD-L1. Blocking CD47 activates tumor-engulfing macrophages, a component of the innate immune system as an important cancer-fighting mechanism. CD47 antibodies are being actively pursued in clinical trials by a few global companies. However, current development efforts on CD47 antibody drugs are hampered by hematologic side effects (such as anemia) due to binding to human RBCs. For example, at least two clinical trials conducted by other companies have been suspended. Unlike competitor investigational drugs, lemzoparlimab is a rare antibody originally selected, by design, to purposefully avoid or minimize binding to RBCs while maintaining a high antibody affinity and tumor killing properties. Lemzoparlimab's unique property of minimal RBC binding and no significant hematologic changes has been extensively validated in a whole series of robust in vitro assays and non-human primate studies. In a GLP toxicology study involving 40 monkeys, no hematologic side-effects were seen even with repeated injections of 100 mg/kg doses. This unique property may enable lemzoparlimab to be used safely in a broader patient population to explore its treatment potential in cancers, differentiating it from other clinical stage lemzoparlimab investigational antibody drugs. Notably, the topline results of the recently completed Phase 1a dose escalation monotherapy trial in the United States have demonstrated the differentiated profile of lemzoparlimab in drug safety and favorable pharmacokinetics in cancer patients. The key findings include: (i) lemzoparlimab was well tolerated up to 30 mg/kg on a weekly basis without priming dosing strategy, and no dose-limiting toxicity and no clinical or laboratory evidence of hemolytic anemia were observed throughout; (ii) lemzoparlimab PK appears to be linear at mid to high dose levels following a single dose with no significant "sink effect" and (iii) one confirmed Partial Response (PR) was observed in the 30 mg/kg cohort (N=3), and this patient had failed prior treatments with checkpoint inhibitors. Three patients achieved Stable Disease (SD). Therefore, we believe that lemzoparlimab, if approved, will be a potentially highly differentiated anti-tumor CD47 antibody with the advantage of minimizing hematologic side effects. In September 2020, we received the NMPA approval for a Phase 1 clinical trial of lemzoparlimab in relapsed or refractory advanced lymphoma in China as part of the ongoing international multi-center trial. In addition, lemzoparlimab is being evaluated in a Phase 1/2a clinical trial in China in patients with relapsed or refractory acute myeloid leukemia (r/r AML) or myelodysplastic syndrome (MDS), and we anticipate reporting top-line results in early 2021. We have also entered into a clinical trial collaboration and supply agreement with Merck Sharp & Dohme Corp, or MSD, through a subsidiary, under which we will sponsor a Phase 1 clinical trial in the United States evaluating lemzoparlimab in combination with KEYTRUDA® (pembrolizumab), MSD's anti-PD-1 therapy, in patients with multiple types of solid tumors. In September 2020, we granted AbbVie a global license, excluding Mainland China, Hong Kong and Macau, to develop and commercialize lemzoparlimab (as well as certain other

compounds directed against CD47), and we will retain all rights to develop and commercialize lemzoparlimab in Mainland China, Hong Kong and Macau.

Ulilediimab is an internally developed, humanized inhibitory antibody against human CD73. CD73 is a homodimeric enzyme expressed in tumors and plays a critical role in suppressing immune cells in tumor micro-environment. Ulilediimab displays sub-nanomolar binding affinity to CD73 and inhibits its nucleotidase activity. In vitro, ulilediimab completely reversed the AMP- or tumor cell-mediated suppression of T cells. In vivo, when combined with a PD-L1 antibody, ulilediimab exhibited a superior or synergistic inhibitory effect on tumor growth. The key differentiation of ulilediimab when compared to some of the other clinical stage antibodies of the same class, is related to its novel epitope, which works through a unique intra-dimer binding mode, resulting in a complete inhibition of the enzymatic activity and avoiding the aberrant pharmacological property known as the "hook effect." With this particular mode of action, ulilediimab, if approved, has the potential to become a highly differentiated CD73 antibody. In the United States, ulilediimab is in a Phase 1 clinical trial as a single agent and in combination with atezolizumab (TECENTRIQ®), a PD-L1 antibody marketed by Roche, in patients with advanced solid tumors. Twenty patients have been enrolled and nineteen of them have been dosed so far. The preliminary data of this trial in the United States are expected by mid-2021. In China, we are conducting a Phase 1/2 clinical trial in China to evaluate ulilediimab in patients with advanced solid tumors. The first patient was dosed in May 2020. This Phase 1/2 study is a multicenter, open-label, dose escalation and cohort expansion study, which will evaluate safety, tolerability, pharmacokinetics, pharmacodynamics and efficacy of ulilediimab, and determine a recommended dose for further planned clinical studies of its efficacy and safety as a single agent and in combination with standard dose of toripalimab (TUOYI®) in patients with advanced or metastatic cancers who are refractory to or intolerant of all available therapies. We have been able to accelerate the Phase 1/2 trial in China by leveraging data from the ongoing Phase 1 clinical study of ulilediimab in the United States, which is a testament to our global clinical development capabilities and well-executed pipeline strategies.

Plonmarlimab is an internally discovered neutralizing antibody against human granulocyte-macrophage colony-stimulating factor ("GM-CSF"), an important cytokine that plays a critical role in chronic inflammation and destruction in autoimmune diseases such as rheumatoid arthritis ("RA"). Plonmarlimab is a humanized IgG1 that displays high affinity binding to GM-CSF and blocks its signaling and downstream effects. Plonmarlimab is being developed for the treatment of autoimmune and inflammatory diseases, including RA and cytokine release syndrome ("CRS"). We have completed a single-dose first-in-human study in healthy volunteers in the United States. In China, plonmarlimab is the first antibody of its class entering clinical development. We dosed the first patient in a Phase 1b study of plonmarlimab in August 2020 in patients with rheumatoid arthritis (RA) in China. We may expand plonmarlimab to other autoimmune and inflammatory indications with high unmet medical need, where GM-CSF is known as a pathogenic cytokine in disease activity and progression. If approved, plonmarlimab is expected to provide an effective treatment option as a disease-modifying anti-rheumatic drug ("DMARD") therapy. In addition, since the COVID-19 outbreak, we have sprung into action to prioritize plonmarlimab in response to the urgent medical needs. In May 2020, we announced preliminary results from part 1 of a clinical study in the United States of plonmarlimab in patients with cytokine release syndrome (CRS) associated with severe COVID-19, in which plonmarlimab was found to be well tolerated. We are currently conducting part 2 of this clinical trial to evaluate the efficacy, safety and cytokine levels following a single dose of 6 mg/kg plonmarlimab or placebo (standard care) in patients with severe COVID-19. We are currently in discussion with the FDA to finalize the plan for plonmarlimab in relation to clinical development and potential registration in the United States.

TJ210 is a novel monoclonal antibody directed at C5aR for cancers through a partnership with MorphoSys. In September 2020, the FDA has cleared the IND application for TJ210 to initiate a Phase 1 clinical trial. The trial is designed to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of TJ210 and is expected to commence by early 2021. We plan to work jointly with MorphoSys to develop this asset.

Bi-specific antibody panel—This novel antibody class represents an emerging and fast-moving area of new drug discovery. Bi-specific antibodies are typically constructed to have a dual specificity of two selected antibodies or combined properties of an antibody linked with a cytokine, previously called an immuno-cytokine. However, despite the recent success of checkpoint inhibitors, clinical efficacy of these drugs has been unsatisfactory. It is estimated that over 60% of cancer patients, including those with melanoma, renal cell cancer, colorectal cancer, non-small cell lung cancer, urothelial cancer and head and neck squamous cell carcinoma, do not respond to PD-1/PD-L1 monotherapies. In addition, some patients develop resistance after initial treatment with these therapies. As a result, the standard of care today leaves many cancer patients underserved. There is consensus among cancer immunologists that tumors that do not respond to PD-1/PD-L1 treatment have poor immunologic features, such as an absence or paucity of tumor-fighting immune cells or the presence of dysfunctional immune cells within the tumors, collectively known as "cold tumors." We believe that PD-1/PD-L1 non-responders can be better treated with novel bi-specific antibodies. The unique and superior properties of these bi-specific antibodies over PD-L1 inhibitors alone stem from a second targeting component attached to the PD-L1 antibody moiety of the bi-specific molecules, thereby enabling them to elicit a sufficient immune response and converting a "cold tumor" to an immune-active "hot tumor." Such unique properties of bi-specific antibodies cannot be substituted by a combination of the PD-L1 antibody with a selected second component (either cytokine or antibody) in a free form. The underlying mechanism is such that the second component must be structurally integrated with the tumor-engaging PD-L1 antibody in order to concentrate and function inside the tumor, which cannot be readily achieved by the two free agents used in combination.

We have successfully generated a panel of bi-specific antibodies in which our proprietary PD-L1 antibody acts as the backbone (the first signal) and is linked with various second components (the second signal), including, but not limited to, a 4-1BB agonist antibody (TJ-L14B), a B7-H3 antibody (TJ-L1H3), a CD47 antibody (TJ-L1C4) and an IL-7 cytokine (TJ-L1I7), which are shown to work with the PD-L1 backbone in various assays and cancer animal models. This unique panel of bi-specific antibodies is only made possible by our proprietary and partnered antibody engineering technologies and the availability of our proprietary monoclonal antibodies. Furthermore, we have generated two other bi-specific antibodies (TJ-C4GM and TJ-CLDN4B) that are tailor-made to function as novel fortified antibodies by linking lemzoparlimab with an engineered GM-CSF cytokine for the treatment of solid tumors and by linking our Claudin 18.2 antibody with a 4-1BB antibody as a unique gastric cancer treatment agent that only activates T cells conditionally upon tumor engagement. All bi-specific antibodies have been validated in a series of robust in vitro and in vivo studies for biology proof-of-concept, providing a solid basis for clinical validation in cancer patients.

Our Strategies

We plan to achieve our goal by pursuing the following strategies:

- Rapidly advance our China Portfolio towards commercialization.
- Expand our research and development capabilities and footprint in the United States to advance our Global Portfolio.
- Build our manufacturing capabilities.
- Maximize the value of our pipeline.

Summary of Risk Factors

Investing in our ordinary shares or ADSs involves significant risks. You should carefully consider all of the information in this prospectus before making an investment in our ordinary shares or ADSs. Below please

find a summary of the principal risks we face, organized under relevant headings. These risks are discussed more fully in the section titled "Risk factors."

Risks Related to Our Financial Position and Need for Additional Capital

Risks and uncertainties related to our financial position and need for additional capital include, but are not limited to, the following:

- We have a limited operating history, which may make it difficult to evaluate our current business and predict our future performance; and
- We recorded net cash outflow from operating activities since inception, and we may need to obtain additional financing to fund our operations, otherwise we may be unable to complete the development and commercialization of our major drug candidates.

Risks Related to Clinical Development, Obtaining Regulatory Approval and Commercialization of Our Drug Candidates and Our Reliance on Third Parties

Risks and uncertainties related to clinical development, obtaining regulatory approval and commercialization of our drug candidates include, but are not limited to, the following:

- Clinical development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results;
- We depend substantially on the success of our drug candidates, all of which are in pre-clinical or clinical development, and our ability to identify additional drug candidates. If we are unable to identify new drug candidates, complete clinical development, obtain regulatory approval and commercialize our drug candidates, or experience significant delays in doing so, our business will be materially harmed;
- We may not be able to identify, discover or in-license new drug candidates, and may allocate our limited resources to pursue a particular drug candidate or indication and fail to capitalize on drug candidates or indications that may later prove to be more profitable, or for which there is a greater likelihood of success;
- The regulatory approval processes of the NMPA, the FDA and other comparable regulatory authorities are time-consuming and may evolve overtime, and if we are ultimately unable to obtain regulatory approval for our drug candidates, our business will be substantially harmed;
- Our drug candidates may fail to achieve the degree of market acceptance by physicians, patients, third-party payors and others in the medical community necessary for commercial success;
- We face intense competition and rapid technological change and the possibility that our competitors may develop therapies that are similar, more advanced, or more effective than ours, which may adversely affect our financial condition and our ability to successfully commercialize our drug candidates; and
- As we rely on third parties to conduct our pre-clinical studies and clinical trials, if we lose our relationships with these third parties or if they do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our drug candidates and our business could be substantially harmed.

Risks Related to Our Intellectual Property

Risks and uncertainties related to our intellectual property include, but are not limited to, the following:

- If we are unable to obtain and maintain patent and other intellectual property protection for our drug candidates, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties could develop and commercialize products and technologies similar or identical to ours and compete directly against us, adversely affecting our ability to successfully commercialize any product or technology;
- We enjoy only limited geographical protection with respect to certain patents and may not be able to protect our intellectual property rights throughout the world, including in the PRC; and
- We have identified two material weaknesses in our internal controls, and if we fail to implement and maintain an effective system of internal controls to remediate our material weaknesses over financial reporting, we may be unable to accurately report our results of operations, meet our reporting obligations or prevent fraud.

Risks Related to Our Industry, Business and Operations and Doing Business in China

We are also subject to risks and uncertainties related to our industry, business and operations, and doing business in China in general, including, but not limited to, the following:

- Our future success depends on our ability to attract, retain and motivate senior management and qualified scientific employees;
- Our business and results of operations could be adversely affected by public health crisis (including the COVID-19 global pandemic) and natural catastrophes or other disasters outside of our control in the locations in which we, our suppliers, CROs, CMOs and other contractors operate;
- The adoption of any rules, legislations or other efforts to increase U.S. regulatory access to audit information could cause uncertainty and we could be delisted if we are unable to meet the PCAOB inspection requirement in time;
- Changes in international trade policies and rising political tensions, particularly between the United States and China, may adversely impact our business and operating results; and
- Changes in the political and economic policies of the PRC government may materially and adversely affect our business, financial condition and results of operations and may result in our inability to sustain our growth and expansion strategies.

General Risks Related to Our ADSs and the Offering

In addition to the risks described above, we are subject to general risks related to the ADSs, including, but not limited to, the following:

- The trading price of our ADSs may be volatile;
- Because we do not expect to pay dividends in the foreseeable future, you must rely on price appreciation of our ADSs for return on your investment; and

- The voting rights of holders of ADSs are limited by the terms of the deposit agreement, and you may not be able to exercise the same rights as our shareholders.

Corporate History and Structure

We commenced our operations in November 2014, when our predecessor Third Venture Biopharma (Nanjing) Co., Ltd ("Third Venture") was established.

I-Mab was established in June 2016 under the laws of the Cayman Islands as our offshore holding company. In July 2016, I-Mab established I-Mab Biopharma Hong Kong Limited ("I-Mab Hong Kong"), as its intermediary holding company. In August 2016, I-Mab Hong Kong established a wholly-owned PRC subsidiary, I-Mab Biopharma Co., Ltd. ("I-Mab Shanghai"). In September 2016, the assets and operations of Third Venture were consolidated into I-Mab Shanghai.

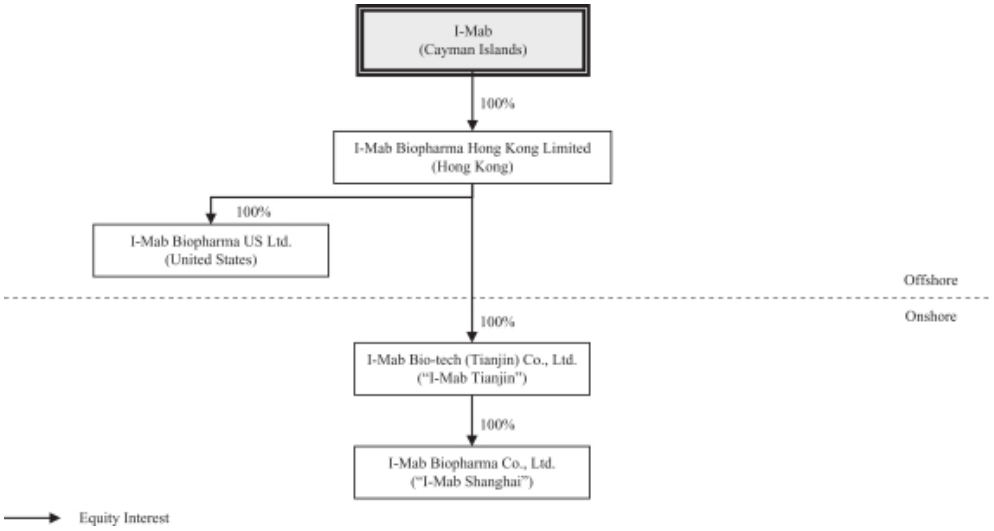
In July 2017, I-Mab Hong Kong acquired a controlling interest in I-Mab Bio-tech (Tianjin) Co., Ltd. ("I-Mab Tianjin"), formerly known as Tasgen Bio-tech (Tianjin) Co., Ltd., a company focused on CMC management of biologics in China. Through an internal corporate restructuring, I-Mab Tianjin became the 100% owner of I-Mab Shanghai in September 2017 and I-Mab Hong Kong acquired the remaining interest in I-Mab Tianjin in May 2018, becoming the 100% owner of I-Mab Tianjin.

In February 2018, I-Mab Hong Kong established in Maryland, United States, a wholly-owned subsidiary I-Mab Biopharma US Limited ("I-Mab US"), as the hub for the discovery and development of the drug candidates in our Global Portfolio.

On January 17, 2020, our ADSs commenced trading on the Nasdaq Global Market under the symbol "IMAB." We raised from our initial public offering approximately US$103.7 million in net proceeds, after the underwriters exercise in part their over-allotment option to purchase additional ADSs.

In June 2019, with intention to build a comprehensive biologics manufacturing facility as part of our strategic plan to become a fully integrated biopharma company, I-Mab Hong Kong established I-Mab Biopharma (Hangzhou) Co. Ltd ("I-Mab Hangzhou") in Hangzhou, China. I-Mab Hangzhou targets to have a pilot capacity of 2 x 2,000L by the end of 2021 and commercially progressive capacity up to 8 x 2,000L to begin operation by the end of 2023. In September 2020, a group of domestic investors in China invested a total of US$120 million (in RMB equivalent) in cash. We and parties acting in concert remain the majority shareholder of I-Mab Hangzhou, retain a managing role and take full control to build and operate the manufacturing facility.

The following diagram illustrates our corporate structure, including our principal subsidiaries, as of the date of this prospectus:



Implication of Being an Emerging Growth Company

As a company with less than US$1.07 billion in revenue for our last fiscal year, we qualify as an "emerging growth company" pursuant to the Jumpstart Our Business Startups Act of 2012, as amended (the "JOBS Act"). An emerging growth company may take advantage of specified reduced reporting and other requirements compared to those that are otherwise applicable generally to public companies. These provisions include an exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002 in the assessment of the emerging growth company's internal control over financial reporting. The JOBS Act also provides that an emerging growth company does not need to comply with any new or revised financial accounting standards until such date that a private company is otherwise required to comply with such new or revised accounting standards. However, we have elected to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted for public companies. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

We will remain an emerging growth company until the earliest of (a) the last day of the fiscal year during which we have total annual gross revenues of at least US$1.07 billion; (b) the last day of our fiscal year following the fifth anniversary of the completion of our initial public offering; (c) the date on which we have, during the preceding three-year period, issued more than US$1.0 billion in non-convertible debt; or (d) the date on which we are deemed to be a "large accelerated filer" under the United States Securities Exchange Act of 1934, as amended, (the "Exchange Act"), which would occur if the market value of our ADSs that are held by non-affiliates exceeds US$700 million as of the last business day of our most recently completed second fiscal quarter. Once we cease to be an emerging growth company, we will not be entitled to the exemptions provided in the JOBS Act discussed above.

Corporate Information

Our principal executive offices are located at Suite 802, West Tower, OmniVision, 88 Shangke Road, Pudong District, Shanghai, People's Republic of China. Our telephone number at this address is +86 21-60578000. Our registered office in the Cayman Islands is located at Vistra (Cayman) Limited, P.O. Box 31119 Grand Pavilion, Hibiscus Way, 802 West Bay Road, Grand Cayman, KY1-1205, Cayman Islands. Our agent for service of process in the United States is Cogency Global Inc., located at 122 East 42nd Street, 18th Floor, New York, NY 10168.

Investors should submit any inquiries to the address or through the telephone number of our principal executive offices. Our main website is http://www.i-mabbiopharma.com/en/. The information contained on our website is not a part of this prospectus.

Conventions that Apply to this Prospectus

Unless otherwise indicated or the context otherwise requires, and for purposes of this prospectus only:

- "ADRs" refer to the American depositary receipts that evidence our ADSs;
- "ADSs" refer to our American depositary shares, each ten (10) ADSs represent twenty-three (23) ordinary shares;
- "China" or "the PRC" refers to the People's Republic of China, excluding, for the purposes of this prospectus only, Hong Kong, Macau and Taiwan, and "Greater China" does not exclude Hong Kong, Macau and Taiwan;
- "China Portfolio" refers to our investigational drugs of which we in-license Greater China rights from reputable global biopharmaceutical companies and rely on our own research and development capabilities to advance into pivotal clinical trials and commercialize in Greater China with an aim for near-term product launch;
- "Global Portfolio" refers to our own proprietary novel or differentiated drug candidates that we are advancing towards clinical validation in the United States;
- "I-Mab," "we," "us," "our company" and "our" refer to I-Mab, a Cayman Islands exempted company, and its subsidiaries;
- "RMB" refers to the legal currency of China;
- "shares" or "ordinary shares" refer to our ordinary shares, par value US$0.0001 per share; and
- "US$," "U.S. dollars," "$," and "dollars" refer to the legal currency of the United States.

Our reporting currency is RMB. This prospectus also contains translations of certain foreign currency amounts into U.S. dollars for the convenience of the reader. Unless otherwise stated, all translations from RMB to U.S. dollars were made at a rate of RMB7.0651 to US$1.00, the exchange rate in effect as of June 30, 2020 as set forth in the H.10 statistical release of the Board of Governors of the Federal Reserve System. We make no representation that any RMB or U.S. dollar amounts referred to in this prospectus could have been or could be converted into U.S. dollars or RMB, as the case may be, at any particular rate, or at all. On November 25, 2020, the noon buying rate for RMB was RMB6.5750 to US$1.00.

THE OFFERING	
Ordinary shares offered by the selling shareholders	Up to 25,123,751 ordinary shares, including ordinary shares represented by ADSs.
The ADSs	Each ten (10) ADSs represent twenty-three (23) ordinary shares, par value US$0.0001 per share. The depositary or its nominee will hold ordinary shares underlying your ADSs. You will have rights as provided in the deposit agreement among us, the depositary and all holders and beneficial owners of ADSs issued thereunder. We do not expect to pay dividends in the foreseeable future. If, however, we declare dividends on our ordinary shares, the depositary will pay you the cash dividends and other distributions it receives on our ordinary shares after deducting its fees and expenses in accordance with the terms set forth in the deposit agreement. You may surrender your ADSs to the depositary in exchange for ordinary shares. The depositary will charge you fees for any such exchange. We may amend or terminate the deposit agreement without your consent. If you continue to hold your ADSs after an amendment to the deposit agreement, you agree to be bound by the deposit agreement as amended. To better understand the terms of the ADSs, you should carefully read the “Description of American Depositary Shares” section of this prospectus. You should also read the deposit agreement, which is filed as an exhibit to the registration statement that includes this prospectus.
Use of proceeds	We will not receive any of the proceeds from the sale of our ordinary shares or ADSs by the selling shareholders.
Lock-up	Gaoling Fund, L.P. and YHG Investment, L.P (both controlled by Hillhouse) (collectively “the Hillhouse Entities”), is subject to certain lock-up obligations pursuant to the subscription agreement with us. Each of the Hillhouse Entities shall not dispose of any of the ordinary shares purchased by Hillhouse Entities on September 11, 2020 or a subsequent closing date within a 90-day period following September 11, 2020 or a subsequent closing date set forth in the subscription agreement to any person other than affiliates of the Hillhouse Entities, who shall be bound by the Hillhouse Entities’ lock-up obligations for the balance of each applicable lock-up period. Each of the Hillhouse Entities and their affiliates may directly or indirectly, place any charge, mortgage, lien, pledge, restrictions,

	security interest or other encumbrance in respect of the lock-up securities in connection with such Hillhouse Entity's (or any of its affiliates') margin loans, collars, derivative transactions or other such downside protection transactions to be entered into on or after the date of the subscription agreement. See "Shares Eligible for Future Sale—Lock-up Agreements" and Exhibit 10.15 to this registration statement on Form F-1 for more information on the related lock-up obligations.
Listing	Our ADSs are listed on the Nasdaq Global Market under the symbol "IMAB." Our ADSs and shares are not listed on any other stock exchange or traded on any automated quotation system.
Depositary	Citibank, N.A.

SUMMARY CONSOLIDATED FINANCIAL DATA

The following summary consolidated statements of comprehensive loss data for the years ended December 31, 2017, 2018 and 2019, summary consolidated statements of balance sheet data as of December 31, 2017, 2018 and 2019 and summary consolidated statements of cash flow data for the years ended December 31, 2017, 2018 and 2019 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. The following summary consolidated statements of comprehensive loss data for the six months ended June 30, 2019 and 2020, summary consolidated balance sheet data as of June 30, 2020 and summary consolidated statements of cash flow data for the six months ended June 30, 2019 and 2020 are derived from our unaudited interim condensed consolidated financial statements included elsewhere in this prospectus. Our consolidated financial statements are prepared and presented in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Our historical results are not necessarily indicative of results expected for future periods. You should read this Summary Consolidated Financial Data section together with our consolidated financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus.

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$	RMB	RMB	US$
	(in thousands, except for share and per share data)						
Summary Consolidated Statements of Comprehensive Loss Data:							
Revenues							
Licensing and collaboration revenue	11,556	53,781	30,000	4,246	15,000	—	—
Expenses							
Research and development expenses(1)	(267,075)	(426,028)	(840,415)	(118,953)	(265,084)	(442,291)	(62,602)
Administrative expenses(1)	(25,436)	(66,391)	(654,553)	(92,646)	(574,584)	(171,384)	(24,258)
Loss from operations	**(280,955)**	**(438,638)**	**(1,464,968)**	**(207,353)**	**(824,668)**	**(613,675)**	**(86,860)**
Interest income	858	4,597	30,570	4,327	12,818	18,955	2,683
Interest expense	(5,643)	(11,695)	(2,991)	(423)	(1,936)	(957)	(135)
Other income (expenses), net	1,527	(16,780)	(20,205)	(2,860)	303	12,824	1,815
Fair value change of warrants	(14,027)	61,405	5,644	799	(43,854)	—	—
Loss before income tax expense	**(298,240)**	**(401,111)**	**(1,451,950)**	**(205,510)**	**(857,337)**	**(582,853)**	**(82,497)**
Income tax expense	—	(1,722)	—	—	—	—	—
Net loss attributable to I-Mab	**(298,240)**	**(402,833)**	**(1,451,950)**	**(205,510)**	**(857,337)**	**(582,853)**	**(82,497)**
Deemed dividend to Series C-1 preferred shareholders at extinguishment of Series C-1 Preferred Shares	—	—	(5,283)	(748)	—	—	—
Deemed dividend to Series B-1, B-2 and C preferred shareholders at modification of Series B-1, B-2 and C Preferred Shares	—	—	(27,768)	(3,930)	—	—	—
Net loss attributable to ordinary shareholders	**(298,240)**	**(402,833)**	**(1,485,001)**	**(210,188)**	**(857,337)**	**(582,853)**	**(82,497)**
Other comprehensive income							
Foreign currency translation adjustments, net of nil tax	5,918	53,689	10,747	1,521	(4,972)	34,726	4,915
Total comprehensive loss attributable to I-Mab	**(292,322)**	**(349,144)**	**(1,441,203)**	**(203,989)**	**(862,309)**	**(548,127)**	**(77,582)**
Net loss attributable to ordinary shareholders	**(298,240)**	**(402,833)**	**(1,485,001)**	**(210,188)**	**(857,337)**	**(582,853)**	**(82,497)**
Weighted-average number of ordinary shares used in calculating net loss per shares							
Basic and diluted	5,742,669	6,529,092	7,381,230	7,381,230	7,184,086	121,815,986	121,815,986
Net loss per share attributable to ordinary shareholders							
Basic	(51.93)	(61.70)	(201.19)	(28.48)	(119.34)	(4.78)	(0.68)
Diluted	(51.93)	(61.70)	(201.19)	(28.48)	(119.34)	(4.78)	(0.68)

Note:

(1) Share-based compensation expenses were allocated as follows:

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$	RMB	RMB	US$
	(in thousands)						
Research and Development expenses	2,112	1,056	470	67	308	132,724	18,786
Administrative expenses	4,927	2,464	514,733	72,856	514,356	97,071	13,739
Total	**7,039**	**3,520**	**515,203**	**72,922**	**514,664**	**229,795**	**32,525**

The following table presents our summary consolidated balance sheet data as of December 31, 2017, 2018 and 2019 and June 30, 2020:

	As of December 31,				As of June 30,	
	2017	2018	2019		2020	
	RMB	RMB	RMB	US$	RMB	US$
			(in thousands)			
Summary Consolidated Statements of Balance Sheet Data:						
Current assets:						
Cash and cash equivalents	307,930	1,588,278	1,137,473	160,999	1,560,031	220,808
Restricted cash	104,783	92,653	55,810	7,899	—	—
Contract assets	—	11,000	—	—	—	—
Short-term investments	—	—	32,000	4,529	1,926	273
Prepayments and other receivables	12,633	88,972	136,036	19,255	131,130	18,560
Other financial assets	266,245	255,958	—	—	—	—
Total current assets	691,591	2,036,861	1,361,319	192,682	1,693,087	239,641
Property, equipment and software	22,336	27,659	30,069	4,256	26,625	3,769
Operating lease right-of-use assets	—	—	16,435	2,326	17,592	2,490
Intangible assets	148,844	148,844	148,844	21,068	148,844	21,068
Goodwill	162,574	162,574	162,574	23,011	162,574	23,011
Other non-current assets	—	—	18,331	2,594	—	—
Total assets	**1,025,345**	**2,375,938**	**1,737,572**	**245,937**	**2,048,722**	**289,979**
Total liabilities	**309,151**	**415,684**	**668,090**	**94,561**	**344,846**	**48,811**
Total mezzanine equity	**1,015,989**	**2,915,358**	**3,104,177**	**439,368**	**—**	**—**
Shareholders' equity (deficit)						
Ordinary shares (US$0.0001 par value, 500,000,000 shares authorized as of December 31, 2018 and 2019 and 800,000,000 shares authorized as of June 30, 2020, respectively; 8,363,719 shares issued and outstanding as of December 31, 2018 and 2019 and 133,006,644 shares issued and outstanding June 30, 2020, respectively)	6	6	6	1	92	13
Treasury stock	(1)	(1)	—	—	—	—
Additional paid-in capital	52,369	—	389,379	55,113	4,675,991	661,844
Accumulated other comprehensive income	5,691	59,380	70,127	9,926	104,853	14,841
Accumulated deficit	(357,860)	(1,014,489)	(2,494,207)	(353,032)	(3,077,060)	(435,530)
Total shareholders' equity (deficit)	**(299,795)**	**(955,104)**	**(2,034,695)**	**(287,992)**	**1,703,876**	**241,168**
Total liabilities, mezzanine equity and shareholders' equity (deficit)	**1,025,345**	**2,375,938**	**1,737,572**	**245,937**	**2,048,722**	**289,979**

The following table presents our summary consolidated statements of cash flow data for the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2019 and 2020:

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$	RMB	RMB	US$
				(in thousands)			
Summary Consolidated Statements of Cash Flow Data:							
Net cash used in operating activities	(252,157)	(280,705)	(867,982)	(122,855)	(389,034)	(349,793)	(49,510)
Net cash (used in) generated from investing activities	(157,665)	9,500	212,462	30,072	158,056	30,354	4,298
Net cash (used in) generated from financing activities	758,585	1,479,669	152,709	21,615	(30,000)	653,798	92,539
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(132)	59,754	15,163	2,146	(3,093)	32,389	4,584
Net increase (decrease) in cash, cash equivalents and restricted cash	348,631	1,268,218	(487,648)	(69,022)	(264,071)	366,748	51,911
Cash, cash equivalents and restricted cash, beginning of the year/period	64,082	412,713	1,680,931	237,920	1,680,931	1,193,283	168,897
Cash, cash equivalents and restricted cash, end of the year/period	412,713	1,680,931	1,193,283	168,898	1,416,860	1,560,031	220,808

RISK FACTORS

An investment in our ordinary shares or ADSs involves significant risks. You should carefully consider all of the information in this prospectus, including the risks and uncertainties described below, before making an investment in our ordinary shares or ADSs. Any of the following risks could have a material adverse effect on our business, financial condition and results of operations. In any such case, the market price of our ordinary shares or ADSs could decline, and you may lose all or part of your investment.

Risks Related to Our Financial Position and Need for Additional Capital

We have a limited operating history, which may make it difficult to evaluate our current business and predict our future performance.

We are a clinical stage biopharmaceutical company with a limited operating history. Our operations to date have focused on organizing and staffing our operations, business planning, raising capital, establishing our intellectual property portfolio and conducting pre-clinical and clinical trials of our drug candidates. We have not yet demonstrated an ability to successfully manufacture, obtain marketing approvals for or commercialize our drug candidates. We have no products approved for commercial sale and have not generated any revenue from product sales. Consequently, any predictions about our future success or viability may not be as accurate as they could be if we had a longer operating history.

We are focused on the discovery and development of innovative drugs for the treatment of various immuno-oncological and immuno-inflammatory diseases. Our limited operating history, particularly in light of the rapidly evolving drug research and development industry in which we operate and the changing regulatory and market environments we encounter, may make it difficult to evaluate our prospects for future performance. As a result, any assessment of our future performance or viability is subject to significant uncertainty. We will encounter risks and difficulties frequently experienced by early-stage companies in rapidly evolving fields as we seek to transition to a company capable of supporting commercial activities. If we do not address these risks and difficulties successfully, our business will suffer.

We have incurred net losses in each period since our inception and anticipate that we will continue to incur net losses for the foreseeable future and may never achieve or maintain profitability.

Investment in the development of biopharmaceutical products is highly speculative as it entails substantial upfront capital expenditures and significant risks that a drug candidate may fail to demonstrate efficacy and/or safety to gain regulatory or marketing approvals or become commercially viable. To date, we have financed our activities primarily through private placements. While we have generated revenue from licensing and collaboration deals, we have not generated any revenue from commercial product sales to date, and we continue to incur significant research and development expenses and other expenses related to our ongoing operations. As a result, we are not profitable and have incurred net losses in each period since our inception. In 2017, 2018, 2019 and the six months ended June 30, 2020, our net losses were RMB298.2 million,

RMB402.8 million, RMB1,452.0 million (US$205.5 million) and RMB582.9 million (US$82.5 million), respectively. Substantially all of our net losses have resulted from costs incurred in connection with our research and development programs and from general and administrative costs associated with our operations.

We expect to continue to incur net losses in the foreseeable future, and that these net losses will increase as we carry out certain activities relating to our development, including, but not limited to, the following:

- conducting clinical trials of our drug candidates;
- manufacturing clinical trial materials through contract manufacturing organizations, or CMOs, in and out of China;

- seeking regulatory approvals for our drug candidates;
- commercializing our drug candidates for which we have obtained marketing approval;
- completing the construction of and maintaining our manufacturing facilities;
- hiring additional clinical, operational, financial, quality control and scientific personnel;
- establishing a sales, marketing and commercialization team for any future products that have obtained regulatory approval;
- seeking to identify additional drug candidates;
- obtaining, maintaining, expanding and protecting our intellectual property portfolio;
- enforcing and defending any intellectual property-related claims; and
- acquiring or in-licensing other drug candidates, intellectual property and technologies.

Typically, it takes many years to develop one new drug from the time it is discovered to when it becomes available for treating patients. During the process, we may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect our business. The size of our future net losses will depend partially on the rate of the future growth of our expenses, our ability to generate revenues and the timing and amount of milestone payments and other payments that we receive from or pay to third parties. If any of our drug candidates fails during clinical trials or does not gain regulatory approval, or, even if approved, fails to achieve market acceptance, our business may not become profitable. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods thereafter. Our prior losses and expected future losses have had, and will continue to have, an adverse effect on our working capital and shareholders' equity.

We recorded net cash outflow from operating activities since our inception. We may need to obtain additional financing to fund our operations. If we are unable to obtain such financing, we may be unable to complete the development and commercialization of our major drug candidates.

Since our inception, our operations have consumed substantial amounts of cash. We had raised over US$400 million in pre-IPO financing in the past three years and received total net proceeds of approximately US$105.3 million from our initial public offering. We spent RMB252.2 million, RMB280.7 million, RMB868.0 million (US$122.9 million) and RMB349.8 million (US$49.5 million) in net cash to finance our operations in 2017, 2018, 2019 and the six months ended June 30, 2020, respectively.

We expect our expenses to increase significantly in connection with our ongoing activities, particularly as we advance the clinical development of our clinical-stage drug candidates, continue the research and development of our pre-clinical stage drug candidates and initiate additional clinical trials of, and seek regulatory approval for, these and other future drug candidates.

In addition, if we obtain regulatory approvals for any of our drug candidates, we expect to incur significant commercialization expenses relating to product manufacturing, marketing, sales and distribution and post-approval commitments to continue monitoring the efficacy and safety data of our future products on the market. In particular, costs that may be required for the manufacture of any drug candidate that has received regulatory approval may be substantial as we may need to modify or increase our production capacity in the future at manufacturing facilities. We may also incur expenses as we create additional infrastructure to support our operations as a public company. Accordingly, we will need to obtain substantial additional funding in

connection with our continuing operations through public or private equity offerings, debt financing, collaborations or licensing arrangements or other sources. If we are unable to raise capital when needed or on acceptable terms, we could be forced to delay, limit, reduce or terminate our research and development programs or any future commercialization efforts.

The recent COVID-19 outbreak has brought uncertainties and interruptions to global economy and caused significant volatility across the financial markets, which had a cooling effect on the financing and investing activities in general. We believe that our current cash and cash equivalents, together with our cash generated from operating activities, financing activities, our initial public offering and private placement, will be sufficient to meet our present anticipated working capital requirements and capital expenditures. However, if the impact of the COVID-19 and volatility in the financial markets continue, our financing activities in future to raise additional capital may be materially and adversely affected, which may in turn have an adverse effect on our ability to meet our working capital requirement and our liquidity. For other risks related to the COVID-19, see "—Our business and results of operations could be adversely affected by public health crisis (including the COVID-19 global pandemic) and natural catastrophes or other disasters outside of our control in the locations in which we, our suppliers, CROs, CMOs and other contractors operate."

Raising additional capital may cause dilution to the interests to the holders of our ADSs and our shareholders, restrict our operations or require us to relinquish rights to our technologies or drug candidates.

We may seek additional funding through a combination of equity offerings, debt financings, collaborations, licensing arrangements, strategic alliances or partnerships and government grants or subsidies. To the extent that we raise additional capital through the sale of equity or convertible debt securities, your ownership interest will be diluted, and the terms may include liquidation or other preferences that adversely affect your rights as a holder of our ADSs. The incurrence of additional indebtedness or the issuance of certain equity securities could give rise to increased fixed payment obligations and also result in certain additional restrictive covenants, such as limitations on our ability to incur additional debt or issue additional equity, limitations on our ability to acquire or license intellectual property rights and other operating restrictions that could adversely impact our ability to conduct our business. In addition, the issuance of additional equity securities, or the possibility of such issuance, may cause the market price of our ADSs to decline.

In the event we enter into collaborations or licensing arrangements in order to raise capital, we may be required to accept unfavorable terms, including relinquishing or licensing to a third party our rights to technologies or drug candidates on unfavorable terms, which we would have otherwise sought to develop or commercialize on our own or reserve for future potential arrangements when we are more likely to achieve more favorable terms.

Risks Related to Clinical Development of Our Drug Candidates

Clinical development involves a lengthy and expensive process with an uncertain outcome, and results of earlier studies and trials may not be predictive of future trial results.

Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. While our exclusive focus is to develop drug candidates with potential to become novel or highly differentiated drugs in China and globally, we cannot guarantee that we are able to achieve this for any of our drug candidates. Failure can occur at any time during the clinical development process. The results of pre-clinical studies and early clinical trials of our drug candidates may not be predictive of the results of later-stage clinical trials. Drug candidates during later stages of clinical trials may fail to show the desired results in safety and efficacy despite having progressed through pre-clinical studies and initial clinical trials and despite the level of scientific rigor in the study, design and adequacy of execution. In some instances, there can be significant variability in safety and/or efficacy results among different trials of the same drug candidate due to numerous factors, including, but not limited to, differences in individual patient conditions, including genetic differences, and other compounding factors, such as other medications or pre-existing medical conditions.

In the case of any trials we conduct, results may differ from earlier trials due to the larger number of clinical trial sites and additional countries and languages involved in such trials. A number of companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to a lack of efficacy or adverse safety profiles, notwithstanding promising results in earlier trials. We cannot guarantee that our future clinical trial results will be favorable based on currently available clinical and pre-clinical data.

We depend substantially on the success of our drug candidates, all of which are in pre-clinical or clinical development, and our ability to identify additional drug candidates. If we are unable to successfully identify new drug candidates, complete clinical development, obtain regulatory approval and commercialize our drug candidates, or experience significant delays in doing so, our business will be materially harmed.

Our business will depend on the successful development, regulatory approval and commercialization of our drug candidates for the treatment of patients with our targeted indications, all of which are still in pre-clinical or clinical development, and other new drug candidates that we may identify and develop. As of the date of this prospectus, we have obtained IND approvals from the NMPA for seven of our drug candidates, felzartamab, olamkicept, efineptakin, lemzoparlimab, uliledlimab, plonmarlimab and eftansomatropin. In addition, we have obtained IND approvals from the FDA for four of our drug candidates, lemzoparlimab, uliledlimab, plonmarlimab and TJ210; from the Taiwan Food and Drug Administration (the "TFDA") for two of our drug candidates, felzartamab and olamkicept; and from the Korea Ministry of Food and Drug Safety (the "MFDS") for olamkicept. However, we cannot guarantee that we are able to obtain regulatory approvals for our other existing drug candidates in a timely manner, or at all. In addition, none of our drug candidates has been approved for marketing in China or any other jurisdiction. Each of our drug candidates will require additional pre-clinical and/ or clinical development, regulatory approvals in multiple jurisdictions, development of manufacturing supply and capacity, substantial investment and significant marketing efforts before we generate any revenue from product sales.

The success of our drug candidates will depend on several factors, including but not limited to the successful completion of pre-clinical and/or clinical trials or studies, receipt of regulatory approvals from applicable regulatory authorities for planned clinical trials, future clinical trials or drug registrations, establishing adequate manufacturing capabilities and capacities, commercialization of our existing drug candidates, hiring sufficient technical experts to oversee all development and regulatory activities and license renewal and meeting of the safety requirements.

If we do not achieve one or more of these in a timely manner or at all, we could experience significant delays in our ability to obtain approval for our drug candidates, which would materially harm our business and we may not be able to generate sufficient revenues and cash flows to continue our operations. As a result, our financial condition, results of operations and prospects will be materially and adversely harmed.

We may not be able to identify, discover or in-license new drug candidates, and may allocate our limited resources to pursue a particular drug candidate or indication and fail to capitalize on drug candidates or indications that may later prove to be more profitable, or for which there is a greater likelihood of success.

Although a substantial amount of our effort will focus on the continued clinical testing, potential approval, and commercialization of our existing drug candidates, the success of our business depends in part upon our ability to identify, license, discover, develop, or commercialize additional drug candidates. Research programs to identify new drug candidates require substantial technical, financial, and human resources. We may focus our efforts and resources on potential programs or drug candidates that ultimately prove to be unsuccessful. Our research programs or licensing efforts may fail to identify, discover or in-license new drug candidates for clinical development and commercialization for a number of reasons, including, without limitation, the following:

- our research or business development methodology or search criteria and process may be unsuccessful in identifying potential drug candidates;

- our potential drug candidates may be shown to have harmful side effects or may have other characteristics that may make the products unmarketable or unlikely to receive marketing approval; and

- it may take greater human and financial resources to identify additional therapeutic opportunities for our drug candidates or to develop suitable potential drug candidates through internal research programs than we possess, thereby limiting our ability to diversify and expand our drug portfolio.

Because we have limited financial and managerial resources, we focus on research programs and drug candidates for specific indications. As a result, we may forgo or delay pursuit of opportunities with other drug candidates or for other indications that later may prove to have greater commercial potential or a greater likelihood of success. Our resource allocation decisions may cause us to fail to capitalize on viable commercial products or profitable market opportunities.

Accordingly, there can be no assurance that we will ever be able to identify additional therapeutic opportunities for our drug candidates or to develop suitable potential drug candidates through internal research programs, which could materially adversely affect our future growth and prospects.

If we encounter delays or difficulties enrolling patients in our clinical trials, our clinical development progress could be delayed or otherwise adversely affected.

We may not be able to initiate or continue clinical trials for our drug candidates if we are unable to locate and enroll a sufficient number of eligible patients to participate in these trials as required by the NMPA, the FDA, or similar regulatory authorities, or if there are delays in the enrollment of eligible patients as a result of the competitive clinical enrollment environment. The inability to enroll a sufficient number of patients who meet the applicable criteria for our clinical trials would result in significant delays. As of the date of this prospectus, we have initiated clinical trials for olamkicept in South Korea and Greater China, for efineptakin in China, for felzartamab in Greater China, for lemzoparlimab, plonmarlimab and ulilediimab in China and the United States. In addition, we expect to initiate clinical trials for TJ210 by early 2021 in the United States.

In addition, some of our competitors have ongoing clinical trials for drug candidates that treat the same indications as our drug candidates, and patients who would otherwise be eligible for our clinical trials may instead enroll in the clinical trials of our competitors' drug candidates, which may further delay our clinical trial enrollments.

Patient enrollment for our clinical trials may be affected by other factors, including but not limited to the following:

- severity of the disease under investigation;

- total size and nature of the relevant patient population;

- design and eligibility criteria for the clinical trial in question;

- perceived risks and benefits of the drug candidate under study;

- our resources to facilitate timely enrollment in clinical trials;

- patient referral practices of physicians;

- availability of competing therapies also undergoing clinical trials;

- our investigators' or clinical trial sites' efforts to screen and recruit eligible patients; and
- proximity and availability of clinical trial sites for prospective patients.

Even if we are able to enroll a sufficient number of patients in our clinical trials, delays in patient enrollment may result in increased costs or may affect the timing or outcome of the planned clinical trials, which could prevent completion of these trials and adversely affect our ability to advance the development of our drug candidates.

If clinical trials of our drug candidates fail to demonstrate safety and efficacy to the satisfaction of regulatory authorities or do not otherwise produce positive results, we may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of our drug candidates.

Before obtaining regulatory approval for the sale of our drug candidates, we must conduct extensive clinical trials to demonstrate the safety and efficacy of our drug candidates in humans. We may experience numerous unexpected events during, or as a result of, clinical trials that could delay or prevent our ability to receive regulatory approval or commercialize our drug candidates, including, without limitation:

- regulators, institutional review boards, or IRBs, or ethics committees may not authorize us or our investigators to commence a clinical trial or conduct a clinical trial at a prospective trial site;
- our inability to reach agreements on acceptable terms with prospective CROs and trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- manufacturing issues, including problems with manufacturing, supply quality, compliance with good manufacturing practice, or GMP, or obtaining sufficient quantities of a drug candidate from third parties for use in a clinical trial;
- clinical trials of our drug candidates may produce negative or inconclusive results, and we may decide to conduct additional clinical trials or abandon drug development programs, or regulators may require us to do so;
- the number of patients required for clinical trials of our drug candidates may be larger than we anticipate, enrollment may be insufficient or slower than we anticipate or patients may drop out at a higher rate than we anticipate;
- our third-party contractors, including clinical investigators, may fail to comply with regulatory requirements or meet their contractual obligations to us in a timely manner, or at all;
- we might have to suspend or terminate clinical trials of our drug candidates for various reasons, including a finding of a lack of clinical response or other unexpected characteristics or a finding that participants are being exposed to unacceptable health risks;
- regulators, IRBs or ethics committees may require that we or our investigators suspend or terminate clinical research or not rely on the results of clinical research for various reasons, including non-compliance with regulatory requirements;
- the cost of clinical trials of our drug candidates may be greater than we anticipate; and
- the supply or quality of our drug candidates, companion diagnostics or other materials necessary to conduct clinical trials of our drug candidates may be insufficient or inadequate.

If we are required to conduct additional clinical trials or other testing of our drug candidates beyond those that we currently plan, if we are unable to successfully complete clinical trials of our drug candidates or other testing, if the results of these trials or tests are not positive or are only modestly positive or if they raise safety concerns, we may (i) be delayed in obtaining regulatory approval for our drug candidates; (ii) obtain approval for indications that are not as broad as intended; (iii) not obtain regulatory approval at all; (iv) have the drug removed from the market after obtaining regulatory approval; (v) be subject to additional post-marketing testing requirements; (vi) be subject to restrictions on how the drug is distributed or used; or (vii) be unable to obtain reimbursement for use of the drug.

Significant clinical trial delays may also increase our development costs and could shorten any periods during which we have the exclusive right to commercialize our drug candidates or allow our competitors to bring drugs to market before we do. This could impair our ability to commercialize our drug candidates and may harm our business and results of operations.

Risks Related to Obtaining Regulatory Approval for Our Drug Candidates

All material aspects of the research, development and commercialization of pharmaceutical products are heavily regulated.

All jurisdictions in which we intend to conduct our pharmaceutical-industry activities regulate these activities in great depth and detail. We intend to focus our activities in the major markets of China and the United States. These jurisdictions strictly regulate the pharmaceutical industry, and in doing so they employ broadly similar regulatory strategies, including regulation of product development and approval, manufacturing, and marketing, sales and distribution of products. However, there are differences in the regulatory regimes that make for a more complex and costly regulatory compliance burden for a company like us that plans to operate in these regions.

The process of obtaining regulatory approvals and compliance with appropriate laws and regulations requires the expenditure of substantial time and financial resources. Failure to comply with the applicable requirements at any time during the product development process and approval process, or after approval, may subject an applicant to administrative or judicial sanctions. These sanctions could include: refusal to approve pending applications; withdrawal of an approval; license revocation; clinical hold; voluntary or mandatory product recalls; product seizures; total or partial suspension of production or distribution; injunctions; fines; refusals of government contracts; providing restitution; undergoing disgorgement; or other civil or criminal penalties. Failure to comply with these regulations could have a material adverse effect on our business.

The regulatory approval processes of the NMPA, the FDA and other comparable regulatory authorities are time-consuming and may evolve over time, and if we are ultimately unable to obtain regulatory approval for our drug candidates, our business will be substantially harmed.

The time required to obtain the approval of the NMPA, the FDA and other comparable regulatory authorities is inherently uncertain and depends on numerous factors, including the substantial discretion of the regulatory authorities. Generally, such approvals take many years to obtain following the commencement of pre-clinical studies and clinical trials, although they are typically provided within 12 to 18 months after clinical trials are completed. In addition, approval policies, regulations or the type and amount of clinical data necessary to gain approval may change during the course of a drug candidate's clinical development and may vary among jurisdictions. As of the date of this prospectus, we have obtained IND approvals from the NMPA for seven of our drug candidates, felzartamab, olamkicept, efineptakin, lemzoparlimab, uliledlimab, plonmarlimab and eftansomatropin. In addition, we have obtained IND approvals from the FDA for four of our drug candidates, lemzoparlimab, uliledlimab, plonmarlimab and TJ210; from the TFDA for two of our drug candidates, felzartamab and olamkicept; and from the MFDS for olamkicept. However, we cannot guarantee that we are able to obtain regulatory approvals for our other existing drug candidates or any drug candidates we may discover, in-license or acquire and seek to develop in the future.

Our drug candidates could fail to receive the regulatory approval of the NMPA, the FDA or a comparable regulatory authority for many reasons, including, without limitation:

- disagreement with the design or implementation of our clinical trials;
- failure to demonstrate that a drug candidate is safe and effective and potent for its proposed indication;
- failure of our clinical trial results to meet the level of statistical significance required for approval;
- failure of our clinical trial process to pass relevant good clinical practice ("GCP") inspections;
- failure to demonstrate that a drug candidate's clinical and other benefits outweigh its safety risks;
- disagreement with our interpretation of data from pre-clinical studies or clinical trials;
- insufficient data collected from the clinical trials of our drug candidates to support the submission and filing of a new drug application, or NDA, or other submissions or to obtain regulatory approval;
- failure of our drug candidates to pass current Good Manufacturing Practice ("cGMP"), inspections during the regulatory review process or across the production cycle of our drug;
- failure of our clinical sites to pass audits carried out by the NMPA, the FDA or comparable regulatory authorities, resulting in a potential invalidation of our research data;
- findings by the NMPA, the FDA or comparable regulatory authorities of deficiencies related to our manufacturing processes or the facilities of third-party manufacturers with whom we contract for clinical and commercial supplies;
- changes in approval policies or regulations that render our pre-clinical and clinical data insufficient for approval; and
- failure of our clinical trial process to keep up with any scientific or technological advancements required by approval policies or regulations.

The NMPA, the FDA or a comparable regulatory authority may require more information, including additional pre-clinical or clinical data, to support approval, which may delay or prevent approval and our commercialization plans. Even if we were to obtain approval, regulatory authorities may approve any of our drug candidates for fewer or more limited indications than we request, grant approval contingent on the performance of costly post-marketing clinical trials, or approve a drug candidate with an indication that is not desirable for the successful commercialization of that drug candidate. Any of the foregoing scenarios could materially harm the commercial prospects of our drug candidates.

The absence of patent linkage, patent term extension and data and market exclusivity for NMPA-approved pharmaceutical products could increase the risk of early generic competition with our products in China.

In the United States, the Federal Food, Drug and Cosmetic Act, as amended by the law generally referred to as "Hatch-Waxman," provides the opportunity for patent-term restoration, meaning a patent term extension of up to five years to reflect patent term lost during certain portions of product development and the FDA regulatory review process. Hatch-Waxman also has a process for patent linkage, pursuant to which the FDA will stay approval of certain follow-on applications during the pendency of litigation between the follow-on applicant and the patent holder or licensee, generally for a period of 30 months. Finally, Hatch-Waxman provides

for statutory exclusivities that can prevent submission or approval of certain follow-on marketing applications. For example, federal law provides a five-year period of exclusivity within the United States to the first applicant to obtain approval of a new chemical entity and three years of exclusivity protecting certain innovations to previously approved active ingredients where the applicant was required to conduct new clinical investigations to obtain approval for the modification. Similarly, the United States Orphan Drug Act provides seven years of market exclusivity for certain drugs to treat rare diseases, where the FDA designates the drug candidate as an orphan drug and the drug is approved for the designated orphan indication. These provisions, designed to promote innovation, can prevent competing products from entering the market for a certain period of time after the FDA grants marketing approval for the innovative product.

Depending upon the timing, duration and specifics of any FDA marketing approval process for any drug candidates we may develop, one or more of our U.S. patents, if issued, may be eligible for limited patent term extension under Hatch-Waxman. Hatch-Waxman permits a patent extension term of up to five years as compensation for patent term lost during clinical trials and the FDA regulatory review process. A patent term extension cannot extend the remaining term of a patent beyond a total of 14 years from the date of drug approval, only one patent may be extended and only those claims covering the approved drug, a method for using it, or a method for manufacturing it may be extended. However, we may not be granted an extension because of, for example, failing to exercise due diligence during the testing phase or regulatory review process, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents, or otherwise failing to satisfy applicable requirements. Furthermore, the applicable time period or the scope of patent protection afforded could be less than we request.

In China, however, there is no currently effective law or regulation providing for patent term extension, patent linkage, or data exclusivity (referred to as regulatory data protection). Therefore, a lower-cost generic drug can emerge onto the market much more quickly. Chinese regulators have set forth a framework for integrating patent linkage and data exclusivity into the Chinese regulatory regime, as well as for establishing a pilot program for patent term extension. To be implemented, this framework will require adoption of regulations. To date, no regulations have been issued. These factors result in weaker protection for us against generic competition in China than could be available to us in the United States. For instance, the patents we have in China are not yet eligible to be extended for patent term lost during clinical trials and the regulatory review process. If we are unable to obtain patent term extension or the term of any such extension is less than we request, our competitors may obtain approval of competing products following our patent expiration, and our business, financial condition, results of operations, and prospects could be materially harmed.

Our drug candidates may cause undesirable adverse events or have other properties that could delay or prevent their regulatory approval, limit the commercial profile of an approved label, or result in significant negative consequences following regulatory approval.

Undesirable adverse events caused by our drug candidates could cause us or regulatory authorities to interrupt, delay or halt clinical trials and may result in a more restrictive label, a delay or denial of regulatory approval by the NMPA, the FDA or other comparable regulatory authorities, or a significant change in our clinical protocol or even our development plan. In particular, as is the case with drugs treating cancers and auto-immune diseases, it is likely that there may be side effects, such as nausea, fatigue and infusion-related reactions, associated with the use of certain of our drug candidates. Results of our trials could reveal a high and unacceptable severity or prevalence of certain adverse events. In such an event, our trials could be suspended or terminated and the NMPA, the FDA or other comparable regulatory authorities could order us to cease further development of, or deny approval of, our drug candidates for any or all targeted indications. Adverse events related to our drug candidates may affect patient recruitment or the ability of enrolled subjects to complete the trial, and could result in potential liability claims. Any of these occurrences may significantly harm our reputation, business, financial condition and prospects.

Additionally, if we or others identify undesirable side effects caused by those of our existing drug candidates that have received regulatory approval, or our other drug candidates after having received regulatory approval, this may lead to potentially significant negative consequences which include, but are not limited to, the following:

- we may suspend marketing of the drug candidate;
- regulatory authorities may withdraw their approvals of or revoke the licenses for the drug candidate;
- regulatory authorities may require additional warnings on the label;
- the FDA may require the establishment of a Risk Evaluation and Mitigation Strategy, or REMS, or the NMPA or a comparable regulatory authority may require the establishment of a similar strategy that may, for instance, restrict distribution of our drugs and impose burdensome implementation requirements on us;
- we may be required to conduct specific post-marketing studies;
- we could be subjected to litigation proceedings and held liable for harm caused to subjects or patients; and
- our reputation may suffer.

Any of these events could prevent us from achieving or maintaining market acceptance of any particular drug candidate that is approved and could significantly harm our business, results of operations and prospects.

Further, combination therapy, such as using our wholly-owned drug candidates as well as third-party agents, may involve unique adverse events that could be exacerbated compared with adverse events from monotherapies. Results of our trials could reveal a high and unacceptable severity or prevalence of adverse events. These types of adverse events could be caused by our drug candidates and could cause us or regulatory authorities to interrupt, delay or halt clinical trials and may result in a more restrictive indication or the delay or denial of regulatory approval by the NMPA, the FDA or other comparable regulatory authority.

If we are unable to obtain the NMPA approval for our drug candidates to be eligible for an expedited registration pathway as innovative drug candidates, the time and cost we incur to obtain regulatory approvals may increase.

The NMPA has mechanisms in place for expedited review and approval for drug candidates that are innovative drug applications, provided such drug or drug candidate has a new and clearly defined structure, pharmacological property and apparent clinical value and has not been marketed anywhere in the world. However, there is no assurance that an innovative drug designation will be granted by the NMPA for any of our drug candidates. Moreover, an innovative drug designation, which is typically granted only towards the end of a drug's developmental stage, does not increase the likelihood that our drug candidates will receive regulatory approval on a fast-track basis, or at all.

Further, there have been recent regulatory initiatives in China in relation to clinical trial approvals, the evaluation and approval of certain drugs and medical devices and the simplification and acceleration of the clinical trial process.

As a result, the regulatory process in China is evolving and subject to change. Any future policies, or changes to current polices might require us to change our planned clinical study design or otherwise spend additional resources and effort to obtain approval of our drug candidates. In addition, policy changes may contain significant limitations related to use restrictions for certain age groups, warnings, precautions or

contraindications, or may be subject to burdensome post-approval study or risk management requirements. If we are unable to obtain regulatory approval for our drug candidates in the PRC, or any approval contains significant limitations, we may not be able to obtain sufficient funding or generate sufficient revenue to continue the development of our drug candidates or any other drug candidate that we may in-license, acquire or develop in the future.

Even if we receive regulatory approval for our drug candidates, we will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expenses and we may be subject to penalties if we fail to comply with regulatory requirements or experience unanticipated problems with our drug candidates.

If the NMPA, the FDA or a comparable regulatory authority approves any of our drug candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion and recordkeeping for the drug will be subject to extensive and ongoing regulatory requirements on pharmacovigilance. These requirements include submissions of safety and other post-marketing information and reports, registration, random quality control testing, adherence to any chemistry, manufacturing, and controls ("CMC"), variations, continued compliance with current cGMPs, and GCPs and potential post-approval studies for the purposes of license renewal.

Any regulatory approvals that we receive for our drug candidates may also be subject to limitations on the approved indicated uses for which the drug may be marketed or to the conditions of approval, or contain requirements for potentially costly post-marketing studies, including Phase 4 studies for the surveillance and monitoring of the safety and efficacy of the drug.

In addition, once a drug is approved by the NMPA, the FDA or a comparable regulatory authority for marketing, it is possible that there could be a subsequent discovery of previously unknown problems with the drug, including problems with third-party manufacturers or manufacturing processes, or failure to comply with regulatory requirements. If any of the foregoing occurs with respect to our drug products, it may result in, among other things:

- restrictions on the marketing or manufacturing of the drug, withdrawal of the drug from the market, or voluntary or mandatory drug recalls;
- fines, warning letters or holds on our clinical trials;
- refusal by the NMPA, the FDA or comparable regulatory authorities to approve pending applications or supplements to approved applications filed by us, or suspension or revocation of drug license approvals;
- refusal by the NMPA, the FDA or comparable regulatory authorities to accept any of our other IND approvals, NDAs or BLAs;
- drug seizure or detention, or refusal to permit the import or export of drugs; and
- injunctions or the imposition of civil, administrative or criminal penalties.

Any government investigation of alleged violations of law could require us to expend significant time and resources and could generate negative publicity. Moreover, regulatory policies may change or additional government regulations may be enacted that could prevent, limit or delay regulatory approval of our drug candidates. If we are not able to maintain regulatory compliance, we may lose the regulatory approvals that we have already obtained and may not achieve or sustain profitability, which in turn could significantly harm our business, financial condition and prospects.

Illegal and/or parallel imports and counterfeit pharmaceutical products may reduce demand for our future approved drug candidates and could have a negative impact on our reputation and business.

The illegal importation of competing products from countries where government price controls or other market dynamics result in lower prices may adversely affect the demand for our future approved drug candidates and, in turn, may adversely affect our sales and profitability in China and other countries where we commercialize our products. Unapproved foreign imports of prescription drugs are illegal under the current laws of China. However, illegal imports may continue to occur or even increase as the ability of patients and other customers to obtain these lower priced imports continues to grow. Furthermore, cross-border imports from lower-priced markets (which are known as parallel imports) into higher-priced markets could harm sales of our future drug products and exert commercial pressure on pricing within one or more markets. In addition, competent government authorities may expand consumers' ability to import lower priced versions of our future approved products or competing products from outside China or other countries where we operate. Any future legislation or regulations that increase consumer access to lower priced medicines from outside China or other countries where we operate could have a material adverse effect on our business.

Certain products distributed or sold in the pharmaceutical market may be manufactured without proper licenses or approvals, or be fraudulently mislabeled with respect to their content or manufacturers. These products are generally referred to as counterfeit pharmaceutical products. The counterfeit pharmaceutical product control and enforcement system, particularly in developing markets such as China, may be inadequate to discourage or eliminate the manufacturing and sale of counterfeit pharmaceutical products imitating our products. Since counterfeit pharmaceutical products in many cases have very similar appearances compared with the authentic pharmaceutical products but are generally sold at lower prices, counterfeits of our products could quickly erode the demand for our future approved drug candidates.

In addition, counterfeit pharmaceutical products are not expected to meet our or our collaborators' rigorous manufacturing and testing standards. A patient who receives a counterfeit pharmaceutical product may be at risk for a number of dangerous health consequences. Our reputation and business could suffer harm as a result of counterfeit pharmaceutical products sold under our or our collaborators' brand name(s). In addition, thefts of inventory at warehouses, plants or while in-transit, which are not properly stored and which are sold through unauthorized channels, could adversely impact patient safety, our reputation and our business.

Risks Related to Commercialization of Our Drug Candidates

Our drug candidates may fail to achieve the degree of market acceptance by physicians, patients, third-party payors and others in the medical community necessary for commercial success.

Even if our drug candidates receive regulatory approval, they may nonetheless fail to gain sufficient market acceptance by physicians and patients and others in the medical community. Physicians and patients may prefer other drugs or drug candidates to ours. If our drug candidates do not achieve an adequate level of acceptance, we may not generate significant revenue from sales of our drugs or drug candidates and may not become profitable.

The degree of market acceptance of our drug candidates, if and only when they are approved for commercial sale, will depend on a number of factors, including, but not limited to:

- the clinical indications for which our drug candidates are approved;
- physicians, hospitals and patients considering our drug candidates as a safe and effective treatment;
- whether our drug candidates have achieved the perceived advantages of our drug candidates over alternative treatments;

- the prevalence and severity of any side effects;
- product labeling or package insert requirements of the NMPA, the FDA or other comparable regulatory authorities;
- limitations or warnings contained in the labeling approved by the NMPA, the FDA or other comparable regulatory authorities;
- timing of market introduction of our drug candidates as well as competitive drugs;
- cost of treatment in relation to alternative treatments;
- availability of adequate coverage and reimbursement under the national and provincial reimbursement drug lists in the PRC, or from third-party payors and government authorities in the United States or any other jurisdictions;
- willingness of patients to pay any out-of-pocket expenses in the absence of coverage and reimbursement by third-party payors and government authorities;
- relative convenience and ease of administration, including as compared with alternative treatments and competitive therapies; and
- the effectiveness of our sales and marketing efforts.

If our drug candidates are approved but fail to achieve market acceptance among physicians, patients, hospitals or others in the medical community, we will not be able to generate significant revenue or become profitable. Even if our drugs achieve market acceptance, we may not be able to maintain such market acceptance over time if new products or technologies are introduced which are more favorably received than our drugs, are more cost effective or render our drugs obsolete.

We face intense competition and rapid technological change and the possibility that our competitors may develop therapies that are similar, more advanced, or more effective than ours, which may adversely affect our financial condition and our ability to successfully commercialize our drug candidates.

The biotechnology and pharmaceutical industries are intensely competitive and subject to rapid and significant technological change. While our exclusive focus is to develop drug candidates with potential to become novel or highly differentiated drugs, we continue to face competition with respect to our current drug candidates, and will face competition with respect to any drug candidates that we may seek to develop or commercialize in the future. Our competitors include major pharmaceutical companies, specialty pharmaceutical companies and biotechnology companies worldwide. We are developing our drug candidates for the treatment of cancer in competition with a number of large biopharmaceutical companies that currently market and sell drugs or are pursuing the development of drugs also for the treatment of cancer. Some of these competitive drugs and therapies are based on scientific approaches that are the same as or similar to our approach, and others are based on entirely different approaches. For details, see “Business—Our Drug Pipeline.” Potential competitors further include academic institutions, government agencies and other public and private research organizations that conduct research, seek patent protection and establish collaborative arrangements for research, development, manufacturing and commercialization.

Many of our competitors have substantially greater financial, technical, and other resources, such as larger research and development staff and experienced marketing and manufacturing organizations. Additional mergers and acquisitions in the biotechnology and pharmaceutical industries may result in even more resources being concentrated in our competitors. As a result, these companies may obtain regulatory approval from the

NMPA, the FDA or other comparable regulatory authorities more rapidly than we are able to and may be more effective in selling and marketing their products as well. For example, the NMPA has recently accelerated market approval of drugs for diseases with high unmet medical need. In particular, the NMPA may review and approve drugs that have gained regulatory market approval in the United States, the European Union or Japan in the recent ten years without requiring further clinical trials in China. This may lead to potential increased competition from drugs which have already obtained approval in other jurisdictions.

Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large, established companies. Competition may increase further as a result of advances in the commercial applicability of technologies and greater availability of capital for investment in these industries. Our competitors may succeed in developing, acquiring, or licensing on an exclusive basis, products that are more effective or less costly than any drug candidate that we may develop, or achieve earlier patent protection, regulatory approval, product commercialization, and market penetration than we do. Additionally, technologies developed by our competitors may render our potential drug candidates uneconomical or obsolete, and we may not be successful in marketing our drug candidates against competitors.

The manufacture of biopharmaceutical products is a complex process which requires significant expertise and capital investment, and if we encounter problems in establishing our manufacturing capabilities or manufacturing our future products, our business could suffer.

We have limited experience in managing the manufacturing process. The manufacture of biopharmaceutical products is a complex process, in part due to strict regulatory requirements. As of the date of this prospectus, we have no existing manufacturing infrastructure or capabilities. We intend to build a comprehensive biologics manufacturing facility in Hangzhou, China (the "Hangzhou Facility") as part of our strategic plan to become a fully integrated biopharma company. We have taken concrete steps to execute this plan. These steps include detailed operational planning for the facility, actions taken to secure an appropriate site, and negotiations with external financing providers. The Hangzhou Facility targets to have a pilot capacity of 2 x 2,000L by the end of 2021 and commercially progressive capacity up to 8 x 2,000L to begin operation by the end of 2023. Construction is expected to commence in late 2020. However, the investment for building this new biologics manufacturing facility that is compliant with cGMP regulations will be a significant upfront cost for us. In turn, this could materially harm our commercialization plans.

In addition, problems may arise during the manufacturing process for a variety of reasons, including equipment malfunction, failure to follow specific protocols and procedures, problems with raw materials, delays related to the construction of new facilities or expansion of any future manufacturing facilities, including changes in manufacturing production sites and limits to manufacturing capacity due to regulatory requirements, changes in the types of products produced, increases in the prices of raw materials, physical limitations that could inhibit continuous supply, man-made or natural disasters and environmental factors. If problems arise during the production of a batch of future products, that batch of future products may have to be discarded and we may experience product shortages or incur added expenses. This could, among other things, lead to increased costs, lost revenue, damage to customer relationships, time and expense spent investigating the cause and, depending on the cause, similar losses with respect to other batches or products. If problems are not discovered before such product is released to the market, recall and product liability costs may also be incurred.

We have no experience in launching and marketing drug candidates. We may not be able to effectively build and manage our sales network, or benefit from third-party collaborators' sales network.

We currently have no sales, marketing or commercial product distribution capabilities and have no experience in marketing drugs. We intend to develop an in-house marketing organization and sales force, which will require significant capital expenditures, management resources and time. We will have to compete with other biopharmaceutical companies to recruit, hire, train and retain marketing and sales personnel.

If we are unable or decide not to establish internal sales, marketing and commercial distribution capabilities for any or all of the drugs we develop, we will likely pursue collaborative arrangements regarding the sales and marketing of our drugs. However, there can be no assurance that we will be able to establish or maintain such collaborative arrangements, or, if we are able to do so, that they will have effective sales forces. Any revenue we receive will depend on the efforts of such third parties, which may not be successful. We may have little or no control over the marketing and sales efforts of such third parties, and our revenue from product sales may be lower than if we had commercialized our drug candidates ourselves. We will also face competition in our search for third parties to assist us with the sales and marketing efforts of our drug candidates.

There can be no assurance that we will be able to develop in-house sales and commercial distribution capabilities or establish or maintain relationships with third-party collaborators to successfully commercialize any product, and as a result, we may not be able to generate product sales revenue.

Even if we are able to commercialize any approved drug candidates, reimbursement may be limited or unavailable in certain market segments for our drug candidates, and we may be subject to unfavorable pricing regulations, which could harm our business.

The regulations that govern regulatory approvals, pricing and reimbursement for new therapeutic products vary widely from country to country. Some countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing or licensing approval is granted. In some non-U.S. markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, we might obtain regulatory approval for a drug in a particular country, but then be subject to price regulations that delay our commercial launch of the drug and negatively impact the revenues we are able to generate from the sale of the drug in that country. Adverse pricing limitations may hinder our ability to recoup our investment in one or more drug candidates, even if our drug candidates obtain regulatory approval. For example, according to a statement, Opinions on Reforming the Review and Approval Process for Pharmaceutical Products and Medical Devices, issued by the PRC State Council in August 2015, the enterprises applying for new drug approval will be required to undertake that the selling price of new drug on PRC mainland market shall not be higher than the comparable market prices of the product in its country of origin or PRC's neighboring markets, as applicable.

Our ability to commercialize any drugs successfully also will depend in part on the extent to which reimbursement for these drugs and related treatments will be available from government health administration authorities, private health insurers and other organizations. Government authorities and third-party payors, such as private health insurers and health maintenance organizations, decide which medications they will pay for and establish reimbursement levels. A primary trend in the global healthcare industry is cost containment. Government authorities and these third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for particular medications. Increasingly, third-party payors are requiring that companies provide them with predetermined discounts from list prices and are challenging the prices charged for medical products. We cannot be sure that reimbursement will be available for any drug that we commercialize and, if reimbursement is available, what the level of reimbursement will be. Reimbursement may impact the demand for, or the price of, any drug for which we obtain regulatory approval. Obtaining reimbursement for our drugs may be particularly difficult because of the higher prices often associated with drugs administered under the supervision of a physician. If reimbursement is not available or is available only to limited levels, we may not be able to successfully commercialize any drug candidate that we successfully develop.

There may be significant delays in obtaining reimbursement for approved drug candidates, and coverage may be more limited than the purposes for which the drug candidates are approved by the NMPA, the FDA or other comparable regulatory authorities. Moreover, eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers our costs, including research, development, manufacture, sale and distribution. Interim payments for new drugs, if applicable, may also not be sufficient to cover our costs and may not be made permanent. Payment rates may vary according to the use of the drug and the clinical setting in

which it is used, may be based on payments allowed for lower cost drugs that are already reimbursed, and may be incorporated into existing payments for other services. Net prices for drugs may be reduced by mandatory discounts or rebates required by government healthcare programs or private payors and by any future weakening of laws that presently restrict imports of drugs from countries where they may be sold at lower prices than in the United States. Our inability to promptly obtain coverage and profitable payment rates from both government-funded and private payors for any future approved drug candidates and any new drugs that we develop could have a material adverse effect on our business, our operating results, and our overall financial condition.

Current and future legislation may increase the difficulty and cost for us to obtain marketing approval of and commercialize our drug candidates and affect the prices we may obtain.

In the United States and certain other jurisdictions, there have been a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval of our drug candidates, restrict post-approval activities and affect our ability to sell profitably any drug candidates for which we obtain marketing approval.

The Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010, or collectively the ACA, became law. The ACA is a sweeping law intended to broaden access to health insurance, reduce or constrain the growth of healthcare spending, enhance remedies against fraud and abuse, add new transparency requirements for the healthcare and health insurance industries, impose new taxes and fees on the health industry and impose additional health policy reforms. Among the provisions of the ACA of importance to our drug candidates are the following:

- an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologic products;
- an increase in the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program;
- expansion of healthcare fraud and abuse laws, including the False Claims Act and the Anti-Kickback Statute, new government investigative powers, and enhanced penalties for noncompliance;
- a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 50% point-of-sale discounts off negotiated prices;
- extension of manufacturers' Medicaid rebate liability;
- expansion of eligibility criteria for Medicaid programs;
- expansion of the entities eligible for discounts under the Public Health Service Act's pharmaceutical pricing program;
- new requirements to report to CMS financial arrangements with physicians and teaching hospitals;
- a new requirement to annually report to the FDA drug samples that manufacturers and distributors provide to physicians; and
- a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research.

Legislative and regulatory proposals have been made to expand post-approval requirements and restrict sales and promotional activities for pharmaceutical products. We cannot be sure whether additional legislative

changes will be enacted, or whether the FDA regulations, guidance or interpretations will be changed, or what the impact of such changes on the marketing approvals, if any, of our drug candidates may be. In addition, increased scrutiny by the U.S. Congress of the FDA's approval process may significantly delay or prevent marketing approval, as well as subject us to more stringent product labeling and post-marketing conditions and other requirements.

As we out-license some of our commercialization rights and engage in other forms of collaboration worldwide, including conducting clinical trials abroad, we may be exposed to specific risks of conducting our business and operations in international markets.

Markets outside of China form an important component of our growth strategy, as we out-license some of our commercialization rights to third parties outside the PRC and conduct certain of our clinical trials abroad. If we fail to obtain applicable licenses or fail to enter into strategic collaboration arrangements with third parties in these markets, or if these collaboration arrangements turn out unsuccessful, our revenue-generating growth potential will be adversely affected.

Moreover, international business relationships subject us to additional risks that may materially adversely affect our ability to attain or sustain profitable operations, including:

- efforts to enter into collaboration or licensing arrangements with third parties in connection with our international sales, marketing and distribution efforts may increase our expenses or divert our management's attention from the acquisition or development of drug candidates;
- changes in a specific country's or region's political and cultural climate or economic condition;
- differing regulatory requirements for drug approvals and marketing internationally;
- difficulty of effective enforcement of contractual provisions in local jurisdictions;
- potentially reduced protection for intellectual property rights;
- potential third-party patent rights;
- unexpected changes in tariffs, trade barriers and regulatory requirements;
- economic weakness, including inflation or political instability;
- compliance with tax, employment, immigration and labor laws for employees traveling abroad;
- the effects of applicable non-PRC tax structures and potentially adverse tax consequences;
- currency fluctuations, which could result in increased operating expenses and reduced revenue, and other obligations incidental to doing business in another country;
- workforce uncertainty and labor unrest;
- the potential for so-called parallel importing, which is what happens when a local seller, faced with high or higher local prices, opts to import goods from an international market with low or lower prices rather than buying them locally;
- failure of our employees and contracted third parties to comply with Office of Foreign Assets Control rules and regulations and the Foreign Corrupt Practices Act of the United States, and other applicable rules and regulations;

- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism, or natural disasters, including earthquakes, volcanoes, typhoons, floods, hurricanes and fires.

These and other risks may materially adversely affect our ability to attain or sustain revenue from international markets.

If safety, efficacy, or other issues arise with any medical product that is used in combination with our drug candidates, we may be unable to market such drug candidate or may experience significant regulatory delays or supply shortages, and our business could be materially harmed.

We plan to develop certain of our drug candidates for use as a combination therapy. If the NMPA, the FDA or another comparable regulatory agency revokes its approval of another therapeutic we use in combination with our drug candidates, we will not be able to market our drug candidates in combination with such revoked therapeutic. If safety or efficacy issues arise with these or other therapeutics that we seek to combine with our drug candidates in the future, we may experience significant regulatory delays, and we may be required to redesign or terminate the applicable clinical trials. In addition, if manufacturing or other issues result in a supply shortage of any component of our combination drug candidates or if we cannot secure supply of any component of our drug candidates at commercially reasonable or acceptable prices, we may not be able to complete clinical development of our drug candidates on our current timeline or within our current budget, or at all.

Lack of third-party combination drugs may materially and adversely affect demand for our drugs.

Our drug candidates may be administered in combination with drugs of other pharmaceutical companies as one regimen. In addition, we often use such third-party drugs in our development and clinical trials as controls for our studies. As a result, both the results of our clinical trials and the sales of our drugs may be affected by the availability of these third-party drugs. If other pharmaceutical companies discontinue these combination drugs, regimens that use these combination drugs may no longer be prescribed, and we may not be able to introduce or find an alternative drug to be used in combination with our drugs at all or in a timely manner and on a cost-effective basis. As a result, demand for our drugs may be lowered, which would in turn materially and adversely affect our business and results of operations.

Risks Related to Our Reliance on Third Parties

As we rely on third parties to conduct our pre-clinical studies and clinical trials, if we lose our relationships with these third parties or if they do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our drug candidates and our business could be substantially harmed.

We have relied on and plan to continue to rely on third-party contract research organization ("CROs") to monitor and manage data for some of our ongoing pre-clinical and clinical programs. We rely on these parties for the execution of our pre-clinical and clinical trials, and control only certain aspects of their activities. Nevertheless, we are responsible for ensuring that each of our studies is conducted in accordance with the applicable protocol and legal, regulatory and scientific standards, and our reliance on the CROs does not relieve us of our regulatory responsibilities.

We also rely on third parties to assist in conducting our pre-clinical studies in accordance with Good Laboratory Practices ("GLP"). We and our CROs are required to comply with GCP, GLP and other regulatory regulations and guidelines enforced by the NMPA, the FDA and comparable foreign regulatory authorities for all of our drug candidates in clinical development. Regulatory authorities enforce these GCP, GLP or other

regulatory requirements through periodic inspections of trial sponsors, investigators and trial sites. If we or any of our CROs fail to comply with applicable GCP, GLP or other regulatory requirements, the relevant data generated in our clinical trials may be deemed unreliable and the NMPA, the FDA or other comparable regulatory authorities may require us to perform additional clinical studies before approving our marketing applications. There can be no assurance that upon inspection by a given regulatory authority, such regulatory authority will determine that any of our clinical trials complies with GCP requirements. In addition, our clinical trials must be conducted with drug candidates or products produced under cGMP requirements. Failure to comply with these regulations may require us to repeat pre-clinical and clinical trials, which would delay the regulatory approval process.

Our CROs have the right to terminate their agreements with us in the event of an unrectified material breach. If any of our relationships with our third-party CROs is terminated, we may not be able to (i) enter into arrangements with alternative CROs or do so on commercially reasonable terms or (ii) meet our desired clinical development timelines. In addition, there is a natural transition period when a new CRO commences work, and the new CRO may not provide the same type or level of services as the original provider and data from our clinical trials may be compromised as a result. There is also a need for relevant technology to be transferred to the new CRO, which may take time and further delay our development timelines.

Except for remedies available to us under our agreements with our CROs, we cannot control whether or not our CROs devote sufficient time and resources to our ongoing clinical, nonclinical and pre-clinical programs. If our CROs do not successfully carry out their contractual duties or obligations or meet expected deadlines or if the quality or accuracy of the clinical data they obtain is compromised due to their failure to adhere to our clinical protocols, regulatory requirements or for other reasons, our clinical trials may be extended, delayed or terminated and we may not be able to obtain regulatory approval for or successfully commercialize our drug candidates. As a result, our results of operations and the commercial prospects for our drug candidates would be harmed and our costs could increase. In turn, our ability to generate revenues could be delayed or compromised.

Because we rely on third parties, our internal capacity to perform these functions is limited. Outsourcing these functions involves certain risks that third parties may not perform to our standards, may not produce results in a timely manner or may fail to perform at all. In addition, the use of third-party service providers requires us to disclose our proprietary information to these third parties, which could increase the risk that such information will be misappropriated. We currently have a small number of employees, which limits the internal resources we have available to identify and monitor our third-party service providers. To the extent we are unable to identify and successfully manage the performance of third-party service providers in the future, our business may be adversely affected. Though we carefully manage our relationships with our CROs, there can be no assurance that we will not encounter similar challenges or delays in the future or that these delays or challenges will not have a material adverse impact on our business, financial condition and prospects.

We expect to rely on third parties to manufacture at least a portion of our drug candidate supplies, and we intend to rely on third parties for at least a portion of the manufacturing process of our drug candidates, if approved. Our business could be harmed if those third parties fail to provide us with sufficient quantities of product or fail to do so at acceptable quality levels or prices.

Although we plan to either construct or acquire a facility that will be used as our clinical-scale manufacturing and processing facility, we intend to also partially rely on third-party vendors to manufacture supplies and process our drug candidates. We have not yet manufactured or processed our drug candidates on a commercial scale and may not be able to do so for any of our drug candidates. We have limited experience in managing the manufacturing process, and our process may be more difficult or expensive than the approaches currently in use.

Our anticipated reliance on third-party manufacturers exposes us to certain risks, including, but not limited to, the following:

- we may be unable to identify manufacturers on acceptable terms or at all because the number of potential manufacturers is limited and the NMPA, the FDA or other comparable regulatory authorities must approve any manufacturers as part of their regulatory oversight of our drug candidates. This approval would require new testing and cGMP-compliance inspections by the NMPA, the FDA or other comparable regulatory authorities. In addition, a new manufacturer would have to be educated in, or develop substantially equivalent processes for, production of our drugs;

- our contract manufacturers may have little or no experience with manufacturing our drug candidates, and therefore may require a significant amount of support from us in order to implement and maintain the infrastructure and processes required to manufacture our drug candidates;

- our contract manufacturers may have limited capacity or limited manufacturing slots, which may affect the timeline for the production of our drugs;

- our contract manufacturers might be unable to timely manufacture our drug candidates or produce the quantity and quality required to meet our clinical and commercial needs, if any;

- contract manufacturers may not be able to execute our manufacturing procedures and other logistical support requirements appropriately;

- our future contract manufacturers may not perform as agreed, may not devote sufficient resources to our drugs, or may not remain in the contract manufacturing business for the time required to supply our clinical trials or to successfully produce, store and distribute our drugs;

- our contract manufacturers are subject to ongoing periodic unannounced inspections by the NMPA and the FDA to ensure strict compliance with cGMP and other government regulations in the PRC and the United States, respectively, and by other comparable regulatory authorities for corresponding regulatory requirements. We do not have control over third-party manufacturers' compliance with these regulations and requirements;

- we may not own, or may have to share, the intellectual property rights to any improvements made by our third-party manufacturers in the manufacturing process for our drugs;

- our contract manufacturers could breach or terminate their agreements with us;

- our contract manufacturers may be unable to sustain their business and become bankrupt as a result;

- raw materials and components used in the manufacturing process, particularly those for which we have no other source or supplier, may not be available or may not be suitable or acceptable for use due to material or component defects;

- products and components from our third-party manufacturers may be subject to additional customs and import charges, which may cause us to incur delays or additional costs as a result;

- our contract manufacturers and critical reagent suppliers may be subject to inclement weather, as well as natural or man-made disasters; and

- our contract manufacturers may have unacceptable or inconsistent product quality success rates and yields.

Each of these risks could delay or prevent the completion of our clinical trials or the approval of any of our drug candidates by the NMPA, the FDA or other comparable regulatory authorities, result in higher costs or adversely impact the commercialization of our drug candidates. In addition, we will rely on third parties to perform certain specification tests on our drug candidates prior to delivery to patients. If these tests are not appropriately done and test data is not reliable, patients could be put at risk of serious harm and the NMPA, the FDA or other comparable regulatory authorities could place significant restrictions on our company until deficiencies are remedied.

The manufacture of biopharmaceutical products is complex and requires significant expertise and capital investment, including the development of advanced manufacturing techniques and process controls. Currently, our drug raw materials for our manufacturing activities are supplied by multiple source suppliers. We have agreements for the supply of drug materials with manufacturers or suppliers that we believe have sufficient capacity to meet our demands. In addition, we believe that adequate alternative sources for such supplies exist. However, there is a risk that, if supplies are interrupted, our business would be materially harmed.

Manufacturers of biopharmaceutical products often encounter difficulties in production, particularly in scaling up or out, validating the production process, and assuring high reliability of the manufacturing process, including the absence of contamination. These problems include logistics and shipping, difficulties with production costs and yields, quality control, including stability of the product, product testing, operator error and availability of qualified personnel, as well as compliance with strictly enforced regulations in the PRC, the United States and other applicable jurisdictions. Further, if contaminants are discovered in the supply of our drug candidates or in the manufacturing facilities, such manufacturing facilities may need to be closed for an extended period of time for us to investigate and remedy the contamination. There can be no assurance that any stability failures or other issues relating to the manufacture of our drug candidates will not occur in the future. Additionally, our contract manufacturers may experience manufacturing difficulties due to resource constraints or as a result of labor disputes or unstable political environment. If our contract manufacturers were to encounter any of these difficulties, or otherwise fail to comply with their contractual obligations, our ability to provide our drug candidate to patients in clinical trials would be jeopardized. Any delay or interruption in the supply of clinical trial supplies could delay the completion of our clinical trials, increase the costs associated with maintaining clinical trial programs and, depending upon the period of delay, require us to begin new clinical trials at additional expense or terminate clinical trials completely.

We have entered into collaborations and may form or seek collaborations or strategic alliances or enter into additional licensing arrangements in the future, and we may not realize the benefits of such alliances or licensing arrangements.

We may form or seek strategic alliances, create joint ventures or collaborations, or enter into additional licensing arrangements with third parties that we believe will complement or augment our development and commercialization efforts with respect to our drug candidates and any future drug candidates that we may develop. Any of these relationships may require us to incur recurring or non-recurring expenses and other charges, increase our near and long-term expenditures, issue securities that dilute the value of our ADSs, or disrupt our management and business. For example, we have entered into a license and collaboration agreement with MorphoSys AG ("MorphoSys"), pursuant to which we in-licensed from MorphoSys the development and commercialization rights of felzartamab in Greater China. Another example is our collaboration with AbbVie. In September 2020, we granted AbbVie a global license, excluding Mainland China, Hong Kong and Macau, to develop and commercialize lemzoparlimab (as well as certain other compounds directed against CD47), and we will retain all rights to develop and commercialize lemzoparlimab in Mainland China, Hong Kong and Macau.

The effectiveness of the contract with AbbVie is subject to our performance of certain contractual obligations and regulatory approval; such approval may not be obtained or may be delayed, which could result in a detrimental effect on our collaboration. For a more detailed discussion, please see "Business—Our Global Strategic Collaborations—Global Strategic Partnership with AbbVie." In addition, we face significant

competition in seeking appropriate strategic partners and the negotiation process is time-consuming and complex. Moreover, we may not be successful in our efforts to establish a strategic partnership or other alternative arrangements for our drug candidates because they may be deemed to be at too early a stage of development for collaborative effort and third parties may not view our drug candidates as having the requisite potential to demonstrate safety and efficacy. If and when we collaborate with a third party for the development and commercialization of a drug candidate, we can expect to relinquish some or all of the control over the future success of that drug candidate to the third party.

Further, collaborations involving our drug candidates are subject to specific risks, which include, but are not limited to, the following:

- collaborators have significant discretion in determining the efforts and resources that they will apply to a collaboration;
- collaborators may not pursue the development and commercialization of our drug candidates or may elect not to continue or renew the development or commercialization programs based on clinical trial results, change in their strategic focus due to the acquisition of competitive drugs, availability of funding, or other external factors, such as a business combination that diverts resources or creates competing priorities;
- collaborators may delay clinical trials, provide insufficient funding for a clinical trial, discontinue a clinical trial, repeat or conduct new clinical trials, or require a new formulation of a drug candidate for clinical testing;
- collaborators could independently develop, or develop with third parties, drugs that compete directly or indirectly with our drug candidates or future drugs;
- collaborators with marketing and distribution rights to one or more of our drug candidates or future drugs may not commit sufficient resources to their marketing and distribution;
- collaborators may not properly maintain or defend our intellectual property rights or may use our intellectual property or proprietary information in a way that gives rise to actual or threatened litigation that could jeopardize or invalidate our intellectual property or proprietary information or expose us to potential liability;
- collaborators may not always be cooperative or responsive in providing their services in a clinical trial;
- disputes may arise between us and a collaborator that cause a delay or termination of the research, development or commercialization of our drug candidates, or that result in costly litigation or arbitration that diverts management attention and resources;
- collaborations may be terminated and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable drug candidates; and
- collaborators may own or co-own intellectual property covering our drug candidates or future drugs that results from our collaborating with them, and in such cases, we would not have the exclusive right to commercialize such intellectual property.

As a result, if we enter into collaboration agreements and strategic partnerships or license our drugs, we may not be able to realize the benefit of such transactions if we are unable to successfully integrate these agreements or partnerships with our existing operations and company culture, which could delay our timelines or otherwise adversely affect our business.

Neither can we be certain that, following a strategic transaction or license, we will be able to achieve the revenue or specific net income that justifies such transaction. If we are unable to reach agreements with suitable collaborators on a timely basis, on acceptable terms, or at all, we may have to curtail the development of a drug candidate, reduce or delay its development program or one or more of our other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities, or increase our expenditures and undertake development or commercialization activities at our own expense. If we elect to fund and undertake development or commercialization activities on our own, we may need to obtain additional expertise and additional capital, which may not be available to us on acceptable terms or at all. If we fail to enter into collaborations and do not have sufficient funds or expertise to undertake the necessary development and commercialization activities, we may not be able to further develop our drug candidates or bring them to market and generate product sales revenue, which would harm our business, financial condition, results of operations and prospects.

Risks Related to Our Intellectual Property

If we are unable to obtain and maintain patent and other intellectual property protection for our drug candidates, or if the scope of such intellectual property rights obtained is not sufficiently broad, third parties could develop and commercialize products and technologies similar or identical to ours and compete directly against us, and our ability to successfully commercialize any product or technology may be adversely affected.

Our success depends in large part on our ability to protect our proprietary technology and drug candidates from competition by obtaining, maintaining, defending and enforcing our intellectual property rights, including patent rights. As of September 30, 2020, our owned patent portfolio consists of 11 issued patents and 223 patent applications primarily in connection with the drug candidates in our Global Portfolio, including 12 Patent Cooperation Treaty ("PCT") patent applications, 16 U.S. patent applications, 18 PRC patent applications and 177 patent applications in other jurisdictions. In addition, as of September 30, 2020, we in-licensed the Greater China and Korea rights relating to 22 issued patents and 34 pending patent applications primarily in connection with felzartamab, eftansomatropin, olamkicept, enoblituzumab and efineptakin. We seek to protect the drug candidates and technology that we consider commercially important by filing patent applications in China, the United States and other countries or regions, relying on trade secrets or pharmaceutical regulatory protection or employing a combination of these methods. This process is expensive and time-consuming, and we or our licensors may not be able to file and prosecute all necessary or desirable patent applications in all jurisdictions at a reasonable cost or in a timely manner. It is also possible that we or our licensors will fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection.

The patent position of biotechnology and pharmaceutical companies generally is highly uncertain, involves complex legal and factual questions and has in recent years been the subject of much litigation. As a result, the issuance, scope, validity, enforceability and commercial value of our patent rights are highly uncertain. Our pending and future patent applications may not result in patents being issued which protect our technology or drug candidates or which effectively prevent others from commercializing competitive technologies and drug candidates. The patent examination process may require us or our licensors to narrow the scope of the claims of our or our licensors' pending and future patent applications, which may limit the scope of patent protection that may be obtained. We cannot assure that all of the potentially relevant prior art relating to our patents and patent applications has been found. If such prior art exists, it can invalidate a patent or prevent a patent application from being issued as a patent.

Even if patents do issue on any of these applications, there can be no assurance that a third party will not challenge their validity, enforceability, or scope, which may result in the patent claims being narrowed or invalidated, or that we will obtain sufficient claim scope in those patents to prevent a third party from competing successfully with our drug candidates. We may become involved in interference, inter partes review, post grant review, ex parte reexamination, derivation, opposition or similar other proceedings challenging our patent rights

or the patent rights of others. An adverse determination in any such proceeding could reduce the scope of, or invalidate, our patent rights, allow third parties to commercialize our technology or drug candidates and compete directly with us, or result in our inability to manufacture or commercialize drug candidates without infringing third-party patent rights. Thus, even if our patent applications issue as patents, they may not issue in a form that will provide us with any meaningful protection, prevent competitors from competing with us or otherwise provide us with any competitive advantage.

Our competitors may be able to circumvent our patents by developing similar or alternative technologies or drug candidates in a non-infringing manner. The issuance of a patent is not conclusive as to its scope, validity or enforceability, and our owned and licensed patents may be challenged in the courts or patent offices in the United States and other countries. Such challenges may result in patent claims being narrowed, invalidated or held unenforceable, which could limit our ability to stop or prevent us from stopping others from using or commercializing similar or identical technology and drug candidates, or limit the duration of the patent protection of our technology and drug candidates. Given the amount of time required for the development, testing and regulatory review of new drug candidates, patents protecting such assets might expire before or shortly after such assets are commercialized. As a result, our patent portfolio may not provide us with sufficient rights to exclude others from commercializing drug candidates similar or identical to ours.

Changes in either the patent laws or interpretation of the patent laws in the United States and other countries may diminish the value of our patents or narrow the scope of our patent protection. Under the America Invents Act ("AIA") enacted in 2011, the United States moved to this first-to-file system in early 2013 from the previous system under which the first to make the claimed invention was entitled to the patent. Assuming the other requirements for patentability are met, the first to file a patent application is entitled to the patent. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are typically not published until 18 months after filing, or in some cases not at all. Therefore, we cannot be certain that we were the first to make the inventions claimed in our patents or pending patent applications, or that we were the first to file for patent protection of such inventions.

We enjoy only limited geographical protection with respect to certain patents and may not be able to protect our intellectual property rights throughout the world, including in the PRC.

Filing and prosecuting patent applications and defending patents covering our drug candidates in all countries throughout the world could be prohibitively expensive. Competitors may use our and our licensors' technologies in jurisdictions where we have not obtained patent protection to develop their own drug candidates and, further, may export otherwise infringing drug candidates to territories, including the PRC, where we and our licensors have patent protection, but enforcement rights are not as strong as that in the United States or Europe. These drug candidates may compete with our drug candidates, and our and our licensors' patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

The laws of some jurisdictions, including the PRC, do not protect intellectual property rights to the same extent as the laws or rules and regulations in the United States and Europe, and many companies have encountered significant difficulties in protecting and defending such rights in such jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of patents, trade secrets and other intellectual property protection, which could make it difficult for us to stop the infringement of our patents or marketing of competing drug candidates in violation of our proprietary rights generally. Proceedings to enforce our patent rights in other jurisdictions, whether or not successful, could result in substantial costs and divert our efforts and attention from other aspects of our business, could put our patents at risk of being invalidated or interpreted narrowly and our patent applications at risk of not issuing as patents, and could provoke third parties to assert claims against us. We may not prevail in any lawsuits that we initiate and the damages or other remedies awarded, if any, may not be commercially meaningful. Accordingly, our efforts to enforce our intellectual property rights around the world may be inadequate to obtain a significant

commercial advantage from the intellectual property that we develop or license. Furthermore, while we intend to protect our intellectual property rights in our expected significant markets, we cannot ensure that we will be able to initiate or maintain similar efforts in all jurisdictions in which we may wish to market our drug candidates. Accordingly, our efforts to protect our intellectual property rights in such countries may be inadequate, which may have an adverse effect on our ability to successfully commercialize our drug candidates in all of our expected significant foreign markets. If we or our licensors encounter difficulties in protecting, or are otherwise precluded from effectively protecting, the intellectual property rights important for our business in such jurisdictions, the value of these rights may be diminished and we may face additional competition from others in those jurisdictions.

Some countries also have compulsory licensing laws under which a patent owner may be compelled to grant licenses to third parties. In addition, some countries limit the enforceability of patents against government agencies or government contractors. In those countries, the patent owner may have limited remedies, which could materially diminish the value of such patents. If we or any of our licensors is forced to grant a license to third parties with respect to any patents relevant to our business, our competitive position may be impaired.

Obtaining and maintaining our patent protection depends on compliance with various procedural, document submission, fee payment, and other requirements imposed by governmental patent agencies, and our patent protection could be reduced or eliminated for non-compliance with these requirements.

Periodic maintenance and annuity fees on any issued patent are due to be paid to the United States Patent and Trademark Office ("USPTO") and foreign patent agencies over the lifetime of a patent. In addition, the USPTO and other foreign patent agencies require compliance with a number of procedural, documentary, fee payment, and other similar provisions during the patent application process. While an inadvertent failure to make payment of such fees or to comply with such provisions can in many cases be cured by payment of a late fee or by other means in accordance with the applicable rules, there are situations in which such non-compliance will result in the abandonment or lapse of the patent or patent application, and the partial or complete loss of patent rights in the relevant jurisdiction. Non-compliance events that could result in abandonment or lapse of a patent or patent application include failure to respond to official actions within prescribed time limits, and non-payment of fees and failure to properly legalize and submit formal documents within prescribed time limits. If we or our licensors fail to maintain the patents and patent applications covering our drug candidates or if we or our licensors otherwise allow our patents or patent applications to be abandoned or lapse, our competitors might be able to enter the market, which would hurt our competitive position and could impair our ability to successfully commercialize our drug candidates in any indication for which they are approved.

Our owned and in-licensed patents and other intellectual property may be subject to further priority disputes or to inventorship disputes and similar proceedings. If we or our licensors are unsuccessful in any of these proceedings, we may be required to obtain licenses from third parties, which may not be available on commercially reasonable terms or at all, or to modify or cease the development, manufacture and commercialization of one or more of the drug candidates we may develop, which could have a material adverse impact on our business.

We or our licensors may be subject to claims that former employees, collaborators or other third parties have an interest in our owned or in-licensed patents or other intellectual property as an inventor or co-inventor. If we or our licensors are unsuccessful in any interference proceedings or other priority or validity disputes (including any patent oppositions) to which we or they are subject, we may lose valuable intellectual property rights through the loss of one or more patents owned or licensed or our owned or licensed patent claims may be narrowed, invalidated, or held unenforceable. In addition, if we or our licensors are unsuccessful in any inventorship disputes to which we or they are subject, we may lose valuable intellectual property rights, such as exclusive ownership of, or the exclusive right to use, our owned or in-licensed patents. If we or our licensors are unsuccessful in any interference proceeding or other priority or inventorship dispute, we may be required to obtain and maintain licenses from third parties, including parties involved in any such interference proceedings

or other priority or inventorship disputes. Such licenses may not be available on commercially reasonable terms or at all, or may be non-exclusive. If we are unable to obtain and maintain such licenses, we may need to modify or cease the development, manufacture, and commercialization of one or more of our drug candidates. The loss of exclusivity or the narrowing of our owned and licensed patent claims could limit our ability to stop others from using or commercializing similar or identical drug products. Any of the foregoing could result in a material adverse effect on our business, financial condition, results of operations, or prospects. Even if we are successful in an interference proceeding or other similar priority or inventorship disputes, it could result in substantial costs and be a distraction to our management and other employees.

Claims that our drug candidates or the sale or use of our future products infringe, misappropriate or otherwise violate the patents or other intellectual property rights of third parties could result in costly litigation or could require substantial time and money to resolve, even if litigation is avoided.

We cannot guarantee that our drug candidates or the sale or use of our future products do not and will not in the future infringe, misappropriate or otherwise violate third-party patents or other intellectual property rights. Third parties might allege that we are infringing their patent rights or that we have misappropriated their trade secrets, or that we are otherwise violating their intellectual property rights, whether with respect to the manner in which we have conducted our research, or with respect to the use or manufacture of the compounds we have developed or are developing. Litigation relating to patents and other intellectual property rights in the biopharmaceutical and pharmaceutical industries is common, including patent infringement lawsuits. The various markets in which we plan to operate are subject to frequent and extensive litigation regarding patents and other intellectual property rights. Some claimants may have substantially greater resources than we have and may be able to sustain the costs of complex intellectual property litigation to a greater degree and for longer periods of time than we could. Third parties might resort to litigation against us or other parties we have agreed to indemnify, which litigation could be based on either existing intellectual property or intellectual property that arises in the future. For example, we are aware of a third-party U.S. patent and its counterpart European patents that relate to the use of antibodies having specificity to PD-L1 to treat cancer.

It is also possible that we failed to identify, or may in the future fail to identify, relevant patents or patent applications held by third parties that cover our drug candidates. Publication of discoveries in the scientific or patent literature often lags behind actual discoveries. Therefore, we cannot be certain that we were the first to invent, or the first to file patent applications on, our drug candidates or for their uses, or that our drug candidates will not infringe patents that are currently issued or that are issued in the future. In the event that a third party has also filed a patent application covering one of our drug candidates or a similar invention, our patent application may be regarded as a competing application and may not be approved in the end. Additionally, pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our products or their use.

If a third party were to assert claims of patent infringement against us, even if we believe such third-party claims are without merit, a court of competent jurisdiction could hold that these third-party patents are valid, enforceable and infringed, and the holders of any such patents may be able to block our ability to commercialize the applicable product unless we obtained a license under the applicable patents, or until such patents expire or are finally determined to be invalid or unenforceable. Similarly, if any third-party patents were held by a court of competent jurisdiction to cover aspects of our compositions, formulations, or methods of treatment, prevention, or use, the holders of any such patents may be able to block our ability to develop and commercialize the applicable product unless we obtained a license or until such patent expires or is finally determined to be invalid or unenforceable. In addition, defending such claims would cause us to incur substantial expenses and could cause us to pay substantial damages, if we are found to be infringing a third party's patent rights. These damages potentially include increased damages and attorneys' fees if we are found to have infringed such rights willfully. In order to avoid or settle potential claims with respect to any patent or other intellectual property rights of third parties, we may choose or be required to seek a license from a third party and be required to pay license fees or royalties or both, which could be substantial. These licenses may not be

available on acceptable terms, or at all. Even if we were able to obtain a license, the rights may be nonexclusive, which could result in our competitors gaining access to the same intellectual property. Ultimately, we could be prevented from commercializing a drug candidate, or be forced, by court order or otherwise, to modify or cease some or all aspects of our business operations, if, as a result of actual or threatened patent or other intellectual property claims, we are unable to enter into licenses on acceptable terms. Further, we could be found liable for significant monetary damages as a result of claims of intellectual property infringement.

Defending against claims of patent infringement, misappropriation of trade secrets or other violations of intellectual property rights could be costly and time-consuming, regardless of the outcome. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. Thus, even if we were to ultimately prevail, or to settle at an early stage, such litigation could burden us with substantial unanticipated costs.

Issued patents covering one or more of our drug candidates could be found invalid or unenforceable if challenged in court.

Despite measures we take to obtain and maintain patent and other intellectual property rights with respect to our drug candidates, our intellectual property rights could be challenged or invalidated. For example, if we were to initiate legal proceedings against a third party to enforce a patent covering one of our drug candidates, the defendant could counterclaim that our patent is invalid and/or unenforceable. Grounds for a validity challenge could be an alleged failure to meet any of several statutory requirements, for example, lack of novelty, obviousness or non-enablement. Grounds for an unenforceability assertion could be an allegation that someone connected with prosecution of the patent withheld relevant information from the USPTO, SIPO, or the applicable foreign counterpart, or made a misleading statement, during prosecution. Although we believe that we have conducted our patent prosecution in accordance with a duty of candor and in good faith, the outcome following legal assertions of invalidity and unenforceability during patent litigation is unpredictable. If a defendant were to prevail on a legal assertion of invalidity and/or unenforceability, we would lose at least part, and perhaps all, of the patent protection on a drug candidate. Even if a defendant does not prevail on a legal assertion of invalidity and/or unenforceability, our patent claims may be construed in a manner that would limit our ability to enforce such claims against the defendant and others. Even if we establish infringement, the court may decide not to grant an injunction against further infringing activity and instead award only monetary damages, which may not be an adequate remedy. In addition, if the breadth or strength of protection provided by our patents is threatened, it could dissuade companies from collaborating with us to license, develop, or commercialize our current or future drug candidates. Any loss of patent protection could have a material adverse impact on one or more of our drug candidates and our business.

Enforcing our intellectual property rights against third parties may also cause such third parties to file other counterclaims against us, which could be costly to defend and could require us to pay substantial damages, cease the sale of certain drugs or enter into a license agreement and pay royalties (which may not be possible on commercially reasonable terms or at all).

Intellectual property litigation may lead to unfavorable publicity which may harm our reputation and cause the market price of our ADSs to decline, and any unfavorable outcome from such litigation could limit our research and development activities and/or our ability to commercialize our drug candidates.

During the course of any intellectual property litigation, there could be public announcements of the results of hearings, rulings on motions, and other interim proceedings in the litigation. If securities analysts or investors regard these announcements as negative, the perceived value of our drug candidates, future drugs, programs or intellectual property could be diminished. Accordingly, the market price of our ADSs may decline. Such announcements could also harm our reputation or the market for our drug candidates, which could have a material adverse effect on our business.

In the event of intellectual property litigation, there can be no assurance that we would prevail, even if the case against us is weak or flawed. If third parties successfully assert their intellectual property rights against us, prohibitions against using certain technologies, or prohibitions against commercializing our drug candidates, could be imposed by a court or by a settlement agreement between us and a plaintiff. In addition, if we are unsuccessful in defending against allegations that we have infringed, misappropriated or otherwise violated the patent or other intellectual property rights of others, we may be forced to pay substantial damage awards to the plaintiff. Additionally, we may be required to obtain a license from the intellectual property owner in order to continue our research and development programs or to commercialize any resulting product. It is possible that the necessary license will not be available to us on commercially acceptable terms, or at all. This may not be technically or commercially feasible, may render our products less competitive, or may delay or prevent the launch of our products to the market. Any of the foregoing could limit our research and development activities, our ability to commercialize one or more drug candidates, or both.

Most of our competitors are larger than we are and have substantially greater resources. They are, therefore, likely to be able to sustain the costs of complex intellectual property litigation longer than we could. In addition, the uncertainties associated with litigation could have a material adverse effect on our ability to raise the funds necessary to conduct our clinical trials, continue our internal research programs, in-license needed technology, or enter into strategic partnerships that would help us bring our drug candidates to market.

In addition, any future intellectual property litigation, interference or other administrative proceedings will result in additional expense and distraction of our personnel. An adverse outcome in such litigation or proceedings may expose us or any future strategic partners to loss of our proprietary position, expose us to significant liabilities, or require us to seek licenses that may not be available on commercially acceptable terms, if at all, each of which could have a material adverse effect on our business.

Changes in patent law could diminish the value of patents in general, thereby impairing our ability to protect our drug candidates.

As is the case with other biopharmaceutical companies, our success is heavily dependent on intellectual property, particularly patent rights. Obtaining and enforcing patents in the biopharmaceutical industry involves both technological and legal complexity, and is therefore costly, time-consuming, and inherently uncertain. In addition, the United States has recently enacted and is implementing wide-ranging patent reform legislation. Recent U.S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to our ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents once obtained, if any. Depending on decisions by the U.S. Congress, the federal courts and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken our ability to obtain new patents or to enforce our existing patents and patents that we might obtain in the future. For example, in a recent case, *Assoc. for Molecular Pathology v. Myriad Genetics, Inc.*, the U.S. Supreme Court held that certain claims to naturally-occurring substances are not patentable. Although we do not believe that our currently issued patents and any patents that may issue from our pending patent applications directed to our drug candidates if issued in their currently pending forms, as well as patent rights licensed by us, will be found invalid based on this decision, we cannot predict how future decisions by the courts, the U.S. Congress or the USPTO may impact the value of our patent rights. There could be similar changes in the laws of foreign jurisdictions that may impact the value of our patent rights or our other intellectual property rights.

If we are unable to protect the confidentiality of our trade secrets, our business and competitive position would be harmed. We also may be subject to claims that our employees, consultants, or advisers have wrongfully used or disclosed alleged trade secrets of their former employers or claims asserting ownership of what we regard as our own intellectual property.

In addition to our issued patents and pending patent applications, we rely on trade secret and confidential information, including unpatented know-how, technology and other proprietary information, to maintain our competitive position and to protect our drug candidates. We seek to protect this trade secret and confidential information, in part, by entering into non-disclosure and confidentiality agreements with parties that have access to them, such as our employees, corporate collaborators, outside scientific collaborators, sponsored researchers, contract manufacturers, consultants, advisers and other third parties. We also enter into confidentiality and invention or patent assignment agreements with our employees and consultants. However, any of these parties may breach such agreements and disclose our proprietary information, and we may not be able to obtain adequate remedies for such breaches. Enforcing a claim that a party illegally disclosed or misappropriated a trade secret can be difficult, expensive and time-consuming, and the outcome is unpredictable. If any of our trade secrets were to be lawfully obtained or independently developed by a competitor or other third party, we would have no right to prevent them from using that technology or information to compete with us and our competitive position would be harmed.

Furthermore, many of our employees, consultants, and advisers, including our senior management, were previously employed at other biotechnology or pharmaceutical companies, including our competitors or potential competitors. Some of these employees, consultants, and advisers, including members of our senior management, executed proprietary rights, non-disclosure and non-competition agreements in connection with such previous employment. Although we try to ensure that our employees do not use the proprietary information or know-how of others in their work for us, we may be subject to claims that we or these employees have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such individual's former employer. We are not aware of any threatened or pending claims related to these matters or concerning the agreements with our senior management, but in the future litigation may be necessary to defend against such claims. If we fail in defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or personnel. Even if we are successful in defending against such claims, litigation could result in substantial costs and be a distraction to management. In addition, while we typically require our employees, consultants and contractors who may be involved in the development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who in fact develops intellectual property that we regard as our own, and furthermore, the assignment of intellectual property rights may not be self-executing, or the assignment agreements may be breached, each of which may result in claims by or against us related to the ownership of such intellectual property. If we fail in prosecuting or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial costs, be a distraction to our management and scientific personnel and have a material adverse effect on our business, financial condition, results of operations and prospects.

We may not be successful in obtaining or maintaining necessary rights for our development pipeline through acquisitions and in-licenses.

Because our programs may involve additional drug candidates that may require the use of proprietary rights held by third parties, the growth of our business may depend in part on our ability to acquire and maintain licenses or other rights to use these proprietary rights. We may be unable to acquire or in-license any compositions, methods of use, or other intellectual property rights from third parties that we identify. The licensing and acquisition of third-party intellectual property rights is a competitive area, and a number of more established companies are also pursuing strategies to license or acquire third-party intellectual property rights that we may consider attractive or necessary. These established companies may have a competitive advantage over us due to their size, cash resources and greater clinical development and commercialization capabilities. In

addition, companies that perceive us to be a competitor may be unwilling to assign or license rights to us. We also may be unable to license or acquire third-party intellectual property rights on terms that would allow us to make an appropriate return on our investment or at all. If we are unable to successfully obtain rights to required third-party intellectual property rights or maintain the existing intellectual property rights we have, we may have to abandon development of the relevant program or drug candidate, which could have a material adverse effect on our business, financial condition, results of operations and prospects for growth.

Our rights to develop and commercialize our drug candidates are subject, in part, to the terms and conditions of licenses granted to us by others.

We rely on licenses to certain patent rights and other intellectual property from third parties that are important or necessary to the development of our drug candidates. These and other licenses may not provide exclusive rights to use such intellectual property in all relevant fields of use and in all territories in which we may wish to develop or commercialize our drug products. As a result, we may not be able to prevent competitors from developing and commercializing competitive drug products in territories included in all of our licenses.

We may not have the right to control the preparation, filing, prosecution, maintenance, enforcement, and defense of patents and patent applications covering the drug candidates that we license from third parties. Moreover, we have not had and do not have primary control over these activities for certain of our patents or patent applications and other intellectual property rights that we jointly own with certain of our licensors and sub-licensors. Therefore, we cannot be certain that these patents and patent applications will be prepared, filed, prosecuted, maintained, enforced, and defended in a manner consistent with the best interests of our business. If our licensors fail to prosecute, maintain, enforce and defend such patents, or lose rights to those patents or patent applications, the rights we have licensed may be reduced or eliminated, and our right to develop and commercialize any of our drugs that are subject of such licensed rights could be adversely affected.

Pursuant to the terms of the license agreements with some of our licensors, the licensors may have the right to control enforcement of our licensed patents or defense of any claims asserting the invalidity or unenforceability of these patents. Even if we are permitted to pursue the enforcement or defense of our licensed patents, we will require the cooperation of our licensors and any applicable patent owners and such cooperation may not be provided to us. We cannot be certain that our licensors will allocate sufficient resources or prioritize their or our enforcement of such patents or defense of such claims to protect our interests in the licensed patents. Even if we are not a party to these legal actions, an adverse outcome could harm our business because it might prevent us from continuing to license intellectual property that we may need to operate our business. If we lose any of our licensed intellectual property, our right to develop and commercialize any of our drug candidates that are subject of such licensed rights could be adversely affected.

In addition, our licensors may have relied on third party consultants or collaborators or on funds from third parties such that our licensors are not the sole and exclusive owners of the patents we in-license. This could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

In spite of our best efforts, our licensors might conclude that we have materially breached our license agreements and might therefore terminate the license agreements, thereby removing our ability to develop and commercialize drug products covered by these license agreements. If such licenses are terminated, we may be required seek alternative in-license arrangements, which may not be available on commercially reasonable terms or at all, or may be non-exclusive. If these in-licenses are terminated, or if the underlying patents fail to provide the intended exclusivity, we may need to modify or cease the development, manufacture, and commercialization of one or more of our drug candidates and competitors would have the freedom to seek regulatory approval of, and to market, products identical to ours. In addition, we may seek to obtain additional licenses from our licensors and, in connection with obtaining such licenses, we may agree to amend our existing licenses in a manner that may be more favorable to the licensors, including by agreeing to terms that could enable third parties

(potentially including our competitors) to receive licenses to a portion of the intellectual property that is subject to our existing licenses. Any of these events could have a material adverse effect on our competitive position, business, financial conditions, results of operations, and prospects.

If we fail to comply with our obligations in the agreements under which we license intellectual property rights from third parties or otherwise experience disruptions to our business relationships with our licensors, we could be required to pay monetary damages or could lose license rights that are important to our business.

Our business relies, in large part, on our ability to develop and commercialize drug candidates we have licensed from third parties, and we have entered into license agreements with third parties providing us with rights to various third-party intellectual property, including rights in patents and patent applications. Our licenses may not encumber all intellectual property rights owned or controlled by the affiliates of our licensors and relevant to our drug candidates, and we may need to obtain additional licenses from our existing licensors and others to advance our research or allow commercialization of drug candidates we may develop. In such case, we may need to obtain additional licenses which may not be available on an exclusive basis, on commercially reasonable terms or at a reasonable cost, if at all. In that event, we may be required to expend significant time and resources to redesign our drug candidates or the methods for manufacturing them or to develop or license replacement technology, all of which may not be feasible on a technical or commercial basis. If we are unable to do so, we may be unable to develop or commercialize the affected drug candidates, which could harm our business, financial condition, results of operations, and prospects significantly.

In addition, if our licensors breach the license agreements, we may not be able to enforce such agreements against our licensors' parent entity or affiliates. Under each of our license and intellectual property-related agreements, in exchange for licensing or sublicensing us the right to develop and commercialize the applicable drug candidates, our licensors will be eligible to receive from us milestone payments, tiered royalties from commercial sales of such drug candidates, assuming relevant approvals from government authorities are obtained, or other payments. Our license and intellectual property-related agreements also require us to comply with other obligations including development and diligence obligations, providing certain information regarding our activities with respect to such drug candidates and/or maintaining the confidentiality of information we receive from our licensors.

If we fail to comply with our obligations under our current or future license agreements, our counterparties may have the right to terminate these agreements and, upon the effective date of such termination, have the right to re-obtain the licensed and sub-licensed technology and intellectual property. If any of our licensors terminate any of our licenses, we might not be able to develop, manufacture or market any drug or drug candidate that is covered by the licenses provided for under these agreements and other third parties may be able to market drug candidates similar or identical to ours. In such case, we may have to negotiate new or reinstated agreements with less favorable terms, and may be required to provide a grant back license to the licensors under our own intellectual property with respect to the terminated products. We may also face claims for monetary damages or other penalties under these agreements. While we would expect to exercise all rights and remedies available to us, including seeking to cure any breach by us, and otherwise seek to preserve our rights under the intellectual property rights licensed and sublicensed to us, we may not be able to do so in a timely manner, at an acceptable cost or at all. In particular, some of the milestone payments are payable upon our drug candidates reaching development milestones before we have commercialized, or received any revenue from, sales of such drug candidate, and we cannot guarantee that we will have sufficient resources to make such milestone payments. Any uncured, material breach under the license agreements could result in our loss of exclusive rights and may lead to a complete termination of our rights to the applicable drug candidate. Any of the foregoing could have a material adverse effect on our business, financial conditions, results of operations, and prospects.

It is possible that we may be unable to obtain any additional licenses at a reasonable cost or on reasonable terms, if at all. Certain of our license agreements also require us to meet development thresholds to

maintain the license, including establishing a set timeline for developing and commercializing products. Disputes may arise regarding intellectual property subject to a license agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- the extent to which our technology and processes infringe, misappropriate or violate intellectual property of the licensor that is not subject to the license agreement;
- the sublicensing of patent and other rights under our collaborative development relationships;
- our diligence obligations under the license agreement and what activities satisfy those diligence obligations;
- the inventorship and ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners; and
- the priority of invention of patented technology.

In addition, the agreements under which we license intellectual property or technology from third parties are complex, and certain provisions in such agreements may be susceptible to multiple interpretations. The resolution of any contract interpretation disagreement that may arise could narrow what we believe to be the scope of our rights to the relevant intellectual property or technology, or increase what we believe to be our financial or other obligations under the relevant agreement, either of which could have a material adverse effect on our business, financial condition, results of operations, and prospects. Moreover, if disputes over intellectual property that we have licensed prevent or impair our ability to maintain our current licensing arrangements on commercially acceptable terms, we may be unable to successfully develop and commercialize the affected drug candidates, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Intellectual property rights do not necessarily protect us from all potential threats to our competitive advantage.

The degree of future protection afforded by our intellectual property rights is uncertain because intellectual property rights have limitations, and may not adequately protect our business, or permit us to maintain our competitive advantage. The following examples are illustrative:

- others may be able to make compounds that are similar to our drug candidates but that are not covered by the claims of the patents that we own or have exclusively licensed;
- we might not have been the first to make the inventions covered by the issued patents or pending patent applications that we own or may in the future exclusively license, which could result in the patents applied for not being issued or being invalidated after issuing;
- we might not have been the first to file patent applications covering certain of our inventions, which could result in the patents applied for not being issued or being invalidated after issuing;
- others may independently develop similar or alternative technologies or duplicate any of our technologies without infringing our intellectual property rights;
- it is possible that our pending patent applications will not lead to issued patents;
- issued patents that we own or have exclusively licensed may not provide us with any competitive advantages, or may be held invalid or unenforceable, as a result of legal challenges by our competitors or other third parties;

- we may obtain patents for certain compounds many years before we receive regulatory approval for drugs containing such compounds, and because patents have a limited life, which may begin to run prior to the commercial sale of the related drugs, the commercial value of our patents may be limited;
- our competitors might conduct research and development activities in countries where we do not have patent rights and then use the information learned from such activities to develop competitive drugs for commercialization in our major markets;
- we may fail to develop additional proprietary technologies that are patentable;
- we may fail to apply for or obtain adequate intellectual property protection in all the jurisdictions in which we operate;
- third parties may gain unauthorized access to our intellectual property due to potential lapses in our information systems; and
- the patents of others may have an adverse effect on our business, for example by preventing us from commercializing one or more of our drug candidates for one or more indications.

Any of the aforementioned threats to our competitive advantage could have a material adverse effect on our business and future prospects.

If our trademarks and trade names are not adequately protected, we may not be able to build name recognition in our markets of interest and our competitive position may be adversely affected.

We own registered trademarks. We may not be able to obtain trademark protection in territories that we consider of significant importance to us. In addition, any of our trademarks or trade names, whether registered or unregistered, may be challenged, opposed, infringed, cancelled, circumvented or declared generic, or determined to be infringing on other marks, as applicable. We may not be able to protect our rights to these trademarks and trade names, which we will need to build name recognition by potential collaborators or customers in our markets of interest. Over the long term, if we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively and our business may be adversely affected.

Terms of our future patents may not be sufficient to effectively protect our drug candidates and business.

In many countries where we file applications for patents, the term of an issued patent is generally 20 years from the earliest claimed filing date of a non-provisional patent application in the applicable country. Although various extensions may be available, the life of a patent and the protection it affords are limited. Even if we obtain patents covering our drug candidates, we may still be open to competition from other companies, as well as generic medications once the patent life has expired for a drug. While there are patent regulations in the PRC in respect of regulatory data protection of new drugs containing new chemical components, there are currently no other clear mechanisms providing patent term extension or patent linkages for other drugs in the PRC. Therefore, it is possible that a lower-cost generic drug can emerge onto the market much more quickly. PRC regulators have set out a framework for integrating patent linkage and data exclusivity into the PRC regulatory regime, as well as for establishing a pilot program for patent term extension. This framework will require adoption of regulations to be implemented, although no such regulations have been issued to date. These factors may result in weaker protection for us against generic competition in the PRC than could be available to us in other jurisdictions, such as the United States. In addition, patents which we expect to obtain in the PRC may not be eligible to be extended for patent terms lost during clinical trials and the regulatory review process.

If we are unable to obtain patent term extensions or if such extensions are less than requested for, our competitors may obtain approval of competing products following our patent expirations and our business, financial condition, results of operations and prospects could be materially harmed as a result.

If we do not obtain additional protection under the Hatch-Waxman Amendments and similar legislation in other countries extending the terms of our patents, if issued, relating to our drug candidates, our business may be materially harmed.

Depending upon the timing, duration and specifics of FDA regulatory approval for our drug candidates, one or more of our U.S. patents, if issued, may be eligible for limited patent term restoration under the Drug Price Competition and Patent Term Restoration Act of 1984 (the "Hatch-Waxman Amendments"). The Hatch-Waxman Amendments permit a patent term extension of up to five years as compensation for patent term lost during drug development and the FDA regulatory review process. Patent term extensions, however, cannot extend the remaining term of a patent beyond a total of 14 years from the date of drug approval by the FDA, and only one patent can be extended for a particular drug.

The application for patent term extension is subject to approval by the USPTO, in conjunction with the FDA. We may not be granted an extension because of, for example, failing to apply within applicable deadlines, failing to apply prior to expiration of relevant patents or otherwise failing to satisfy applicable requirements. Moreover, the applicable time period or the scope of patent protection afforded could be less than we request. If we are unable to obtain a patent term extension for a given patent or the term of any such extension is less than we request, the period during which we will have the right to exclusively market our drug will be shortened and our competitors may obtain earlier approval of competing drugs, and our ability to generate revenues could be materially adversely affected.

Risks Related to Our Industry, Business and Operations

Our future success depends on our ability to attract, retain and motivate senior management and qualified scientific employees.

We are highly dependent on the expertise of the members of our research and development team, as well as the principal members of our management. We have entered into employment agreements with our executive officers, but each of them may terminate their employment with us at any time with prior written notice. In addition, we currently do not have "key-man" insurance for any of our executive officers or other key personnel.

Recruiting, retaining and motivating qualified management, scientific, clinical, manufacturing and sales and marketing personnel will also be critical to our success. The loss of the services of our executive officers or other key employees could impede the achievement of our research, development and commercialization objectives and seriously harm our ability to successfully implement our business strategy. Further, replacing executive officers and key employees may be difficult and may take an extended period of time because of the limited number of individuals in our industry with the breadth of skills and experience required to successfully develop, gain regulatory approval of and commercialize drugs. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain or motivate these key personnel on acceptable terms given the competition among numerous biopharmaceutical companies for similar personnel. We also experience competition for the hiring of scientific and clinical personnel from universities and research institutions. In addition, our management will be required to devote significant time to new compliance initiatives from our status as a public company, which may require us to recruit more management personnel.

We will need to increase the size and capabilities of our organization, and we may experience difficulties in managing our growth.

We expect to experience significant growth in the number of our employees and consultants and the scope of our operations, particularly in the areas of clinical development, regulatory affairs and business development. To manage our anticipated future growth, we must continue to implement and improve our managerial, operational and financial systems, expand our facilities and continue to recruit and train additional

qualified personnel. Due to our limited financial resources, we may not be able to effectively manage the expansion of our operations or recruit and train additional qualified personnel. The expansion of our operations may lead to significant costs and may divert our management and business development resources. Any inability to manage growth could delay the execution of our business plans or disrupt our operations, and have a material adverse effect on our business.

The data and information that we gather in our research and development process could be inaccurate or incomplete, which could harm our business, reputation, financial condition and results of operations.

We collect, aggregate, process, and analyze data and information from our pre-clinical studies, manufacturing technology development programs and clinical programs. We also engage in substantial information gathering following the identification of a promising drug candidate. Because data in the healthcare industry is fragmented in origin, inconsistent in format, and often incomplete, the overall quality of data collected or accessed in the healthcare industry is often subject to challenge, the degree or amount of data which is knowingly or unknowingly absent or omitted can be material, and we often discover data issues and errors when monitoring and auditing the quality of our data. If we make mistakes in the capture, input, or analysis of these data, our ability to advance the development of our drug candidates may be materially harmed and our business, prospects and reputation may suffer.

We also engage in the procurement of regulatory approvals necessary for the development and commercialization of our products under development, for which we manage and submit data to governmental entities. These processes and submissions are governed by complex data processing and validation policies and regulations. Notwithstanding such policies and regulations, interim, top-line or preliminary data from our clinical trials that we announce or publish from time to time may change as more patient data become available and are subject to audit and verification procedures that could result in material changes in the final data, in which case we may be exposed to liability to a customer, court or government agency that concludes that our storage, handling, submission, delivery, or display of health information or other data was wrongful or erroneous.

Although we maintain insurance coverage for clinical trials, this coverage may prove to be inadequate or could cease to be available to us on acceptable terms, if at all. Even unsuccessful claims could result in substantial costs and diversion of management time, attention, and resources. A claim brought against us that is uninsured or under-insured could harm our business, financial condition and results of operations.

In addition, we rely on CROs, our partners and other third parties to monitor and manage data for some of our ongoing pre-clinical and clinical programs and control only certain aspects of their activities. If any of our CROs, our partners or other third parties do not perform to our standards in terms of data accuracy or completeness, data from those pre-clinical and clinical trials may be compromised as a result, and our reliance on these parties does not relieve us of our regulatory responsibilities. For a detailed discussion, see "—Risks Related to Our Reliance on Third Parties—As we rely on third parties to conduct our pre-clinical studies and clinical trials, if we lose our relationships with these third parties or if they do not successfully carry out their contractual duties or meet expected deadlines, we may not be able to obtain regulatory approval for or commercialize our drug candidates and our business could be substantially harmed" above.

We may be subject to liability lawsuits arising from our clinical trials.

We currently carry liability insurance covering our clinical trials. Although we maintain such insurance, any claim that may be brought against us could result in a court judgment or settlement in an amount that is not covered, in whole or in part, by our insurance or which is in excess of the limits of our insurance coverage. Our insurance policies also contain various exclusions, and we may be subject to particular liability claims for which we have no coverage. We will have to pay any amount awarded by a court or negotiated in a settlement that exceed our coverage limitations or that are not covered by our insurance, and we may not have, or be able to obtain, sufficient capital to pay such amounts. In addition, if we cannot successfully defend ourselves against

such claims, we may incur substantial liabilities and be required to suspend or delay our ongoing clinical trials. Even a successful defense would require significant financial and management resources.

Regardless of the merits or eventual outcome, liability claims may result in significant negative consequences to our business and prospects, including, but not limited to:

- decreased demand for our drug candidates or any resulting products;
- injury to our reputation;
- withdrawal of other clinical trial participants;
- costs to defend the related litigation;
- a diversion of our management's time and resources;
- substantial monetary awards to trial participants or patients;
- inability to commercialize our drug candidates; and
- a decline in the market price of our ADSs.

We have limited insurance coverage, and any claims beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources.

We maintain insurance policies that are required under PRC laws and regulations as well as insurance based on our assessment of our operational needs and industry practice. We also maintain liability insurance covering our clinical trials. In line with industry practice in the PRC, we have elected not to maintain certain types of insurances, such as business interruption insurance or key-man insurance. Our insurance coverage may be insufficient to cover any claim for product liability, damage to our fixed assets or employee injuries. Any liability or damage to, or caused by, our facilities or our personnel beyond our insurance coverage may result in our incurring substantial costs and a diversion of resources.

Disruptions in the financial markets and economic conditions could affect our ability to raise capital.

Global economies could suffer dramatic downturns as the result of a deterioration in the credit markets and related financial crisis as well as a variety of other factors including, extreme volatility in security prices, severely diminished liquidity and credit availability, ratings downgrades of certain investments and declining valuations of others. In the past, governments have taken unprecedented actions in an attempt to address and rectify these extreme market and economic conditions by providing liquidity and stability to the financial markets. If these actions are not successful, the return of adverse economic conditions may cause a significant impact on our ability to raise capital, if needed, on a timely basis and on acceptable terms or at all.

In addition, there is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies adopted by the central banks and financial authorities of some of the world's leading economies, including the United States and China. There have been concerns over unrest and terrorist threats in the Middle East, Europe and Africa and over the conflicts involving Ukraine, Syria and North Korea. There have also been concerns on the relationship among China and other Asian countries, which may result in or intensify potential conflicts in relation to territorial disputes or the trade related disputes between the United States and China. In addition, the impact of the decision by the United Kingdom to withdraw from the European Union, commonly referred to as "Brexit", and the resulting effect on the political and economic future of the U.K. and the European Union is uncertain. Brexit could adversely affect European and worldwide economic and market

conditions and could contribute to instability in global financial and foreign exchange markets. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term. It is unclear whether these challenges and uncertainties will be contained or resolved, and what effects they may have on the global political and economic conditions in the long term.

Our employees, independent contractors, consultants, commercial partners and vendors may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements.

We are exposed to the risk of fraud, misconduct or other illegal activities by our employees, independent contractors, consultants, commercial partners and vendors. Misconduct by these parties could include intentional, reckless and negligent conduct that fails to:

- comply with the laws of the NMPA, the FDA and other comparable regulatory authorities;
- provide true, complete and accurate information to the NMPA, the FDA and other comparable regulatory authorities;
- comply with manufacturing standards we have established;
- comply with healthcare fraud and abuse laws in the PRC, the United States and similar fraudulent misconduct laws in other applicable jurisdictions; or
- report financial information or data accurately or to disclose unauthorized activities to us.

For example, our founder, Dr. Jingwu Zhang Zang, was the corresponding author of a research paper prepared by scientists at GSK China's research center and published in Nature Medicine in 2010. The paper was retracted in 2013 as a result of misrepresentation of certain data for which Dr. Zang admitted his management oversight, accepted the responsibility as the corresponding author and coordinated the retraction of the paper. In addition, Dr. Zang received a warning letter from the FDA in March 1999 relating to the lack of IND approval before the initiation of a clinical research study in human subjects. For details, please see "Management—Certain Past Incidents." We cannot assure you that there will not be any inquiries, investigations or other actions against Dr. Zang by any regulatory or government authorities or any negative publicity against Dr. Zang or us regarding these incidents, any of which could distract Dr. Zang and our management's attention and negatively affect our business and results of operations.

If we obtain approval of any of our drug candidates and begin commercializing those drugs in the PRC, the United States or other applicable jurisdictions, our potential exposure under the laws of such jurisdictions will increase significantly and our costs associated with compliance with such laws are also likely to increase. These laws may impact, among other things, our current activities with principal investigators and research patients, as well as future sales, marketing and education programs. In particular, the promotion, sales and marketing of healthcare items and services, as well as certain business arrangements in the healthcare industry, are subject to extensive laws designed to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, structuring and commission(s), certain customer incentive programs and other business arrangements generally. Activities subject to these laws also involve the improper use of information obtained in the course of patient recruitment for clinical trials, which could result in regulatory sanctions and cause serious harm to our reputation.

It is not always possible to identify and deter misconduct by employees and other parties, and the precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting us from governmental investigations or other actions or lawsuits stemming from a

failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could have a significant impact on our business, including the imposition of significant fines or other sanctions.

If we engage in future acquisitions or strategic partnerships, this may increase our capital requirements, dilute the value of your investment in our ADSs, cause us to incur debt or assume contingent liabilities, and subject us to other risks.

We may evaluate various acquisitions and strategic partnerships, including licensing or acquiring complementary products, intellectual property rights, technologies or businesses. Any potential acquisition or strategic partnership may entail numerous risks, including, but not limited to:

- increased operating expenses and cash requirements;
- the assumption of additional indebtedness or contingent liabilities;
- the issuance of our equity securities;
- assimilation of operations, intellectual property and products of an acquired company, including difficulties associated with integrating new personnel;
- the diversion of our management's attention from our existing product programs and initiatives in pursuing such a strategic merger or acquisition;
- retention of key employees, the loss of key personnel, and uncertainties in our ability to maintain key business relationships;
- risks and uncertainties associated with the assimilation of operations, corporate culture and personnel of the acquired business;
- risks and uncertainties associated with the other party to such a transaction, including the prospects of that party and its existing drugs or drug candidates and regulatory approvals;
- our inability to generate revenue from acquired technology and/or products sufficient to meet our objectives in undertaking the acquisition or even to offset the associated acquisition and maintenance costs; and
- changes in accounting principles relating to recognition and measurement of our investments that may have a significant impact on our financial results.

In addition, if we undertake acquisitions, we may issue dilutive securities, assume or incur debt obligations, incur large one-time expenses and acquire intangible assets that could result in significant future amortization expense. Moreover, we may not be able to locate suitable acquisition opportunities and this inability could impair our ability to grow or obtain access to technology or products that may be important to the development of our business.

If we fail to comply with applicable anti-bribery laws, our reputation may be harmed and we could be subject to penalties and significant expenses that have a material adverse effect on our business, financial condition and results of operations.

We are subject to anti-bribery laws in China that generally prohibit companies and their intermediaries from making payments to government officials for the purpose of obtaining or retaining business or securing any

other improper advantage. In addition, although currently our primary operating business is in China, we are subject to the Foreign Corrupt Practices Act (the "FCPA"). The FCPA generally prohibits us from making improper payments to non-U.S. officials for the purpose of obtaining or retaining business. Although we have policies and procedures designed to ensure that we, our employees and our agents comply with anti-bribery laws, there is no assurance that such policies or procedures will prevent our agents, employees and intermediaries from engaging in bribery activities. Failure to comply with anti-bribery laws could disrupt our business and lead to severe criminal and civil penalties, including imprisonment, criminal and civil fines, loss of our export licenses, suspension of our ability to do business with the government, denial of government reimbursement for our products and/or exclusion from participation in government healthcare programs. Other remedial measures could include further changes or enhancements to our procedures, policies, and controls and potential personnel changes and/or disciplinary actions, any of which could have a material adverse effect on our business, financial condition, results of operations and liquidity. We could also be adversely affected by any allegation that we violated such laws.

Any failure to comply with applicable regulations and industry standards or obtain various licenses and permits could harm our reputation and our business, results of operations and prospects.

A number of governmental agencies or industry regulatory bodies in the PRC, the United States and other applicable jurisdictions impose strict rules, regulations and industry standards governing biopharmaceutical research and development activities, which apply to us. Our or our CROs' failure to comply with such regulations could result in the termination of ongoing research, administrative penalties imposed by regulatory bodies or the disqualification of data for submission to regulatory authorities. This could harm our business, reputation, prospects for future work and results of operations. For example, if we or our CROs were to treat research animals inhumanely or in violation of international standards set out by the Association for Assessment and Accreditation of Laboratory Animal Care, it could revoke any such accreditation and the accuracy of our animal research data could be questioned.

If we or our CROs or other contractors or consultants fail to comply with environmental, health and safety laws and regulations, we could become subject to fines or penalties or incur costs that could have a material adverse effect on the success of our business.

We and third parties, such as our CROs or other contractors or consultants, are subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. Our operations involve the use of hazardous and flammable materials, including chemicals and radioactive and biological materials. Our operations also produce hazardous waste products. We generally contract with third parties for the disposal of these materials and wastes. We cannot eliminate the risk of contamination or injury from these materials. In the event of contamination or injury resulting from our use of hazardous materials, we could be held liable for any resulting damages, and any liability could exceed our resources. We also could incur significant costs associated with civil or criminal fines and penalties.

Although we maintain workers' compensation insurance to cover us for costs and expenses we may incur due to injuries to our employees resulting from the use of or exposure to hazardous materials, this insurance may not provide adequate coverage against potential liabilities. We do not maintain insurance for environmental liability or toxic tort claims that may be asserted against us in connection with our storage, use or disposal of biological, hazardous or radioactive materials.

In addition, we may be required to incur substantial costs to comply with current or future environmental, health and safety laws and regulations. These current or future laws and regulations may impair our research, development or production efforts. Failure to comply with these laws and regulations also may result in substantial fines, penalties or other sanctions.

If we face allegations of non-compliance with laws and encounter sanctions, our reputation, revenues and liquidity may suffer, and our drug candidates and future drugs could be subject to restrictions or withdrawal from the market.

Any government investigation of alleged violations of laws could require us to expend significant time and resources in response, and could generate negative publicity. Any failure to comply with ongoing regulatory requirements may significantly and adversely affect our ability to commercialize and generate revenues from our drugs. If regulatory sanctions are applied or if regulatory approval is withdrawn, the value of our company and our operating results will be adversely affected. Additionally, if we are unable to generate revenues from our product sales, our potential for achieving profitability will be diminished and the capital necessary to fund our operations will be increased.

Our internal computer systems, or those used by our CROs or other contractors or consultants, may fail or suffer security breaches.

Although to our knowledge we have not experienced any material system failure or security breach to date, if such an event were to occur and cause interruptions in our operations, it could result in a material disruption of our development programs and our business operations. For example, the loss of clinical trial data from completed or future clinical trials could result in delays in our regulatory approval efforts and significantly increase our costs to recover or reproduce the data. Likewise, we partially rely on our third-party research institution collaborators for research and development of our drug candidates and other third parties for the manufacture of our drug candidates and to conduct clinical trials, and similar events relating to their computer systems could also have a material adverse effect on our business.

To the extent that any disruption or security breach were to result in a loss of, or damage to, our data or applications, or inappropriate disclosure of confidential or proprietary information, we could incur liability and the further development and commercialization of our drug candidates could be delayed.

Failure to comply with existing or future laws and regulations related to privacy or data security could lead to government enforcement actions, which could include civil or criminal fines or penalties, private litigation, other liabilities, and/or adverse publicity. Compliance or the failure to comply with such laws could increase the costs of our products and services, could limit their use or adoption, and could otherwise negatively affect our operating results and business.

The regulatory framework for the collection, use, safeguarding, sharing, transfer and other processing of personal information worldwide is rapidly evolving and is likely to remain uncertain for the foreseeable future. Regulatory authorities in virtually every jurisdiction in which we operate have implemented and are considering a number of legislative and regulatory proposals concerning personal data protection.

Regulatory authorities in China have implemented and are considering a number of legislative and regulatory proposals concerning data protection. For example, China's Cyber Security Law, which became effective in June 2017, created China's first national-level data protection for "network operators," which may include all organizations in China that provide services over the internet or another information network. Numerous regulations, guidelines and other measures are expected to be adopted under the umbrella of the Cyber Security Law. Drafts of some of these measures have now been published, including the draft rules on cross-border transfers published by the China Cyberspace Administration in 2017, which may, upon enactment, require security review before transferring human health-related data out of China. In addition, certain industry-specific laws and regulations affect the collection and transfer of personal data in China. For example, the PRC State Council promulgated Regulations on the Administration of Human Genetic Resources (effective in July 2019), which require approval from the Science and Technology Administration Department of the State Council where human genetic resources, or HGR, are involved in any international collaborative project and additional approval for any export or cross-border transfer of the HGR samples or associated data. It is possible that these laws may

be interpreted and applied in a manner that is inconsistent with our practices, potentially resulting in confiscation of HGR samples and associated data, administrative fines and criminal liabilities. In addition, the interpretation and application of data protection laws in China and elsewhere are often uncertain and in flux.

In the United States, we are subject to laws and regulations that address privacy, personal information protection and data security at both the federal and state levels. Numerous laws and regulations, including security breach notification laws, health information privacy laws, and consumer protection laws, govern the collection, use, disclosure and protection of health-related and other personal information. Given the variability and evolving state of these laws, we face uncertainty as to the exact interpretation of the new requirements, and we may be unsuccessful in implementing all measures required by regulators or courts in their interpretation.

Regulatory authorities in Europe have implemented and are considering a number of legislative and regulatory proposals concerning data protection. For example, the General Data Protection Regulation (EU) 2016/679, or GDPR, which became effective in May 2018, imposes a broad range of strict requirements on companies subject to the GDPR, such as us, including, but not limited to, requirements relating to having legal bases for processing personal information relating to identifiable individuals and transferring such information outside the European Economic Area (including to the United States), providing details to those individuals regarding the processing of their personal information, keeping personal information secure, having data processing agreements with third parties who process personal information, responding to individuals' requests to exercise their rights in respect of their personal information, reporting security breaches involving personal data to the competent national data protection authority and affected individuals, and recordkeeping. The GDPR substantially increases the penalties to which we could be subject in the event of any non-compliance, including fines of up to 10,000,000 Euros or up to 2% of our total worldwide annual turnover for certain comparatively minor offenses, or up to 20,000,000 Euros or up to 4% of our total worldwide annual turnover for more serious offenses. Given the new law, we face uncertainty as to the exact interpretation of the new requirements, and we may be unsuccessful in implementing all measures required by data protection authorities or courts in interpretation of the new law. National laws of member states of the European Union are in the process of being adapted to the requirements under the GDPR. Because the GDPR specifically gives member states flexibility with respect to certain matters, national laws may partially deviate from the GDPR and impose different obligations from country to country, leading to additional complexity and uncertainty.

We expect that we will continue to face uncertainty as to whether our efforts to comply with evolving obligations under global data protection, privacy and security laws will be sufficient. Any failure or perceived failure by us to comply with applicable laws and regulations could result in reputational damage or proceedings or actions against us by governmental entities, individuals or others. These proceedings or actions could subject us to significant civil or criminal penalties and negative publicity, result in the delayed or halted transfer or confiscation of certain personal information, require us to change our business practices, increase our costs and materially harm our business, prospects, financial condition and results of operations. In addition, our current and future relationships with customers, vendors, pharmaceutical partners and other third parties could be negatively affected by any proceedings or actions against us or current or future data protection obligations imposed on them under applicable law, including the GDPR. In addition, a data breach affecting personal information, including health information, could result in significant legal and financial exposure and reputational damage that could potentially have an adverse effect on our business.

Our operating results for fiscal year 2020, our China operations and our worldwide operations could be adversely affected by the outbreak of and response to the coronavirus or other health crises.

Our business, financial condition and results of operations could be adversely affected by the COVID-19 outbreak. The global outbreak of COVID-19, the disease caused by a novel strain of coronavirus, has created significant business disruption which could materially and adversely affect our business and operations. The outbreak has resulted in governments implementing numerous measures to contain COVID-19, such as travel bans and restrictions, quarantines, shelter-in-place, temporary shutdown of factories, business limitations,

or total lock-down orders. These containment measures are subject to change and may be further tightened. This outbreak has led to temporary closure of our offices in the first quarter of 2020, causing cancellation of physical participation in meetings, restrictions on employee travels, and a significant portion of our employees working from home, which resulted in lower work efficiency and productivity, and the disruption to our business operations and clinical trials.

The outbreak of COVID-19 and the resulting government measures may materially and adversely impact our planned and ongoing clinical trials and development. Clinical site initiation, including recruiting clinical site investigators and clinical site staff, and patient enrollment may be delayed due to prioritization of hospital resources toward the COVID-19 pandemic. The diversion of healthcare resources away from the conduct of clinical trials to focus on pandemic concerns, including the attention of physicians serving as our clinical trial investigators and hospitals serving as our clinical trial sites, or other staff supporting the conduct of our clinical trials may significantly disrupt our research activities. Hospitals have also had reduced patient flow in general during the outbreak period. As a result, the expected timeline for data readouts of our clinical trials and potential submission and filings will likely be negatively impacted, which would adversely affect and delay our ability to obtain certain regulatory approvals, increase our operating expenses and have a material adverse effect on our financial condition. Furthermore, we could face the interruption of key clinical activities such as trial site data monitoring, which may impact the integrity of clinical data. Similarly, our ability to recruit and retain patients and principal investigators and site staff who, as healthcare providers, may have heightened exposure to COVID-19, may be impeded, which would also materially and adversely impact our clinical trial operations. As a result of disruptions caused by the COVID-19 pandemic, we may require additional capital to continue our research activities, which we may be unable to secure on favorable terms, if at all. In addition, we believe that our business partners, such as our licensing partners, CROs, CMOs or suppliers, have also experienced and may continue to experience similar or more severe disruptions to their business operations. Any disruption to the business operations of us and our business partners could materially and adversely affect the development of our drug candidates, our business, financial condition and results of operations. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section. See also "Management's Discussion And Analysis Of Financial Condition And Results Of Operations—Impact of the COVID-19 Outbreak on Our Business" for a detailed description of the impact of the COVID-19 outbreak on our business.

Business disruptions could seriously harm our future revenue and financial condition and increase our costs and expenses.

Natural disasters, acts of war or terrorism, health epidemics, or other factors beyond our control may adversely affect the economy, infrastructure and livelihood of the people in the regions where we conduct our business. Our operations may be under the threat of floods, earthquakes, sandstorms, snowstorms, fire or drought, power, water or fuel shortages, failures, malfunction and breakdown of information management systems, unexpected maintenance or technical problems, or may be susceptible to potential wars or terrorist attacks. Serious natural disasters may result in loss of lives, injury, destruction of assets and disruption of our business and operations. Acts of war or terrorism may also injure our employees, cause loss of lives, disrupt our business network and destroy our markets. Any of these factors and other factors beyond our control could have an adverse effect on the overall business sentiment and environment, cause uncertainties in the regions where we conduct business, cause our business to suffer in ways that we cannot predict and materially and adversely impact our business, financial conditions and results of operations.

Our business and results of operations could be adversely affected by public health crisis (including the COVID-19 global pandemic) and natural catastrophes or other disasters outside of our control in the locations in which we, our suppliers, CROs, CMOs and other contractors operate.

Our business could be adversely affected by the effects of epidemics, including COVID-19, avian influenza, severe acute respiratory syndrome, (SARS), influenza A (H1N1), Ebola or another epidemic. Any such

occurrences could cause severe disruption to our daily operations and may even require a temporary closure of our offices and laboratories. For example, in early 2020, in response to intensifying efforts to contain the spread of COVID-19, the Chinese government took a number of actions, which included extending the Chinese New Year holiday, quarantining individuals infected with or suspected of having COVID-19, prohibiting residents from free travel, encouraging employees of enterprises to work remotely from home and cancelling public activities, among others. The COVID-19 pandemic has also resulted in temporary closure of many corporate offices, retail stores, manufacturing facilities and factories. As research hospitals and government agencies focus clinical resources on the pandemic, we believe that there could be some delay in regulatory interactions and inspections and patient recruitment and participation, particularly in the first quarter of 2020. Meanwhile, the outbreak of COVID-19 continues in the United States and other countries, and related government and private sector responsive actions may cause some delay in our ongoing clinical trials in the United States. We have taken a series of measures in response to the outbreak, including, among others, remote working arrangement for our employees. These measures could reduce the capacity and efficiency of our operations, which in turn could negatively affect our results of operations. The extent to which COVID-19 impacts our results of operations will depend on the future developments of the outbreak, including new information concerning the global severity of and actions taken to contain the outbreak, which are highly uncertain and unpredictable. These uncertain and unpredictable factors include, but are not limited to, potential adverse effects of the pandemic on the economy, our suppliers, CROs, CMOs and other contractors. In addition, our results of operations could be adversely affected to the extent that the outbreak harms the Chinese economy in general. To the extent the COVID-19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this prospectus, including those relating to our ability to initiate or continue clinical trials for our drug candidates.

We have identified two material weaknesses in our internal controls, and if we fail to implement and maintain an effective system of internal controls to remediate our material weaknesses over financial reporting, we may be unable to accurately report our results of operations, meet our reporting obligations or prevent fraud.

Prior to the initial public offering of our ADSs on NASDAQ in January 2020, we were a private company with limited accounting personnel and other resources with which to address our internal controls and procedures. Effective internal control over financial reporting is necessary for us to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. In the course of auditing our consolidated financial statements as of and for the year ended December 31, 2019, we and our independent registered public accounting firm identified two material weaknesses and control deficiencies in our internal control over financial reporting. As defined in the standards established by the U.S. Public Company Accounting Oversight Board, a "material weakness" is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

The material weaknesses that have been identified relate to (i) our lack of sufficient and competent financial reporting and accounting personnel with appropriate knowledge of U.S. GAAP and the reporting and compliance requirements of the United States Securities and Exchange Commission, or the SEC, to formalize key controls over financial reporting and to prepare consolidated financial statements and related disclosures; and (ii) our lack of sufficient documented financial closing policies and procedures, specifically those related to (a) accounting for licensing and collaboration agreements and (b) period end expenses cut-off and accruals. These material weaknesses, if not timely remedied, may lead to significant misstatements in our consolidated financial statements in the future. Following the identification of the material weaknesses and other control deficiencies, we have taken measures and plan to continue to take measures to remediate these deficiencies. See "Management's Discussion and Analysis of Financial Condition and Results of Operations—Internal Control over Financial Reporting." However, the implementation of those measures may not fully remediate the material weaknesses in a timely manner. Our failure to correct these deficiencies or our failure to discover and address any other deficiencies could result in inaccuracies in our financial statements and impair our ability to comply

with applicable financial reporting requirements and related regulatory filings on a timely basis. Moreover, ineffective internal control over financial reporting could significantly hinder our ability to prevent fraud.

As required by Section 404 of the Sarbanes-Oxley Act, or Section 404, we will include a report from management on the effectiveness of our internal control over financial reporting in our annual report on Form 20-F beginning with our annual report for the fiscal year ending December 31, 2020. In addition, once we cease to be an "emerging growth company" as defined in the JOBS Act, our independent registered public accounting firm must attest to and report on the effectiveness of our internal control over financial reporting. Our management may conclude that our internal control over financial reporting is not effective. Moreover, even if our management concludes that our internal control over financial reporting is effective, our independent registered public accounting firm, after conducting its own independent testing, may issue an adverse report if it is not satisfied with our internal controls or the level at which our controls are documented, designed, operated or reviewed, or if it interprets the relevant requirements differently from us. In addition, as a public company, our reporting obligations may place a significant strain on our management, operational and financial resources and systems for the foreseeable future. We may be unable to timely complete our evaluation testing and any required remediation.

During the course of documenting and testing our internal control procedures, in order to satisfy the requirements of Section 404, we may identify other weaknesses and deficiencies in our internal control over financial reporting. In addition, if we fail to maintain the adequacy of our internal control over financial reporting, as these standards are modified, supplemented or amended from time to time, we may not be able to conclude on an ongoing basis that we have effective internal control over financial reporting in accordance with Section 404. If we fail to establish and maintain adequate internal controls, we could suffer material misstatements in our financial statements and fail to meet our reporting obligations, which would likely cause investors to lose confidence in our reported financial information. This could limit our access to capital markets, adversely affect our results of operations and lead to a decline in the trading price of the ADSs. Additionally, ineffective internal controls could expose us to an increased risk of fraud or misuse of corporate assets and subject us to potential delisting from the stock exchange on which we list or to other regulatory investigations and civil or criminal sanctions. We could also be required to restate our historical financial statements.

Our auditor, like other independent registered public accounting firms operating in China, is not permitted to be subject to inspection by Public Company Accounting Oversight Board, and consequently investors may be deprived of the benefits of such inspection. In addition, the adoption of any rules, legislations or other efforts to increase U.S. regulatory access to audit information could cause uncertainty and we could be delisted if we are unable to meet the PCAOB inspection requirement in time.

Our auditor, the independent registered public accounting firm that issued the audit report included elsewhere in this prospectus, as an auditor of companies that are traded publicly in the United States and a firm registered with the Public Company Accounting Oversight Board (United States), or PCAOB, is subject to laws in the United States pursuant to which the PCAOB conducts regular inspections to assess its compliance with applicable professional standards. Our auditor is located in, and organized under the laws of, the PRC, which is a jurisdiction where the PCAOB, has been unable to conduct inspections without the approval of the Chinese authorities. In May 2013, PCAOB announced that it had entered into a Memorandum of Understanding on Enforcement Cooperation with the CSRC and the PRC Ministry of Finance, which establishes a cooperative framework between the parties for the production and exchange of audit documents relevant to investigations undertaken by PCAOB, the CSRC or the PRC Ministry of Finance in the United States and the PRC, respectively. PCAOB continues to be in discussions with the China Securities Regulatory Commission, or CSRC, and the PRC Ministry of Finance to permit joint inspections in China of audit firms that are registered with PCAOB and audit Chinese companies that trade on U.S. exchanges.

On December 7, 2018, the SEC and the PCAOB issued a joint statement highlighting continued challenges faced by the U.S. regulators in their oversight of financial statement audits of U.S.-listed companies

with significant operations in China. The joint statement reflects a heightened interest in an issue that has vexed U.S. regulators in recent years.

On April 21, 2020, the SEC and the PCAOB issued another joint statement reiterating the greater risk that disclosures will be insufficient in many emerging markets, including China, compared to those made by U.S. domestic companies. In discussing the specific issues related to the greater risk, the statement again highlights the PCAOB's inability to inspect audit work paper and practices of accounting firms in China, with respect to their audit work of U.S. reporting companies. However, it remains unclear what further actions the SEC and PCAOB will take to address the problem.

On June 4, 2020, the U.S. President issued a memorandum ordering the President's Working Group on Financial Markets, or the PWG, to submit a report to the President within 60 days of the memorandum that includes recommendations for actions that can be taken by the executive branch and by the SEC or PCAOB on Chinese companies listed on U.S. stock exchanges and their audit firms, in an effort to protect investors in the United States.

On August 6, 2020, the PWG released a report recommending that the SEC take steps to implement the five recommendations outlined in the report. In particular, to address companies from jurisdictions that do not provide the PCAOB with sufficient access to fulfill its statutory mandate, or NCJs, the PWG recommends enhanced listing standards on U.S. stock exchanges. This would require, as a condition to initial and continued exchange listing, PCAOB access to work papers of the principal audit firm for the audit of the listed company. Companies unable to satisfy this standard as a result of governmental restrictions on access to audit work papers and practices in NCJs may satisfy this standard by providing a co-audit from an audit firm with comparable resources and experience where the PCAOB determines it has sufficient access to audit work papers and practices to conduct an appropriate inspection of the co-audit firm. The report permits the new listing standards to provide for a transition period until January 1, 2022 for listed companies, but would apply immediately to new listings once the necessary rulemakings and/or standard-setting are effective. The measures in the PWG Report are presumably subject to the standard SEC rulemaking process before becoming effective. On August 10, 2020, the SEC announced that SEC Chairman had directed the SEC staff to prepare proposals in response to the PWG Report, and that the SEC was soliciting public comments and information with respect to these proposals. If we fail to meet the new listing standards before the deadline specified thereunder due to factors beyond our control, we could face possible de-listing from the Nasdaq Global Market, deregistration from the SEC and/or other risks, which may materially and adversely affect the market price and liquidity of our ADS, or effectively terminate our ADS trading in the United States.

This lack of PCAOB inspections in China prevents the PCAOB from fully evaluating audits and quality control procedures of our independent registered public accounting firm. As a result, we and investors in our ordinary shares are deprived of the benefits of such PCAOB inspections. The inability of the PCAOB to conduct inspections of auditors in China makes it more difficult to evaluate the effectiveness of our independent registered public accounting firm's audit procedures or quality control procedures as compared to auditors outside of China that are subject to PCAOB inspections, which could cause investors and potential investors in our stock to lose confidence in our audit procedures and reported financial information and the quality of our financial statements.

As part of a continued regulatory focus in the United States on access to audit and other information currently protected by national law, in particular China's, in June 2019, a bipartisan group of lawmakers introduced bills in both houses of the U.S. Congress, which if passed, would require the SEC to maintain a list of issuers for which PCAOB is not able to inspect or investigate an auditor report issued by a foreign public accounting firm. The proposed Ensuring Quality Information and Transparency for Abroad-Based Listings on our Exchanges (EQUITABLE) Act prescribes increased disclosure requirements for these issuers and, beginning in 2025, the delisting from U.S. national securities exchanges of issuers included on the SEC's list for three consecutive years. On May 20, 2020, the U.S. Senate passed S. 945, the Holding Foreign Companies

Accountable Act, or the Kennedy Bill. On July 21, 2020, the U.S. House of Representatives approved its version of the National Defense Authorization Act for Fiscal Year 2021, which contains provisions comparable to the Kennedy Bill. If either of these bills is enacted into law, it would amend the Sarbanes-Oxley Act of 2002 to direct the SEC to prohibit securities of any registrant from being listed on any of the U.S. securities exchanges or traded "over-the-counter" if the auditor of the registrant's financial statements is not subject to PCAOB inspection for three consecutive years after the law becomes effective. Enactment of any of such legislations or other efforts to increase U.S. regulatory access to audit information could cause investor uncertainty for affected issuers, including us, the market price of our ADSs could be adversely affected, and we could be delisted if we are unable to cure the situation to meet the PCAOB inspection requirement in time. It is unclear if and when any of such proposed legislations will be enacted.

Furthermore, there has been recent media reports on deliberations within the U.S. government regarding potentially limiting or restricting China-based companies from accessing U.S. capital markets. If any such deliberations were to materialize, the resulting legislation may have material and adverse impact on the stock performance of China-based issuers listed in the United States.

Proceedings instituted by the SEC against "big four" PRC-based accounting firms, including our independent registered public accounting firm, could result in financial statements being determined to not be in compliance with the requirements of the Exchange Act.

Starting in 2011 "big four" PRC-based accounting firms, including our independent registered public accounting firm, were affected by a conflict between U.S. and Chinese law. Specifically, for certain U.S.-listed companies operating and audited in mainland China, the SEC and the PCAOB sought to obtain from the Chinese firms access to their audit work papers and related documents. The firms were, however, advised and directed that under Chinese law, they could not respond directly to the U.S. regulators on those requests, and that requests by foreign regulators for access to such papers in China had to be channeled through the CSRC.

In late 2012, this impasse led the SEC to commence administrative proceedings under Rule 102(e) of its Rules of Practice and also under the Sarbanes-Oxley Act of 2002 against the Chinese accounting firms, including our independent registered public accounting firm. A first instance trial of the proceedings in July 2013 in the SEC's internal administrative court resulted in an adverse judgment against the firms. The administrative law judge proposed penalties on the firms including a temporary suspension of their right to practice before the SEC, although that proposed penalty did not take effect pending review by the Commissioners of the SEC. On February 6, 2015, before a review by the Commissioner had taken place, the firms reached a settlement with the SEC. Under the settlement, the SEC accepted that future requests by the SEC for the production of documents will normally be made to the CSRC. The firms were to receive matching Section 106 requests, and were required to abide by a detailed set of procedures with respect to such requests, which in substance require them to facilitate production via the CSRC. If they failed to meet specified criteria, the SEC retained authority to impose a variety of additional remedial measures on the firms depending on the nature of the failure.

Under the terms of the settlement, the underlying proceeding against the four China-based accounting firms was deemed dismissed with prejudice four years after entry of the settlement. The four-year mark occurred on February 6, 2019. While we cannot predict if the SEC will further challenge the four China-based accounting firms' compliance with U.S. law in connection with U.S. regulatory requests for audit work papers or if the results of such a challenge would result in the SEC imposing penalties such as suspensions. If additional remedial measures are imposed on the "big four" PRC-based accounting firms, including our independent registered public accounting firm, we could be unable to timely file future financial statements in compliance with the requirements of the Exchange Act.

In the event the "big four" PRC-based accounting firms become subject to additional legal challenges by the SEC or PCAOB, depending upon the final outcome, listed companies in the United States with major PRC operations may find it difficult or impossible to retain auditors in respect of their operations in China, which

could result in financial statements being determined to not be in compliance with the requirements of the Exchange Act, including possible delisting. Moreover, any negative news about any such future proceedings against these audit firms may cause investor uncertainty regarding China-based, U.S.-listed companies and the market price of our common stock may be adversely affected.

If our independent registered public accounting firm was denied, even temporarily, the ability to practice before the SEC and we were unable to timely find another registered public accounting firm to audit and issue an opinion on our financial statements, our financial statements could be determined not to be in compliance with the requirements of the Exchange Act. Such a determination could ultimately lead to the delisting of the ADSs from the Nasdaq Global Market or deregistration from the SEC, or both, which would substantially reduce or effectively terminate the trading of the ADSs in the United States.

Our reputation is important to our business success. Negative publicity may adversely affect our reputation and business prospects.

Any negative publicity concerning us, our affiliates or any entity that shares the "I-Mab" name, even if untrue, could adversely affect our reputation and business prospects. There can be no assurance that negative publicity about us or any of our affiliates or any entity that shares the "I-Mab" name would not damage our brand image or have a material adverse effect on our business, results of operations and financial condition.

We may be subject to material litigation and regulatory proceedings.

We may be subject to litigation in China and outside China relating to securities law class actions, third-party and principal intellectual property infringement claims, claims relating to data and privacy protection, employment related cases and other matters in the ordinary course of our business. Laws, rules and regulations may vary in their scope and overseas laws and regulations may impose requirements that are more stringent than, or which conflict with, those in China. We have acquired and may acquire companies that may become subject to litigation, as well as regulatory proceedings. In addition, in connection with litigation or regulatory proceedings we may be subject to in various jurisdictions, we may be prohibited by laws, regulations or government authorities in one jurisdiction from complying with subpoenas, orders or other requests from courts or regulators of other jurisdictions, including those relating to data held in or with respect to persons in these jurisdictions. Our failure or inability to comply with the subpoenas, orders or requests could subject us to fines, penalties or other legal liability, which could have a material adverse effect on our reputation, business, results of operations and the trading price of our ADSs.

As a publicly-listed company, we and certain of our subsidiaries face additional exposure to claims and lawsuits inside and outside China. We will need to defend against these lawsuits, including any appeals should our initial defense be successful. The litigation process may utilize a material portion of our cash resources and divert management's attention away from the day-to-day operations of our company, all of which could harm our business. There can be no assurance that we will prevail in any of these cases, and any adverse outcome of these cases could have a material adverse effect on our reputation, business and results of operations. In addition, although we have obtained directors' and officers' liability insurance, the insurance coverage may not be adequate to cover our obligations to indemnify our directors and officers, fund a settlement of litigation in excess of insurance coverage or pay an adverse judgment in litigation.

The existence of litigation, claims, investigations and proceedings may harm our reputation, limit our ability to conduct our business in the affected areas and adversely affect the trading price of our ADSs. The outcome of any claims, investigations and proceedings is inherently uncertain, and in any event defending against these claims could be both costly and time-consuming, and could significantly divert the efforts and resources of our management and other personnel. An adverse determination in any litigation, investigation or proceeding could cause us to pay damages, incur legal and other costs, limit our ability to conduct business or require us to change the manner in which we operate.

Negative publicity with respect to us, our management, employees, business partners, affiliates, or our industry, may materially and adversely affect our reputation, business, results of operations and prospect.

Our reputation is vulnerable to many threats that can be difficult or impossible to control, and costly or impossible to remediate. Negative publicity about us, such as alleged misconduct or improper activities, or negative rumors relating to us, our management, employees, business partners or affiliates, can harm our business and results of operations, even if they are unsubstantiated or are satisfactorily addressed. For example, a number of media reported that our founder, Dr. Jingwu Zhang Zang, was involved in misrepresentation of certain data in a research paper prepared by scientists at GSK China's research center and published in Nature Medicine in 2010, for which Dr. Zang was the corresponding author, and consequently Dr. Zang was dismissed by GSK in 2013. In addition, Dr. Zang received a warning letter from the FDA in March 1999 relating to the lack of IND approval before the initiation of a clinical research study in human subjects. For details, please see "Management—Certain Past Incidents." To the best of our knowledge, Dr. Zang was not and is not subject to any legal or regulatory charges, proceedings or disciplinary actions in connection with these incidents or by relevant parties involved in the incidents. However, we cannot assure you that there will not be any inquiries, investigations or other actions against Dr. Zang by any regulatory or government authorities in the future. Any regulatory inquiries or investigations or other actions against our management, any perceived unethical, fraudulent, or inappropriate business conduct by us or perceived wrong doing by any key member of our management team or other employees, our business partners or our affiliates, could harm our reputation and materially adversely affect our business. Regardless of the merits or final outcome of any such regulatory inquiries or investigations or other actions, our reputation may be substantially damaged, which may impede our ability to attract and retain talents and business partners and grow our business.

Moreover, any negative media publicity about the biopharmaceutical industry in general or product or service quality problems of other companies in the industry, including our peers, may also negatively impact our reputation. If we are unable to maintain a good reputation, our ability to attract and retain key employees and business partners could be harmed which in turn may materially and adversely affect our business, results of operations and prospect.

Change in business prospects of acquisitions may result in impairment to our goodwill, which could negatively affect our reported results of operations.

We acquired a controlling interest in I-Mab Tianjin in July 2017 and the remaining interest in I-Mab Tianjin in May 2018. In connection with our acquisition of I-Mab Tianjin, we identified RMB148.8 million of intangible assets and RMB162.6 million of goodwill of I-Mab Tianjin attributable to core technology and synergy effects expected from combining the operations of the discovery and development of innovative biologics and the development of clinical stage biologics. We are required to test our goodwill annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill is allocated to cash-generating units or groups of cash-generating units for the purpose of impairment testing. An impairment loss of goodwill is recognized for the amount by which the relevant cash-generating unit's or group of cash-generating unit's carrying amount exceeds its recoverable amount, and we would be required to write down the carrying value of our goodwill during the period in which it is determined to be impaired, which would materially and adversely affect our results of operations.

We are subject to changing law and regulations regarding regulatory matters, corporate governance and public disclosure that have increased both our costs and the risk of non-compliance.

We are or will be subject to rules and regulations by various governing bodies, including, for example, the SEC, which is charged with the protection of investors and the oversight of companies whose securities are publicly traded, and the various regulatory authorities in China and the Cayman Islands, and to new and evolving regulatory measures under applicable law. Our efforts to comply with new and changing laws and regulations have resulted in and are likely to continue to result in, increased general and administrative expenses and a diversion of management time and attention from revenue-generating activities to compliance activities.

Moreover, because these laws, regulations and standards are subject to varying interpretations, their application in practice may evolve over time as new guidance becomes available. This evolution may result in continuing uncertainty regarding compliance matters and additional costs necessitated by ongoing revisions to our disclosure and governance practices. If we fail to address and comply with these regulations and any subsequent changes, we may be subject to penalty and our business may be harmed.

Risks Related to Doing Business in China

The pharmaceutical industry in China is highly regulated and such regulations are subject to change which may affect approval and commercialization of our drugs.

Our research and development operations and manufacturing facilities are in China, which we believe confers clinical, commercial and regulatory advantages. The pharmaceutical industry in China is subject to comprehensive government regulation and supervision, encompassing the approval, registration, manufacturing, packaging, licensing and marketing of new drugs. See "Regulation" for a discussion of the regulatory requirements that are applicable to our current and planned business activities in China. In recent years, the regulatory framework in China regarding the pharmaceutical industry has undergone significant changes, and we expect that it will continue to undergo significant changes. Any such changes or amendments may result in increased compliance costs on our business or cause delays in or prevent the successful development or commercialization of our drug candidates in China and reduce the current benefits we believe are available to us from developing and manufacturing drugs in China. PRC authorities have become increasingly vigilant in enforcing laws in the pharmaceutical industry and any failure by us or our partners to maintain compliance with applicable laws and regulations or obtain and maintain required licenses and permits may result in the suspension or termination of our business activities in China. We believe our strategy and approach are aligned with the PRC government's regulatory policies, but we cannot ensure that our strategy and approach will continue to be aligned.

Changes in the political and economic policies of the PRC government may materially and adversely affect our business, financial condition and results of operations and may result in our inability to sustain our growth and expansion strategies.

A significant portion of our operations are in China. Our financial condition and results of operations are affected to a large extent by economic, political and legal developments in China.

The PRC economy differs from the economies of most developed countries in many respects, including the extent of government involvement, level of development, growth rate, control of foreign exchange and allocation of resources. Although the PRC government has implemented measures emphasizing the utilization of market forces for economic reform, the reduction of state ownership of productive assets, and the establishment of improved corporate governance in business enterprises, a substantial portion of productive assets in China is still owned by the government. In addition, the PRC government continues to play a significant role in regulating industrial development by imposing industrial policies. The PRC government also exercises significant control over China's economic growth by allocating resources, controlling payment of foreign currency-denominated obligations, setting monetary policy, regulating financial services and institutions and providing preferential treatment to particular industries or companies.

While the PRC economy has experienced significant growth in the past four decades, growth has been uneven, both geographically and among various sectors of the economy. The PRC government has implemented various measures to encourage economic growth and guide the allocation of resources. Some of these measures may benefit the overall PRC economy, but may also have a negative effect on us. Our business, financial condition and results of operations could be materially and adversely affected by government control over capital investments or changes in tax regulations that are applicable to us.

In addition, the PRC government had, in the past, implemented certain measures, including interest rate increases, to control the pace of economic growth. These measures may cause decreased economic activity in China, which may adversely affect our business and results of operations. More generally, if the business environment in China deteriorates from the perspective of domestic or international investment, our business in China may also be adversely affected.

There are uncertainties regarding the interpretation and enforcement of PRC laws, rules and regulations.

Our primary business is governed by PRC laws and regulations. Our primary business operation is supervised by relevant regulatory authorities in China. The PRC legal system is a civil law system based on written statutes and, unlike the common law system, prior court decisions can only be cited as reference and have limited precedential value. Additionally, written statutes in the PRC are often principle-oriented and require detailed interpretations by the enforcement bodies to further apply and enforce such laws. Since 1979, the PRC government has developed a comprehensive system of laws, rules and regulations in relation to economic matters, such as foreign investment, corporate organization and governance, commerce, taxation and trade. However, the interpretation and enforcement of these laws, rules and regulations involve uncertainties and may not be as consistent or predictable as in other more developed jurisdictions. As these laws and regulations are continually evolving in response to changing economic and other conditions, and because of the limited volume of published cases and their non-binding nature, any particular interpretation of PRC laws and regulations may not be definitive. Moreover, we cannot predict the effect of future developments in the PRC legal system and regulatory structure. Such unpredictability towards our contractual, property and procedural rights as well as our rights licensed, approved or granted by the competent regulatory authority could adversely affect our business and impede our ability to continue our operations. In addition, the PRC legal system is based in part on government policies and internal rules, some of which are not published on a timely basis, if at all, and which may have a retroactive effect. Hence, we may not be aware of violation of these policies and rules until after such violation has occurred. Further, the legal protections available to us and our investors under these laws, rules and regulations may be limited.

In addition, any administrative or court proceedings in China may be protracted, resulting in substantial costs and diversion of resources and management attention. Since PRC administrative and court authorities have significant discretion in interpreting and implementing statutory and contractual terms, it may be more difficult to evaluate the outcome of administrative and court proceedings and the level of legal protection we enjoy than in more developed legal systems. These uncertainties may impede our ability to enforce various contracts we have entered into and could materially and adversely affect our business, financial condition and results of operations.

You may experience difficulties in effecting service of legal process, enforcing foreign judgments or bringing actions in China against us or our management named in the prospectus based on foreign laws.

We are a company incorporated under the laws of the Cayman Islands, we conduct substantially all of our operations in China and substantially all of our assets are located in China. In addition, all our senior executive officers reside within China for a significant portion of the time and some of them are PRC nationals. As a result, it may be difficult for you to effect service of process upon us or those persons inside China. It may also be difficult for you to enforce in U.S. courts judgments obtained in U.S. courts based on the civil liability provisions of the U.S. federal securities laws against us and our officers and directors as none of them currently resides in the United States or has substantial assets located in the United States. In addition, there is uncertainty as to whether the courts of the Cayman Islands or the PRC would recognize or enforce judgments of U.S. courts against us or such persons predicated upon the civil liability provisions of the securities laws of the United States or any state.

The recognition and enforcement of foreign judgments are provided for under the PRC Civil Procedures Law. PRC courts may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedures Law based either on treaties between China and the country where the judgment is made or on

principles of reciprocity between jurisdictions. China does not have any treaties or other forms of written arrangement with the United States that provide for the reciprocal recognition and enforcement of foreign judgments. In addition, according to the PRC Civil Procedures Law, the PRC courts will not enforce a foreign judgment against us or our directors and officers if they decide that the judgment violates the basic principles of PRC laws or national sovereignty, security or the public interest. As a result, it is uncertain whether and on what basis a PRC court would enforce a judgment rendered by a court in the United States.

It may be difficult for overseas regulators to conduct investigation or collect evidence within China.

Shareholder claims or regulatory investigation that are common in the United States generally are difficult to pursue as a matter of law or practicality in China. For example, in China, there are significant legal and other obstacles to providing information needed for regulatory investigations or litigations initiated outside China. Although the authorities in China may establish a regulatory cooperation mechanism with the securities regulatory authorities of another country or region to implement cross-border supervision and administration, such cooperation with the securities regulatory authorities in the Unities States may not be efficient in the absence of mutual and practical cooperation mechanism. Furthermore, according to Article 177 of the PRC Securities Law, which became effective in March 2020, no overseas securities regulator is allowed to directly conduct investigation or evidence collection activities within the PRC territory. While detailed interpretation of or implementation rules under Article 177 have yet to be promulgated, the inability for an overseas securities regulator to directly conduct investigation or evidence collection activities within China may further increase the difficulties you face in protecting your interests. See also "—Risks Related to Our ADSs and the Offering— You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under Cayman Islands law." for risks associated with investing in us as a Cayman Islands company.

We may be restricted from transferring our scientific data abroad.

On March 17, 2018, the General Office of the PRC State Council promulgated the Measures for the Management of Scientific Data, or the Scientific Data Measures, which provide a broad definition of scientific data and relevant rules for the management of scientific data. According to the Scientific Data Measures, enterprises in China must seek governmental approval before any scientific data involving a state secret may be transferred abroad or to foreign parties. Further, any researcher conducting research funded, at least in part, by the PRC government is required to submit relevant scientific data for management by the entity to which such researcher is affiliated before such data may be published in any foreign academic journal. Currently, as the term "state secret" is not clearly defined, there is no assurance that we can always obtain relevant approvals for sending scientific data (such as the results of our pre-clinical studies or clinical trials conducted within China) abroad, or to our foreign partners in China.

If we are unable to obtain the necessary approvals in a timely manner, or at all, our research and development of drug candidates may be hindered, which may materially and adversely affect our business, results of operations, financial conditions and prospects. If relevant government authorities consider the transmission of our scientific data to be in violation of the requirements under the Scientific Data Measures, we may be subject to specific administrative penalties imposed by those government authorities.

Changes in international trade policies and rising political tensions, particularly between the U.S. and China, may adversely impact our business and operating results.

The U.S. government has made statements and taken certain actions that may lead to potential changes to U.S. and international trade policies towards China. While the "Phase One" agreement was signed between the United States and China on trade matters, it remains unclear what additional actions, if any, will be taken by the U.S. or other governments with respect to international trade, tax policy related to international commerce, or other trade matters. The situation is further complicated by the political tensions between the United States and

China that escalated during the COVID-19 pandemic and in the wake of the PRC National People's Congress' decision on Hong Kong national security legislation, sanctions imposed by the U.S. Department of Treasury on certain officials of the Hong Kong Special Administrative Region and the central government of the PRC and the executive orders issued by U.S. President in August 2020 that prohibit certain transactions with certain China-based companies and their respective subsidiaries. Rising trade and political tensions could reduce levels of trades, investments, technological exchanges and other economic activities between China and other countries, which would have an adverse effect on global economic conditions, the stability of global financial markets, and international trade policies.

While we have not started commercialization of drug candidates, any rising trade and political tensions or unfavorable government policies on international trade, such as capital controls or tariffs, may affect the demand for our drug products, the competitive position of our drug products, the hiring of scientists and other research and development personnel, and import or export of raw materials in relation to drug development, or prevent us from selling our drug products in certain countries. In particular, if any new tariffs, legislation and/or regulations are implemented, or if existing trade agreements are renegotiated or, especially, if the U.S. government takes retaliatory trade actions due to the recent U.S.-China trade and political tension, such changes could have an adverse effect on our business, financial condition and results of operations. In addition, our results of operations could be adversely affected if any such tensions or unfavorable government trade policies harm the Chinese economy or the global economy in general.

If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders.

Under the PRC Enterprise Income Tax Law and its implementation rules, an enterprise established outside of the PRC with "de facto management body" within China is considered a "resident enterprise" and will be subject to the enterprise income tax on its global income at the rate of 25%. The implementation rules define the term "de facto management body" as the body that exercises full and substantial control and overall management over the business, productions, personnel, accounts and properties of an enterprise. In 2009, the SAT issued the Circular of the State Administration of Taxation on Issues Relating to Identification of PRC-Controlled Overseas Registered Enterprises as Resident Enterprises in Accordance With the De Facto Standards of Organizational Management, or Circular 82, which provides certain specific criteria for determining whether the "de facto management body" of a PRC-controlled enterprise that is incorporated offshore is located in China. Although this Circular only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners, the criteria set forth in the circular may reflect the SAT's general position on how the "de facto management body" text should be applied in determining the tax resident status of all offshore enterprises. According to Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its "de facto management body" in China and will be subject to PRC enterprise income tax on its global income if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in China; (ii) decisions relating to the enterprise's financial and human resource matters are made or are subject to approval by organizations or personnel in China; (iii) the enterprise's primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in China; and (iv) at least 50% of voting board members or senior executives habitually reside in China.

Our PRC counsel, JunHe LLP, has advised us that, based on its understanding of the current PRC Laws and Regulations, I-Mab should not be considered as a PRC resident enterprise for PRC tax income purposes. However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term "de facto management body." If the PRC tax authorities determine that we are a PRC resident enterprise for enterprise income tax purposes, we could be subject to PRC tax at a rate of 25% on our worldwide income, which could materially reduce our net income, and we may be required to withhold a 10% withholding tax from dividends we pay to our shareholders that are non-resident enterprises (including the holders of our ADSs). In addition, non-resident enterprise shareholders

(including our ADS holders) may be subject to PRC tax at a rate of 10% on gains realized on the sale or other disposition of ADSs or ordinary shares, if such income is treated as sourced from within China. Furthermore, if we are deemed a PRC resident enterprise, dividends payable to our non-PRC individual shareholders (including our ADS holders) and any gain realized on the transfer of ADSs or ordinary shares by such shareholders may be subject to PRC tax at a rate of 20% in the case of non-PRC individuals (which in the case of dividends may be withheld at source) unless a reduced rate is available under an applicable tax treaty. It is unclear whether non-PRC shareholders of our company would be able to claim the benefits of any tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise. Any such tax may reduce the returns on your investment in the ADSs or ordinary shares.

Failure to renew our current leases or locate desirable alternatives for our leased properties could materially and adversely affect our business.

We lease properties for our offices and laboratories. We may not be able to successfully extend or renew such leases upon expiration of the current term on commercially reasonable terms or at all, and may therefore be forced to relocate our affected operations. This could disrupt our operations and result in significant relocation expenses, which could adversely affect our business, financial condition and results of operations. In addition, we compete with other businesses for premises at certain locations or of desirable sizes. As a result, even though we could extend or renew our leases, rental payments may significantly increase as a result of the high demand for the leased properties. In addition, we may not be able to locate desirable alternative sites for our current leased properties as our business continues to grow and failure in relocating our affected operations could adversely affect our business and operations.

Certain of our leasehold interests in leased properties have not been registered with the relevant PRC governmental authorities as required by relevant PRC laws. The failure to register leasehold interests may expose us to potential fines.

We have not registered certain of our lease agreements with the relevant government authorities. Under the relevant PRC laws and regulations, we may be required to register and file with the relevant government authority executed leases. The failure to register the lease agreements for our leased properties will not affect the validity of these lease agreements, but the competent housing authorities may order us to register the lease agreements in a prescribed period of time and impose a fine ranging from RMB1,000 to RMB10,000 for each non-registered lease if we fail to complete the registration within the prescribed timeframe.

We have granted, and may continue to grant, options and other types of awards under our share incentive plans, which may result in increased share-based compensation expenses.

We have adopted the Second Amended and Restated 2017 Employee Stock Option Plan (the "2017 Plan"), the Second Amended and Restated 2018 Employee Stock Option Plan (the "2018 Plan"), the 2019 Share Incentive Plan (the "2019 Plan") and the 2020 Share Incentive Plan (the "2020 Plan"), for the purpose of granting share-based compensation awards to employees, directors and consultants to incentivize their performance and align their interests with ours. We recognize expenses in our consolidated financial statements in accordance with U.S. GAAP. As of the date of this prospectus, the awards that had been granted to our directors, officers, employees and consultants and remained outstanding included (i) options to purchase an aggregate of 7,895,607 ordinary shares, 10,589,660 ordinary shares, 72,000 ordinary shares and 1,046,919 ordinary shares under the 2017 Plan, the 2018 Plan, the 2019 Plan and the 2020 Plan, respectively, excluding options that were forfeited, cancelled, or exercised after the relevant grant date; and (ii) restricted share units to receive an aggregate of 4,321,257 ordinary shares under the 2020 Plan, excluding restricted share units that were forfeited, cancelled, or vested after the relevant grant date. See "Management—Share Incentive Plans."

We believe the granting of share-based compensation is of significant importance to our ability to attract and retain key personnel and employees, and we will continue to grant share-based compensation to employees

in the future. As a result, our expenses associated with share-based compensation may increase, which may have an adverse effect on our results of operations. We may re-evaluate the vesting schedules, lock-up period, exercise price or other key terms applicable to the grants under our currently effective share incentive plans from time to time. If we choose to do so, we may experience substantial change in our share-based compensation charges.

Fluctuations in exchange rates could have a material and adverse effect on our results of operations and the value of your investment.

The conversion of RMB into foreign currencies, including U.S. dollars, is based on rates set by the People's Bank of China. The RMB has fluctuated against the U.S. dollar, at times significantly and unpredictably. The value of RMB against the U.S. dollar and other currencies is affected by changes in China's political and economic conditions and by China's foreign exchange policies, among other things. We cannot assure you that RMB will not appreciate or depreciate significantly in value against the U.S. dollar in the future. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between RMB and the U.S. dollar in the future.

Any significant appreciation or depreciation of RMB may materially and adversely affect our revenues, earnings and financial position, and the value of, and any dividends payable on, our ADSs in U.S. dollars. For example, to the extent that we need to convert U.S. dollars we receive into RMB to pay our operating expenses, appreciation of RMB against the U.S. dollar would have an adverse effect on the RMB amount we would receive from the conversion. Conversely, a significant depreciation of RMB against the U.S. dollar may significantly reduce the U.S. dollar equivalent of our earnings, which in turn could adversely affect the price of our ADSs.

Very limited hedging options are available in China to reduce our exposure to exchange rate fluctuations. To date, we have not entered into any hedging transactions in an effort to reduce our exposure to foreign currency exchange risk. While we may decide to enter into hedging transactions in the future, the availability and effectiveness of these hedges may be limited and we may not be able to adequately hedge our exposure or at all. In addition, our currency exchange losses may be magnified by PRC exchange control regulations that restrict our ability to convert RMB into foreign currency. As a result, fluctuations in exchange rates may have a material adverse effect on your investment.

Certain PRC regulations may make it more difficult for us to pursue growth through acquisitions.

The Regulations on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors, or the M&A Rules, adopted by six PRC regulatory agencies in 2006 and amended in 2009, established additional procedures and requirements that could make merger and acquisition activities by foreign investors more time-consuming and complex. Such regulation requires, among other things, that the Ministry of Commerce, or MOFCOM, be notified in advance of any change of control transaction in which a foreign investor acquires control of a PRC domestic enterprise and involves any of the following circumstances: (i) any important industry is concerned; (ii) such transaction involves factors that impact or may impact national economic security; or (iii) such transaction will lead to a change in control of a domestic enterprise which holds a famous trademark or PRC time-honored brand. We do not expect that this offering will trigger MOFCOM pre-notification under each of the above-mentioned circumstances or any review by other PRC government authorities, except as disclosed below in "—The approval of the CSRC may be required in connection with this offering, and, if required, we cannot predict whether we will be able to obtain such approval." Moreover, the Anti-Monopoly Law promulgated by the Standing Committee of National People's Congress which became effective in 2008 requires that transactions which are deemed concentrations and involve parties with specified turnover thresholds must be cleared by State Administration for Market Regulation (the "SAMR"), the successive authority of MOFCOM, before they can be completed.

We may rely on dividends and other distributions on equity paid by our PRC subsidiaries to fund any cash and financing requirements we may have, and any limitation on the ability of our PRC subsidiaries to make payments to us could have a material and adverse effect on our ability to conduct our business.

We are a Cayman Islands holding company and we may rely on dividends and other distributions on equity paid by our PRC subsidiaries for our cash and financing requirements, including the funds necessary to pay dividends and other cash distributions to our shareholders and service any debt we may incur. If any of our PRC subsidiaries incur debt on its own behalf in the future, the instruments governing the debt may restrict their ability to pay dividends or make other distributions to us. Under PRC laws and regulations, our PRC subsidiaries, each of which is a wholly foreign-owned enterprise may pay dividends only out of its respective accumulated profits as determined in accordance with PRC accounting standards and regulations. In addition, a wholly foreign-owned enterprise is required to set aside at least 10% of its after-tax profits each year, if any, to fund a certain statutory reserve fund, until the aggregate amount of such fund reaches 50% of its registered capital. At its discretion, a wholly foreign-owned enterprise may allocate a portion of its after-tax profits based on PRC accounting standards to a staff welfare and bonus fund. The reserve fund and staff welfare and bonus fund cannot be distributed to us as dividends.

Our PRC subsidiaries generate primarily all of their revenue in RMB, which is not freely convertible into other currencies. As result, any restriction on currency exchange may limit the ability of our PRC subsidiaries to use their RMB revenues to pay dividends to us.

The PRC government may continue to strengthen its capital controls, and more restrictions and a substantial vetting process may be put forward by SAFE for cross-border transactions falling under both the current account and the capital account. Any limitation on the ability of our PRC subsidiaries to pay dividends or make other kinds of payments to us could materially and adversely limit our ability to grow, make investments or acquisitions that could be beneficial to our business, pay dividends, or otherwise fund and conduct our business.

In addition, the PRC Enterprise Income Tax Law and its implementation rules provide that a withholding tax rate of up to 10% will be applicable to dividends payable by PRC companies to non-PRC-resident enterprises unless otherwise exempted or reduced according to treaties or arrangements between the PRC central government and governments of other countries or regions where the non-PRC-resident enterprises are incorporated.

PRC regulations relating to offshore investment activities by PRC residents may limit our PRC subsidiaries' ability to change their registered capital or distribute profits to us or otherwise expose us or our PRC resident beneficial owners to liability and penalties under PRC laws.

In July 2014, 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 (including PRC individuals and PRC corporate entities as well as foreign individuals that are deemed as PRC residents for foreign exchange administration purpose) to register with SAFE or its local branches in connection with their direct or indirect offshore investment activities. SAFE Circular 37 further requires amendment to the SAFE registrations in the event of any changes with respect to the basic information of the offshore special purpose vehicle, such as changes of a PRC individual shareholder, name and operation term, or any significant changes with respect to the offshore special purpose vehicle, such as increase or decrease of capital contribution, share transfer or exchange, or mergers or divisions. SAFE Circular 37 is applicable to our shareholders who are PRC residents. If our shareholders who are PRC residents fail to make the required registration or to update the previously filed registration, our PRC subsidiaries may be prohibited from distributing their profits or the proceeds from any capital reduction, share transfer or liquidation to us, and we may also be prohibited from making additional capital contributions into our PRC subsidiaries.

In February 2015, SAFE promulgated a Notice on Further Simplifying and Improving Foreign Exchange Administration Policy on Direct Investment, or SAFE Notice 13, effective June 2015. Under SAFE Notice 13, applications for foreign exchange registration of inbound foreign direct investments and outbound overseas direct investments, including those required under SAFE Circular 37, will be filed with qualified banks instead of SAFE. The qualified banks will directly examine the applications and accept registrations under the supervision of SAFE.

All of our shareholders who we are aware of being subject to the SAFE regulations have completed the initial registrations with the local SAFE branch or qualified banks as required by SAFE Circular 37. However, we may not be informed of the identities of all the PRC residents holding direct or indirect interests in our company, and we cannot provide any assurance that these PRC residents will comply with our request to make or obtain any applicable registrations or continuously comply with all requirements under SAFE Circular 37 or other related rules. The failure or inability of the relevant shareholders to comply with the registration procedures set forth in these regulations may subject us to fines and legal sanctions, such as restrictions on our cross-border investment activities, on the ability of our wholly foreign-owned subsidiaries in China to distribute dividends and the proceeds from any reduction in capital, share transfer or liquidation to us. Moreover, failure to comply with the various foreign exchange registration requirements described above could result in liability under PRC law for circumventing applicable foreign exchange restrictions. As a result, our business operations and our ability to distribute profits could be materially and adversely affected.

Any failure to comply with PRC regulations regarding our employee equity incentive plans may subject the PRC plan participants or us to fines and other legal or administrative sanctions.

We and our directors, executive officers and other employees who are PRC citizens or who have resided in China for a continuous period of not less than one year and who will be granted restricted shares or options are subject to the Notice on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plan of Overseas Publicly Listed Company, issued by SAFE in February 2012, according to which, employees, directors, supervisors and other management members participating in any share incentive plan of an overseas publicly listed company who are PRC citizens or who are non-PRC citizens residing in China for a continuous period of not less than one year, subject to limited exceptions, are required to register with SAFE through a domestic qualified agent, which could be a PRC subsidiary of such overseas listed company, and complete certain other procedures. In addition, an overseas entrusted institution must be retained to handle matters in connection with the exercise or sale of stock options and the purchase or sale of shares and interests. Failure to complete the SAFE registrations may subject them to fines and legal sanctions and may also limit our ability to make payments under our equity incentive plans or receive dividends or sales proceeds related thereto, or our ability to contribute additional capital into our wholly foreign-owned enterprises in China and limit our wholly foreign-owned enterprises' ability to distribute dividends to us. We also face regulatory uncertainties that could restrict our ability to adopt additional equity incentive plans for our directors and employees under PRC law.

In addition, the SAT has issued circulars concerning employee share options or restricted shares. Under these circulars, employees working in China who exercise share options, or whose restricted shares vest, will be subject to PRC individual income tax. The PRC subsidiaries of an overseas listed company have obligations to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold individual income taxes of those employees related to their share options or restricted shares. If the employees fail to pay, or the PRC subsidiaries fail to withhold applicable income taxes, the PRC subsidiaries may face sanctions imposed by the tax authorities or other PRC government authorities.

PRC regulation of loans to and direct investment in PRC entities by offshore holding companies and governmental control of currency conversion may delay or prevent us from making loans to our PRC subsidiaries or making additional capital contributions to our wholly foreign-owned subsidiaries in China, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

We are an offshore holding company conducting our operations in China through our PRC subsidiaries. We may make loans to our PRC subsidiaries subject to the approval from governmental authorities and limitation on the available loan amount, or we may make additional capital contributions to our wholly foreign-owned subsidiaries in China.

Any loans to our wholly foreign-owned subsidiaries in China, which are treated as foreign-invested enterprises under PRC law, are subject to PRC regulations and foreign exchange loan registrations. For example, loans by us to our wholly foreign-owned subsidiaries in China to finance their activities cannot exceed statutory limits and must be registered with the local counterpart of SAFE. In addition, a foreign-invested enterprise shall use its capital pursuant to the principle of authenticity and self-use within its business scope. The capital of a foreign-invested enterprise shall not be used for the following purposes: (i) directly or indirectly used for payment beyond the business scope of the enterprises or the payment prohibited by relevant laws and regulations; (ii) directly or indirectly used for investment in securities or investments other than banks' principal-secured products unless otherwise provided by relevant laws and regulations; (iii) the granting of loans to non-affiliated enterprises, except where it is expressly permitted in the business license; and (iv) paying the expenses related to the purchase of real estate that is not for self-use (except for the foreign-invested real estate enterprises).

SAFE promulgated the Notice of the State Administration of Foreign Exchange on Reforming the Administration of Foreign Exchange Settlement of Capital of Foreign-invested Enterprises, or SAFE Circular 19, effective June 2015, in replacement of the Circular on the Relevant Operating Issues Concerning the Improvement of the Administration of the Payment and Settlement of Foreign Currency Capital of Foreign-Invested Enterprises, the Notice from the State Administration of Foreign Exchange on Relevant Issues Concerning Strengthening the Administration of Foreign Exchange Businesses, and the Circular on Further Clarification and Regulation of the Issues Concerning the Administration of Certain Capital Account Foreign Exchange Businesses. According to SAFE Circular 19, the flow and use of RMB capital converted from foreign currency-denominated registered capital of a foreign-invested company is regulated such that RMB capital may not be used for the issuance of RMB entrusted loans, the repayment of inter-enterprise loans or the repayment of banks loans that have been transferred to a third party. Although SAFE Circular 19 allows RMB capital converted from foreign currency-denominated registered capital of a foreign-invested enterprise to be used for equity investments within China, it also reiterates the principle that RMB converted from the foreign currency-denominated capital of a foreign-invested company may not be directly or indirectly used for purposes beyond its business scope. Thus, it is unclear whether SAFE will permit such capital to be used for equity investments in China in actual practice. SAFE promulgated the Notice of the State Administration of Foreign Exchange on Reforming and Standardizing the Foreign Exchange Settlement Management Policy of Capital Account, or SAFE Circular 16, effective on June 9, 2016, which reiterates some of the rules set forth in SAFE Circular 19, but changes the prohibition against using RMB capital converted from foreign currency-denominated registered capital of a foreign-invested company to issue RMB entrusted loans to a prohibition against using such capital to issue loans to non-associated enterprises. Violations of SAFE Circular 19 and SAFE Circular 16 could result in administrative penalties. SAFE Circular 19 and SAFE Circular 16 may significantly limit our ability to transfer any foreign currency we hold, including the net proceeds from our initial public offering, to our PRC subsidiaries, which may adversely affect our liquidity and our ability to fund and expand our business in China.

In light of the various requirements imposed by PRC regulations on loans to and direct investment in PRC entities by offshore holding companies, we cannot assure you that we will be able to complete the necessary government registrations or obtain the necessary government approvals on a timely basis, if at all, with respect to future loans to our PRC subsidiaries or future capital contributions by us to our wholly foreign-owned subsidiaries in China. As a result, uncertainties exist as to our ability to provide prompt financial support to our

PRC subsidiaries when needed. If we fail to complete such registrations or obtain such approvals, our ability to use foreign currency, including the proceeds we received from our initial public offering, to capitalize or otherwise fund our PRC operations may be negatively affected, which could materially and adversely affect our liquidity and our ability to fund and expand our business.

We and our shareholders face uncertainties with respect to indirect transfers of equity interests in PRC resident enterprises or other assets attributable to a PRC establishment of a non-PRC company.

On February 3, 2015, the SAT issued the Bulletin on Issues of Enterprise Income Tax and Indirect Transfers of Assets by Non-PRC Resident Enterprises, or Bulletin 7. Pursuant to this Bulletin, an "indirect transfer" of "PRC taxable assets," including equity interests in a PRC resident enterprise, by non-PRC resident enterprises may be recharacterized and treated as a direct transfer of PRC taxable assets, if such arrangement does not have a reasonable commercial purpose and was established for the purpose of avoiding payment of PRC enterprise income tax. As a result, gains derived from such indirect transfer may be subject to PRC enterprise income tax. When determining whether there is a "reasonable commercial purpose" of the transaction arrangement, factors to be taken into consideration include: whether the main value of the equity interest of the relevant offshore enterprise derives from PRC taxable assets; whether the assets of the relevant offshore enterprise mainly consist of direct or indirect investment in China or if its income mainly derives from China; whether the offshore enterprise and its subsidiaries directly or indirectly holding PRC taxable assets have real commercial nature which is evidenced by their actual function and risk exposure; the duration of existence of the business model and organizational structure; the replicability of the transaction by direct transfer of PRC taxable assets; and the tax situation of such indirect transfer and applicable tax treaties or similar arrangements. On October 17, 2017, the SAT issued the Announcement of the State Administration of Taxation on Issues Concerning the Withholding of Non-resident Enterprise Income Tax at Source, or Bulletin 37, which came into effect on December 1, 2017. Bulletin 37 further clarifies the practice and procedure of the withholding of non-resident enterprise income tax.

Late payment of applicable tax will subject the transferor to default interest. Gains derived from the sale of shares by investors are not subject to the PRC enterprise income tax pursuant to Bulletin 7 where such shares were acquired in a transaction through a public stock exchange. However, the sale of ADSs or ordinary shares by a non-PRC resident enterprise outside a public stock exchange may be subject to PRC enterprise income tax under Bulletin 7.

There are uncertainties as to the application of Bulletin 7. Bulletin 7 may be determined by the tax authorities to be applicable to the sale of the shares of our offshore subsidiaries or investments where PRC taxable assets are involved. The transferors and transferees may be subject to the tax filing and withholding or tax payment obligation, while our PRC subsidiaries may be requested to assist in the filing. Furthermore, we, our non-resident enterprises and PRC subsidiaries may be required to spend valuable resources to comply with Bulletin 7 or to establish that we and our non-resident enterprises should not be taxed under Bulletin 7, for our previous and future restructuring or disposal of shares of our offshore subsidiaries, which may have a material adverse effect on our financial condition and results of operations.

The PRC tax authorities have the discretion under Bulletin 7 to make adjustments to the taxable capital gains based on the difference between the fair value of the taxable assets transferred and the cost of investment. If the PRC tax authorities make adjustments to the taxable income of the transactions under Bulletin 7 / Bulletin 37, our income tax costs associated with such potential acquisitions or disposals will increase, which may have an adverse effect on our financial condition and results of operations.

The approval of the CSRC may be required in connection with this offering, and, if required, we cannot predict whether we will be able to obtain such approval.

The M&A Rules require overseas special purpose vehicles that are controlled by PRC companies or individuals and formed for the purpose of seeking a public listing on an overseas stock exchange through

acquisitions of PRC domestic companies using shares of such special purpose vehicles or held by its shareholders as consideration to obtain the approval of the CSRC, prior to the listing and trading of such special purpose vehicle's securities on an overseas stock exchange. However, the application of the M&A Rules remains unclear. If CSRC approval is required, it is uncertain whether it would be possible for us to obtain the approval, and any failure to obtain or delay in obtaining CSRC approval for this offering would subject us to sanctions imposed by the CSRC and other PRC regulatory agencies.

Our PRC counsel has advised us based on their understanding of the current PRC laws, rules and regulations that the CSRC's approval may not be required for the listing and trading of our ADSs on the Nasdaq Stock Market in the context of this offering, given that: (i) the CSRC currently has not issued any definitive rule or interpretation concerning whether offerings like ours in this prospectus are subject to this regulation, (ii) I-Mab Tianjin was not acquired by a connected merger or by acquisition of equity interest or assets of a PRC domestic company owned by PRC companies or individuals as defined under the M&A Rules, (iii) I-Mab Shanghai and I-Mab Hangzhou were incorporated as wholly foreign-owned enterprises by means of direct investment, and (iv) our other three PRC subsidiaries, including Tasgen (Chengdu) Bio-Tech Co., Ltd. ("**Tasgen Chengdu**"), Shanghai Tianyunjian Bio-Tech Co., Ltd. ("**Shanghai Tianyunjian**") and Sanjing (Beijing) Biotechnology Co., Ltd. ("**Sanjing Beijing**"), belong to the reinvestment enterprises of foreign investment enterprises.

However, our PRC counsel has further advised us that there remain some uncertainties as to how the M&A Rules will be interpreted or implemented in the context of an overseas offering and its opinions summarized above are subject to any new laws, rules and regulations or detailed implementations and interpretations in any form relating to the M&A Rules. We cannot assure you that relevant PRC government agencies, including the CSRC, would reach the same conclusion as our PRC counsel. If it is determined that CSRC approval is required for this offering, we may face sanctions by the CSRC or other PRC regulatory agencies for failure to seek CSRC approval for this offering. These sanctions may include fines and penalties on our operations in China, limitations on our operating privileges in China, restrictions on or prohibition of the payments or remittance of dividends by our subsidiaries in China, or other actions that could have a material and adverse effect on our business, financial condition, results of operations, reputation and prospects, as well as the trading price of our ADSs. The CSRC or other PRC regulatory agencies may also take actions requiring us, or making it advisable for us, to halt this offering before the settlement and delivery of the ADSs in this offering. Consequently, if you engage in market trading or other activities in anticipation of and prior to the settlement and delivery of the ADSs in this offering, you would be doing so at the risk that the settlement and delivery may not occur. In addition, if the CSRC or other regulatory agencies later promulgate new rules or explanations requiring that we obtain their approvals for this offering, we may be unable to obtain a waiver of such approval requirements, if and when procedures are established to obtain such a waiver.

Recent litigation and negative publicity surrounding China-based companies listed in the U.S. may result in increased regulatory scrutiny of us and negatively impact the trading price of the ADSs and could have a material adverse effect upon our business, including our results of operations, financial condition, cash flows and prospects.

We believe that litigation and negative publicity surrounding companies with operations in China that are listed in the U.S. have negatively impacted stock prices for such companies. Various equity-based research organizations have published reports on China-based companies after examining, among other things, their corporate governance practices, related party transactions, sales practices and financial statements that have led to special investigations and stock suspensions on national exchanges. Any similar scrutiny of us, regardless of its lack of merit, could result in a diversion of management resources and energy, potential costs to defend ourselves against rumors, decreases and volatility in the ADS trading price, and increased directors and officers insurance premiums and could have a material adverse effect upon our business, including our results of operations, financial condition, cash flows and prospects.

General Risks Related to Our ADSs and the Offering

The trading price of our ADSs may be volatile, which could result in substantial losses to you.

The trading price of our ADSs ranged from US$9.30 to US$47.46 per ADS since the listing of ADSs on Nasdaq. The trading price of our ADSs can be volatile and fluctuate widely in response to a variety of factors, many of which are beyond our control. In addition, the performance and fluctuation of the market prices of other companies with business operations located mainly in the PRC that have listed their securities in the United States may affect the volatility in the price of and trading volumes for our ADSs. Some of these companies have experienced significant volatility. The trading performances of these PRC companies' securities may affect the overall investor sentiment towards other PRC companies listed in the United States and consequently may impact the trading performance of our ADSs.

In addition to market and industry factors, the price and trading volume for our ADSs may be highly volatile for specific business reasons, including:

- announcements of regulatory approval or a complete response letter, or specific label indications or patient populations for a drug's use, or changes or delays in the regulatory review process;
- announcements of therapeutic innovations, new products, acquisitions, strategic relationships, joint ventures or capital commitments by us or our competitors;
- adverse actions taken by regulatory agencies with respect to our clinical trials, manufacturing supply chain or sales and marketing activities;
- any adverse changes to our relationship with manufacturers or suppliers;
- the results of our testing and clinical trials;
- the results of our efforts to acquire or license additional drug candidates;
- variations in the level of expenses related to our existing drugs and drug candidates or pre-clinical, clinical development and commercialization programs;
- any intellectual property infringement actions in which we may become involved;
- announcements concerning our competitors or the pharmaceutical industry in general;
- fluctuations in product revenue, sales and marketing expenses and profitability; manufacture, supply or distribution shortages;
- variations in our results of operations;
- announcements about our results of operations that are not in line with analyst expectations, the risk of which is enhanced because it is our policy not to give guidance on results of operations;
- publication of operating or industry metrics by third parties, including government statistical agencies, that differ from expectations of industry or financial analysts;
- changes in financial estimates by securities research analysts;
- media reports, whether or not true, about our business, our competitors or our industry;

- additions to or departures of our management;
- fluctuations of exchange rates between the RMB and the U.S. dollar;
- release or expiry of lock-up or other transfer restrictions on our outstanding ordinary shares or ADSs;
- sales or perceived potential sales of additional ordinary shares or ADSs by us, our executive officers and directors or our shareholders;
- any share repurchase program;
- general economic and market conditions and overall fluctuations in the U.S. equity markets;
- changes in accounting principles; and
- changes or developments in the PRC or global regulatory environment.

In addition, the stock market, in general, and pharmaceutical and biotechnology companies have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry factors may negatively affect the market price of our ADSs, regardless of our actual operating performance. Further, the current volatility in the financial markets and related factors beyond our control may cause the market price of our ADSs to decline rapidly and unexpectedly.

We may face an increased risk of securities class action litigation.

Historically, securities class action litigation has often been brought against a company following a significant decline in the market price of its securities. This risk is especially relevant for us because biotechnology and biopharmaceutical companies have experienced significant share price volatilities in recent years. If we were to face lawsuits, it could lead to substantial costs and a distraction of management's attention and resources, which could harm our business.

We cannot guarantee that any share repurchase program will be fully consummated or that any share repurchase program will enhance long-term shareholder value, and share repurchases could increase the volatility of the price of our ADSs and could diminish our cash reserves.

On July 15, 2020, we announced that our board of directors has authorized a share repurchase program, pursuant to which we were authorized to repurchase our own ordinary shares, in the form of ADSs, with an aggregate value of up to US$20.0 million during a twelve-month period effective upon and from the date on which a formal stock repurchase plan engagement agreement is signed with a qualified broker-dealer(s). From July 15, 2020 to the date of this prospectus, we didn't repurchase any ADSs. Our share repurchase program could affect the price of our ADSs and increase volatility and may be suspended or terminated at any time.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about our business, or if they adversely change their recommendations regarding our ADSs, the market price for our ADSs and trading volume could decline.

The trading market for our ADSs will depend in part on the research and reports that securities or industry analysts publish about us or our business. If research analysts do not establish and maintain adequate research coverage or if one or more of the analysts who covers us downgrades our ADSs or publishes inaccurate or unfavorable research about our business, the market price for our ADSs would likely decline. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, we could lose visibility in the financial markets, which, in turn, could cause the market price or trading volume for our ADSs to decline.

Because we do not expect to pay dividends in the foreseeable future, you must rely on price appreciation of our ADSs for return on your investment.

We currently intend to retain most, if not all, of our available funds and any future earnings to fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. Therefore, you should not rely on an investment in our ADSs as a source for any future dividend income.

Our board of directors has complete discretion as to whether to distribute dividends, subject to our memorandum and articles of association and certain requirements of Cayman Islands law. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our directors. Under Cayman Islands law, a Cayman Islands company may pay a dividend out of either profit or share premium account of the company, provided that in no circumstances may a dividend be paid out of share premium if this would result in the company being unable to pay its debts as they fall due in the ordinary course of business. Even if our board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on our future results of operations and cash flow, our capital requirements and surplus, the amount of distributions, if any, received by us from our subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by our board of directors. Accordingly, the return on your investment in our ADSs will likely depend entirely upon any future price appreciation of our ADSs. There is no guarantee that our ADSs will appreciate in value or even maintain the price at which you purchased the ADSs. You may not realize a return on your investment in our ADSs and you may even lose your entire investment in our ADSs.

Substantial future sales or perceived potential sales of our ADSs in the public market could cause the price of our ADSs to decline.

Sales of substantial amounts of our ADSs in the public market or the perception that these sales could occur, could adversely affect the market price of our ADSs and could materially impair our ability to raise capital through equity offerings in the future. The ADSs sold in this offering will be freely tradable without restriction or further registration under the Securities Act, and ordinary shares held by our existing shareholders may also be sold in the public market subject to the restrictions in Rule 144 and Rule 701 under the Securities Act and the applicable lock-up agreements. We cannot predict what effect, if any, market sales of securities held by our significant shareholders or any other shareholder or the availability of these securities for future sale will have on the market price of our ADSs. See “Shares Eligible for Future Sales” for a more detailed description of the restrictions on selling our securities after this offering.

The voting rights of holders of ADSs are limited by the terms of the deposit agreement, and you may not be able to exercise the same rights as our shareholders.

Holders of ADSs do not have the same rights as our shareholders. As a holder of our ADSs, you will not have any direct right to attend general meetings of our shareholders or to cast any votes at such meetings. As an ADS holder, you will only be able to exercise the voting rights carried by the underlying ordinary shares indirectly by giving voting instructions to the depositary in accordance with the provisions of the deposit agreement. Under the deposit agreement, you may vote only by giving voting instructions to the depositary. Upon receipt of your voting instructions, the depositary will try, as far as is practicable, to vote the ordinary shares underlying your ADSs in accordance with your instructions. If we ask for your instructions, then upon receipt of your voting instructions, the depositary will try to vote the underlying ordinary shares in accordance with these instructions. If we do not instruct the depositary to ask for your instructions, the depositary may still vote in accordance with instructions you give, but it is not required to do so. You will not be able to directly exercise your right to vote with respect to the underlying ordinary shares unless you withdraw the shares, and become the registered holder of such shares prior to the record date for the general meeting. When a general meeting is convened, you may not receive sufficient advance notice of the meeting to withdraw the shares

underlying your ADSs and become the registered holder of such shares to allow you to attend the general meeting and to vote directly with respect to any specific matter or resolution to be considered and voted upon at the general meeting. In addition, under our memorandum and articles of association, for the purposes of determining those shareholders who are entitled to attend and vote at any general meeting, our directors may close our register of members and/or fix in advance a record date for such meeting, and such closure of our register of members or the setting of such a record date may prevent you from withdrawing the ordinary shares underlying your ADSs and becoming the registered holder of such shares prior to the record date, so that you would not be able to attend the general meeting or to vote directly. If we ask for your instructions, the depositary will notify you of the upcoming vote and will arrange to deliver our voting materials to you. We have agreed to give the depositary notice of shareholder meetings sufficiently in advance of such meetings. Nevertheless, we cannot assure you that you will receive the voting materials in time to ensure that you can instruct the depositary to vote the underlying ordinary shares represented by your ADSs. In addition, the depositary and its agents are not responsible for failing to carry out voting instructions or for their manner of carrying out your voting instructions. This means that you may not be able to exercise your right to direct how the shares underlying your ADSs are voted and you may have no legal remedy if the shares underlying your ADSs are not voted as you requested. In addition, in your capacity as an ADS holder, you will not be able to call a shareholders' meeting. Except in limited circumstances, the depositary for our ADSs will give us a discretionary proxy to vote the ordinary shares underlying your ADSs if you do not vote at shareholders' meetings, which could adversely affect your interests.

Under the deposit agreement for the ADSs, if you do not vote, the depositary will give us a discretionary proxy to vote the ordinary shares underlying your ADSs at shareholders' meetings unless:

- we have instructed the depositary that we do not wish a discretionary proxy to be given;
- we have informed the depositary that there is substantial opposition as to a matter to be voted on at the meeting;
- a matter to be voted on at the meeting would have an adverse impact on shareholders; or
- the voting at the meeting is to be made on a show of hands.

The effect of this discretionary proxy is that you cannot prevent our ordinary shares underlying your ADSs from being voted, except under the circumstances described above. This may make it more difficult for shareholders to influence the management of our company. Holders of our ordinary shares are not subject to this discretionary proxy.

Your right to participate in any future rights offerings may be limited, which may cause dilution to your holdings.

We may from time to time distribute rights to our shareholders, including rights to acquire our securities. However, we cannot make rights available to you in the United States unless we register both the rights and the securities to which the rights relate under the Securities Act or an exemption from the registration requirements is available. Under the deposit agreement, the depositary will not make rights available to you unless both the rights and the underlying securities to be distributed to ADS holders are either registered under the Securities Act or exempt from registration under the Securities Act. We are under no obligation to file a registration statement with respect to any such rights or securities or to endeavor to cause such a registration statement to be declared effective and we may not be able to establish a necessary exemption from registration under the Securities Act. Accordingly, you may be unable to participate in our rights offerings and may experience dilution in your holdings.

You may not receive cash dividends if the depositary decides it is impractical to make them available to you.

The depositary will pay cash dividends on the ADSs only to the extent that we decide to distribute dividends on our ordinary shares or other deposited securities, and we do not have any present plan to pay any cash dividends on our ordinary shares in the foreseeable future. To the extent that there is a distribution, the depositary of our ADSs has agreed to pay to you the cash dividends or other distributions it or the custodian receives on our ordinary shares or other deposited securities after deducting its fees and expenses pursuant to the deposit agreement. You will receive these distributions in proportion to the number of ordinary shares your ADSs represent. However, the depositary may, at its discretion, decide that it is inequitable or impractical to make a distribution available to any holders of ADSs. For example, the depositary may determine that it is not practicable to distribute certain property through the mail, or that the value of certain distributions may be less than the cost of mailing them. In these cases, the depositary may decide not to distribute such property to you.

You may be subject to limitations on transfer of your ADSs.

Your ADSs are transferable on the books of the depositary. However, the depositary may close its transfer books at any time or from time to time when it deems expedient in connection with the performance of its duties. The depositary may close its books from time to time for a number of reasons, including in connection with corporate events such as a rights offering, during which time the depositary needs to maintain an exact number of ADS holders on its books for a specified period. The depositary may also close its books in emergencies, and on weekends and public holidays. In addition, the depositary may refuse to deliver, transfer or register transfers of ADSs generally when our books or the books of the depositary are closed, or at any time if we or the depositary deems it advisable to do so because of any requirement of law or of any government or governmental body, or under any provision of the deposit agreement, or for any other reason.

Certain judgments obtained against us by our shareholders may not be enforceable.

We are an exempted company incorporated under the laws of the Cayman Islands. We conduct our operations in China and substantially all of our assets are located in China. In addition, our directors and executive officers, and some of the experts named in this prospectus, reside within China, and most of the assets of these persons are located within China. As a result, it may be difficult or impossible for you to bring an action against us or against these individuals in the United States in the event that you believe that your rights have been infringed under the U.S. federal securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Cayman Islands and of the PRC may render you unable to enforce a judgment against our assets or the assets of our directors and officers. For more information regarding the relevant laws of the Cayman Islands and China, see “Enforceability of Civil Liabilities.”

ADSs holders may not be entitled to a jury trial with respect to claims arising under the deposit agreement, which could result in less favorable outcomes to the plaintiff(s) in any such action.

The deposit agreement governing the ADSs representing our ordinary shares provides that, subject to the depositary’s right to require a claim to be submitted to the federal or state courts in the City of New York have jurisdiction to hear and determine claims arising under the deposit agreement and in that regard, to the fullest extent permitted by law, ADS holders waive the right to a jury trial of any claim they may have against us or the depositary arising out of or relating to our shares, the ADSs or the deposit agreement, including any claim under the U.S. federal securities laws. Also, we may amend or terminate the deposit agreement without your consent. If you continue to hold your ADSs after an amendment to the deposit agreement, you agree to be bound by the deposit agreement as amended.

If we or the depositary were to oppose a jury trial demand based on such waiver, the court would determine whether the waiver was enforceable in the facts and circumstances of that case in accordance with applicable state and federal law, including whether a party knowingly, intelligently and voluntarily waived the

right to a jury trial. The waiver to right to a jury trial of the deposit agreement is not intended to be deemed a waiver by any holder or beneficial owner of ADSs of our or the depositary's compliance with the U.S. federal securities laws and the rules and regulations promulgated thereunder.

If you or any other holders or beneficial owners of ADSs bring a claim against us or the depositary in connection with matters arising under the deposit agreement or the ADSs, including claims under U.S. federal securities laws, you or such other holder or beneficial owner may not be entitled to a jury trial with respect to such claims, which may have the effect of limiting and discouraging lawsuits against us and/or the depositary. If a lawsuit is brought against us and/or the depositary under the deposit agreement, it may be heard only by a judge or justice of the applicable trial court, in which the trial would be conducted according to different civil procedures and may result in different outcomes than a trial by jury would have had, including results that could be less favorable to the plaintiff(s) in any such action.

Nevertheless, if this jury trial waiver provision is not enforced, to the extent a court action proceeds, it would proceed under the terms of the deposit agreement with a jury trial. No condition, stipulation or provision of the deposit agreement or ADSs serves as a waiver by any holder or beneficial owner of ADSs or by us or the depositary of compliance with any substantive provision of the U.S. federal securities laws and the rules and regulations promulgated thereunder.

You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under Cayman Islands law.

We are an exempted company incorporated under the laws of the Cayman Islands with limited liability. Our corporate affairs are governed by our memorandum and articles of association, the Companies Law (2020 Revision) of the Cayman Islands, which we refer to as the Companies Law, and the common law of the Cayman Islands. The rights of shareholders to take action against our directors, actions by our minority shareholders and the fiduciary duties of our directors to us under Cayman Islands law are to a large extent governed by the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. The rights of our shareholders and the fiduciary duties of our directors under Cayman Islands law are not as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a less developed body of securities laws than the United States. Some U.S. states, such as Delaware, have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands. In addition, Cayman Islands companies may not have standing to initiate a shareholder derivative action in a federal court of the United States.

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records or to obtain copies of lists of shareholders of these companies. Our directors have discretion under our articles of association to determine whether or not, and under what conditions, our corporate records may be inspected by our shareholders, but are not obliged to make them available to our shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder motion or to solicit proxies from other shareholders in connection with a proxy contest.

As a result of all of the above, our public shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States. For a discussion of significant differences between the provisions of the Companies Law and the laws applicable to companies incorporated in the United States and their shareholders, see "Description of Share Capital—Differences in Corporate Law."

We will not receive any proceeds from this offering. However, we continue to retain broad discretion in the use of the net proceeds from our initial public offering.

We will not receive any proceeds from this offering. However, we will continue to retain broad discretion in the application of the net proceeds from our initial public offering and could spend the proceeds in ways that do not produce income or increase our ADS price. We have not determined a specific use for a portion of the net proceeds of our initial public offering, and our management will have considerable discretion in deciding how to apply these proceeds. You will not have the opportunity to assess whether the net proceeds from our initial public offering are being used appropriately before you make your investment decision. You must rely on the judgment of our management regarding the application of the net proceeds of our initial public offering. We cannot assure you that the net proceeds from our initial public offering will be used in a manner that would improve our results of operations or increase our ADS price, nor that these net proceeds will be placed only in investments that generate income or appreciate in value.

Our memorandum and articles of association contains anti-takeover provisions that could discourage a third party from acquiring us and adversely affect the rights of holders of our ordinary shares and the ADSs.

Our memorandum and articles of association contains provisions to limit the ability of others to acquire control of our company or cause us to engage in change of control transactions. These provisions could have the effect of depriving our shareholders of an opportunity to sell their shares at a premium over prevailing market prices by discouraging third parties from seeking to obtain control of our company in a tender offer or similar transaction. Our board of directors has the authority to issue preferred shares in one or more series and to fix their designations, powers, preferences, privileges, and relative participating, optional or special rights and the qualifications, limitations or restrictions, including dividend rights, conversion rights, voting rights, terms of redemption and liquidation preferences, any or all of which may be greater than the rights associated with our ordinary shares, in the form of ADS or otherwise. Preferred shares could be issued with terms calculated to delay or prevent a change in control of our company or make removal of management more difficult. If our board of directors decides to issue preferred shares, the price of our ADSs may fall and the voting and other rights of the holders of our ordinary shares and ADSs may be materially and adversely affected.

We are an emerging growth company within the meaning of the Securities Act and may take advantage of certain reduced reporting requirements.

We are an "emerging growth company," as defined in the U.S. Jumpstart Our Business Startups Act of 2012, or the JOBS Act, and we may take advantage of certain exemptions from various requirements applicable to other public companies that are not emerging growth companies including, most significantly, not being required to comply with the auditor attestation requirements of Section 404 of Sarbanes-Oxley Act of 2002 for so long as we are an emerging growth company. As a result, if we elect not to comply with such auditor attestation requirements, our investors may not have access to certain information they may deem important.

The JOBS Act also provides that an emerging growth company does not need to comply with any new or revised financial accounting standards until such date that a private company is otherwise required to comply with such new or revised accounting standards. However, we have elected to "opt out" of this provision and, as a result, we will comply with new or revised accounting standards as required when they are adopted for public companies. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to U.S. domestic public companies.

Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers, including:

- the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q or current reports on Form 8-K;
- the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act;
- the sections of the Exchange Act requiring insiders to file public reports of their stock ownership and trading activities and liability for insiders who profit from trades made in a short period of time; and
- the selective disclosure rules by issuers of material nonpublic information under Regulation FD promulgated by SEC.

We are required to file an annual report on Form 20-F within four months of the end of each fiscal year. In addition, we intend to publish our results on a quarterly basis as press releases, distributed pursuant to the rules and regulations of the Nasdaq Stock Market. Press releases relating to financial results and material events will also be furnished to the SEC on Form 6-K. However, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers. As a result, you may not be afforded the same protections or information that would be made available to you were you investing in a U.S. domestic issuer.

As an exempted company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from the Nasdaq Stock Market's corporate governance requirements; these practices may afford less protection to shareholders than they would enjoy if we complied fully with the Nasdaq Stock Market's corporate governance requirements.

As a Cayman Islands company listed on the Nasdaq Stock Market, we are subject to the Nasdaq Stock Market's corporate governance requirements. However, the Nasdaq Stock Market rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from the Nasdaq Stock Market's corporate governance requirements. For example, neither the Companies Law nor our memorandum and articles of association requires a majority of our directors to be independent and we could include non-independent directors as members of our compensation committee and nominating committee, and our independent directors would not necessarily hold regularly scheduled meetings at which only independent directors are present. We follow home country practice with respect to adoption of the 2020 Plan. However, if we choose to follow home country practice in the future, our shareholders may be afforded less protection than they otherwise would under the Nasdaq Stock Market's corporate governance requirements applicable to U.S. domestic issuers.

There can be no assurance that we will not be classified as a passive foreign investment company, or PFIC, for U.S. federal income tax purposes for any taxable year, which could subject U.S. investors in our ADSs or ordinary shares to significant adverse U.S. income tax consequences.

We will be a passive foreign investment company, or PFIC, for any taxable year if either (i) 75% or more of our gross income for such year consists of certain types of "passive" income or (ii) 50% or more of the

average quarterly value of our assets (generally determined on the basis of fair market value) during such year produce or are held for the production of passive income (the "asset test"). No assurance can be given with respect to our PFIC status for the current taxable year or any future taxable year. The determination of whether we are or will become a PFIC is uncertain because it is a fact-intensive inquiry made on an annual basis that will depend, in part, on the composition of our income and assets. Fluctuations in the market price of our ADSs may cause us to be a PFIC for the current or subsequent taxable years because the value of our assets for purposes of the asset test may be determined by reference to the market price of our ADSs from time to time (which may be volatile for biopharmaceutical companies, such as ours, that have not yet achieved commercialization with respect to any of their products). The composition of our income and assets may also be affected by how, and how quickly, we use our liquid assets. Under circumstances where our revenue from activities that produce passive income increases relative to our revenue from activities that produce non-passive income, or where we determine not to deploy cash for active purposes, our risk of being a PFIC will substantially increase. Furthermore, prior to the commercialization of any of our drug candidates, interest and other passive income could constitute more than 75% of gross income for any taxable year. Because there are uncertainties in the application of the relevant rules, it is possible that the IRS may challenge our classification or valuation of certain income and assets, each of which may result in our being or becoming a PFIC for the current or subsequent taxable years.

If we are a PFIC in any taxable year, a U.S. Holder (as defined in "Taxation—United States Federal Income Tax Considerations") may incur significantly increased U.S. income tax on gain recognized on the sale or other disposition of the ADSs or ordinary shares and on the receipt of distributions on the ADSs or ordinary shares to the extent such gain or distribution is treated as an "excess distribution" under the U.S. federal income tax rules and such holder may be subject to burdensome reporting requirements. Further, if we are a PFIC for any year during which a U.S. Holder holds our ADSs or ordinary shares, we generally will continue to be treated as a PFIC for all succeeding years during which such U.S. Holder holds our ADSs or ordinary shares. For more information see "Taxation—United States Federal Income Tax Considerations—Passive Foreign Investment Company Considerations."

We expect to incur increased costs and become subject to additional rules and regulations as a result of being a public company, particularly after we cease to qualify as an "emerging growth company."

As a public company, we expect to incur significant legal, accounting and other expenses that we did not incur as a private company. The Sarbanes-Oxley Act of 2002, as well as rules subsequently implemented by the SEC and the Nasdaq Global Market, impose various requirements on the corporate governance practices of public companies. As a company with less than US$1.07 billion in net revenues for our last fiscal year, we qualify as an "emerging growth company" pursuant to the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002 in the assessment of the emerging growth company's internal control over financial reporting and permission to delay adopting new or revised accounting standards until such time as those standards apply to private companies. However, we have elected to "opt out" of the provision that allows us to delay adopting new or revised accounting standards and, as a result, we will comply with new or revised accounting standards as required when they are adopted for public companies. This decision to opt out of the extended transition period under the JOBS Act is irrevocable.

We expect these rules and regulations to increase our legal and financial compliance costs and to make some corporate activities more time-consuming and costly. After we are no longer an "emerging growth company," we expect to incur significant expenses and devote substantial management effort toward ensuring compliance with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 and the other rules and regulations of the SEC. We also expect that operating as a public company will make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. In addition,

we will incur additional costs associated with our public company reporting requirements. It may also be more difficult for us to find qualified persons to serve on our board of directors or as executive officers. We are currently evaluating and monitoring developments with respect to these rules and regulations, and we cannot predict or estimate with any degree of certainty the amount of additional costs we may incur or the timing of such costs.

In the past, shareholders of a public company often brought securities class action suits against the company following periods of instability in the market price of that company's securities. If we were involved in a class action suit, it could divert a significant amount of our management's attention and other resources from our business and operations, which could harm our results of operations and require us to incur significant expenses to defend the suit. Any such class action suit, whether or not successful, could harm our reputation and restrict our ability to raise capital in the future. In addition, if a claim is successfully made against us, we may be required to pay significant damages, which could have a material adverse effect on our financial condition and results of operations.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that reflect our current expectations and views of future events. The forward-looking statements are contained principally in the sections entitled "Prospectus Summary," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Business." Known and unknown risks, uncertainties and other factors, including those listed under "Risk Factors," may cause our actual results, performance or achievements to be materially different from those expressed or implied by the forward-looking statements.

You can identify some of these forward-looking statements by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "is/are likely to," "potential," "continue" or other similar expressions. We have based these forward-looking statements largely on our current expectations and projections about future events that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include statements relating to:

- the timing of initiation and completion, and the progress of our drug discovery and research programs;
- the timing and likelihood of regulatory filings and approvals;
- our ability to advance our drug candidates into drugs, and the successful completion of clinical trials;
- the approval, pricing and reimbursement of our drug candidates;
- the commercialization of our drug candidates;
- the market opportunities and competitive landscape of our drug candidates;
- the payment, receipt and timing of any milestone payments in relation to the licensing agreements;
- estimates of our costs, expenses, future revenues, capital expenditures and our needs for additional financing;
- our ability to attract and retain senior management and key employees;
- our future business development, financial condition and results of operations;
- future developments, trends, conditions and competitive landscape in the industry and markets in which we operate;
- our strategies, plans, objectives and goals and our ability to successfully implement these strategies, plans, objectives and goals;
- our ability to continue to maintain our market position in China's biopharmaceutical and biotechnology industries;
- our ability to identify and integrate suitable acquisition targets; and
- changes to regulatory and operating conditions in our industry and markets.

These forward-looking statements involve various risks and uncertainties. Although we believe that our expectations expressed in these forward-looking statements are reasonable, our expectations may later be found

to be incorrect. Our actual results could be materially different from our expectations. Important risks and factors that could cause our actual results to be materially different from our expectations are generally set forth in "Prospectus Summary—Our Challenges," "Risk Factors," "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Business," "Regulation" and other sections in this prospectus. You should read thoroughly this prospectus and the documents that we refer to with the understanding that our actual future results may be materially different from and worse than what we expect. We qualify all of our forward-looking statements by these cautionary statements.

This prospectus contains certain data and information that we obtained from various government and private publications. Statistical data in these publications also include projections based on a number of assumptions. The biopharmaceutical industry may not grow at the rate projected by market data, or at all. Failure of this market to grow at the projected rate may have a material and adverse effect on our business and the market price of our ADSs. In addition, the rapidly evolving nature of the biopharmaceutical industry results in significant uncertainties for any projections or estimates relating to the growth prospects or future condition of our market. Furthermore, if any one or more of the assumptions underlying the market data are later found to be incorrect, actual results may differ from the projections based on these assumptions. You should not place undue reliance on these forward-looking statements.

The forward-looking statements made in this prospectus relate only to events or information as of the date on which the statements are made in this prospectus. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this prospectus and the documents that we refer to in this prospectus and have filed as exhibits to the registration statement, of which this prospectus is apart, completely and with the understanding that our actual future results may be materially different from what we expect.

USE OF PROCEEDS

All the ordinary shares or ADSs sold pursuant to this prospectus will be offered and sold by the selling shareholders. We will not receive any proceeds from such sales.

DIVIDEND POLICY

Our board of directors has complete discretion on whether to pay dividends, subject to certain requirements of Cayman Islands law. Even if our board of directors decides to pay dividends on our ordinary shares, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our board of directors may deem relevant.

We do not have any present plan to pay any cash dividends on our ordinary shares in the foreseeable future after this offering. We currently intend to retain most, if not all, of our available funds and any future earnings to operate and expand our business.

We are a holding company incorporated in the Cayman Islands. We may rely on dividends from our subsidiaries in China for our cash requirements, including any payment of dividends to our shareholders. PRC regulations may restrict the ability of our PRC subsidiaries to pay dividends to us. See "Regulation—PRC Regulation—Regulations Relating to Foreign Exchange and the Dividend Distribution."

If we pay any dividends on our ordinary shares, we will pay those dividends which are payable in respect of the ordinary shares underlying our ADSs to the depositary, as the registered holder of such ordinary shares, and the depositary then will pay such amounts to our ADS holders in proportion to the ordinary shares underlying the ADSs held by such ADS holders, subject to the terms of the deposit agreement, including the fees and expenses payable thereunder. See "Description of American Depositary Shares." Cash dividends on our ordinary shares, if any, will be paid in U.S. dollars.

CAPITALIZATION

The following table sets forth our capitalization as of June 30, 2020. You should read this table together with our consolidated financial statements and the related notes included elsewhere in this prospectus and the information under "Management's Discussion and Analysis of Financial Condition and Results of Operations."

	As of June 30, 2020	
	RMB	US$
Convertible promissory notes	69,138	9,787
Shareholders' equity		
Ordinary shares (US$0.0001 par value, 800,000,000 shares authorized as of June 30, 2020; 133,006,644 shares issued and outstanding as of June 30, 2020)	92	13
Additional paid-in capital	4,675,991	661,844
Accumulated other comprehensive income	104,853	14,841
Accumulated deficit	(3,077,060)	(435,530)
Total shareholders' equity	1,703,876	241,168
Total capitalization	2,048,722	289,979

ENFORCEABILITY OF CIVIL LIABILITIES

We are incorporated under the laws of the Cayman Islands as an exempted company with limited liability. We are incorporated in the Cayman Islands because of certain benefits associated with being a Cayman Islands exempted company, such as political and economic stability, an effective judicial system, a favorable tax system, the absence of foreign exchange control or currency restrictions and the availability of professional and support services. However, the Cayman Islands has a less developed body of securities laws than the United States and provides less protection for investors. In addition, Cayman Islands companies do not have standing to sue before the federal courts of the United States.

Most of our assets are located outside the United States. In addition, most of our directors and officers are nationals or residents of jurisdictions other than the United States and all or a substantial portion of their assets are located outside the United States. As a result, it may be difficult for investors to effect service of process within the United States upon us or these persons, or to enforce judgments obtained in U.S. courts against us or them, including judgments predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States. It may also be difficult for you to enforce judgments obtained in U.S. courts based on the civil liability provisions of the U.S. federal securities laws against us and our officers and directors.

We have appointed Cogency Global Inc. as our agent to receive service of process with respect to any action brought against us in the U.S. District Court for the Southern District of New York in connection with this offering under the federal securities laws of the United States or the securities laws of any state in the United States or any action brought against us in the Supreme Court of the State of New York in the County of New York in connection with this offering under the securities laws of the State of New York.

Conyers Dill & Pearman, our counsel as to Cayman Islands law, has advised us that there is uncertainty as to whether the courts of the Cayman Islands would (1) recognize or enforce judgments of U.S. courts obtained against us or our directors or officers that are predicated upon the civil liability provisions of the federal securities laws of the United States or the securities laws of any state in the United States, or (2) entertain original actions brought in the Cayman Islands against us or our directors or officers that are predicated upon the federal securities laws of the United States or the securities laws of any state in the United States.

Conyers Dill & Pearman has informed us that the uncertainty with regard to Cayman Islands law relates to whether a judgment obtained from the U.S. courts under civil liability provisions of the securities law will be determined by the courts of the Cayman Islands as penal or punitive in nature. The courts of the Cayman Islands may not recognize or enforce such judgments against a Cayman company, and because such a determination has not yet been made by a court of the Cayman Islands, it is uncertain whether such civil liability judgments from U.S. courts would be enforceable in the Cayman Islands. Conyers Dill & Pearman has further advised us that the courts of the Cayman Islands would recognize as a valid judgment, a final and conclusive judgment in personam obtained in the federal or state courts of the United States under which a sum of money is payable (other than a sum of money payable in respect of multiple damages, taxes or other charges of a like nature or in respect of a fine or other penalty) or, in certain circumstances, an in personam judgment for non-monetary relief, and would give a judgment based thereon provided that (a) such courts had proper jurisdiction over the parties subject to such judgment; (b) such courts did not contravene the rules of natural justice of the Cayman Islands; (c) such judgment was not obtained by fraud; (d) the enforcement of the judgment would not be contrary to the public policy of the Cayman Islands; (e) no new admissible evidence relevant to the action is submitted prior to the rendering of the judgment by the courts of the Cayman Islands; and (f) there is due compliance with the correct procedures under the laws of the Cayman Islands.

JunHe LLP, our counsel as to PRC law, has advised us that there is uncertainty as to whether the courts of China would (1) recognize or enforce judgments of United States courts obtained against us or our directors or officers predicated upon the civil liability provisions of the securities laws of the United States or any state in the

United States, or (2) entertain original actions brought in each respective jurisdiction against us or our directors or officers predicated upon the securities laws of the United States or any state in the United States.

JunHe LLP has further advised us that the recognition and enforcement of foreign judgments are provided for under the PRC Civil Procedures Law. The PRC courts may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedures Law based either on treaties between China and the country where the judgment is made or on principles of reciprocity between jurisdictions. China does not have any treaties or other form of reciprocal arrangements with the United States or the Cayman Islands that provide for the reciprocal recognition and enforcement of foreign judgments. In addition, according to the PRC Civil Procedures Law, courts in China will not enforce a foreign judgment against us or our directors and officers if they decide that the judgment violates the basic principles of PRC law or national sovereignty, security or public interest. As a result, it is uncertain whether and on what basis a PRC court would enforce a judgment rendered by a court in the United States or in the Cayman Islands. Under the PRC Civil Procedures Law, foreign shareholders may initiate actions based on PRC law before a PRC court against a company for disputes, if the plaintiff can establish a sufficient contact with China for a PRC court to exercise jurisdiction and has a direct interest, cause of action and a concrete claim. The action may be initiated by a shareholder through filing a complaint with the PRC court. The PRC court will determine whether to accept the complaint in accordance with the PRC Civil Procedures Law. The shareholder may participate in the action by itself or entrust any other person or PRC legal counsel to participate on behalf of such shareholder. In addition, it will be difficult for U.S. shareholders to originate actions against us in China in accordance with PRC laws because we are incorporated under the laws of the Cayman Islands and it will be difficult for U.S. shareholders, by virtue only of holding our ADSs or ordinary shares, to establish a connection to China for a PRC court to have jurisdiction as required under the PRC Civil Procedures Law.

CORPORATE HISTORY AND STRUCTURE

We commenced our operations in November 2014, when our predecessor Third Venture Biopharma (Nanjing) Co., Ltd ("Third Venture") was established.

I-Mab was established in June 2016 under the laws of the Cayman Islands as our offshore holding company. In July 2016, I-Mab established I-Mab Biopharma Hong Kong Limited ("I-Mab Hong Kong"), as its intermediary holding company. In August 2016, I-Mab Hong Kong established a wholly-owned PRC subsidiary, I-Mab Biopharma Co., Ltd. ("I-Mab Shanghai"). In September 2016, the assets and operations of Third Venture were consolidated into I-Mab Shanghai.

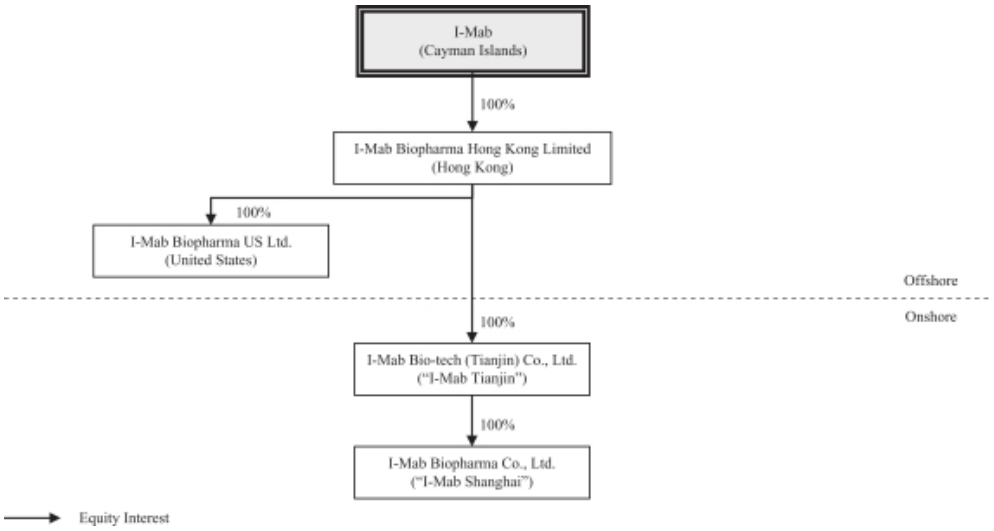
In July 2017, I-Mab Hong Kong acquired a controlling interest in I-Mab Bio-tech (Tianjin) Co., Ltd. ("I-Mab Tianjin"), formerly known as Tasgen Bio-tech (Tianjin) Co., Ltd., a company focused on CMC management of biologics in China. Through an internal corporate restructuring, I-Mab Tianjin became the 100% owner of I-Mab Shanghai in September 2017 and I-Mab Hong Kong acquired the remaining interest in I-Mab Tianjin in May 2018, becoming the 100% owner of I-Mab Tianjin.

In February 2018, I-Mab Hong Kong established in Maryland, United States, a wholly-owned subsidiary I-Mab Biopharma US Limited ("I-Mab US"), as the hub for the discovery and development of the drug candidates in our Global Portfolio.

On January 17, 2020, our ADSs commenced trading on the Nasdaq Global Market under the symbol "IMAB." We raised from our initial public offering approximately US$103.7 million in net proceeds, after the underwriters exercise in part their over-allotment option to purchase additional ADSs.

In June 2019, with intention to build a comprehensive biologics manufacturing facility as part of our strategic plan to become a fully integrated biopharma company, I-Mab Hong Kong established I-Mab Biopharma (Hangzhou) Co. Ltd ("I-Mab Hangzhou") in Hangzhou, China. I-Mab Hangzhou targets to have a pilot capacity of 2 x 2,000L by the end of 2021 and commercially progressive capacity up to 8 x 2,000L to begin operation by the end of 2023. In September 2020, a group of domestic investors in China invested a total of US$120 million (in RMB equivalent) in cash. We and parties acting in concert remain the majority shareholder of I-Mab Hangzhou, retain a managing role and take full control to build and operate the manufacturing facility.

The following diagram illustrates our corporate structure, including our principal subsidiaries, as of the date of this prospectus:



SELECTED CONSOLIDATED FINANCIAL DATA

The following selected consolidated statements of comprehensive loss data for the years ended December 31, 2017, 2018 and 2019, selected consolidated balance sheet data as of December 31, 2017, 2018 and 2019 and selected consolidated statements of cash flow data for the years ended December 31, 2017, 2018 and 2019 have been derived from our audited consolidated financial statements included elsewhere in this prospectus. The following selected consolidated statements of comprehensive loss data for the six months ended June 30, 2019 and 2020, selected consolidated balance sheet data as of June 30, 2020 and selected consolidated statements of cash flow data for the six months ended June 30, 2019 and 2020 are derived from our unaudited interim condensed consolidated financial statements included elsewhere in this prospectus. Our consolidated financial statements are prepared and presented in accordance with accounting principles generally accepted in the U.S. GAAP. Our historical results are not necessarily indicative of results expected for future periods. You should read this Selected Consolidated Financial Data section together with our consolidated financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this prospectus.

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$	RMB	RMB	US$
	(in thousands, except for share and per share data)						
Selected Consolidated Statements of Comprehensive Loss Data:							
Revenues							
Licensing and collaboration revenue	11,556	53,781	30,000	4,246	15,000	—	—
Expenses							
Research and development expenses(1)	(267,075)	(426,028)	(840,415)	(118,953)	(265,084)	(442,291)	(62,602)
Administrative expenses(1)	(25,436)	(66,391)	(654,553)	(92,646)	(574,584)	(171,384)	(24,258)
Loss from operations	**(280,955)**	**(438,638)**	**(1,464,968)**	**(207,353)**	**(824,668)**	**(613,675)**	**(86,860)**
Interest income	858	4,597	30,570	4,327	12,818	18,955	2,683
Interest expense	(5,643)	(11,695)	(2,991)	(423)	(1,936)	(957)	(135)
Other income (expenses), net	1,527	(16,780)	(20,205)	(2,860)	303	12,824	1,815
Fair value change of warrants	(14,027)	61,405	5,644	799	(43,854)	—	—
Loss before income tax expense	**(298,240)**	**(401,111)**	**(1,451,950)**	**(205,510)**	**(857,337)**	**(582,853)**	**(82,497)**
Income tax expense	—	(1,722)	—	—	—	—	—
Net loss attributable to I-Mab	**(298,240)**	**(402,833)**	**(1,451,950)**	**(205,510)**	**(857,337)**	**(582,853)**	**(82,497)**
Deemed dividend to Series C-1 preferred shareholders at extinguishment of Series C-1 Preferred Shares	—	—	(5,283)	(748)	—	—	—

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$	RMB	RMB	US$
	(in thousands, except for share and per share data)						
Deemed dividend to Series B-1, B-2 and C preferred shareholders at modification of Series B-1, B-2 and C Preferred Shares	—	—	(27,768)	(3,930)	—	—	—
Net loss attributable to ordinary shareholders	**(298,240)**	**(402,833)**	**(1,485,001)**	**(210,188)**	**(857,337)**	**(582,853)**	**(82,497)**
Other comprehensive income							
Foreign currency translation adjustments, net of nil tax	5,918	53,689	10,747	1,521	(4,972)	34,726	4,915
Total comprehensive loss attributable to I-Mab	**(292,322)**	**(349,144)**	**(1,441,203)**	**(203,989)**	**(862,309)**	**(548,127)**	**(77,582)**
Net loss attributable to ordinary shareholders	**(298,240)**	**(402,833)**	**(1,485,001)**	**(210,188)**	**(857,337)**	**(582,853)**	**(82,497)**
Weighted-average number of ordinary shares used in calculating net loss per shares							
Basic and diluted	5,742,669	6,529,092	7,381,230	7,381,230	7,184,086	121,815,986	121,815,986
Net loss per share attributable to ordinary shareholders							
Basic	(51.93)	(61.70)	(201.19)	(28.48)	(119.34)	(4.78)	(0.68)
Diluted	(51.93)	(61.70)	(201.19)	(28.48)	(119.34)	(4.78)	(0.68)

Note:

(1) Share-based compensation expenses were allocated as follows:

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$	RMB	RMB	US$
	(in thousands)						
Research and development expenses	2,112	1,056	470	67	308	132,724	18,786
Administrative expenses	4,927	2,464	514,733	72,856	514,356	97,071	13,739
Total	**7,039**	**3,520**	**515,203**	**72,922**	**514,664**	**229,795**	**32,525**

The following table presents our selected consolidated statements of balance sheet data as of December 31, 2017, 2018 and 2019 and June 30, 2020:

	As of December 31,				As of June 30,	
	2017	2018	2019		2020	
	RMB	RMB	RMB	US$	RMB	US$
			(in thousands)			
Selected Consolidated Statements of Balance Sheet Data:						
Current assets:						
Cash and cash equivalents	307,930	1,588,278	1,137,473	160,999	1,560,031	220,808
Restricted cash	104,783	92,653	55,810	7,899	—	—
Contract assets	—	11,000	—	—	—	—
Short-term investments	—	—	32,000	4,529	1,926	273
Prepayments and other receivables	12,633	88,972	136,036	19,255	131,130	18,560
Other financial assets	266,245	255,958	—	—	—	—
Total current assets	691,591	2,036,861	1,361,319	192,682	1,693,087	239,641
Property, equipment and software	22,336	27,659	30,069	4,256	26,625	3,769
Operating lease right-of-use assets	—	—	16,435	2,326	17,592	2,490
Intangible assets	148,844	148,844	148,844	21,068	148,844	21,068
Goodwill	162,574	162,574	162,574	23,011	162,574	23,011
Other non-current assets	—	—	18,331	2,594	—	—
Total assets	**1,025,345**	**2,375,938**	**1,737,572**	**245,937**	**2,048,722**	**289,979**
Total liabilities	**309,151**	**415,684**	**668,090**	**94,561**	**344,846**	**48,811**
Total mezzanine equity	**1,015,989**	**2,915,358**	**3,104,177**	**439,368**	**—**	**—**
Shareholders' equity (deficit)						
Ordinary shares (US$0.0001 par value, 500,000,000 shares authorized as of December 31, 2018 and 2019 and 800,000,000 shares authorized as of June 30, 2020, respectively; 8,363,719 shares issued and outstanding as of December 31, 2018 and 2019 and 133,006,644 shares issued and outstanding June 30, 2020, respectively)	6	6	6	1	92	13
Treasury stock	(1)	(1)	—	—	—	—
Additional paid-in capital	52,369	—	389,379	55,113	4,675,991	661,844
Accumulated other comprehensive income	5,691	59,380	70,127	9,926	104,853	14,841
Accumulated deficit	(357,860)	(1,014,489)	(2,494,207)	(353,032)	(3,077,060)	(435,530)
Total shareholders' equity (deficit)	**(299,795)**	**(955,104)**	**(2,034,695)**	**(287,992)**	**1,703,876**	**241,168**
Total liabilities, mezzanine equity and shareholders' equity (deficit)	**1,025,345**	**2,375,938**	**1,737,572**	**245,937**	**2,048,722**	**289,979**

The following table presents our selected consolidated statements of cash flow data for the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2019 and 2020:

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$ (in thousands)	RMB	RMB	US$
Selected Consolidated Statements of Cash Flow Data:							
Net cash used in operating activities	(252,157)	(280,705)	(867,982)	(122,855)	(389,034)	(349,793)	(49,510)
Net cash (used in) generated from investing activities	(157,665)	9,500	212,462	30,072	158,056	30,354	4,298
Net cash (used in) generated from financing activities	758,585	1,479,669	152,709	21,615	(30,000)	653,798	92,539
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(132)	59,754	15,163	2,146	(3,093)	32,389	4,584
Net increase (decrease) in cash, cash equivalents and restricted cash	348,631	1,268,218	(487,648)	(69,022)	(264,071)	366,748	51,911
Cash, cash equivalents and restricted cash, beginning of the year/period	64,082	412,713	1,680,931	237,920	1,680,931	1,193,283	168,897
Cash, cash equivalents and restricted cash, end of the year/period	412,713	1,680,931	1,193,283	168,898	1,416,860	1,560,031	220,808

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the section entitled "Selected Consolidated Financial Data" and our consolidated financial statements and the related notes included elsewhere in this prospectus. This discussion contains forward-looking statements that reflect our current expectations and views of future events, which may involve risks and uncertainties. Our actual results and the timing of selected events could differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth under "Risk Factors" and elsewhere in this prospectus.

Overview

We are a clinical stage biopharmaceutical company committed to the discovery, development and commercialization of novel or highly differentiated biologics to treat diseases with significant unmet medical needs, particularly cancers and autoimmune disorders.

We were founded to capture the opportunities presented by the confluence of two major developments—the emergence of an attractive and growing biologics market in China, and the revolutionary scientific breakthroughs in cancer and autoimmune disease medicines. We believe we are well-positioned to become a biotech leader in China because of our innovative discovery expertise, fit-for-purpose technology platforms, biomarker-enabled translational medicine capabilities, and clinical development capabilities. These integrated capabilities are further enhanced by our deep understanding of China's biologics regulatory framework and our direct access to extensive pre-clinical and clinical trial resources in China. To date, we have developed an innovative pipeline of more than 10 clinical and pre-clinical stage assets through our internal research and development efforts and in-licensing arrangements with global pharmaceutical and biotech companies.

We are fully aware of the competitive and regulatory challenges we face as an innovative clinical stage biotech company based in China, including need to raise significant capital, significant competition from global and other China-based biopharmaceutical companies, less streamlined regulatory pathway compared to countries with long-established regulatory systems, and potential implementation challenges and uncertainties of the recent government reform of the drug approval system. However, with these challenges in mind, we have been mitigating the risks through our internal R&D system that integrates multi-functional aspects of our drug development process to proactively deal with some of the regulatory challenges mentioned above. Furthermore, through our Beijing office which focuses on regulatory matters, we have established an effective communication channel with the regulatory agencies to discuss and resolve various regulatory issues promptly and effectively. We see vast opportunities for immuno-oncology and autoimmune biologics therapies in China. First, both the incidence and mortality of cancers in China have been increasing in recent years and are outpacing those in the United States and the rest of the world. Second, many innovative biologics approved to treat cancer and autoimmune diseases in the United States and Europe are not yet available in China. Third, the Chinese government has implemented new policies and regulations to simplify the review and approval cycle of clinical trials and new drug applications to encourage biologics innovation. Fourth, there has been a continuous and rapid increase in personal disposable income in China coupled with ongoing improvement in basic national health insurance coverage, making innovative biologics more accessible to more Chinese patients.

We believe we are uniquely positioned as a China-based global player to tap into these vast commercial opportunities. This is best demonstrated by our short journey in becoming one of the top clinical stage immunology companies in China. For example, in 2018 and 2019, we are the only China-based biotech company recognized by Genetic Engineering & Biotechnology News (GEN) as a top 10 immuno-oncology start-up in the world. To date, our research and development capabilities encompass discovery, translational medicine, biologics CMC development, pre-clinical development and clinical development with footprints in Shanghai, Beijing and

the United States. We are now at a critical juncture to transition from a clinical stage biotech company into a fully integrated end-to-end global biopharmaceutical company in the next few years.

Since the commencement of our operation in 2014, we have devoted most of our efforts and financial resources to organize and staff our operations, business planning, raise capital, establish our intellectual property portfolio and conduct pre-clinical and clinical trials of our drug candidates.

We have raised in excess of US$940 million in the past four years. We have not generated any revenue from product sales, and as a result, we have never been profitable and have incurred net losses since the commencement of our operations. In 2017, 2018, 2019 and the six months ended June 30, 2020, our net losses were RMB298.2 million, RMB402.8 million, RMB1,452.0 million (US$205.5 million) and RMB582.9 million (US$82.5 million), respectively. We do not expect to generate product revenue unless and until we obtain marketing approval for and commercialize a drug candidate, and we cannot assure you that we will ever generate significant revenue or profits.

Key Factors Affecting Our Results of Operations

Our results of operations, financial condition, and the year-to-year comparability of our financial results have been, and are expected to continue to be, principally affected by the below factors:

Cost and Expenses Structure

Our results of operations are significantly affected by our cost structure, which primarily consists of research and development expenses and administrative expenses.

Research and development activities are central to our business model. We believe our ability to successfully develop drug candidates will be the primary factor affecting our long-term competitiveness, as well as our future growth and development. Developing high-quality drug candidates requires a significant investment of resources over a prolonged period of time, and a core part of our strategy is to continue making sustained investments in this area. Since our inception, we have focused our resources on our research and development activities, including conducting pre-clinical studies and clinical trials, and activities related to regulatory filings for our drug candidates. Our research and development expenses primarily include the following:

- costs related to development of our pipeline assets under all stages including discovery, pre-clinical testing or clinical trials;
- patent license fees and other fees under the licensing, collaboration and development agreements with respect to our in-licensed drug candidates; and
- employee salaries and related benefit costs, including share-based compensation expenses, for research and development personnel and key management.

At this time, we are unable to predict when, if ever, we will be able to achieve profitability. Even if we achieve profitability in the future, we may not be able to sustain profitability in subsequent periods thereafter. This is due to the numerous risks and uncertainties associated with developing such drug candidates, including the uncertainty of:

- successful enrollment in and completion of clinical trials;
- establishing an appropriate safety profile;
- establishing commercial manufacturing capabilities or making arrangements with third-party manufacturers;

- receipt of marketing approvals from applicable regulatory authorities;
- commercializing the drug candidates, if and when approved, whether alone or in collaboration with others;
- obtaining and maintaining patent and trade secret protection and regulatory exclusivity for our drug candidates;
- continued acceptable safety profiles of the products following approval; and
- retention of key research and development personnel.

Any change in the outcome of any of these variables with respect to the development of any of our drug candidates would significantly change the costs, timing and viability associated with the development of that drug candidate. We expect research and development costs to continue to increase for the foreseeable future as we expand our operations and our development programs progress, including as we continue to support and advance the clinical trials of our drug candidates.

Our administrative expenses consist primarily of employee salaries and related benefit costs. Other administrative expenses include professional fees for consulting and auditing as well as other direct and allocated expenses for rental expenses for our facilities, travel costs and other supplies used in administrative activities. We expect our administrative expenses to increase in the future to support our pipeline assets and research and development efforts, and the commercialization of our drug candidates once approval is obtained. We also anticipate that our administrative expenses will increase as we operate as a public company.

Revenue from Out-Licensing Agreements

We continue to seek out-licensing opportunities for our de-prioritized assets to streamline our pipeline. In 2017, 2018 and 2019, our revenue consisted primarily of payments from granting licenses to use and otherwise exploit certain of our intellectual properties linked to our de-prioritized assets. See “Business—Licensing and Collaboration Arrangements” for more information on the existing out-licensing arrangements. In addition, after validating clinical safety and preliminary efficacy of a drug candidate in our Global Portfolio in clinical trials in the United States, we may elect to out-license the global rights (excluding Greater China) of such drug candidate, while retaining the Greater China rights for further development and commercialization. But we may also choose to retain these rights for the United States or other countries or regions as we may deem fit. Before the commercialization of one or more of our drug candidates, we expect that the majority of our revenue will continue to be generated from out-licensing our intellectual properties.

Funding for Our Operations

During the periods presented, we funded our operations primarily from financing through the issuance and sale of preferred shares and convertible promissory notes in private placement transactions. Going forward, in the event of successful commercialization of one or more of our drug candidates, we expect to fund our operations in part with revenue generated from sales of our commercialized drug products. However, with the continuing expansion of our business and our product pipeline, we may require further funding through public or private offerings, debt financing, collaboration, and licensing arrangements or other sources. Any fluctuation in our ability to fund our operations will impact our cash flow plan and our results of operations.

Our Ability to Commercialize Our Drug Candidates

Our business and results of operations depend on our ability to commercialize our drug candidates, once and if those candidates are approved for marketing by the respective health authority. Currently, our pipeline

consists of more than ten drug candidates ranging in development status from pre-clinical to late-stage clinical programs. Although we currently do not have any product approved for commercial sale and have not generated any revenue from product sales, we expect to generate revenue from sales of a drug candidate after we complete the clinical development, obtain regulatory approval, and successfully commercialize such drug candidate. Our late-stage investigational drugs at or potentially near pivotal trials are felzartamab, eftansomatropin, olamkicept and enoblituzumab. See "Business—Our Drug Pipeline" for more information on the development status of our various drug candidates.

The Effect of Our Acquisition of I-Mab Tianjin

We acquired a controlling interest in I-Mab Tianjin on July 15, 2017 and the remaining interest in I-Mab Tianjin in May 2018. Since our acquisition of the controlling interest in I-Mab Tianjin on July 15, 2017, I-Mab Tianjin has been consolidated into our results of operations. Shortly after we acquired the controlling interest in I-Mab Tianjin, we integrated the operations of I-Mab Tianjin into our operations.

I-Mab Tianjin did not generate any external revenue from July 15, 2017 to June 30, 2020. In connection with our acquisition of I-Mab Tianjin, we identified RMB148.8 million of intangible assets and RMB162.6 million of goodwill of I-Mab Tianjin. Goodwill is not amortized, but impairment of goodwill assessment is performed on an least an annual basis on December 31 or whenever events or changes in circumstances indicate that the carrying value of the assets may not be recoverable. No impairment was identified as of December 31, 2017, 2018 and 2019 and June 30, 2020. Impairment charges could substantially affect our results of operations in the periods of such charges. In addition, impairment charges would negatively impact our financial ratios and could limit our ability to obtain financing in the future. See "Risk Factors—Risks Related to Our Industry, Business and Operations—Change in business prospects of acquisitions may result in impairment to our goodwill, which could negatively affect our reported results of operations."

Impact of the COVID-19 Outbreak on Our Business

As of the date of this prospectus, the impact of the ongoing global coronavirus- 19 (COVID-19) pandemic to our business has been limited. To date, although COVID-19 has caused some delays in the initiation of the ongoing trials of certain clinical-stage drug candidates in early 2020, the COVID-19 pandemic has not had a material impact on our ongoing clinical activities, in particular, clinical activities related to our late-stage drug candidates, such as felzartamab, eftansomatropin and olamkicept. See "Our Business—Our Drug Candidates" for our clinical development plans for our drug candidates. As of the date of this prospectus, the outbreak of COVID- 19 has not caused any early termination of our clinical trials or necessitated removal of any enrolled patients. We have employed various measures to mitigate impacts of the COVID- 19 outbreak on our currently ongoing trials in Greater China and the United States. We worked closely with our CROs to monitor the situation and manage the process of our clinical trials. We maintained contact with our patients to ensure that they remain on the trials and that any information they need will be readily available. In addition, we believe the COVID- 19 outbreak has not significantly impacted our ability to carry out our obligations under existing contracts or disrupted any supply chains that we rely upon.

As of the date of this prospectus, we have not had any suspected or confirmed COVID-19 cases on our premises or among our employees. To prevent any spread of COVID-19 in our offices and research facilities, we have adopted a thorough disease prevention scheme to protect our employees from contracting COVID-19. The measures we have implemented include, among others, regularly sterilizing and ventilating our offices, checking the body temperature of our employees, keeping track of the travel history and health conditions of employees and their immediate family members, providing face masks to employees attending the office, minimizing in-person meetings to the extent possible and encouraging employees to wear masks when needed. As of the date of this prospectus, our ongoing clinical trials and CROs had resumed full and normal operations and the COVID-19 outbreak had not resulted in a major disruption to our operations.

Taking into account our past and prospective cash burn rate, including but not limited to future clinical development and administrative expenses, lease payment, capital expenditure and current financial position, our ability to control the speed and breadth of our clinical development and business development activities and our expansion in headcount, our current internal resources, we estimate that our financial resources can support our research and development activities and business operations for at least the next 12 months.

Although we believe we have implemented strategies to potentially minimize the impact of the COVID-19 pandemic to our business, we expect that we may experience delays with respect to the initiation and patient enrollment of certain additional trials. The extent to which the COVID-19 pandemic impacts the timing of these additional trials will depend on future developments, which are highly uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the pandemic, any restrictions on the ability of hospitals and trial sites to conduct trials that are not designed to address the COVID-19 pandemic and the perceived effectiveness of actions taken in China and the United States to contain and treat the disease. We will continue to evaluate the impact of the COVID-19 pandemic to our business.

In addition, there are still uncertainties with regard to the continued development of COVID-19 and its implications, and we will continue to assess the situation and seek to put in place relevant mitigating measures where necessary. The above analyses are made by our management based on currently available information concerning COVID-19. We cannot guarantee that the outbreak of COVID- 19 will not further escalate or have a material adverse effect on our business operations. Please also see "Risk Factors—Risks Related to Our Industry, Business and Operations—Our business, financial condition and results of operations could be adversely affected by the COVID-19 outbreak." and "Risk Factors—Risks Related to Our Industry, Business and Operations— Business disruptions could seriously harm our future revenue and financial condition and increase our costs and expenses."

Key Components of Results of Operations

Revenues

To date, we have not generated any revenue from product sales and do not expect to generate any revenue from product sales for the foreseeable future before the successful commercialization of one or more of our drug candidates.

We generated substantially all of our revenues for the years ended December 31, 2017, 2018 and 2019 from granting licenses to use and otherwise exploit certain of our intellectual properties in connection with our de-prioritized assets.

Research and Development Expenses

Research and development expenses primarily consist of: (i) payroll and other related expenses of research and development personnel, (ii) fees associated with the exclusive development rights of our in-licensed drug candidates, (iii) fees for services provided by contract research organizations, investigators and clinical trial sites that conduct our clinical studies, and (iv) expenses relating to the development of our drug candidates, including raw materials and supplies, product testing, depreciation, and facility related expenses.

Our current research and development activities primarily relate to the clinical development of the following investigational drugs:

- Felzartamab, a potential highly differentiated CD38 antibody for multiple myeloma and autoimmune diseases, if approved;
- Efineptakin, the first long-acting recombinant human IL-7 with the potential for cancer treatment-related lymphopenia and cancer immunotherapy, if approved;

- Eftansomatropin, a potential highly differentiated long-acting growth hormone for growth hormone deficiency, if approved;
- Olamkicept, a potential highly differentiated IL-6 blocker for ulcerative colitis and other autoimmune diseases, if approved;
- Enoblituzumab, the most advanced clinical stage humanized B7-H3 antibody as a potential immuno-oncology treatment, if approved;
- Lemzoparlimab, a potential highly differentiated CD47 monoclonal antibody with unique RBC-sparing differentiation, if approved;
- Uliledlimab, a potential highly differentiated CD73 antibody for immuno-oncology, if approved; and
- Plonmarlimab, a GM-CSF monoclonal antibody for rheumatoid arthritis and CAR-T-related therapies, if approved.

We incurred research and development expenses of RMB267.1 million, RMB426.0 million and RMB840.4 million (US$119.0 million) for the years ended December 31, 2017, 2018 and 2019, respectively, representing 91.3%, 86.5% and 56.2% of our total research and development and administrative expenses for the corresponding periods. We incurred research and development expenses of RMB265.1 million and RMB442.3 million (US$62.6 million) for the six months ended June 30, 2019 and 2020, respectively. We expect our research and development expenses to continue to increase for the foreseeable future, as we continue to expand our operations and to advance our pipeline and our drug candidates toward later stages.

Administrative Expenses

Administrative expenses primarily consist of salaries and related benefit costs, including share-based compensation, for employees engaged in managerial and administrative positions or involved in general corporate functions, professional fees for consulting and auditing as well as other direct and allocated expenses for rental expenses for our facilities, travel costs and other supplies used in administrative activities. For the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2020, our administrative expenses amounted to RMB25.4 million, RMB66.4 million, RMB654.6 million (US$92.7 million) and RMB171.4 million (US$24.3 million), respectively.

Interest Expense

Interest expense consist primarily of interest expenses on our (i) short-term bank borrowings and (ii) convertible promissory notes issued to certain investors.

Interest Income

Interest income consists primarily of interest income derived from our term deposit and restricted cash pledged as collateral for a working capital loan.

Other Income (Expenses), Net

Other income consists primarily of income from other financial assets.

Other expenses consist primarily of the net loss resulting from the conversion of a portion of our convertible promissory notes and loss on the termination agreement with Everest.

Fair Value Change of Warrants

Fair value change of warrants consists primarily of the non-cash items incurred in connection with changes in the fair value of our warrant liabilities that we issued to certain investors.

Taxation

Cayman Islands

I-Mab, our holding entity, is incorporated in the Cayman Islands. The Cayman Islands currently has no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax. Additionally, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

Hong Kong

I-Mab Biopharma Hong Kong Limited is incorporated in Hong Kong. Companies registered in Hong Kong are subject to Hong Kong profits tax on the taxable income as reported in their respective statutory financial statements adjusted in accordance with the relevant Hong Kong tax laws. Under the current Hong Kong Inland Revenue Ordinance, from the year of assessment 2018/2019 onwards, our subsidiary in Hong Kong is subject to profits tax at the rate of 8.25% on assessable profits up to HK$2,000,000; and 16.5% on any part of assessable profits over HK$2,000,000. For the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2020, I-Mab Biopharma Hong Kong Limited did not make any provisions for Hong Kong profit tax as there were no assessable profits derived from or earnings in Hong Kong for any of the periods presented. Under the Hong Kong tax law, I-Mab Biopharma Hong Kong Limited is exempted from income tax on its foreign-derived income and there are no withholding taxes in Hong Kong on remittance of dividends.

United States

I-Mab Biopharma US Ltd. is incorporated in Maryland and is subject to U.S. federal corporate income tax at a rate of 21%. It is also subject to state income tax in Maryland at a rate of 8.25%. I-Mab Biopharma US Ltd. has no taxable income for all periods presented and therefore no provision for income taxes is required.

China

On March 16, 2007, the National People's Congress of PRC enacted a new Corporate Income Tax Law ("new CIT law") (as amended in 2017 and 2018), under which Foreign Investment Enterprises ("FIEs") and domestic companies would be subject to corporate income tax at a uniform rate of 25%. The new CIT law became effective on January 1, 2008. Under the new CIT law, preferential tax treatments will continue to be granted to entities which conduct businesses in certain encouraged sectors and to entities otherwise classified as "High and New Technology Enterprises."

I-Mab Shanghai has been qualified as a "High and New Technology Enterprise" and enjoys a preferential income tax rate of 15% from 2018 to 2020. Our company's other PRC subsidiaries are subject to the statutory income tax rate of 25%. No provision for income taxes has been accrued because all of our PRC subsidiaries are in cumulative loss positions for all the periods presented.

A valuation allowance is provided to reduce the amount of deferred tax assets if it is considered more likely than not that some portion or all of the deferred tax assets will not be realized in the foreseeable future. In making such determination, we evaluate a variety of positive and negative factors including our operating history, accumulated deficit, the existence of taxable temporary differences and reversal periods.

We have incurred net accumulated operating losses for income tax purposes since our inception. We believe that it is more likely than not that these net accumulated operating losses will not be utilized in the future based on the assessment as of June 30, 2020. Therefore, we have provided full valuation allowances for the deferred tax assets as of December 31, 2017, 2018 and 2019 and June 30, 2020.

We evaluate each uncertain tax position (including the potential application of interest and penalties) based on the technical merits, and measure the unrecognized benefits associated with the tax positions. As of December 31, 2017, 2018 and 2019 and June 30, 2020, we did not have any significant unrecognized uncertain tax positions.

Results of Operations

The following table sets forth a summary of our consolidated results of operations for the periods indicated. This information should be read together with our consolidated financial statements and related notes included elsewhere in this prospectus. The operating results in any period are not necessarily indicative of the results that may be expected for any future period.

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$	RMB	RMB	US$
	(in thousands, except for share and per share data)						
Revenues							
Licensing and collaboration revenue	11,556	53,781	30,000	4,246	15,000	—	—
Expenses							
Research and development expenses[1]	(267,075)	(426,028)	(840,415)	(118,953)	(265,084)	(442,291)	(62,602)
Administrative expenses[1]	(25,436)	(66,391)	(654,553)	(92,646)	(574,584)	(171,384)	(24,258)
Loss from operations	**(280,955)**	**(438,638)**	**(1,464,968)**	**(207,353)**	**(824,668)**	**(613,675)**	**(86,860)**
Interest income	858	4,597	30,570	4,327	12,818	18,955	2,683
Interest expense	(5,643)	(11,695)	(2,991)	(423)	(1,936)	(957)	(135)
Other income (expenses), net	1,527	(16,780)	(20,205)	(2,860)	303	12,824	1,815
Fair value change of warrants	(14,027)	61,405	5,644	799	(43,854)	—	—
Loss before income tax expense	**(298,240)**	**(401,111)**	**(1,451,950)**	**(205,510)**	**(857,337)**	**(582,853)**	**(82,497)**
Income tax expense	—	(1,722)	—	—	—	—	—
Net loss attributable to I-Mab	**(298,240)**	**(402,833)**	**(1,451,950)**	**(205,510)**	**(857,337)**	**(582,853)**	**(82,497)**

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$	RMB	RMB	US$
	(in thousands, except for share and per share data)						
Deemed dividend to Series C-1 preferred shareholders at extinguishment of Series C-1 Preferred Shares	—	—	(5,283)	(748)	—	—	—
Deemed dividend to Series B-1, B-2 and C preferred shareholders at modification of Series B-1, B-2 and C Preferred Shares	—	—	(27,768)	(3,930)	—	—	—
Net loss attributable to ordinary shareholders	**(298,240)**	**(402,833)**	**(1,485,001)**	**(210,188)**	**(857,337)**	**(582,853)**	**(82,497)**
Other comprehensive income							
Foreign currency translation adjustments, net of nil tax	5,918	53,689	10,747	1,521	(4,972)	34,726	4,915
Total comprehensive loss attributable to I-Mab	**(292,322)**	**(349,144)**	**(1,441,203)**	**(203,989)**	**(862,309)**	**(548,127)**	**(77,582)**
Net loss attributable to ordinary shareholders	**(298,240)**	**(402,833)**	**(1,485,001)**	**(210,188)**	**(857,337)**	**(582,853)**	**(82,497)**
Weighted-average number of ordinary shares used in calculating net loss per shares							
Basic and diluted	5,742,669	6,529,092	7,381,230	7,381,230	7,184,086	121,815,986	121,815,986
Net loss per share attributable to ordinary shareholders							
Basic	(51.93)	(61.70)	(201.19)	(28.48)	(119.34)	(4.78)	(0.68)
Diluted	(51.93)	(61.70)	(201.19)	(28.48)	(119.34)	(4.78)	(0.68)
Non-GAAP Measure:(2)							
Adjusted Net Loss	(291,201)	(399,313)	(969,798)	(137,266)	(342,673)	(353,058)	(49,972)

Note:

(1) Share-based compensation expenses were allocated as follows:

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$	RMB	RMB	US$
	(in thousands)						
Research and development expenses	2,112	1,056	470	67	308	132,724	18,786
Administrative expenses	4,927	2,464	514,733	72,856	514,356	97,071	13,739
Total	**7,039**	**3,520**	**515,203**	**72,922**	**514,664**	**229,795**	**32,525**

(2) See "—Non-GAAP Financial Measure."

Comparison of Six Months Ended June 30, 2020 and 2019

Revenues

Our revenues generated from licensing and collaboration decreased from RMB15.0 million for the six months ended June 30, 2019 to nil for the six months ended June 30, 2020. Our revenues generated for the six months ended June 30, 2019 solely consisted of CSPC entity's upfront payment to us pursuant to our out-licensing arrangement with CSPC entity.

Research and Development Expenses

The following table sets forth a breakdown of the major components of our research and development expenses in absolute amounts and as a percentage of our total research and development expenses for the periods indicated:

	For the Six Months Ended June 30,				
	2019		2020		
	RMB	%	RMB	US$	%
	(in thousands, except percentages)				
CRO service fees	144,765	54.6	226,805	32,102	51.3
In-licensed patent right fees	55,525	20.9	1,408	199	0.3
Employee benefit expenses	44,764	16.9	191,919	27,164	43.4
Material costs for drug candidates	3,895	1.5	8,489	1,202	1.9
Other expenses	16,135	6.1	13,670	1,935	3.1
Total	265,084	100.0	442,291	62,602	100.0

Our research and development expenses increased by 66.8% from RMB265.1 million for the six months ended June 30, 2019 to RMB442.3 million (US$62.6 million) for the six months ended June 30, 2020, primarily attributable to (i) an increase in the CRO service fees from RMB144.8 million for the six months ended June 30, 2019 to RMB226.8 million (US$32.1 million) for the six months ended June 30, 2020, as we advanced some of our existing investigational drugs into more advanced clinical development stages; and (ii) an increase in employee benefit expenses of employees involved in research and development from RMB44.8 million for the six months ended June 30, 2019 to RMB191.9 million (US$27.2 million) for the six months ended June 30, 2020, mainly due to an increase in share-based compensation by RMB132.4 million (US$18.7 million).

In the six months ended June 30, 2020, 79.9% and 20.1% of our total research and development expenses were attributable to clinical programs and preclinical programs, respectively. In the six months ended June 30, 2019, 81.7% and 18.3% of our total research and development expenses were attributable to clinical

programs and preclinical programs, respectively. For the six months ended June 30, 2020, felzartamab represented approximately 54.2% of our external research and development expenses, which primarily included payments to CROs and CMOs. For the six months ended June 30, 2019, felzartamab represented approximately 63.8% of our external research and development expenses, which primarily included licensing fees and payments to CROs and CMOs. No other programs represented a significant amount of research and development expenses in the six months ended June 30, 2020 and 2019. Though we manage our external research and development expenses by program, we do not allocate our internal research and development expenses by program because our employees and internal resources may be engaged in projects for multiple programs at any time.

Administrative Expenses

Our administrative expenses decreased from RMB574.6 million for the six months ended June 30, 2019 to RMB171.4 million (US$24.3 million) for the six months ended June 30, 2020, primarily attributable to (i) the decrease in employee benefit expenses by RMB 385.8 million (US$54.6 million) due to decrease of share-based compensation expenses, and (ii) the decrease in third-party professional expenses by RMB22.7 million (US$5.9 million).

Interest Income

We recorded RMB12.8 million of interest income for the six months ended June 30, 2019 and RMB19.0 million (US$2.7 million) of interest income for the six months ended June 30, 2020. The change was primarily attributable to the interest income derived from bank deposits and an increase in bank balance.

Interest Expense

We recorded RMB1.9 million of interest expense for the six months ended June 30, 2019 and RMB1.0 million (US$0.1 million) of interest expense for the six months ended June 30, 2020. The change was primarily attributable to the interest expense related to our short-term borrowings, which were borrowed in June 2019 and repaid in June 2020.

Other Income (Expenses), Net

We recorded RMB0.3 million of other income for the six months ended June 30, 2019 and RMB12.8 million (US$1.8 million) of other income for the six months ended June 30, 2020. The change was primarily attributable to the subsidy income from PRC local government and income of incentive payment from depository banks.

Fair Value Change of Warrants

We recorded a loss from change in the fair value of warrant liability of RMB43.9 million for the six months ended June 30, 2019 and nil for the six months ended June 30, 2020. The change was primarily attributable to the fact that the holders of Series B Warrants have unconditionally and irrevocably waived and cancelled the Tranche II of Series B Warrants in July 2019.

Comparison of Year Ended December 31, 2019 and 2018

Revenues

Our revenues generated from licensing and collaboration decreased by 44.2% from RMB53.8 million for the year ended December 31, 2018 to RMB30.0 million (US$4.2 million) for the year ended December 31, 2019. Our revenues generated for the year ended December 31, 2018 consisted of both HDYM's milestone payment and ABL Bio's upfront payment to us pursuant to our out-licensing arrangements with them, respectively. Our revenues generated for the year ended December 31, 2019 solely consisted of CSPC entity's upfront and milestone payments to us pursuant to our out-licensing arrangement with CSPC entity.

Research and Development Expenses

The following table sets forth a breakdown of the major components of our research and development expenses in absolute amounts and as a percentage of our total research and development expenses for the periods indicated:

	For the Year Ended December 31,				
	2018		2019		
	RMB	%	RMB	US$	%
	(in thousands, except percentages)				
CRO service fees	212,278	49.8	521,920	73,873	62.1
In-licensed patent right fees	108,794	25.5	166,844	23,615	19.9
Employee benefit expenses	56,630	13.3	106,313	15,048	12.7
Material costs for drug candidates	19,652	4.6	6,117	866	0.7
Other expenses	28,674	6.8	39,221	5,551	4.6
Total	426,028	100.0	840,415	118,953	100.0

Our research and development expenses increased by 97.3% from RMB426.0 million for the year ended December 31, 2018 to RMB840.4 million (US$119.0 million) for the year ended December 31, 2019, primarily attributable to (i) an increase in the CRO service fees from RMB212.3 million for the year ended December 31, 2018 to RMB521.9 million (US$73.9 million) for the year ended December 31, 2019, as we initiated a few more research and development programs and advanced some of our existing investigational drugs into more advanced clinical development stages; (ii) an increase in in-licensed patent right fees from RMB108.8 million for the year ended December 31, 2018 to RMB166.8 million (US$23.6 million) for the year ended December 31, 2019, mainly due to upfront fees paid to MacroGenics; and (iii) an increase in employee benefit expenses of employees involved in research and development from RMB56.6 million for the year ended December 31, 2018 to RMB106.3 million (US$15.0 million) for the year ended December 31, 2019, due to an increase in the headcount.

In 2019, 87.3% and 12.7% of our total research and development expenses were attributable to clinical programs and preclinical programs, respectively. In 2018, 72.3% and 27.7% of our total research and development expenses were attributable to clinical programs and preclinical programs, respectively. In 2019, felzartamab represented approximately 41.4% of our external research and development expenses, which primarily included licensing fees and payments to CROs and CMOs. In 2018, efineptakin and felzartamab represented approximately 25.0% and 9.9% of our external research and development expenses, which primarily included licensing fees and payments to CROs and CMOs. No other programs represented a significant amount of research and development expenses in 2019 and 2018. Though we manage our external research and development expenses by program, we do not allocate our internal research and development expenses by program because our employees and internal resources may be engaged in projects for multiple programs at any time.

Administrative Expenses

Our administrative expenses increased from RMB66.4 million for the year ended December 31, 2018 to RMB654.6 million (US$92.7 million) for the year ended December 31, 2019, primarily attributable to (i) RMB365.3 million (US$51.7 million) in connection with stock options granted to a director of our company under the 2018 Plan which were immediately vested, (ii) RMB148.3 million (US$21.0 million) in connection with repurchase of share awards held by a director of our company, (iii) the increase in employee benefit expenses by RMB7.9 million (US$1.1 million) due to headcount increase, and (iv) the increase in third-party professional expenses by RMB41.4 million (US$5.9 million).

Interest Income

We recorded RMB4.6 million of interest income for the year ended December 31, 2018 and RMB30.6 million (US$4.3 million) of interest income for the year ended December 31, 2019. The change was primarily attributable to the interest income derived from bank deposits.

Interest Expense

We recorded RMB11.7 million of interest expense for the year ended December 31, 2018 and RMB3.0 million (US$0.4 million) of interest expense for the year ended December 31, 2019. The change was primarily attributable to the interest expense related to our convertible promissory notes, which were converted in June and July 2018.

Other Income (Expenses), Net

We recorded RMB16.8 million of other expenses for the year ended December 31, 2018 and RMB20.2 million (US$2.9 million) of other income for the year ended December 31, 2019. The change was primarily attributable to the conversion of our convertible promissory notes and onshore convertible loans and loss on the termination agreement with Everest in 2019.

Fair Value Change of Warrants

We recorded a gain from change in the fair value of warrant liability of RMB61.4 million for the year ended December 31, 2018 and RMB5.6 million (US$0.8 million) for the year ended December 31, 2019. The change was primarily attributable to the change in fair value of warrants due to the increase in the valuation of our company.

Comparison of Year Ended December 31, 2018 and 2017

Revenues

Our revenues generated from licensing and collaboration increased by 365.4% from RMB11.6 million for the year ended December 31, 2017 to RMB53.8 million for the year ended December 31, 2018. Our revenues generated for the year ended December 31, 2017 consisted solely of HDYM's milestone payment to us pursuant to our out-licensing arrangement with it. Our revenues generated for the year ended December 31, 2018 consisted of both HDYM's milestone payment and ABL Bio's upfront payment to us pursuant to our out-licensing arrangements with them, respectively.

Research and Development Expenses

The following table sets forth a breakdown of the major components of our research and development expenses in absolute amounts and as a percentage of our total research and development expenses for the periods indicated:

	For the Year Ended December 31,			
	2017		2018	
	RMB	%	RMB	%
	(in thousands, except percentages)			
CRO service fees	83,047	31.1	212,278	49.8
In-licensed patent right fees	134,846	50.5	108,794	25.5
Employment benefit expenses	26,799	10.0	56,630	13.3
Material costs for drug candidates	10,393	3.9	19,652	4.6
Other expenses	11,990	4.5	28,674	6.8
Total	267,075	100.0	426,028	100.0

Our research and development expenses increased by 59.5% from RMB267.1 million for the year ended December 31, 2017 to RMB426.0 million for the year ended December 31, 2018, primarily attributable to (i) an increase in the CRO service fees from RMB83.0 million in 2017 to RMB212.3 million in 2018, as we initiated a few more research and development programs and advanced some of our existing investigational drugs into more advanced clinical development stages; and (ii) an increase in employee benefit expenses of employees involved in research and development from RMB26.8 million in 2017 to RMB56.6 million in 2018, due to an increase in the headcount.

In 2018, 72.3% and 27.7% of our total research and development expenses were attributable to clinical programs and pre-clinical programs, respectively. In 2017, 77.5% and 22.5% of our total research and development expenses were attributable to clinical programs and pre-clinical programs, respectively. In 2018, TJ107 and TJ202 represented approximately 25.0% and 9.9% of our external research and development expenses, which primarily included licensing fees and payments to CROs and CMOs. In 2017, TJ202 represented approximately 59.1% of our external research and development expenses, which primarily included licensing fees and payments to CROs and CMOs. No other programs represented a significant amount of research and development expenses in 2018 and 2017. Though we manage our external research and development expenses by program we do not allocate our internal research and development expenses by program because our employees and internal resources may be engaged in projects for multiple programs at any time.

Administrative Expenses

Our administrative expenses increased from RMB25.4 million for the year ended December 31, 2017 to RMB66.4 million for the year ended December 31, 2018, primarily attributable to (i) the increase in employee benefit expenses due to headcount increase, and (ii) the increase in third-party professional expenses.

Interest Income

We recorded RMB0.9 million of interest income for the year ended December 31, 2017 and RMB4.6 million of interest income for the year ended December 31, 2018. The change was primarily attributable to the interest income derived from our bank deposits.

Interest Expense

We recorded RMB5.6 million of interest expense for the year ended December 31, 2017 and RMB11.7 million of interest expense for the year ended December 31, 2018. The change was primarily attributable to (i) the interest expense accrued on the one-year bank borrowing facilities we entered into in the third quarter of 2017 and 2018, respectively; and (ii) the interest expense related to our convertible promissory notes, which were converted in June and July 2018.

Other Income (Expenses), Net

We recorded RMB1.5 million of other income for the year ended December 31, 2017 and RMB16.8 million of other expenses for the year ended December 31, 2018. The change was primarily attributable to the net loss resulting from the conversion of a portion of our convertible promissory notes, partially offset by an increase in the income from the other financial assets.

Fair Value Change of Warrants

We recorded a loss from change in the fair value of warrant liability of RMB14.0 million for the year ended December 31, 2017, and a gain from change in the fair value of warrant liability of RMB61.4 million for the year ended December 31, 2018. The change was primarily attributable to (i) the change in fair value of warrants due to the increase in the valuation of our company, and (ii) the modification in 2018 that added certain forfeiture conditions to the warrants, which increased the possibility of forfeiture of the warrants and therefore resulted in a reduction in our warrant liabilities.

Non-GAAP Financial Measure

To supplement our consolidated financial statements, which are presented in accordance with GAAP, we also use adjusted net loss as an additional financial measure, which is not required by, or presented in accordance with, GAAP. We believe adjusted net loss facilitates comparisons of operating performance from period to period and company to company by eliminating potential impacts of items which our management considers non-indicative of our operating performance.

We believe adjusted net loss provides useful information to investors and others in understanding and evaluating our consolidated results of operations in the same manner as they help our management. However, our presentation of adjusted net loss may not be comparable to similarly titled measures presented by other companies. The use of adjusted net loss has limitations as an analytical tool, and you should not consider it in isolation from, or as a substitute for an analysis of, our results of operations or financial condition as reported under GAAP.

We define adjusted net loss as net loss for the year/period, excluding share-based compensation expenses. We exclude share-based compensation expenses because they are not expected to result in future cash payments that are recurring in nature and they are not indicative of our core operating results and business outlook.

The following table reconciles our adjusted net loss for the periods presented to the most directly comparable financial measure calculated and presented in accordance with GAAP, which is net loss for the year/ period:

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$	RMB	RMB	US$
				(in thousands)			
Reconciliation of net loss to adjusted net loss:							
Net loss for the year/period	(298,240)	(402,833)	(1,451,950)	(205,510)	(857,337)	(582,853)	(82,497)
Add back:							
Share-based compensation expenses	7,039	3,520	515,203	72,922	514,664	229,795	32,525
Adjusted net loss for the year/ period	(291,201)	(399,313)	(936,747)	(132,588)	(342,673)	(353,058)	(49,972)

Liquidity and Capital Resources

Since inception, we have incurred net losses and negative cash flows from our operations. Substantially all of our losses have resulted from funding our research and development programs and administrative costs associated with our operations. We incurred net losses of RMB298.2 million, RMB402.8 million, RMB1,452.0 million (US$205.5 million) and RMB582.9 million (US$82.5 million) for the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2020, respectively. Our primary use of cash is to fund our research and development activities. We used RMB252.2 million, RMB280.7 million, RMB868.0 million (US$122.9 million) and RMB349.8 million (US$49.5 million) in cash for our operating activities for the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2020, respectively. Historically, we have financed our operations principally through proceeds from the issuance and sale of preferred shares and convertible promissory notes in private placement transactions, and we also received total net proceeds of approximately US$105.3 million from our initial public offering. For more information of our financing, see “Description of Share Capital—History of Securities Issuances.” As of June 30, 2020, we had cash, cash equivalents and restricted cash of RMB1,560.0 million (US$220.8 million). Our cash, cash equivalents

and restricted cash consist primarily of cash in bank and on hand. In September 2020, we entered into definitive subscription agreements with a consortium of institutional investors (the "Investors") to raise approximately US$418 million through a private placement. The private placement consists of (i) the sale to the Investors of approximately US$418 million of our 29,133,502 ordinary shares (equivalent to 12,666,740 ADSs) at a purchase price equivalent to US$33 per ADS, representing a 2.9% premium to the 30-day volume weighted average price; and (ii) warrants (the "Warrants") to subscribe for an aggregate of 5,341,267 ordinary shares (equivalent to 2,322,290 ADSs) at an exercise price equivalent to US$45 per ADS, representing a 40.3% premium to the 30-day volume weighted average price, which may further increase the proceeds of approximately US$104.5 million if the Warrants are fully exercised. The Warrants will remain exercisable at the election of the Investors within 12 months after the closing of the private placement.

The following table sets forth a summary of our cash flows for the periods presented:

	For the Year Ended December 31,				For the Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$ (in thousands)	RMB	RMB	US$
Net cash used in operating activities	(252,157)	(280,705)	(867,982)	(122,855)	(389,034)	(349,793)	(49,510)
Net cash generated from investing activities	(157,665)	9,500	212,462	30,072	158,056	30,354	4,298
Net cash (used in) generated from financing activities	758,585	1,479,669	152,709	21,615	(30,000)	653,798	92,539
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(132)	59,754	15,163	2,146	(3,093)	32,389	4,584
Net increase (decrease) in cash, cash equivalents and restricted cash	348,631	1,268,218	(487,648)	(69,022)	(264,071)	366,748	51,911
Cash, cash equivalents and restricted cash, beginning of the year/period	64,082	412,713	1,680,931	237,920	1,680,931	1,193,283	168,897
Cash, cash equivalents and restricted cash, end of the year/period	412,713	1,680,931	1,193,283	168,898	1,416,860	1,560,031	220,808

We do not expect to generate any revenue from product sales unless and until we obtain regulatory approval of and commercialize one of our current or future drug candidates. We anticipate that we will continue to generate losses for the foreseeable future, and we expect the losses to increase as we continue the development of, and seek regulatory approvals for, our drug candidates and begin to commercialize any approved products. We also expect to incur additional costs associated with operating as a public company. In addition, subject to obtaining regulatory approval of any of our drug candidates, we expect to incur significant commercialization expenses for product sales, marketing and manufacturing. Accordingly, we anticipate that we will need substantial additional funding in connection with our continuing operations.

Based on our current operating plan, we believe that our current cash and cash equivalents will be sufficient to meet our current and anticipated working capital requirements and capital expenditures for at least the next 12 months. In that time, we expect that our expenses will increase substantially as we fund new and ongoing research and development activities and working capital needs. We have based our estimates on

assumptions that may prove to be wrong, and we may use our available capital resources sooner than we currently expect. Because of the numerous risks and uncertainties associated with the development and commercialization of our drug candidates, we are unable to estimate the amounts of increased capital outlays and operating expenditures necessary to complete the development and commercialization of our drug candidates.

We may decide to enhance our liquidity position or increase our cash reserve for future operations and investments through additional financing. The issuance and sale of additional equity would result in further dilution to our shareholders and ADS holders, and the terms of these securities may include liquidation or other preferences that adversely affect your rights as an ADS holder. The incurrence of indebtedness would result in increased fixed obligations and could result in operating covenants that would restrict our operations, which could potentially dilute your interest. If we raise additional funds through collaborations, strategic alliances or licensing arrangements with third parties, we may have to relinquish valuable rights to our technologies, future revenue streams or research programs or to grant licenses on terms that may not be favorable to us. If we are unable to raise additional funds through equity or debt financings when needed, we may be required to delay, limit, reduce or terminate our product development or future commercialization efforts or grant rights to develop and market products or drug candidates that we would otherwise prefer to develop and market ourselves.

As of June 30, 2020, 7% of our cash and cash equivalents were denominated in RMB and held in China. We may make additional capital contributions to our PRC subsidiaries, establish new PRC subsidiaries and make capital contributions to these new PRC subsidiaries, make loans to our PRC subsidiaries, or acquire offshore entities with business operations in China in offshore transactions. However, most of these uses are subject to PRC regulations and approvals. See “Risk Factors—Risks Related to Doing Business in China—PRC regulation of loans to and direct investment in PRC entities by offshore holding companies and governmental control of currency conversion may delay or prevent us from making loans to our PRC subsidiaries or making additional capital contributions to our wholly foreign-owned subsidiaries in China, which could materially and adversely affect our liquidity and our ability to fund and expand our business”. In addition, the COVID-19 outbreaks may materially and adversely affect our ability to raise additional capital in future and our liquidity. See “Risk Factors—Risks Related to Our Business and Our Industry—Our business and results of operations could be adversely affected by public health crisis (including the COVID-19 global pandemic) and natural catastrophes or other disasters outside of our control in the locations in which we, our suppliers, CROs, CMOs and other contractors operate.”

We expect that the majority of our future revenues will be denominated in RMB. Under existing PRC foreign exchange regulations, payments of current account items, including profit distributions, interest payments and trade and service-related foreign exchange transactions, can be made in foreign currencies without prior SAFE approval as long as certain routine procedural requirements are fulfilled. Therefore, our PRC subsidiaries are allowed to pay dividends in foreign currencies to us without prior SAFE approval by following certain routine procedural requirements. However, approval from or registration with competent government authorities is required where RMB is to be converted into foreign currency and remitted out of China to pay capital expenses such as the repayment of loans denominated in foreign currencies. The PRC government may at its discretion restrict access to foreign currencies for current account transactions in the future.

Operating Activities

Net cash used in operating activities for the six months ended June 30, 2020 was RMB349.8 million (US$49.5 million). Our net loss was RMB582.9 million (US$82.5 million) for the same period. The difference between our net loss and our net cash used in operating activities was primarily attributable to certain non-cash expenses, including share-based compensation of RMB229.8 million (US$32.5 million) and depreciation of property, equipment and software of RMB5.1 million (US$0.7 million), and changes in certain working capital items, including an increase in the prepayments and other receivables of RMB4.9 million (US$0.7 million), an increase in the deferred subsidy income of RMB3.8 million (US$0.5 million), an increase in the other non-current liabilities of RMB9.4 million (US$1.3million), partially offset by an decrease in accruals and other

payables of RMB19.6 million (US$2.8 million). The change in share-based compensation was attributable to the grant of stock options to certain directors and employees of our company under the 2017 Plan, 2018 Plan and 2019 Plan.

Net cash used in operating activities for the year ended December 31, 2019 was RMB868.0 million (US$122.9 million). Our net loss was RMB1,452.0 million (US$205.5 million) for the same period. The difference between our net loss and our net cash used in operating activities was primarily attributable to certain non-cash expenses, including share-based compensation of RMB366.9 million (US$51.9 million) and loss on the termination agreement with Everest of RMB23.0 million (US$3.3 million), and changes in certain working capital items, including an increase in the research and development funding of RMB53.1 million (US$7.5 million), an increase in the accruals and other payables of RMB188.4 million (US$26.7 million), partially offset by an decrease in advance from customers of RMB14.2 million (US$2.0 million) and an decrease in repayments and other receivables of RMB48.8 million (US$6.9 million). The change in share-based compensation was attributable to the grant of stock options to a director of our company under the 2018 Plan.

Net cash used in operating activities for the year ended December 31, 2018 was RMB280.7 million. Our net loss was RMB402.8 million for the same period. The difference between our net loss and our net cash used in operating activities was primarily attributable to certain non-cash expenses or gains, including fair value gains of warrants of RMB61.4 million, and changes in certain working capital items, including (i) an increase in the research and development funding of RMB178.7 million and (ii) an increase in accruals and other payables of RMB55.6 million, partially offset by an increase in prepayments and other receivables of RMB76.3 million. The accruals and other payables principally consist of accrued external research and development activities related expenses and staff salaries and welfare payables. The change in fair value of warrant liabilities was attributable to the exercise of part of the warrants issued in 2017 and the modification in 2018 that added certain forfeiture conditions to the warrants. Prepayments and other receivables primarily consist of our prepayment to CRO partners and value-added tax recoverable.

Net cash used in operating activities for the year ended December 31, 2017 was RMB252.2 million. Our net loss was RMB298.2 million. The difference between our net loss and our net cash used in operating activities was primarily attributable to certain non-cash expenses or gains, including the fair value loss of warrant liabilities of RMB14.0 million, and changes in certain working capital items, including (i) an increase in contract liabilities of RMB15.8 million and (ii) a decrease in prepayments and other receivables of RMB8.8 million.

Investing Activities

Net cash generated from investing activities for the six months ended June 30, 2020 was RMB30.4 million (US$4.3 million). The net cash increase was primarily attributable to RMB143.5 million (US$20.3 million) of the cash received from proceeds from disposal of short-term investments, partially offset by RMB113.0 million (US$16.0 million) of purchase of short-term investments.

Net cash generated from investing activities for the year ended December 31, 2019 was RMB212.5 million (US$30.1 million). The net cash increase was primarily attributable to RMB256.0 million (US$36.2 million) of the cash received from disposal of other financial assets and RMB134.0 million (US$ 19.0 million) of purchase of short-term investments, partially offset by RMB102.0 million (US$14.4 million) of proceeds from disposal of short-term investments.

Net cash generated from investing activities for the year ended December 31, 2018 was RMB9.5 million. The net cash increase was primarily attributable to RMB40.0 million of the cash received from disposal of other financial assets, partially offset by RMB30.0 million of the cash used in other financial assets.

Net cash used in investing activities for the year ended December 31, 2017 was RMB157.7 million. The net cash decrease was primarily attributable to RMB369.0 million of investments in other financial assets, partially offset by RMB133.0 million of proceeds from disposal of other financial assets and RMB93.3 million of cash acquired from acquisition of I-Mab Tianjin.

Financing Activities

Net cash generated from financing activities for the six months ended June 30, 2020 was RMB653.8 million (US$92.5 million), primarily attributable to the proceeds from the initial public offering of our company, net of payment of offering issuance cost of RMB703.8 million (US$99.6 million), partially offset by the repayment of bank borrowings of RMB50.0 million (US$7.1 million).

Net cash generated from financing activities for the year ended December 31, 2019 was RMB152.7 million (US$21.6 million), primarily attributable to the proceeds from issuance of convertible preferred shares, net of issuance cost of RMB183.5 million (US$26.0 million) and the repayment of bank borrowings of RMB80.0 million (US$11.3 million), partially offset by the proceeds of bank borrowings of RMB50.0 million (US$7.1 million).

Net cash generated from financing activities in the year ended December 31, 2018 was RMB1,479.7 million, primarily attributable to (i) proceeds from issuance of RMB1,306.6 million convertible preferred shares and (ii) receipt of RMB132.3 million resulting from the exercise of warrants by investors.

Net cash generated from financing activities in the year ended December 31, 2017 was RMB758.6 million, primarily attributable to proceeds of our issuance of RMB346.5 million convertible preferred shares, RMB161.2 million redeemable non-controlling interest and RMB99.0 million proceeds from bank borrowings.

Capital Expenditures

Our capital expenditures were incurred for purposes of purchasing property, equipment and software. Our capital expenditures were RMB20.3 million, RMB14.4 million, RMB12.2 million (US$1.7 million) and RMB0.1 million (US$0.02 million) in the years ended December 31, 2017, 2018 and 2019 and six months ended June 30, 2020, respectively.

Contractual Obligations

The following table sets forth our contractual obligations as of December 31, 2019:

	Total		Less Than 1 Year		1-3 Years		3-5 Years		More Than 5 Years	
	RMB	US$	RMB	US$	RMB	US$	RMB	US$	RMB	US$
	(in thousands)									
Operating lease commitments	15,437	2,185	7,634	1,081	7,502	1,062	120	17	181	26

Our operating lease commitments relate to leases for our office premises pursuant to non-cancellable operating lease agreements. Other than as shown above, we did not have any significant capital and other commitments, long-term obligations or guarantees as of December 31, 2019.

Off-Balance Sheet Commitments and Arrangements

We have not entered into any financial guarantees or other commitments to guarantee the payment obligations of any third parties. In addition, we have not entered into any derivative contracts that are indexed to our shares and classified as shareholder's equity or that are not reflected in our consolidated financial statements. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing, hedging or product development services with us.

Internal Control Over Financial Reporting

In connection with the audits of our consolidated financial statements included in this prospectus, we and our independent registered public accounting firm identified the following material weaknesses and other control deficiencies in our internal control over financial reporting. As defined in the standards established by the U.S. Public Company Accounting Oversight Board, a "material weakness" is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

The material weaknesses that have been identified relate to (i) our lack of sufficient and competent financial reporting and accounting personnel with appropriate knowledge of U.S. GAAP and SEC reporting and compliance requirements, to formalize key controls over financial reporting and to prepare consolidated financial statements and related disclosures; and (ii) our lack of sufficient documented financial closing policies and procedures, specifically those related to (a) accounting for licensing and collaboration agreements and (b) period end expenses cut-off and accruals. These material weaknesses, if not timely remedied, may lead to significant misstatements in our consolidated financial statements in the future.

We have implemented and plan to implement a number of measures to address the material weaknesses that have been identified in connection with the audits of our consolidated financial statements as of and for the years ended December 31, 2017, 2018 and 2019 and the review of the consolidated financial statements as of and for the six months ended June 30, 2020. We have hired additional qualified financial and accounting staff with working experience of U.S. GAAP and SEC reporting requirements, and plan to continue such hiring efforts. We intend to conduct regular and continuous U.S. GAAP accounting and financial reporting training programs for our financial reporting and accounting personnel. We further intend to establish sufficient and formal financial closing policies and procedures, specifically those related to accounting for licensing and collaboration arrangements and period end cut-off and accruals. We plan to, as work-in-progress, engage an external consulting firm to assist us to assess Sarbanes-Oxley Act compliance requirements and improve our overall internal controls. Furthermore, we plan to prepare more detailed guidance on accounting policies, manuals and closing procedures to improve the quality and accuracy of our period end financing closing process. We will continue to implement these and other measures to remediate our internal control deficiencies. We may incur significant costs in the implementation of such measures. However, the implementation of these measures may not fully address the deficiencies in our internal control over financial reporting, and we cannot assure you that all of these measures will be sufficient to remediate our material weakness in time, or at all.

As a company with less than US$1.07 billion in revenue for our last fiscal year, we qualify as an "emerging growth company" pursuant to the JOBS Act. An emerging growth company may take advantage of specified reduced reporting and other requirements that are otherwise applicable generally to public companies. These provisions include exemption from the auditor attestation requirement under Section 404 of the Sarbanes-Oxley Act of 2002 in the assessment of the emerging growth company's internal control over financial reporting.

Inflation

To date, inflation in China has not materially impacted our results of operations. According to the National Bureau of Statistics of China, the year-over-year percent changes in the consumer price index for December 2017, 2018 and 2019 were increases of 1.8%, 1.9% and 4.5%, respectively. Although we have not been materially affected by inflation in the past, we can provide no assurance that we will not be affected by higher rates of inflation in China in the future.

Holding Company Structure

We are a holding company with no material operations of its own. We currently conduct our operations primarily through our PRC subsidiaries. As a result, our ability to pay dividends depends upon dividends paid by

our PRC subsidiaries. If our existing PRC subsidiaries or any newly formed ones incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends to us. In addition, our wholly foreign-owned subsidiaries in China are permitted to pay dividends to us only out of its retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. Under PRC law, each of our subsidiaries and their subsidiaries in China is required to set aside at least 10% of its after-tax profits each year, if any, to fund certain statutory reserve funds until such reserve funds reach 50% of their registered capital. In addition, our wholly foreign-owned subsidiaries in China may allocate a portion of their after-tax profits based on PRC accounting standards to enterprise expansion funds and staff bonus and welfare funds at their discretion, and their subsidiaries may allocate a portion of their after-tax profits based on PRC accounting standards to a surplus fund at their discretion. The statutory reserve funds and the discretionary funds are not distributable as cash dividends. Remittance of dividends by a wholly foreign-owned company out of China is subject to examination by the banks designated by SAFE. Our PRC subsidiaries have not paid dividends and will not be able to pay dividends until they generate accumulated profits and meet the requirements for statutory reserve funds.

Quantitative and Qualitative Disclosures about Market Risk

Interest and Credit Risk

We had cash, cash equivalents and restricted cash of RMB412.7 million, RMB1,680.9 million, RMB1,193.3 million (US$168.9 million) and RMB1,560.0 million (US$220.8 million) as of December 31, 2017, 2018 and 2019 and June 30, 2020, respectively. Our exposure to interest rate risk primarily relates to the interest income generated by excess cash, which is mostly held in interest-bearing bank deposits. Interest-earning instruments carry a degree of interest rate risk. We have not been exposed to material risks due to changes in interest rates, and we have not used any derivative financial instruments to manage our interest risk exposure.

Our credit risk is primarily attributable to the carrying amounts of cash and cash equivalents. The carrying amounts of cash and cash equivalents represent the maximum amount of loss due to credit risk. We mainly place or invest cash and cash equivalents with state-owned or reputable financial institutions in the PRC, and reputable financial institutions outside of the PRC. We do not believe that our cash and cash equivalents have significant risk of default or illiquidity, and we will continually monitor the credit worthiness of these financial institutions. While we believe our cash and cash equivalents do not contain excessive risk, future investments may be subject to adverse changes in market value.

Foreign Exchange Risk

Most of our revenues and expenses are denominated in RMB. We do not believe that we currently have any significant direct foreign exchange risk and have not used any derivative financial instruments to hedge exposure to such risk. Although our exposure to foreign exchange risks should be limited in general, the value of your investment in our ADSs will be affected by the exchange rate between U.S. dollar and RMB because the value of our business is effectively denominated in RMB, while our ADSs will be traded in U.S. dollars.

The conversion of RMB into foreign currencies, including U.S. dollars, is based on rates set by the People’s Bank of China. The RMB has fluctuated against the U.S. dollar, at times significantly and unpredictably. It is difficult to predict how market forces or PRC or U.S. government policy may impact the exchange rate between RMB and the U.S. dollar in the future.

To the extent that we need to convert U.S. dollars into RMB for our operations, appreciation of the RMB against the U.S. dollar would have an adverse effect on the RMB amount we receive from the conversion. Conversely, if we decide to convert RMB into U.S. dollars for the purpose of making payments for dividends on our ordinary shares or ADSs or for other business purposes, appreciation of the U.S. dollar against the RMB would have a negative effect on the U.S. dollar amounts available to us.

As of June 30, 2020, we had RMB-denominated cash and cash equivalents, restricted cash and short-term investments of RMB111.2 million (US$15.7 million). A 10% depreciation of RMB against U.S. dollar based on the foreign exchange rate on June 30, 2020 would result in a decrease of US$1.6 million in cash and cash equivalents. A 10% appreciation of RMB against U.S. dollar based on the foreign exchange rate on June 30, 2020 would result in an increase of US$1.6 million in cash and cash equivalents.

Critical Accounting Policies and Significant Judgments and Estimates

Our discussion and analysis of our financial condition and results of operations is based on our financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for amounts recorded in connection with acquisitions, including initial fair value determinations of assets and liabilities and other intangible assets as well as subsequent fair value measurements. Additionally, estimates are used in determining items such as fair value measurements of wealth management products, impairment of other receivables, contract assets, long-lived assets, intangible assets and goodwill, useful lives of property, equipment and software, recognition of right-of-use assets and lease liabilities, fair value measurements of warrant liabilities, variable consideration in collaboration revenue agreements, determination of the standalone compensation arrangement. We base the estimates on historical experience, known trends and various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates.

Revenue Recognition

We adopted Accounting Standard Codification ("ASC") 606, Revenue from Contracts with Customers (Topic 606) ("ASC 606") for all periods presented. Consistent with the criteria of Topic 606, we recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to receive in exchange for those goods or services.

Under ASC 606, an entity recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration that the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the entity performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price, including variable consideration, if any; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. We only apply the five-step model to contracts when it is probable that the entity will collect substantially all the consideration to which it is entitled in exchange for the goods or services it transfers to the customer.

Once a contract is determined to be within the scope of ASC 606 at contract inception, we audit the contract to determine which performance obligations it must deliver and which of these performance obligations are distinct. We recognize as revenue the amount of the transaction price that is allocated to each performance obligation when that performance obligation is satisfied or as it is satisfied.

Collaboration Revenue

At contract inception, we analyze its collaboration arrangements to assess whether they are within the scope of ASC 808, Collaborative Arrangements ("ASC 808") to determine whether such arrangements involve joint operating activities performed by parties that are both active participants in the activities and exposed to significant risks and rewards dependent on the commercial success of such activities. For collaboration

arrangements within the scope of ASC 808 that contain multiple elements, we first determine if the collaboration is deemed to be within the scope of ASC 808. For any units of account that are reflective of a vendor-customer relationship those units of account are accounted for within the scope of ASC 606. For any units of account that are not accounted for under ASC 606 and therefore accounted for pursuant to ASC 808, an appropriate recognition method is determined and applied consistently.

Our collaborative arrangements may contain more than one unit of account, or performance obligation, including grants of licenses to intellectual property rights, agreement to provide research and development services and other deliverables. The collaborative arrangements do not include a right of return for any deliverable. As part of the accounting for these arrangements, we must develop assumptions that require judgment to determine the stand-alone selling price for each performance obligation identified in the contract. In developing the stand-alone selling price for a performance obligation, we consider competitor pricing for a similar or identical product, market awareness of and perception of the product, expected product life and current market trends. In general, the consideration allocated to each performance obligation is recognized when the respective obligation is satisfied either by delivering a good or providing a service, limited to the consideration that is not constrained.

When the timing of the delivery of product is different from the timing of payments made by the customers, we recognize either a contract asset (performance precedes the contractual due date) or a contract liability (customer payment precedes performance). Our contractual payment terms are typically due in no more than 30 days from invoicing. In limited situations, certain customer contractual payment terms require us to bill in arrears; thus, we satisfy some or all of our performance obligations before we are contractually entitled to bill the customer. In these situations, billing occurs subsequent to revenue recognition, which results in a contract asset. For example, certain of the contractual arrangements do not permit us to bill until the completion of the production of the samples. In other limited situations, certain customer contractual payment terms allow us to bill in advance; thus, we receive customer cash payment before satisfying some or all of its performance obligations. In these situations, billing occurs in advance of revenue recognition, which results in contract liabilities.

Licenses of Intellectual Property

Upfront non-refundable payments for licensing our intellectual property are evaluated to determine if the license is distinct from the other performance obligations identified in the arrangement. For licenses determined to be distinct, we recognize revenues from non-refundable, up-front fees allocated to the license at a point in time, when the license is transferred to the licensee and the licensee is able to use and benefit from the license.

Research and Development Services

The portion of the transaction price allocated to research and development services performance obligations is deferred and recognized as revenue over time as delivery or performance of such services occurs.

Milestone Payments

At the inception of each arrangement that includes development, commercialization, and regulatory milestone payments, we evaluate whether the milestones are considered probable of being reached and to the extent that a significant reversal of cumulative revenue would not occur in future periods, estimates the amount to be included in the transaction price using the most likely amount method. The transaction price is then allocated to each performance obligation on a relative stand-alone selling price basis, for which we recognize revenue as or when the performance obligations under the contract are satisfied. At the end of each subsequent reporting period, we re-evaluate the probability of achieving such development milestones and any related constraint, and if necessary, adjust our estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis, which would affect revenues and earnings in the period of adjustment.

Royalties

For arrangements that include sales-based royalties, including milestone payments based on the level of sales, and the license is deemed to be the predominant item to which the royalties or milestone payments based on the level of sales relate, we recognize revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied).

Research and Development Expenses

Elements of research and development expenses primarily include: (1) payroll and other related expenses of personnel engaged in research and development activities, (2) in-licensed patent rights fee of exclusive development rights of drugs granted to us, (3) expenses related to pre-clinical testing of our technologies under development and clinical trials such as payments to contract research organizations ("CRO"), investigators and clinical trial sites that conduct our clinical studies, (4) expenses to develop the product candidates, including raw materials and supplies, product testing, depreciation, and facility related expenses, and (5) other research and development expenses. Research and development expenses are charged to expense as incurred when these expenditures relate to our research and development services and have no alternative future uses.

We have acquired rights to develop and commercialize product candidates. Upfront payments that relate to the acquisition of a new drug compound, as well as pre-commercial milestone payments, are immediately expensed as acquired in-process research and development in the period in which they are incurred, provided that the new drug compound did not also include processes or activities that would constitute a "business" as defined under U.S. GAAP, the drug has not achieved regulatory approval for marketing and, absent obtaining such approval, has no established alternative future use. Milestone payments made to third parties subsequent to regulatory approval would be capitalized as intangible assets and amortized over the estimated remaining useful life of the related product. The conditions enabling capitalization of development expenses as an asset have not yet been met and, therefore, all development expenditures are recognized in profit or loss when incurred.

Share-Based Compensation

We grant restricted shares and stock options to eligible employees and account for share-based compensation in accordance with ASC 718, Compensation—Stock Compensation.

Employees' share-based compensation awards are measured at the grant date fair value of the awards and recognized as expenses (i) immediately at the grant date if no vesting conditions are required; (ii) for share-based awards granted with only service conditions, using the graded vesting method net of estimated forfeitures over the vesting period; or (iii) for share-based awards granted with service conditions and the occurrence of an initial public offering as performance condition cumulative share-based compensation expenses for the options that have satisfied the service condition should be recorded upon the completion of the initial public offering using the graded vesting method.

A change in any of the terms or conditions of share-based awards is accounted for as a modification of the awards. We calculate incremental compensation expense of a modification as the excess of the fair value of the modified awards over the fair value of the original awards immediately before its terms are modified at the modification date. For vested awards, we recognize incremental compensation cost in the period when the modification occurs. For awards not being fully vested, we recognize the sum of the incremental compensation expense and the remaining unrecognized compensation expense for the original awards over the remaining requisite service period after modification.

Share-based compensation in relation to the restricted shares is measured based on the fair market value of our ordinary shares at the grant date of the award. Prior to the listing, estimation of the fair value of our

ordinary shares involves significant assumptions that might not be observable in the market, and a number of complex and subjective variables, including discount rate, and subjective judgments regarding our projected financial and operating results, its unique business risks, the liquidity of its ordinary shares and its operating history and prospects at the time the grants are made. Share-based compensation in relation to the share options is estimated using the Binominal Option Pricing Model. The determination of the fair value of share options is affected by the share price of our ordinary shares as well as the assumptions regarding a number of complex and subjective variables, including the expected share price volatility, risk-free interest rate, exercise multiple and expected dividend yield. The fair value of these awards was determined with the assistance from an independent valuation firm.

Restricted ordinary shares

During the year ended December 31, 2016, we issued 4,019,554 ordinary shares to Mr. Zang Jingwu Zhang, Ms. Qian Lili, Mr. Wang Zhengyi and Mr. Fang Lei (collectively the "Founders"), including the 369,301 shares which represented the equity interests of Third Venture held by the Founders, and we recorded share-based compensation expense of RMB18.7 million for issuance and grant of 3,650,253 ordinary shares to the Founders in June 2016.

In October 2016, the Founders entered into an arrangement with our other investors, and the 87,441 ordinary shares issued to the Founders in June 2016 were cancelled, and out of the remaining 3,932,113 ordinary shares held by the Founders, 70% became restricted and subject to service vesting conditions, that shall vest 20%, 20% and 30% over the next three years, respectively. By October 2019, all the restricted shares were vested.

Deferred share-based compensation was measured for the restricted shares using the estimated fair value of our ordinary shares of US$0.77 at the date of imposition of the restriction in October 2016, and was amortized to the consolidated statements of comprehensive loss by using graded vesting method over the vesting term of 3 years. The following table summarizes our Founders' restricted shares activities for the years ended

December 31, 2017, 2018 and 2019 and the six months ended June 30, 2019 and 2020:

	Numbers of Shares	Weighted-Average Grant Date Fair Value
Outstanding at December 31, 2017	1,966,056	0.77
Vested	(786,423)	
Outstanding at December 31, 2018 and June 30, 2019	1,179,633	0.77
Vested	(1,179,633)	
Outstanding at December 31, 2019 and June 30, 2020	—	—

The amounts of share-based compensation expense in relation to the restricted shares recognized in the year ended December 31, 2019 was RMB1,566 thousand, of which RMB1,026 thousand was recognized in the six months ended June 30, 2019.

No share-based compensation expense was recognized in the six months ended June 30, 2020. Share-based compensation expenses relating to restricted shares were included in:

	Year Ended December 31,				Six Months Ended June 30,		
	2017	2018	2019		2019	2020	
	RMB	RMB	RMB	US$	RMB	RMB	US$
	(in thousands)						
Research and development expenses	2,112	1,056	470	67	308	—	—
Administrative expenses	4,927	2,464	1,096	155	718	—	—
	7,039	**3,520**	**1,566**	**222**	**1,026**	**—**	**—**

Second Amended and Restated 2017 Employee Stock Option Plan (the "2017 Plan")

In October 2017, we adopted the 2017 Plan (as last amended and restated on December 25, 2019). Under the 2017 Plan, a maximum aggregate number of 13,376,865 shares that may be issued pursuant to all awards granted were approved. Stock options granted to an employee under the 2017 Plan will be exercisable upon the completion of a listing and the employee renders service to us in accordance with a stipulated service schedule starting from the employee's date of employment. Employees are generally subject to a three-year service schedule, under which an employee earns an entitlement to vest in 50% of the option grants on the second anniversary of the grant date, a vesting of the remaining fifty percent 50% on the third anniversary of the applicable grant date. The stock options under the 2017 Plan, to the extent then vested, shall become exercisable only upon the earlier of (i) a listing, and (ii) occurrence of a change in control.

On December 25, 2019, the 2017 Plan was approved by our shareholders and board of directors, pursuant to which, in connection with our initial public offering, the maximum aggregate number of shares that may be granted pursuant to all awards under the 2017 Plan shall be adjusted in accordance with a formula pre-approved by the shareholders. In connection with above amendments to the 2017 Plan, each of our founders, namely, Zheru Zhang, Lili Qian, Zhengyi Wang and Lei Fang, is willing to irrevocably surrender by him or her, for no consideration, of a portion of the unvested options granted to him or her, which, if vested, would entitle him or her to acquire up to 130,000 ordinary shares of our company, par value US$0.0001 per share, at an exercise price of US$1.0, respectively, under the 2017 Plan (in respect of each individual, the "Founder's Surrendered Options"). On December 25, 2019, our board of directors approved that our company accepts all Founder's Surrendered Options from each of the founders, namely, Zheru Zhang, Lili Qian, Zhengyi Wang and Lei Fang, for no consideration, with effect immediately prior to the completion of the initial public offering and such surrendered options be cancelled with effect immediately prior to the completion of the initial public offering.

Prior to our completion of a listing, all stock options granted to an employee shall be forfeited at the time the employee terminates his employment with us. After we complete a listing, vested options not exercised by an employee shall be exercised until later of: (i) 90 days after the date when the options become exercisable, or (ii) 30 days after the date of cessation of employment or directorship, or such longer period as the board of directors may otherwise determine.

We granted 11,051,230, 1,470,000, 640,000, 640,000 and nil stock options to employees, all with an exercise price of US$1, for the years ended December 31, 2017, 2018 and 2019 and for the six months ended June 30, 2019 and 2020, respectively. No options are exercisable as of December 31, 2017, 2018 and 2019 and 4,063,676 stock options are exercisable as of June 30, 2020.

The following table sets forth the stock options activities for the periods presented:

	Number of Shares	Weighted Average Exercise Price US$	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value US$'000
Outstanding as of December 31, 2017	11,761,596	0.94	9.50	24,890
Granted	1,470,000	1.00	—	—
Forfeited	(226,000)	1.00	—	
Outstanding as of December 31, 2018	13,005,596	0.95	8.61	70,129
Granted	640,000	1.00	—	—
Forfeited	(397,500)	1.00	—	
Repurchased	(3,435,215)	1.00	—	
Outstanding as of December 31, 2019	9,812,881	0.93	7.76	47,671
Exercisable as of December 31, 2019				
Forfeited	(329,377)	1.00	—	
Surrendered	(332,566)	1.00	—	
Outstanding as of June 30, 2020	9,150,938	0.93	7.26	110,598
Exercisable as of June 30, 2020	4,061,176	1.00	7.26	48,787

Note: Other addition represented the modified share options that originally granted to two senior management employees in October 2016 (see "— other share-based compensation").

Stock options granted to the employees were measured at fair value on the dates of grant using the Binomial Option Pricing Model with the following assumptions:

	Year Ended December 31,			Six Months Ended June 30,	
	2017	2018	2019	2019	2020
Expected volatility	62.34%	61.32%—62.13%	54.64%	N/A	N/A
Risk-free interest rate (per annum)	2.32%	2.81%—3.06%	2.15%	N/A	N/A
Exercise multiple	2.80	2.80	2.80	N/A	N/A
Expected dividend yield	—	—	—	N/A	N/A
Contractual term (in years)	10	10	10	N/A	N/A

The expected volatility was estimated based on the historical volatility of comparable peer public companies with a time horizon close to the expected term of our options. The risk-free interest rate was estimated based on the yield to maturity of U.S. treasury bonds denominated in US$ for a term consistent with the expected term of our options in effect at the option valuation date. The expected exercise multiple was estimated as the average ratio of the stock price to the exercise price when employees would decide to voluntarily exercise their vested options. As we did not have sufficient information of past employee exercise history, it was estimated by referencing to a widely-accepted academic research publication. Expected dividend yield is zero as we have never declared or paid any cash dividends on its shares, and we do not anticipate any dividend payments in the foreseeable future. Expected term is the contract life of the option.

There were no stock options granted to employees under the 2017 Plan for the six months ended June 30, 2020. On January 17, 2020, we completed our initial public offering. After achieving this performance condition, the options continue to vest based only on service period completed according to the graded vesting schedule. We have begun recognizing share-based compensation expense for the options granted using the graded vesting method with a cumulative catch-up for the service period completed to date during the six months ended June 30, 2020 and recognized RMB53,362 thousand and RMB66,837 thousand share-based compensation

expenses in administrative expenses and research and development expenses, respectively, relating to options vested cumulatively. According to the amendments to the 2017 Plan, the maximum aggregate number of shares which may be granted pursuant to all awards under the 2017 Plan was changed to 9,609,084. Each of our founders, namely Zheru Zhang, Lili Qian, Zhengyi Wang and Lei Fang surrendered 83,142 unvested stock options that were granted to him or her under the 2017 Plan before, totaling 332,566 unvested options, for no consideration, and these stock options were cancelled immediately.

Second Amended and Restated 2018 Employee Stock Option Plan (the "2018 Plan")

On February 22, 2019, our company adopted the 2018 Plan, which was subsequently amended and restated on July 22, 2019. Under the amended and restated the 2018 Plan, the maximum aggregate number of ordinary shares which may be issued pursuant to all awards is 14,005,745, and if we successfully list on an internationally recognized securities exchange for a qualified public offering by December 31, 2019, the maximum aggregate number of ordinary shares which may be issued shall be 15,452,620.

On December 25, 2019, the 2018 Plan was approved by the shareholders and board of directors of our company, pursuant to which, in connection with offering, the maximum aggregate number of shares that may be granted pursuant to all awards under the 2018 Plan may be adjusted in accordance with a formula pre-approved by our shareholders. In connection with above amendments to the 2018 Plan, the director of our company, Dr. Jingwu Zhang Zang is willing to irrevocably surrender by him, for no consideration, of the right to acquire a certain amount of ordinary shares of our company, par value US$0.0001 per share, at an exercise price of US$1.0 pursuant to the options granted to him under the 2018 Plan (the "Dr. Zang's Surrendered Options"). On December 25, 2019, the board of directors of our company approved that our company accepts the irrevocable surrender of Dr. Zang's Surrendered Options for no consideration, with effect immediately prior to the completion of the initial public offering and such surrendered options be cancelled with effect immediately prior to the completion of the initial public offering. See "Management—Share Incentive Plans—Second Amended and Restated 2018 Employee Stock Option Plan."

Stock options granted to an employee under the 2018 Plan will be generally exercisable when our company completes a listing and the employee renders service to our company in accordance with a stipulated service schedule starting from the employee's date of employment. The vesting schedule shall generally be a two-year vesting schedule consisting of a cliff vesting of 50% of the stock options on the first anniversary of the applicable vesting commencement date and a vesting of the remaining 50% on the second anniversary of the applicable vesting commencement date. If a listing occurs at any time prior to any stock option granted under the 2018 Plan becoming fully vested, to the extent such stock option has been granted and is outstanding, any such stock option shall vest in full with immediate effect upon the listing. Except as otherwise approved by the Board of Directors, any vested portion of the stock options shall become exercisable upon the earlier of six months after a listing or the occurrence of a change in control; provided, however, that in each case, no stock option of an employee shall become exercisable until the third anniversary of such employee's employment commencement date.

Pursuant to the board of director's approval of the 2018 Plan on February 22, 2019, the 10,893,028 stock options granted to a director of our company under the 2018 Plan were fully vested and exercisable upon the adoption of 2018 Plan. Out of these 10,893,028 stock options, 454,940 stock options were repurchased by our company (see Note 14 (d) to our unaudited interim condensed consolidated financial statements for further details).

The amount of share-based compensation expense in relation to the aforementioned grant of stock options to a director of our company (except for those repurchased by our company as described in Note 14 (d) to our unaudited interim condensed consolidated financial statements) recognized in the year ended December 31, 2019 was RMB365,329 thousand, which were allocated to our administrative expenses.

The following table sets forth the stock options activities under the 2018 Plan for the six months ended June 30, 2020:

	Number of Shares	Weighted Average Exercise Price US$	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value US$
Outstanding as of December 31, 2018	—	—	—	—
Granted	13,991,528	1.00	—	—
Repurchased	(454,940)	1.00	—	—
Outstanding as of December 31, 2019	13,536,588	1.00	8.86	64,840
Exercisable as of December 31,2019	10,438,088	1.00	9.15	49,998
Surrendered	(2,544,917)	1.00	—	—
Outstanding as of June 30, 2020	10,991,671	1.00	8.65	132,043
Exercisable as of June 30, 2020	9,565,171	1.00	8.65	114,907

Stock options granted to certain directors and employees of our company were measured at fair value on the dates of grant using the Binomial Option Pricing Model with the following assumptions:

	Year Ended December 31,		Six Months Ended June 30,	
	2018	2019	2019	2020
Expected volatility	N/A	54.64—56.31%	56.31%	N/A
Risk-free interest rate (per annum)	N/A	2.15—2.75%	2.75%	N/A
Exercise multiple	N/A	2.80	2.80	N/A
Expected dividend yield	N/A	—	—	N/A
Contractual term (in years)	N/A	10	10	N/A

The expected volatility was estimated based on the historical volatility of comparable peer public companies with a time horizon close to the expected term of our company's options. The risk-free interest rate was estimated based on the yield to maturity of U.S. treasury bonds denominated in US$ for a term consistent with the expected term of our company's options in effect at the option valuation date. The expected exercise multiple was estimated as the average ratio of the stock price to the exercise price when employees would decide to voluntarily exercise their vested options. As our company did not have sufficient information of past employee exercise history, it was estimated by referencing to a widely-accepted academic research publication. Expected dividend yield is zero as our company has never declared or paid any cash dividends on its shares, and our company does not anticipate any dividend payments in the foreseeable future. Expected term is the contract life of the option.

Except for the aforementioned grant of stock options to a director of our company under the 2018 Plan, since the exercisability is dependent upon the listing, and it is not probable that this performance condition can be achieved until a listing, no share-based compensation expense related to the 2018 Plan was recorded for the year ended December 31, 2019.

On January 17, 2020, our Company completed its IPO. After achieving this performance condition, the options continue to vest based only on service period completed according to the graded vesting schedule. We have begun recognizing share-based compensation expenses for the options granted using the graded vesting method with a cumulative catch-up for the service period completed to date during the six months ended June 30, 2020 and recognized RMB43,410 thousand and RMB65,887 thousand share-based compensation expense in administrative expenses and research and development expenses, respective, relating to options vested cumulatively. According to the amendments to the 2018 Plan, the maximum aggregate number of shares which may be granted pursuant to all awards under the 2018 Plan was changed to 11,005,888. Dr. Jingwu Zhang Zang,

a director of our Company, surrendered 2,544,917 unvested options that were granted to him under the 2018 Plan, for no consideration, and these stock options were cancelled immediately.

Repurchase of share awards held by a director

On February 22, 2019, the amendment and restated 2017 equity incentive plan was approved by the Board of Directors of our company, pursuant to which only the 3,435,215 stock options held by a director of our company under the 2017 equity incentive plan became fully vested and exercisable on February 22, 2019. As a result of the performance condition being waived, the shares held by a director of our company were accounted for as a Type III modification where a condition that our company expects will not be satisfied is changed to a condition that our company expects will be satisfied.

Additionally, on the same day, our company repurchased such 3,435,215 stock options under the amendment and restated 2017 equity incentive plan that was held by a director of our company along with 454,940 of his stock options under the 2018 equity incentive plan for which the share awards also became fully vested and exercisable, at a total consideration of US$21,902 thousand (equivalent to approximately RMB148,308 thousand) at an average share price of US$5.63 per share.

For the six months ended June 30, 2019, our company recorded the total payment of US$21,902 thousand (equivalent to approximately RMB148,308 thousand) as share-based compensation costs (included in administrative expenses) in the condensed consolidated statement of comprehensive loss. There was no impact to the overall stockholder's equity balance as the amended shares vested immediately and were repurchased.

2019 Share Incentive Plan (the "2019 Plan")

On October 29, 2019, we adopted the 2019 Plan. Under the 2019 Plan, the maximum aggregate number of ordinary shares available for issuance shall initially be 100,000. The options shall vest when our Company completes a listing and the employee renders service to our Company in accordance with a stipulated service schedule starting from the employee's date of employment. Stock options granted to 3 independent directors under the 2019 Plan will be generally exercisable under the following terms: (a) a cliff vesting of 1/3 of the option on the first anniversary of the vesting commencement date (January 17, 2020); (b) a cliff vesting of 1/3 of the option on the second anniversary of the vesting commencement date (January 17, 2020); (c) a vesting of the remaining 1/3 of the option on the third anniversary of the vesting commencement date (January 7, 2020). In the last year of the grantee's service, the options shall vest on a prorated basis to reflect the portion of the year during which the grantee provided services to our Company.

For the six months ended June 30, 2020, our Company granted 72,000 stock options to 3 independent directors (all with an exercise price of US$6.09) and recognized RMB299 thousand share-based compensation expenses relating to the options vested. No options were exercisable as of June 30, 2020.

The following table sets forth the stock option activities of the 2019 Plan for the periods presented:

	Number of Shares	Weighted Average Exercise Price US$	Weighted Average Remaining Contractual Term	Aggregate Intrinsic Value US$
Outstanding as of December 31, 2019	—	—	—	—
Granted	72,000	6.09	—	—
Outstanding as of June 30, 2020	72,000	6.09	9.84	498
Exercisable as of June 30, 2020	—	—	—	—

Stock options granted to certain directors and employees of our company were measured at fair value on the dates of grant using the Binomial Option Pricing Model with the following assumptions:

	Six Months Ended June 30, 2020
Expected volatility	54.88%
Risk-free interest rate (per annum)	0.79%
Exercise multiple	2.80
Expected dividend yield	—
Contractual term (in years)	10

The expected volatility was estimated based on the historical volatility of comparable peer public companies with a time horizon close to the expected term of our company's options. The risk-free interest rate was estimated based on the yield to maturity of U.S. treasury bonds denominated in US$ for a term consistent with the expected term of our options in effect at the option valuation date. The expected exercise multiple was estimated as the average ratio of the stock price to the exercise price when employees would decide to voluntarily exercise their vested options. As our Company did not have sufficient information of past employee exercise history, it was estimated by referencing to a widely-accepted academic research publication. Expected dividend yield is zero as our Company has never declared or paid any cash dividends on its shares, and our Company does not anticipate any dividend payments in the foreseeable future. Expected term is the contract life of the option.

2020 Share Incentive Plan (the "2020 Plan")

In July 2020, we adopted the 2020 Plan. Under the 2020 Plan, the maximum aggregate number of ordinary shares which may be issued pursuant to all awards shall be 10,760,513, provided that the maximum number of shares may be issued pursuant to awards in the form of restricted share units under this plan shall not exceed 7,686,081 ordinary shares. From August 2020 through September 2020, we granted 1,068,733 stock options and 4,892,918 restricted share units under the 2020 Plan to employees, respectively.

Other share-based compensation

In October 2017, in connection with the adoption of the 2017 Plan, we amended the stock option agreement with the two aforementioned employees, under which the stock options would become exercisable only upon the earlier of (i) a listing, and (ii) occurrence of a change in control that defined in the stock option agreements. As the modification of terms and conditions of share-based compensation were not beneficial to its employees, no further accounting impact was resulting from it.

Establishment of Biomaster Trust

Biomaster Trust was established under the trust deed, dated October 23, 2019, between us and TMF Trust (HK) Limited, or TMF Trust, as the trustee of the Biomaster Trust. Through the Biomaster Trust, our company's ordinary shares and other rights and interests under awards granted pursuant to the 2017 Plan and the 2018 Plan may be provided to certain recipients of equity awards. Upon satisfaction of the vesting conditions, TMF Trust will exercise the equity awards and transfer the relevant ordinary shares and other rights and interests under the equity awards to the relevant grant recipients with the consent of the advisory committee of Biomaster Trust. TMF Trust shall not exercise the voting rights attached to such ordinary shares unless otherwise directed by the advisory committee, whose members shall be appointed by our company. Our company has the power to direct the relevant activities of Biomaster Trust and has the ability to use its power over Biomaster Trust to affect its exposure to returns. Therefore, the assets and liabilities of Biomaster Trust are included in our consolidated statements of financial position.

Surrender of stock options

On January 17, 2020, our Company completed its IPO. According to the amendments to 2017 Plan, the maximum aggregate number of shares which may be granted pursuant to all awards under 2017 Plan was changed to 9,609,084. Each of our founders, namely Zheru Zhang, Lili Qian, Zhengyi Wang and Lei Fang surrendered 83,142 unvested stock options that were granted to him or her under 2017 Plan before, totally 332,566 unvested options, for no consideration, and these stock options were cancelled immediately. According to the amendments to 2018 Plan, the maximum aggregate number of shares which may be granted pursuant to all awards under 2018 Plan was changed to 11,005,888. Dr. Jingwu Zhang Zang, a director of our Company, surrendered 2,544,917 unvested options that were granted to him under 2018 Plan, for no consideration, and these stock options were cancelled immediately. Upon the completion of our initial public offering in January 2020, we recorded RMB91,051 thousand share-based compensation expense related to these surrendered options.

The stock options surrendered by the founders should be accounted for as capital contribution. As the founders did not get the title of the options to be surrendered and the number of share options would not be determined until listing, the capital contribution was not accounted for during the year ended December 31, 2019. For the six months ended June 30, 2020, our Company has reclassified RMB91,051 thousand from additional paid-in capital—share-based compensation to additional paid-in capital—capital contribution relating to the options surrendered in the condensed consolidated financial statement of comprehensive loss.

Fair Value of Ordinary Shares

We are required to estimate the fair value of the ordinary shares on grant dates of share-based compensation awards/share option to our employees and the issuance of financial instruments to investors. Therefore, our board of directors has estimated the fair value of our ordinary shares on various dates, with inputs from management, considering the third-party valuations. The valuations of our ordinary shares were performed using methodologies, approaches and assumptions consistent with the American Institute of Certified Public Accountants Audit and Accounting Practice Aid Series: Valuation of Privately-Held-Company Equity Securities Issued as Compensation, or the AICPA Practice Guide.

In addition, our board of directors considered various objective and subjective factors, along with inputs from management and the independent third-party valuation firm, to determine the fair value of our ordinary shares, including: external market conditions affecting the biopharmaceutical industry, trends within the biopharmaceutical industry, the prices at which we sold convertible preferred shares, the superior rights and preference of the convertible preferred shares or other senior securities relative to our ordinary shares at the time of each grant and the likelihood of achieving a liquidity event such as an initial public offering. The option-pricing method was used to allocate the enterprise's value to preferred shares or other senior securities and ordinary shares, taking into account the guidance prescribed by the AICPA Practice Guide. This method treats ordinary shares and convertible preferred shares or other senior securities as call options on the enterprise's value, with exercise prices based on their respective payoffs upon a liquidity event.

In determining the enterprise's value, we applied the market approach/backsolve method based on pricing from recent transactions in our own securities. The basis for application of this method is our transactions in equity securities with unrelated parties or among unrelated parties themselves. No evidence is observed to indicate these transactions are not arm's-length transactions.

Our board of directors determined the fair value of our share options and the restricted shares as of the dates of grant, taking into consideration the various objective and subjective factors described above, including the conclusion of valuation of our ordinary shares as of dates close to the grant dates of our share options and the restricted shares. We computed the per share estimated fair value for share options based on the binomial option pricing model and the per share estimated fair value for restricted shares based on per share estimated fair value of ordinary shares as of the date of grant.

Once public trading market of the ADSs has been established in connection with the completion of our initial public offering, it is no longer necessary for our board of directors to estimate the fair value of our ordinary shares in connection with our accounting for granted share options and restricted shares.

Fair Value Measurements

Our financial assets and liabilities primarily comprise of cash and cash equivalents, restricted cash, short-term investments, other financial assets, contract assets, other receivables, short-term borrowings, accruals and other payables and warrant liabilities. As of December 31, 2017, 2018 and 2019 and June 30, 2020, except for short-term investments, other financial assets and warrants liabilities, the carrying values of these financial assets and liabilities approximated their fair values because of their generally short maturities. We report short-term investments, other financial assets and warrant liabilities at fair value at each balance sheet date and changes in fair value are reflected in the consolidated statements of comprehensive loss.

We measure our financial assets and liabilities using inputs from the following three levels of the fair value hierarchy. The three levels are as follows:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets that the management has the ability to access at the measurement date.

Level 2 inputs include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset (i.e., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 includes unobservable inputs that reflect the management's assumptions about the assumptions that market participants would use in pricing the asset. The management develops these inputs based on the best information available, including the own data.

We measured our short-term investments, other financial assets and warrant liabilities at fair value on a recurring basis. As our short-term investments, other financial assets and warrant liabilities are not traded in an active market with readily observable prices, we use significant unobservable inputs to measure the fair value of short-term investments, other financial assets and warrant liabilities. These instruments are categorized in the Level 3 valuation hierarchy based on the significance of unobservable factors in the overall fair value measurement.

Recent Accounting Pronouncements

A list of recently issued accounting pronouncements that are relevant to us is included in note 2 "Principal Accounting Policies—2.26 Recent Accounting Pronouncements" of our consolidated financial statements included elsewhere in this prospectus.

BUSINESS

Overview

We are a clinical stage biopharmaceutical company committed to the discovery, development and commercialization of novel or highly differentiated biologics to treat diseases with significant unmet medical needs, particularly cancers and autoimmune disorders.

We were founded to capture the opportunities presented by the confluence of two major developments—the emergence of an attractive and growing biologics market in China, and the revolutionary scientific breakthroughs in cancer and autoimmune disease medicines. We believe we are well-positioned to become a biotech leader in China because of our innovative discovery expertise, fit-for-purpose technology platforms, biomarker-enabled translational medicine capabilities, and clinical development capabilities. These integrated capabilities are further enhanced by our deep understanding of China's biologics regulatory framework and our direct access to extensive pre-clinical and clinical trial resources in China. To date, we have developed an innovative pipeline of more than 10 clinical and pre-clinical stage assets through our internal research and development efforts and in-licensing arrangements with global pharmaceutical and biotech companies.

Commercial Opportunities in China and Our Unique Position

We are fully aware of the competitive and regulatory challenges we face as an innovative clinical stage biotech company based in China, including need to raise significant capital, significant competition from global and other China-based biopharmaceutical companies, less streamlined regulatory pathway compared to countries with long-established regulatory systems, and potential implementation challenges and uncertainties of the recent government reform of the drug approval system. However, with these challenges in mind, we have been mitigating the risks through our internal R&D system that integrates multi-functional aspects of our drug development process to proactively deal with some of the regulatory challenges mentioned above. Furthermore, through our Beijing office which focuses on regulatory matters, we have established an effective communication channel with the regulatory agencies to discuss and resolve various regulatory issues promptly and effectively. We see vast opportunities for immuno-oncology and autoimmune biologics therapies in China. First, both the incidence and mortality of cancers in China have been increasing in recent years and are outpacing those in the United States and the rest of the world. Second, many innovative biologics approved to treat cancer and autoimmune diseases in the United States and Europe are not yet available in China. Third, the Chinese government has implemented new policies and regulations to simplify the review and approval cycle of clinical trials and new drug applications to encourage biologics innovation. Fourth, there has been a continuous and rapid increase in personal disposable income in China coupled with ongoing improvement in basic national health insurance coverage, making innovative biologics more accessible to more Chinese patients.

We believe we are uniquely positioned as a China-based global player to tap into these vast commercial opportunities. This is best demonstrated by our short journey in becoming one of the top clinical stage immunology companies in China. For example, in 2018 and 2019, we are the only China-based biotech company recognized by Genetic Engineering & Biotechnology News (GEN) as a top 10 immuno-oncology start-up in the world. To date, our research and development capabilities encompass discovery, translational medicine, biologics CMC development, pre-clinical development and clinical development with footprints in Shanghai, Beijing and the United States. We are now at a critical juncture to transition from a clinical stage biotech company into a fully integrated end-to-end global biopharmaceutical company in the next few years.

Our Unique Business Model

To achieve our mission and capitalize on these commercial opportunities, we have developed a business model built on two pillars: a fast-to-market China strategy and a fast-to-PoC (proof of concept) global strategy.

Fast-to-Market China Strategy

Our fast-to-market China strategy focuses on seeking opportunities to in-license the development and commercialization rights of investigational drugs from global biopharmaceutical companies for Greater China. We only select investigational drugs that have the potential to become novel or highly differentiated medicines. Through our substantial in-house research and development efforts, we build additional data packages to meet the requirements of the National Medical Products Administration (the "NMPA") to ensure programs are ready for late-stage or registrational clinical development. Our internal development capabilities combined with our deep insight into China's regulatory framework and our clinical network enable us to efficiently navigate through the drug development process to registration. To date, we have built an innovative China Portfolio consisting of five investigational drugs with an aim for near-term product launch. All of these investigational drugs have met the related pre-set safety and preliminary efficacy endpoints in Phase 1 or Phase 2 clinical trials in Europe, the United States or elsewhere and are either in or ready for Phase 2 or Phase 3 clinical trials in China. Set forth below is a summary of the latest development status of the anchor assets in our China Portfolio:

- For felzartamab (TJ202), a differentiated anti-CD38, we are conducting two parallel registrational trials as a third-line monotherapy and as a second line combination therapy with lenalidomide, both in patients with multiple myeloma in Greater China. The recruitment progress for these two trials remains on track, and we expect to submit an NDA to the NMPA in 2021.

- For eftansomatropin (TJ101), a differentiated long-acting growth hormone, in September 2020, the NMPA approved our IND application for a registrational Phase 3 trial in pediatric growth hormone deficiency (PGHD). We expect to initiate this trial in the first quarter of 2021.

- For enoblituzumab, a humanized antibody directed at B7-H3, in the first quarter of 2021, MacroGenics expects to initiate a Phase 2 study of enoblituzumab in a chemo-free regimen in combination with either retifanlimab (an investigational PD-1 antibody) in front-line patients with SCCHN who are PD-L1 positive or with tebotelimab (an investigational PD-1 x LAG-3 bispecific DART® antibody) in SCCHN patients who are PD-L1 negative. We expect to participate in any subsequent Phase 3 global study if and when initiated. In addition, considering the dynamic regulatory environment and evolving clinical practice, we have been continually refining the development of enoblituzumab in our territory.

- For efineptakin (TJ107), a long-acting interleukin 7, we obtained regulatory clearance from the NMPA in April 2020 to initiate a Phase 2 clinical trial in glioblastoma multiforme (GBM) patients with lymphopenia. We expect to initiate this trial in the fourth quarter of 2020.

As a result, the investigational drugs in our China Portfolio are positioned for a series of new drug applications (NDAs) in China with the submission of the first NDA expected in 2021.

Fast-to-PoC Global Strategy

Our fast-to-PoC global strategy focuses on advancing our own novel or differentiated biologics towards clinical validation in the United States. First, we seek PoC of these drug candidates in the United States by conducting early phase clinical trials with a set of safety and efficacy endpoints and leveraging the FDA's streamlined regulatory system for innovative drug development, including a predictable timeline towards IND approval. Second, we will use the data generated to advance clinical development in China, which we believe confers several advantages, including access to China's large patient pool, extensive clinical trial resources through collaborations with leading hospitals in China, and a regulatory pathway for fast-track approval of drugs supported by solid overseas clinical data. Building on this approach, we may out-license the global rights (excluding Greater China) of these investigational drugs following clinical validation in the United States, while retaining the Greater China rights for further development and commercialization. We believe this approach will

allow Chinese patients to benefit from our most advanced treatments concurrently or soon after their market approvals elsewhere. To date, we have created a Global Portfolio that consists of two molecular classes—monoclonal antibodies and bi-specific antibodies, which are internally generated. They are highly innovative molecules compared to global competitor assets in the same or related classes of drug candidates. Set forth below is a summary of the latest development status of the anchor assets in our Global Portfolio:

- For lemzoparlimab (TJC4), a differentiated anti-CD47, the topline results of the recently completed Phase 1a dose escalation monotherapy trial in the United States have demonstrated the differentiated profile of lemzoparlimab in drug safety and favorable pharmacokinetics in cancer patients. The key findings include: (i) lemzoparlimab was well tolerated up to 30 mg/kg on a weekly basis without priming dosing strategy, and no dose-limiting toxicity and no clinical or laboratory evidence of hemolytic anemia were observed throughout; (ii) lemzoparlimab PK appears to be linear at mid to high dose levels following a single dose with no significant "sink effect" and (iii) one confirmed Partial Response (PR) was observed in the 30 mg/kg cohort (N=3), and this patient had failed prior treatments with checkpoint inhibitors. Three patients achieved Stable Disease (SD). In September 2020, we received the NMPA approval for a Phase 1 clinical trial of lemzoparlimab in relapsed or refractory advanced lymphoma in China as part of the ongoing international multi-center trial. In addition, lemzoparlimab is being evaluated in a Phase 1/2a clinical trial in China in patients with relapsed or refractory acute myeloid leukemia (r/r AML) or myelodysplastic syndrome (MDS), and we anticipate reporting top-line results in early 2021. We have also entered into a clinical trial collaboration and supply agreement with Merck Sharp & Dohme Corp, or MSD, through a subsidiary, under which we will sponsor a Phase 1 clinical trial in the United States evaluating lemzoparlimab in combination with KEYTRUDA® (pembrolizumab), MSD's anti-PD-1 therapy, in patients with multiple types of solid tumors. In September 2020, we granted AbbVie a global license, excluding Mainland China, Hong Kong and Macau, to develop and commercialize lemzoparlimab (as well as certain other compounds directed against CD47), and we will retain all rights to develop and commercialize lemzoparlimab in Mainland China, Hong Kong and Macau.

- For uliledlimab (TJD5), a differentiated anti-CD73, we are conducting a Phase 1 clinical trial in the United States as a single agent and in combination with atezolizumab (TECENTRIQ®), a PD-L1 antibody marketed by Roche, in patients with advanced solid tumors. The preliminary data of this trial in the United States are expected by mid-2021. In China, we are conducting a Phase 1/2 clinical trial to evaluate uliledlimab in patients with advanced solid tumors. The first patient was dosed in May 2020. This Phase 1/2 study is a multicenter, open-label, dose escalation and cohort expansion study, which will evaluate safety, tolerability, pharmacokinetics, pharmacodynamics and efficacy of uliledlimab, and determine a recommended dose for further planned clinical studies of its efficacy and safety as a single agent and in combination with standard dose of toripalimab (TUOYI®) in patients with advanced or metastatic cancers who are refractory to or intolerant of all available therapies. We have been able to accelerate the Phase 1/2 trial in China by leveraging data from the ongoing Phase 1 clinical study of uliledlimab in the United States, which is a testament to our global clinical development capabilities and well-executed pipeline strategies.

- For plonmarlimab (TJM2), an anti-GM-CSF, we have completed a single-dose first-in-human study in healthy volunteers in the United States. It is the first antibody of its class entering clinical development in China. We dosed the first patient in a Phase 1b study of plonmarlimab in August 2020 in patients with rheumatoid arthritis (RA). We may expand plonmarlimab to other autoimmune and inflammatory indications with high unmet medical need, where GM-CSF is known as a pathogenic cytokine in disease activity and progression. If approved, plonmarlimab is expected to provide an effective treatment option as a disease-modifying anti-rheumatic drug ("DMARD") therapy. In addition, since the COVID-19 outbreak, we have sprung into action to

prioritize plonmarlimab in response to the urgent medical needs. In May 2020, we announced preliminary results from part 1 of a clinical study in the United States of plonmarlimab in patients with cytokine release syndrome (CRS) associated with severe COVID-19, in which plonmarlimab was found to be well tolerated. We are currently conducting part 2 of this clinical trial to evaluate the efficacy, safety and cytokine levels following a single dose of 6 mg/kg plonmarlimab or placebo (standard care) in patients with severe COVID-19. We are currently in discussion with the FDA to finalize the plan for plonmarlimab in relation to clinical development and potential registration in the United States.

These two strategies and the resulting two portfolios complement each other. This enables us to achieve a balance among our ambition to develop novel or highly differentiated drugs, our goal to efficiently advance our pipeline assets towards commercialization and the inherent development risks. With this goal in mind, we are also aware that the intended novelty and key differentiation of our investigational drugs or drug candidates are subject to pivotal clinical validation and approval by the relevant regulatory authorities. There is no assurance that any such investigational drug or drug candidate will receive regulatory approval. See "Risk Factors" for a detailed description of the risks related to the development and commercialization of our drug candidates.

Our Capabilities

Our Innovative Discovery Expertise

Built by an elite group of seasoned immunologists with extensive academic research and drug development experience, our discovery engine has generated a panel of internally developed innovative drug molecules in a short span of five years. Among them, 12 innovative drug molecules have met our standard of novelty or high differentiation and have advanced toward further development. This achievement is a testament to our discovery team's acumen and technical prowess in translating target biology into points of innovation or differentiation.

The discovery of lemzoparlimab showcases our innovative research capabilities. Not settling on performing routine or traditional antibody screening, we set a specific goal to identify and select a unique CD47 antibody that is free from binding to red blood cells (RBC) from all CD47 antibody leads. As a result, we selected by design, our proprietary CD47 antibody (TJC4) with a rare epitope that spares binding to RBCs as a differentiation point from other CD47 antibodies that typically cause inherent hematologic side effects. The topline results of the recently completed Phase 1a dose escalation monotherapy trial in the United States have demonstrated the differentiated profile of lemzoparlimab in drug safety and favorable pharmacokinetics in cancer patients. The key findings include: (i) lemzoparlimab was well tolerated up to 30 mg/kg on a weekly basis without priming dosing strategy, and no dose-limiting toxicity and no clinical or laboratory evidence of hemolytic anemia were observed throughout; (ii) lemzoparlimab PK appears to be linear at mid to high dose levels following a single dose with no significant "sink effect" and (iii) one confirmed Partial Response (PR) was observed in the 30 mg/kg cohort (N=3), and this patient had failed prior treatments with checkpoint inhibitors. Three patients achieved Stable Disease (SD). Therefore, we believe that lemzoparlimab, if approved, will be a potentially highly differentiated antitumor CD47 antibody with the advantage of minimizing hematologic side effects.

Another example of our R&D capability relates to our novel bi-specific antibody panel that represents a new wave of oncology drug candidates. We created novel biological properties of these bi-specific antibodies that are capable of enriching immune cells in tumors through dual targeting of PD-L1 and immune cells for a synergistic anti-tumor effect. These bi-specific drug candidates have been shown to exhibit unique properties that render tumors more responsive to treatment. Our discovery expertise, when combined with our "fit-for-purpose" antibody engineering technology platforms, becomes a powerful engine of innovation to create novel molecules.

Our Fit-for-Purpose Technology Platforms

Our proprietary antibody engineering platforms enable us to accurately capture the biological properties of bi-specific antibodies and retain good manufacturability and druggability of the molecules. To date, we have eight novel pre-clinical stage bi-specific drug molecules. In addition to our own bi-specific antibody platform, we partnered with ABL Bio and WuXi Biologics to access their antibody engineering platforms in order to increase the probability of success, as different molecular configurations require different technologies. Furthermore, our proprietary antibody-cytokine technology has enabled another form of bi-specific antibodies such as TJ-L1I7 and TJ-C4GM that link a tumor-engaging antibody with an immune-modulatory cytokine. Superior to monoclonal antibodies or cytokines alone, this class of bi-specific antibodies has demonstrated unique properties of concentrating the drug molecules in tumors for a desired target effect with reduced systemic toxicity of cytokines or creating biologic synergy that can potentially translate into better treatment outcome.

Our Biomarker-Enabled Translational Medicine Capabilities

As we focus on developing innovative drug molecules, the ability to apply relevant biomarkers that link a drug response to treatment effects is critical for early-stage clinical trials of our investigational drugs. This translational medicine capability requires cross-functional knowledge and unique skills to link the target biology of an investigational drug to clinical responses. We have been developing tailor-made biomarkers for each of our investigational drugs, which are used to select potential responders, predict and measure target engagement, support dose determination and enable timely informed decisions on advancing our assets to the next phase of clinical development. For example, for the development of ulilediimab, we intend to use CD73 in tumor tissue in combination with other tumor biomarkers to stratify potential target patient populations in our clinical trial. To that end, we have developed assays to measure CD73 expression and activity in tumor tissues. Furthermore, we have developed specialized assays to measure ulilediimab drug concentrations in tumor tissues. By linking drug concentration with its activity in the same tumor location, these data help us determine appropriate dose selection for further clinical studies.

Our Clinical Development Capabilities

Our clinical development is led by a global team of clinical scientists, industry physicians and experts in portfolio management, quantitative science, clinical operations, drug safety and quality control. Our clinical team accounts for approximately 80% of our entire R&D organization's headcount and 80% of our budget allocation. The skillset of our clinical development team is highlighted by a combination of extensive global pharma, local drug development and operation experiences with clinical networks in China and the United States. The team is driven by high ethical standards, with passion for improving the lives of patients.

Our team has the ability to integrate internal core development functions to conduct global and local clinical trials. We also effectively leverage external resources, including clinical contract research organizations, academic clinical centers and/or networks, and global pharmaceutical or biotech partnerships. Furthermore, we have established and implemented a robust internal clinical governance system and processes to safeguard patient safety and data integrity. Our current clinical development functions and teams are strategically based in Shanghai, Beijing, and the United States to cover Phase 1 through Phase 3 clinical trials in China and early-stage clinical trials in the United States.

Our clinical development capabilities are best demonstrated by the rapid implementation of 11 clinical trials, including one completed trial in the United States and ten on-going Phase 1/2 or registration trials in the United States and China in the past three years. To ensure regulatory approval and subsequent product launch as currently planned, we strive to reach the following critical clinical milestones by the end of 2020: 11 active clinical programs consisting of two Phase 3 or registrational trials in China, three Phase 2 trials and six Phase 1/2 trials in the United States and China.

Our Global Strategic Collaborations

We have established an excellent track record of in-licensing and out-licensing deals with our global and regional partners. These in-licensing deals enable us to acquire multiple innovative clinical stage assets with favorable clinical data packages. We have quickly built our China Portfolio through in-licensing deals with global biotech partners, including MorphoSys, Genexine, MacroGenics and Ferring (as the sublicensee under our agreement with Ferring related to olamkicept). Over the past three years, we have established more than 10 global and regional partnerships with reputable pharma or biotech companies. Our partners selected us among many China-based companies with the belief that we are an ideal partner in China given our strength in science and drug development capability, our outstanding track record of execution demonstrated by rapidly progressing drug development programs in China and the United States, and our vision and network to tap into business opportunities and China's growing pharmaceutical market. For example, MorphoSys, MacroGenics and Genexine all stated that we are an ideal or the best partner in China in their press releases or public announcements. The out-licensing deals enable us to streamline our pipeline, focus our resources on the most valuable assets in the most desirable territories and build strategic alliances with leading global biopharmaceutical companies. In addition, we seek co-development opportunities to share development costs, risks and territorial commercial rights with our partners. In the past several years, we have out-licensed four assets and initiated multiple co-development programs with partners such as ABL Bio, MSD, Roche and Junshi and WuXi Biologics. The revenue from out-licensing and co-development deals is expected to continue to grow as our pipeline progresses.

Global Strategic Partnership with AbbVie

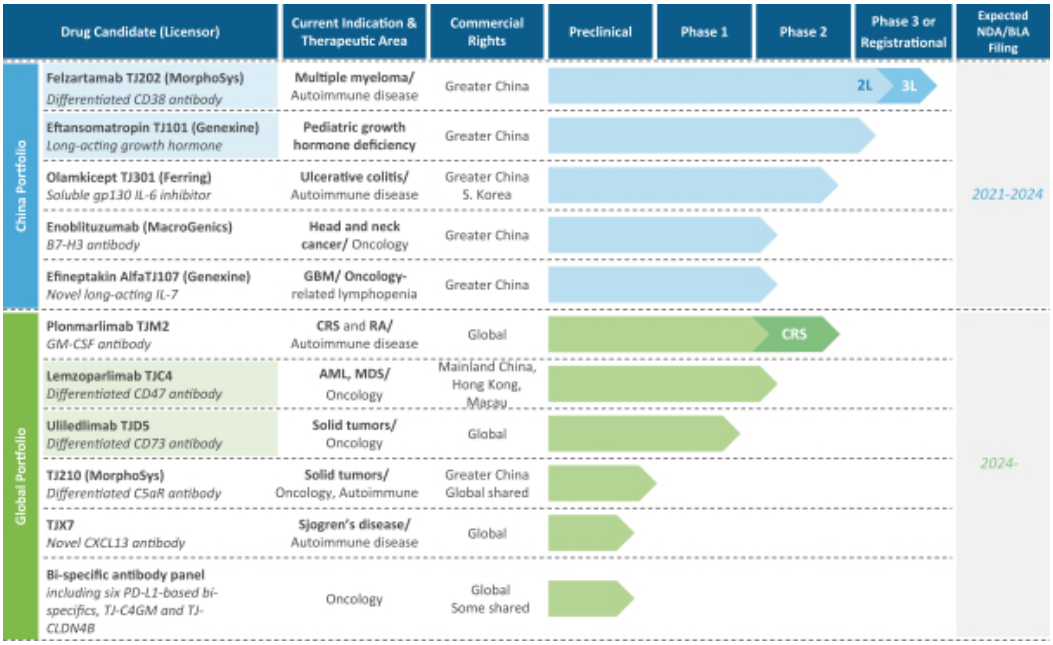
In September 2020, we, through I-Mab Biopharma Co., Ltd. and I-Mab Biopharma US Limited, each a wholly-owned subsidiary of our company, entered into a broad global strategic collaboration with AbbVie Ireland Unlimited Company ("AbbVie"), a leading global, research-based biopharmaceutical company. Pursuant to this collaboration, we grant AbbVie a global license, excluding Mainland China, Hong Kong and Macau, to develop and commercialize lemzoparlimab. We retain all rights to develop and commercialize lemzoparlimab (as well as certain other compounds directed against CD47) in Mainland China, Hong Kong and Macau. AbbVie will conduct further global clinical trials (which we may elect to co-fund) to evaluate lemzoparlimab in multiple cancers. This deal also allows for potential collaboration on future CD47-related therapeutic agents, including CD47-based bispecific antibodies and combination therapies with lemzoparlimab and AbbVie's venetoclax (Venclexta®). Each party will have the opportunity, subject to rights of first negotiation to further licenses, to explore certain of each other's related CD47-antibody programs in their respective territories. In addition, we and AbbVie will share manufacturing responsibilities, with AbbVie being the primary manufacturer for supply outside of Mainland China, Hong Kong and Macau and us being the primary manufacturer for supply in Mainland China, Hong Kong and Macau. We believe that this collaboration will accelerate the establishment of our commercial production operations in China.

Pursuant to this collaboration, AbbVie will pay us an upfront payment of US$180 million. Additionally, in connection with the recently released clinical data from the Phase 1 trial of lemzoparlimab in the United States, we expect to be paid a first milestone payment of US$20 million. We will also be eligible to receive up to US$1.74 billion in further success-based development, regulatory and sales milestone payments for lemzoparlimab, of which US$840 million are based on clinical development and regulatory approval milestones, with the remainder based on commercial milestones. Upon commercialization of lemzoparlimab, AbbVie will also pay tiered royalties from low double-digit percentages on global net sales outside of Mainland China, Hong Kong and Macau. In addition, AbbVie has a license and right of first negotiation to further develop and commercialize two additional lemzoparlimab-based bispecific antibodies discovered and currently being developed by us and we cannot commercialize products containing these two additional lemzoparlimab-based bispecific antibodies outside of Mainland China, Hong Kong and Macau even if AbbVie does not exercise its right of first negotiation or we are unable to come to financial terms on such products. The potential value of each such license is minimum US$500 million in upfront and milestone payments, for a combined total of no less than US$1 billion.

This strategic collaboration with AbbVie reinforces our internal research and development capabilities and our leading position in immuno-oncology and enables us to realize the full potential of our innovation. By leveraging the combined development strength of our company and AbbVie, we aim to speed lemzoparlimab to market for patients in need around the world.

Our Drug Pipeline

The chart below summarizes the development status of our drug pipeline.



Notes:

* (i) for felzartamab (TJ202), we are conducting two parallel registrational trials with felzartamab as a third-line monotherapy and as a second line combination therapy with lenalidomide, both in patients with multiple myeloma in Greater China. The recruitment progress for these two trials remains on track, and we expect to submit an NDA to the NMPA in 2021. In addition, we submitted an IND application to the NMPA in October 2019 for a Phase 1b trial for felzartamab in SLE; (ii) for eftansomatropin (TJ101), in September 2020, the NMPA approved our IND application for a registrational Phase 3 trial of eftansomatropin in pediatric growth hormone deficiency (PGHD). We expect to initiate this trial in the first quarter of 2021; (iii) for enoblituzumab, we expect to submit an IND application in 2021 for a Phase 2 trial; (iv) for efineptakin (TJ107), we have obtained regulatory clearance from the NMPA to initiate a phase 2 clinical trial in GBM patients with lymphopenia. We expect to initiate this trial in the fourth quarter of 2020; and (v) for olamkicept (TJ301), we are conducting an ongoing Phase 2 clinical trial in patients with active ulcerative colitis. The enrollment of this trial is complete and topline data are expected to be released by early 2021.

** We were collaborating with Everest Medicines Limited ("Everest") to co-develop and commercialize felzartamab in Greater China for all indications in hematologic oncology. Everest was primarily responsible for sharing with us, by the proportion of 75% for Everest and 25% for us, the development costs of felzartamab. On November 4, 2019, we and Everest terminated the collaboration agreement (including all the supplements and amendments thereto) with respect to the co-development and commercialization of

felzartamab in Greater China. Upon the termination, Everest will not retain any rights or entitlements to develop or commercialize felzartamab or any economic interest in its commercialization. All intellectual property rights in respect of felzartamab arising from its development under the collaboration agreement are vested and owned by us, and we hold all intellectual property rights and have maximum flexibility to further develop, manufacture and commercialize felzartamab in Greater China. In consideration of the above arrangements, we issued a total value of US$37.0 million of ordinary shares (the "CPP Shares") to Everest, representing Everest's historical contribution to our collaboration and the associated time cost. The CPP Shares were issued concurrently with the completion of our initial public offering in January 2020, at a per share price equal to the initial public offering price adjusted to reflect the ADS-to-ordinary share ratio.

*** Our bi-specific antibody panel consists of (i) six PD-L1-based bi-specific antibodies, including TJ-L1C4 (PD-L1 × CD47), TJ-L1A3 (PD-L1 × LAG3), TJ-L1H3 (PD-L1 × B7-H3), TJ-L14B (PD-L1 × 4-1BB), TJ-L1T6 (PD-L1 × T1G1T) and TJ-L1I7 (anti-PD-L1 × IL-7 cytokine), (ii) TJ-C4GM (anti-CD47 × GM-CSF cytokine), and (iii) TJ-CLDN4B (Claudin 18.2 × 4-1BB).

Highlights of Our Fast-to-Market China Portfolio

Our fast-to-market China strategy is demonstrated by our China Portfolio, which consists of novel or highly differentiated investigational drugs. Felzartamab, efineptakin, enoblituzumab and eftansomatropin are the four anchor assets in our China Portfolio. While we have been diligently pursuing our fast-to-market China strategy, we are aware that there is no assurance that we will always be successful in commercializing any of our product candidates in our China Portfolio in an accelerated manner. See "Risk Factors" for a detailed description of the risks related to the development and commercialization of our drug candidates.

Felzartamab is a differentiated CD38 antibody originally developed by MorphoSys that meets the pre-set clinical safety and preliminary efficacy endpoints from a clinical trial conducted in the European Union (EU). In-licensed from MorphoSys, felzartamab is being developed to address the current unmet needs and commercial opportunities in China for multiple myeloma and potentially autoimmune diseases, such as SLE. We own an exclusive license to develop felzartamab in Greater China. We believe felzartamab, if approved, is potentially highly differentiated compared with the currently marketed CD38 antibody. First, under a similar pre-medication condition with dexamethasone, anti-pyretics and anti-histamines, felzartamab has demonstrated a significantly shorter infusion time and lower infusion reaction rate. Second, unlike the currently marketed CD38 antibody, felzartamab does not down-regulate CD38 expression on the surface of bone marrow myeloma cells in vitro, maintaining sensitivity of myeloma cells to felzartamab for repeated treatments. We are conducting two parallel registrational trials with felzartamab as a third-line monotherapy and as a second line combination therapy with lenalidomide, both in patients with multiple myeloma in Greater China. The recruitment progress for these two trials remains on track. We aim to submit an NDA for felzartamab as a third-line monotherapy in 2021, followed by another NDA submission for felzartamab as a second-line combination therapy. Moreover, we believe felzartamab has great market potential in the treatment of pathogenic antibody-mediated autoimmune diseases, such as SLE, where there is a significant unmet need for more effective therapies. We submitted an IND application to the NMPA in October 2019 for a Phase 1b trial for felzartamab in SLE.

Efineptakin is the first long-acting recombinant human IL-7 known to boost cancer-fighting T lymphocytes by increasing their number and function and is being developed as a potential oncology investigational drug. The clinical safety and effect of efineptakin on T cells have been investigated in multiple previous and ongoing clinical trials in South Korea and the United States. Efineptakin is being positioned to address a huge unmet medical need in oncology. First, efineptakin can be an oncology-care agent to treat cancer treatment-related lymphopenia (low blood lymphocyte levels), a common condition that occurs in cancer patients who have received chemotherapy or radiation therapy, and there is no approved treatment for this condition. This condition causes further damage to patients' already compromised immune system and weakens its ability to fight cancers. Second, efineptakin has been shown to synergize with a PD-1 antibody in a tumor animal model potentially through increased T lymphocyte activation and proliferation. In May 2020, we obtained regulatory clearance from the NMPA to initiate a phase 2 clinical trial with efineptakin in GBM patients with lymphopenia.

We expect to initiate this trial in the fourth quarter of 2020. We are coordinating our study globally with Genexine, which is conducting a Phase 2 clinical trial in South Korea and parallel clinical trials in the United States towards clinical PoC.

Enoblituzumab is a humanized antibody directed at B7-H3, a member of the B7 family of T cell checkpoint regulators that is widely expressed across multiple tumor types and plays a key role in the regulation of immune response against cancers. Similar to other inhibitors of the B7 family such as PD-L1, targeting B7-H3 potentially provides a treatment option for a variety of cancers expressing B7-H3. Enoblituzumab was originally developed by MacroGenics, and we own the Greater China rights of this investigational drug. In multiple clinical trials conducted by MacroGenics, when combined with pembrolizumab in recurrent or metastatic squamous cell carcinoma of the head and neck ("SCCHN") and non-small cell lung cancer ("NSCLC"), enoblituzumab has shown favorable clinical results that warrant further investigation. In the first quarter of 2021, MacroGenics expects to initiate a Phase 2 study of enoblituzumab in a chemo-free regimen in combination with either retifanlimab (an investigational PD-1 antibody) in front-line patients with SCCHN who are PD-L1 positive or with tebotelimab (an investigational PD-1 x LAG-3 bispecific DART® antibody) in SCCHN patients who are PD-L1 negative. We expect to participate in any subsequent Phase 3 global study if and when initiated. In addition, considering the dynamic regulatory environment and evolving clinical practice, we have been continually refining the development of enoblituzumab in our territory. Further clinical development may be planned together with MacroGenics to extend to other cancer indications in China and/or globally.

Eftansomatropin is a potentially highly differentiated long-acting human growth hormone that is being developed as a weekly treatment for pediatric growth hormone deficiency as compared to currently available daily regimens of recombinant human growth hormone ("rhGH"). Eftansomatropin was originally developed by Genexine, and we own the Greater China rights of this product, which has the potential to address an important clinical need and to cover a significant market gap in pediatric growth hormone deficiency. In a previous Phase 2 trial conducted by Genexine in South Korea and the EU, both weekly and bi-weekly administration of Eftansomatropin demonstrated similar therapeutic effects to daily injection of Genotropin, a short-acting rhGH. In September 2020, the NMPA approved our IND application for a registrational Phase 3 trial of eftansomatropin in pediatric growth hormone deficiency (PGHD). We expect to initiate this trial in the first quarter of 2021.

Highlights of Our Fast-to-PoC Global Portfolio

Our fast-to-PoC global strategy is demonstrated by our Global Portfolio, which mainly consists of our internally developed novel or differentiated biologics. Our Global Portfolio focuses on two molecular classes—monoclonal antibodies and bi-specific antibodies. While we have been diligently pursuing our fast-to-PoC global strategy, we are aware that there is no assurance that we will always be successful in achieving PoC or pivotal development milestones for any of our product candidates in our Global Portfolio in an accelerated manner. See "Risk Factors" for a detailed description of the risks related to the development and commercialization of our drug candidates.

Monoclonal antibodies—Among the five monoclonal antibody drug candidates, lemzoparlimab (TJC4), uliledlimab (TJD5) and plonmarlimab (TJM2) are in clinical development.

Lemzoparlimab is an internally discovered, fully human monoclonal antibody targeting CD47, which is one of the most promising immuno-oncology targets after PD-1/PD-L1. Blocking CD47 activates tumor-engulfing macrophages, a component of the innate immune system as an important cancer-fighting mechanism. CD47 antibodies are being actively pursued in clinical trials by a few global companies. However, current development efforts on CD47 antibody drugs are hampered by hematologic side effects (such as anemia) due to binding to human RBCs. For example, at least two clinical trials conducted by other companies have been suspended. Unlike competitor investigational drugs, lemzoparlimab is a rare antibody originally selected, by design, to purposefully avoid or minimize binding to RBCs while maintaining a high antibody affinity and tumor killing properties. Lemzoparlimab's unique property of minimal RBC binding and no significant hematologic

changes has been extensively validated in a whole series of robust in vitro assays and non-human primate studies. In a GLP toxicology study involving 40 monkeys, no hematologic side-effects were seen even with repeated injections of 100 mg/kg doses. This unique property may enable lemzoparlimab to be used safely in a broader patient population to explore its treatment potential in cancers, differentiating it from other clinical stage lemzoparlimab investigational antibody drugs. Notably, the topline results of the recently completed Phase 1a dose escalation monotherapy trial in the United States have demonstrated the differentiated profile of lemzoparlimab in drug safety and favorable pharmacokinetics in cancer patients. The key findings include: (i) lemzoparlimab was well tolerated up to 30 mg/kg on a weekly basis without priming dosing strategy, and no dose-limiting toxicity and no clinical or laboratory evidence of hemolytic anemia were observed throughout; (ii) lemzoparlimab PK appears to be linear at mid to high dose levels following a single dose with no significant "sink effect" and (iii) one confirmed partial response (PR) was observed in the 30 mg/kg monotherapy cohort (N=3), and this patient had failed prior treatments with checkpoint inhibitors. Therefore, we believe that lemzoparlimab, if approved, will be a potentially highly differentiated anti-tumor CD47 antibody with the advantage of minimizing hematologic side effects. In September 2020, we received the NMPA approval for a Phase 1 clinical trial of lemzoparlimab in relapsed or refractory advanced lymphoma in China as part of the ongoing international multi-center trial. In addition, lemzoparlimab is being evaluated in a Phase 1/2a clinical trial in China in patients with relapsed or refractory acute myeloid leukemia (r/r AML) or myelodysplastic syndrome (MDS), and we anticipate reporting top-line results in early 2021. We have also entered into a clinical trial collaboration and supply agreement with Merck Sharp & Dohme Corp, or MSD, through a subsidiary, under which we will sponsor a Phase 1 clinical trial in the United States evaluating lemzoparlimab in combination with KEYTRUDA® (pembrolizumab), MSD's anti-PD-1 therapy, in patients with multiple types of solid tumors. In September 2020, we granted AbbVie a global license, excluding Mainland China, Hong Kong and Macau, to develop and commercialize lemzoparlimab (as well as certain other compounds directed against CD47), and we will retain all rights to develop and commercialize lemzoparlimab in Mainland China, Hong Kong and Macau.

Uliledlimab is an internally developed, humanized inhibitory antibody against human CD73. CD73 is a homodimeric enzyme expressed in tumors and plays a critical role in suppressing immune cells in tumor micro-environment. Uliledlimab displays sub-nanomolar binding affinity to CD73 and inhibits its nucleotidase activity. In vitro, uliledlimab completely reversed the AMP- or tumor cell-mediated suppression of T cells. In vivo, when combined with a PD-L1 antibody, uliledlimab exhibited a superior or synergistic inhibitory effect on tumor growth. The key differentiation of uliledlimab when compared to some of the other clinical stage antibodies of the same class, is related to its novel epitope, which works through a unique intra-dimer binding mode, resulting in a complete inhibition of the enzymatic activity and avoiding the aberrant pharmacological property known as the "hook effect." With this particular mode of action, uliledlimab, if approved, has the potential to become a highly differentiated CD73 antibody. In the United States, uliledlimab is in a Phase 1 clinical trial as a single agent and in combination with atezolizumab (TECENTRIQ®), a PD-L1 antibody marketed by Roche, in patients with advanced solid tumors. 20 patients have been enrolled and nineteen of them have been dosed so far. The preliminary data of this trial in the United States are expected by mid-2021. In China, we are conducting a Phase 1/2 clinical trial in China to evaluate uliledlimab in patients with advanced solid tumors. The first patient was dosed in May 2020. This Phase 1/2 study is a multicenter, open-label, dose escalation and cohort expansion study, which will evaluate safety, tolerability, pharmacokinetics, pharmacodynamics and efficacy of uliledlimab, and determine a recommended dose for further planned clinical studies of its efficacy and safety as a single agent and in combination with standard dose of toripalimab (TUOYI®) in patients with advanced or metastatic cancers who are refractory to or intolerant of all available therapies. We have been able to accelerate the Phase 1/2 trial in China by leveraging data from the ongoing Phase 1 clinical study of uliledlimab in the United States, which is a testament to our global clinical development capabilities and well-executed pipeline strategies.

Plonmarlimab is an internally discovered neutralizing antibody against human granulocyte-macrophage colony-stimulating factor ("GM-CSF"), an important cytokine that plays a critical role in chronic inflammation and destruction in autoimmune diseases such as rheumatoid arthritis ("RA"). Plonmarlimab is a humanized IgG1 that displays high affinity binding to GM-CSF and blocks its signaling and downstream effects. Plonmarlimab is

being developed for the treatment of autoimmune and inflammatory diseases, including RA and cytokine release syndrome ("CRS"). We have completed a single-dose first-in-human study in healthy volunteers in the United States. In China, plonmarlimab is the first antibody of its class entering clinical development. We dosed the first patient in a Phase 1b study of plonmarlimab in August 2020 in patients with rheumatoid arthritis (RA) in China. We may expand plonmarlimab to other autoimmune and inflammatory indications with high unmet medical need, where GM-CSF is known as a pathogenic cytokine in disease activity and progression. If approved, plonmarlimab is expected to provide an effective treatment option as a disease-modifying anti-rheumatic drug ("DMARD") therapy. In addition, since the COVID-19 outbreak, we have sprung into action to prioritize plonmarlimab in response to the urgent medical needs. In May 2020, we announced preliminary results from part 1 of a clinical study in the United States of plonmarlimab in patients with cytokine release syndrome (CRS) associated with severe COVID-19, in which plonmarlimab was found to be well tolerated. We are currently conducting part 2 of this clinical trial to evaluate the efficacy, safety and cytokine levels following a single dose of 6 mg/kg plonmarlimab or placebo (standard care) in patients with severe COVID-19. We are currently in discussion with the FDA to finalize the plan for plonmarlimab in relation to clinical development and potential registration in the United States.

TJ210 is a novel monoclonal antibody directed at C5aR for cancers through a partnership with MorphoSys. In September 2020, the FDA has cleared the IND application for TJ210 to initiate a Phase 1 clinical trial. The trial is designed to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of TJ210 and is expected to commence by early 2021. We plan to work jointly with MorphoSys to develop this asset.

Bi-specific antibody panel—This novel antibody class represents an emerging and fast-moving area of new drug discovery. Bi-specific antibodies are typically constructed to have a dual specificity of two selected antibodies or combined properties of an antibody linked with a cytokine, previously called an immune-cytokine. However, despite the recent success of checkpoint inhibitors, clinical efficacy of these drugs has been unsatisfactory. It is estimated that over 60% of cancer patients, including those with melanoma, renal cell cancer, colorectal cancer, non-small cell lung cancer, urothelial cancer and head and neck squamous cell carcinoma, do not respond to PD-1/PD-L1 monotherapies. In addition, some patients develop resistance after initial treatment with these therapies. As a result, the standard of care today leaves many cancer patients underserved. There is consensus among cancer immunologists that tumors that do not respond to PD-1/PD-L1 treatment have poor immunologic features, such as an absence or paucity of tumor-fighting immune cells or the presence of dysfunctional immune cells within the tumors, collectively known as "cold tumors." We believe that PD-1/PD-L1 non-responders can be better treated with novel bi-specific antibodies. The unique and superior properties of these bi-specific antibodies over PD-L1 inhibitors alone stem from a second targeting component attached to the PD-L1 antibody moiety of the bi-specific molecules, thereby enabling them to elicit a sufficient immune response and converting a "cold tumor" to an immune-active "hot tumor." Such unique properties of bi-specific antibodies cannot be substituted by a combination of the PD-L1 antibody with a selected second component (either cytokine or antibody) in a free form. The underlying mechanism is such that the second component must be structurally integrated with the tumor-engaging PD-L1 antibody in order to concentrate and function inside the tumor, which cannot be readily achieved by the two free agents used in combination.

We have successfully generated a panel of bi-specific antibodies in which our proprietary PD-L1 antibody acts as the backbone (the first signal) and is linked with various second components (the second signal), including, but not limited to, a 4-1BB agonist antibody (TJ-L14B), a B7-H3 antibody (TJ-L1H3), a CD47 antibody (TJ-L1C4) and an IL-7 cytokine (TJ-L1I7), which are shown to work with the PD-L1 backbone in various assays and cancer animal models. This unique panel of bi-specific antibodies is only made possible by our proprietary and partnered antibody engineering technologies and the availability of our proprietary monoclonal antibodies. Furthermore, we have generated two other bi-specific antibodies (TJ-C4GM and TJ-CLDN4B) that are tailor-made to function as novel fortified antibodies by linking lemzoparlimab with an engineered GM-CSF cytokine for the treatment of solid tumors and by linking our Claudin 18.2 antibody with a 4-1BB antibody as a unique gastric cancer treatment agent that only activates T cells conditionally upon tumor

engagement. All bi-specific antibodies have been validated in a series of robust in vitro and in vivo studies for biology proof-of-concept, providing a solid basis for clinical validation in cancer patients.

Our Strategies

Moving forward, we strive to become a fully integrated end-to-end global biopharmaceutical company whose capabilities encompass drug discovery, GMP manufacturing, pre-clinical and clinical development and commercialization. To achieve this goal, we intend to pursue the following strategies.

Rapidly advance our China Portfolio towards commercialization

We intend to pursue the most efficient pathway to NDA approval for the investigational drugs in our China Portfolio. In the next 12 months, we expect to make significant advances with our China Portfolio. Most of the clinical assets of our China Portfolio are expected to undergo Phase 2, Phase 3 or registrational clinical trials in 2021. We plan to submit NDAs to the NMPA for our China Portfolio products in sequence from 2021 to 2024. With respect to commercialization capabilities, we plan to initially partner with a specialty pharmaceutical company that has existing commercial capabilities and infrastructure in China to jointly market our leading products. Once we have acquired commercial experience and developed a distribution network, we plan to build a robust internal sales and marketing platform.

Expand our research and development capabilities and footprint in the United States to advance our Global Portfolio

As part of our global strategy, we plan to expand our research and development capabilities in the United States to include regulatory affairs, translational medicine, drug formulation and clinical operations. These specific research and development functions in the United States are complementary to and an integral part of our overall research and development capabilities to support clinical development of our Global Portfolio. Currently, three of our investigational antibody drugs (lemzoparlimab, uliledlimab and plonmarlimab) are in clinical trials in the United States. We aim to continue advancing the ongoing clinical trials to Phase 2 for clinical validation and to initiate multiple new clinical programs by the end of 2021 in the United States. In addition, we intend to expand our operational footprint in the United States to create an independent multi-functional business entity covering global business development, investor relations and corporate communications and other operational capabilities. We are in the process of assembling an integrated management team with global experience and extensive track record dedicated to overseeing our operations in the United States.

Build our manufacturing capabilities

We believe it is strategically important and advantageous that we own and control our GMP manufacturing process in order to ensure quality, secure production slots and maximize cost-effectiveness for clinical trial materials and commercial supplies. We intend to build a comprehensive biologics manufacturing facility in Hangzhou, China (the "Hangzhou Facility") as part of our strategic plan to become a fully integrated biopharma company. We have taken concrete steps to execute this plan. These steps include detailed operational planning for the facility, actions taken to secure an appropriate site, and negotiations with external financing providers. The Hangzhou Facility targets to have a pilot capacity of 2 x 2,000L by the end of 2021 and commercially progressive capacity up to 8 x 2,000L to begin operation by the end of 2023. Construction is expected to commence in late 2020. The project will be financed by a combination of internal and external sources. A group of domestic investors in China have agreed to invest a total of US$120 million (in RMB equivalent) in cash. Upon closing, we, through our wholly owned subsidiary and parties acting in concert, will remain the majority shareholder of I-Mab Biopharma (Hangzhou) Limited ("I-Mab Hangzhou"), the entity holding the Hangzhou Facility, and retain a managing role and take full control to build and operate the manufacturing facility. We plan to prioritize our therapeutic focus and resources on immuno-oncology in our global ambition to become a leading immuno-oncology company. This goal has been accelerated by our recent

global strategic collaboration with AbbVie and its commercialization plan for the initial oncology products. I-Mab Hangzhou is positioned to provide manufacturing capabilities for us, as well as the continued development of selected biologics assets that are non-essential to our immuno-oncology focus, i.e. olamkicept, plonmarlimab (excluding cytokine release syndrome indications) and a few pre-clinical CMC-stage programs. We believe that this strategic alignment is necessary to maximize the pipeline value and balance the development risk for us.

Maximize the value of our pipeline

In addition to our successful in-licensing efforts, we have established a good track record of out-licensing collaborations and co-development partnerships. For the years ended December 31, 2017, 2018 and 2019, we recorded revenues of RMB11.6 million, RMB53.8 million and RMB30.0 million from upfront and milestone payments through three out-licensing deals, respectively. We have reached cost-sharing co-development deals for some of our drug candidates with multiple global and regional partners. In September 2020, we, through I-Mab Biopharma Co., Ltd. and I-Mab Biopharma US Limited, each a wholly-owned subsidiary of our company, entered into a broad global strategic collaboration with AbbVie Ireland Unlimited Company ("AbbVie"), a leading global, research-based biopharmaceutical company. Pursuant to this collaboration, we grant AbbVie an exclusive global license, excluding Mainland China, Hong Kong and Macau, to develop and commercialize lemzoparlimab (as well as certain other compounds directed against CD47). We retain all rights to develop and commercialize lemzoparlimab in Mainland China, Hong Kong and Macau. Pursuant to this collaboration, AbbVie will pay us an upfront payment of US$180 million. Additionally, in connection with the recently released clinical data from the Phase 1 trial of lemzoparlimab in the United States, we expect to be paid a first milestone payment of US$20 million. We will also be eligible to receive up to US$1.74 billion in further success-based development, regulatory and sales milestone payments for lemzoparlimab, of which US$840 million are based on clinical development and regulatory approval milestones, with the remainder based on commercial milestones. Upon commercialization of lemzoparlimab, AbbVie will also pay tiered royalties consisting of low double-digit percentages on global net sales outside of Mainland China, Hong Kong and Macau. In addition, AbbVie has a license and a right of first negotiation to further develop and commercialize two additional lemzoparlimab-based bispecific antibodies discovered and currently being developed by us, and we cannot commercialize products containing these two additional lemzoparlimab-based bispecific antibodies outside of Mainland China, Hong Kong and Macau even if AbbVie does not exercise its right of first negotiation or we are unable to come to financial terms on such products. The potential value of each such license is minimum US$500 million in upfront and milestone payments, for a combined total of no less than US$1 billion.

These achievements, in particular our collaboration with AbbVie, have not only demonstrated our ability to optimize our pipeline but also provided a sustainable revenue stream. Going forward, we plan to enhance our out-licensing efforts. We expect that the revenue generated from out-licensing opportunities will continue to increase and will account for the majority of our net revenue before the commercialization of our marketed products.

Our Drug Pipeline

China Portfolio

Felzartamab (TJ202): A Potential Highly Differentiated CD38 Antibody for Multiple Myeloma and Autoimmune Diseases

Summary

Felzartamab is a fully human, highly differentiated monoclonal antibody directed against CD38. Felzartamab, if approved, is positioned as a potential highly differentiated anti-CD38 therapy for multiple myeloma ("MM"), either as a monotherapy or as a combination therapy with other anti-cancer agents. We aim to

demonstrate the advantages of felzartamab, including its short infusion time, low infusion related reaction ("IRR") and potentially sustained efficacy, in our ongoing clinical trials in China. Additionally, as pathogenic CD38-positive B cells and plasma cells are strongly implicated in the disease progression of pathogenic antibody-mediated autoimmune diseases, we believe the therapeutic value of felzartamab can be extended to these diseases that have significant unmet medical needs. We have begun to explore its therapeutic application in systemic lupus erythematosus ("SLE") and later in other autoimmune diseases. In November 2017, we obtained an exclusive license from MorphoSys to develop felzartamab in Greater China. The development of felzartamab is driven by a fast-to-market strategy. We are conducting two parallel registrational trials with felzartamab as a third-line monotherapy and as a second line combination therapy with lenalidomide, both in patients with multiple myeloma in Greater China. The recruitment progress for these two trials remains on track, and we expect to submit an NDA to the NMPA in 2021. Additionally, we submitted an IND application to the NMPA in October 2019 for a Phase 1b trial for felzartamab in SLE.

Therapeutic Options and Current Development

Multiple Myeloma (MM)

The treatment options and investigational drugs under development in China include: (i) for small molecule drugs, two or three approved drugs known as doublets or triplets are used. VRD triplet (Velcade (bortezomib), Revlimid (lenalidomide) and dexamethasone) has been approved for overseas frontline treatment and is recommended in China in the 2017 version of treatment guideline. VCD triplet (Velcade, cyclophosphamide and dexamethasone) is the most widely adopted first-line treatment in China due to its lower cost. In 2017, lenalidomide and bortezomib were included in the National Reimbursement Drug List in China; (ii) with respect to CD38 antibody therapy, daratumumab (from Johnson & Johnson) received conditional NDA approval from the NMPA in July 2019, and isatuximab (from Sanofi) is in a Phase 3 trial in China; and (iii) for CAR-T therapy, several Phase 1 or 2 clinical trials are ongoing in China.

However, there is no curative treatment for MM. Although the currently marketed CD38 antibody (daratumumab) in China is efficacious, it takes a long time to be administered by IV infusion (up to six hours) and causes a high infusion reaction rate ("IRR"). In clinical trials, approximately half of all patients experience an infusion reaction, symptoms of which may include fever, chills, nausea, bronchospasm, hypoxia, dyspnea, hypertension, laryngeal edema and pulmonary edema. Thus, there is a need for a safer and convenient-to-use drug. Such a drug may be combined with other therapeutic agents for better treatment effects in MM.

Systemic Lupus Erythematosus (SLE)

Patients with mild SLE are often given non-steroidal anti-inflammatory drugs, while more severe patients may need corticosteroids or immunosuppressants. Approved by the FDA in 2011 and by the NMPA in July 2019, Benlysta (belimumab), a B-lymphocyte stimulator (BLyS)-specific inhibitor developed by GSK, is currently the world's only biologic approved to treat SLE. However, there remains a significant unmet medical need beyond belimumab for SLE in China and the rest of the world. As dysregulated CD38-positive B cells and auto-antibodies produced by CD38-positive plasma cells and resulting immune complexes are at the core of the pathogenesis of SLE, direct inhibition and selective depletion of pathogenic B cells and plasma cells are believed to offer better treatment options. Our felzartamab has the potential to offer such a disease-modifying treatment option. In addition, as described below, the advantages of our felzartamab include convenience of use and a lower IRR, making it a more favorable treatment agent in the long-term clinical management of SLE if approved.

Advantages of Felzartamab

Felzartamab, if approved, is a potentially highly differentiated CD38 monoclonal antibody and could be the second antibody therapy for MM to launch in China. A Phase 2a trial of felzartamab in MM showed a level of treatment effects comparable to that observed in trials of the currently marketed CD38 antibody. However,

available trial data from MorphoSys and Johnson & Johnson indicate that with similar pre-medications of dexamethasone, anti-pyretics and anti-histamines, Felzartamab required only a short infusion time of 0.5 to 2 hours, compared to 3.5 to 6.5 hours for the currently marketed CD38 antibody at the first infusion. Moreover, the IRR was as low as 7% for felzartamab, compared to 48% for the currently marketed CD38 antibody. The advantages of felzartamab associated with infusion may be attributed to its lack of antibody CDC activity and are likely to translate into clinical benefits in terms of tolerability and convenience of use as well as economic benefits due to the cost and length of hospital stay. In addition, unlike the currently marketed CD38 antibody, felzartamab treatment does not down-regulate CD38 expression on the surface of bone marrow myeloma cells in vitro, maintaining sensitivity of malignant myeloma cells to repeated felzartamab treatments. As felzartamab is being considered for long-term treatment management of autoimmune diseases, we believe such clinical differentiation is critical.

For autoimmune diseases, felzartamab has advantages over other B cell-targeting therapies such as CD20 antibodies, as it specifically targets malfunctioned CD38^{high} B cells and pathogenic plasma cells involved in autoimmune diseases while CD20 antibodies target most B cells, including those involved in normal immune functions and regulatory functions, but not plasma cells producing pathogenic antibodies.

Mechanism ofAction

Felzartamab binds to CD38 overexpressed on the surface of target cells and kills them by inducing antibody-dependent cellular cytotoxicity (“ADCC”) and antibody-dependent cellular phagocytosis (“ADCP”). The target cells are the malignant plasma cells in MM and a group of dysregulated CD38^{high} B cells and plasma cells that produce pathogenic antibodies in autoimmune conditions such as SLE.

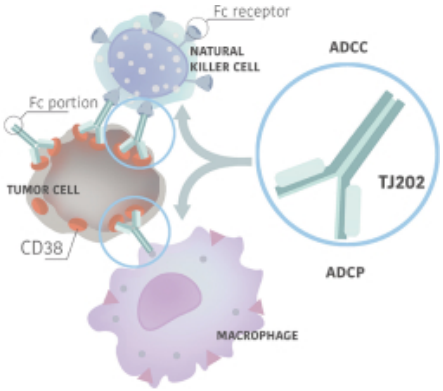


Figure: Felzartamab kills CD38-bearing tumor cells by inducing ADCC and ADCP.

Summary of Clinical Results

MorphoSys has conducted a Phase 1/2a study in adult patients with relapsed or refractory MM in Austria and Germany.

Study Design. The open-label, multicenter, dose-escalation study was designed to characterize the safety profile and preliminary efficacy of felzartamab in adults with relapsed or refractory MM. A 3+3 dose escalation design was used to establish the maximum tolerated dose (“MTD”), recommended dose and dosing regimen of felzartamab as monotherapy, weekly or bi-weekly, with or without dexamethasone (“DEX”), and in combination with pomalidomide (“POM”) and DEX or lenalidomide (“LEN”) and DEX standard regimens. The MTD and recommended dose and dosing regimens were to be confirmed in three confirmation cohorts of at least six evaluable subjects each. Felzartamab dose levels in this study ranged from 0.01 mg/kg to 16.0 mg/kg, administered by intravenous (“IV”) infusion.

The clinical study results as of the data cutoff date, December 31, 2017, are summarized as follows.

Safety. Felzartamab was well tolerated in patients with RRMM, as a single agent and in combination with DEX, or with POM/DEX, or with LEN/DEX. The MTD of felzartamab was not reached. In the 56 patients from three groups receiving combination regimens, grade ³ 3 adverse events ("AEs") were mainly in the hematological system reflected by a decrease of various blood cells. This was as expected, because of decreased bone marrow function due to the presence of myeloma as well as the expression of CD38 on various cell lineages of the myeloid and lymphoid compartments. Most of the hematological adverse events were transient and generally manageable.

Felzartamab was administered as a two-hour IV infusion at first dose and infusion time could be reduced to as short as 30 minutes at subsequent doses without obvious safety concerns. Among all cohorts, infusion-related reactions, including tachycardia, pyrexia and hypersensitivity, occurred in 18 of 91 patients (19.8%) and were mostly mild to moderate. In the combination cohorts containing DEX, a very low IRR (4 out of 56 patients (7%)) was observed. These results compared favorably with the historical data of the currently marketed CD38 antibody.

Clinical Efficacy. Preliminary efficacy results were based on 56 patients from three groups treated with felzartamab combination therapies. No responses were observed for the monotherapy groups which were primarily serving for dose escalation. Felzartamab in combination with low dose DEX, POM/DEX or LEN/DEX demonstrated an overall response rate ("ORR") of 28%, 48% and 65%, respectively. Durable responses were observed as median progression-free survival ("PFS") was of 8.4 months and 17.5 months for the DEX and the POM/DEX combination groups, respectively, and PFS levels were not reached for the LEN/DEX combination group, as there were not sufficient events of progression recorded.

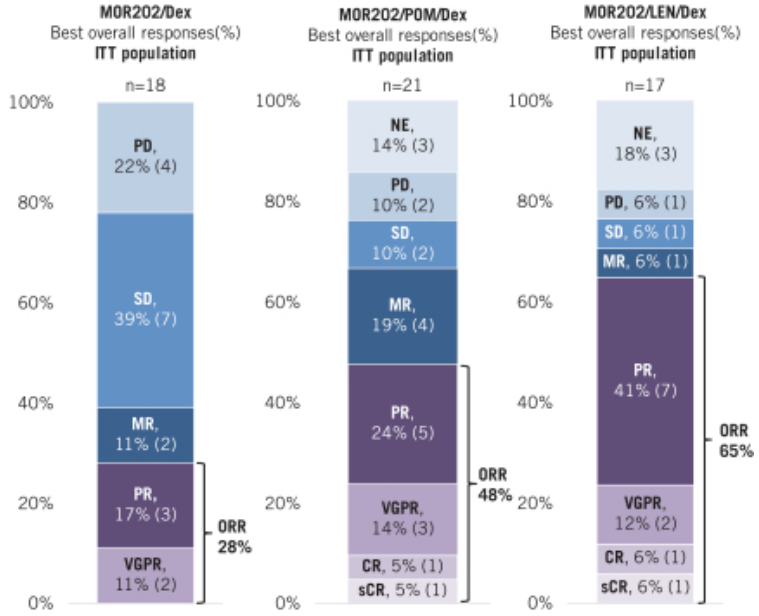


Figure: Best overall response and ORR. Patients were treated with felzartamab in combination with low dose ofDEX (40 mgfor 75 years old and younger, or 20 mgfor older than 75 years old), POM (4 mg) /Dex or LEN (25 mg)/Dex. Dex: dexamethasone; POM: pomalidomide; LEN: lenalidomide; ITT: intent to treat; NE: not evaluable; PD: progressive disease; SD: stable disease; MR: minimal response; PR:

partial response; VGPR: very good partial response; CR: complete response; sCR: stringent complete response; ORR: overall response rate. (Source: MorphoSys)

The definitions of PD, SD, MR, PR, VGPR, CR and sCR and how these responses were measured for multiple myeloma are set forth in the table below. (Source: International Myeloma Working Group Uniform Response Criteria (2006) and European Group for Blood and Marrow Transplantation Criteria)

RESPONSE SUBCATEGORY	CRITERIA [a]
sCR	• CR as defined below plus Normal free light chain ratio (FLC) and Absence of clonal cells in bone marrow[b] by immunohistochemistry or immunofluorescence[c]
CR	• Negative immunofixation on the serum and urine and • Disappearance of any soft tissue plasmacytomas and • <5% plasma cells in bone marrow[b]
VGPR	• Serum and urine M-protein detectable by immunofixation but not electrophoresis or • ³90% reduction in serum M-protein plus urine M-protein level <100 mg/ 24 hours
PR	• ³50% reduction of serum M-protein and reduction in 24-hour urinary M-protein by ³90% or to <200 mg/24 hours • If the serum and urine M-protein were unmeasurable, a ³50% decrease in the difference between levels of involved and uninvolved free-light-chains instead of the M-protein criteria • In addition to the above-listed criteria, if present at baseline, a ³50% reduction in the size of soft tissue plasmacytomas was also required
MR [d,e]	• 25–49% reduction in level of serum M-protein • 50–89% reduction in 24-hour urinary M-protein, which still exceeds 200 mg/24 hours. If present at baseline, 25–49% reduction in the size of soft tissue plasmacytomas (by radiography or clinical examination) • No increase in the size or number of lytic bone lesions (development of a compression fracture did not exclude response)
SD [f]	• Not meeting criteria for CR, VGPR, PR, MR, or PD
PD	NOTE: Required any 1 or more of the following: Increase of ³25% from nadir in • Serum M-component and/or (absolute increase ³0.5 g/dL)g • Urine M-component and/or (absolute increase ³200 mg/24 hours) • Only in subjects without measurable serum and urine M-protein levels: the difference between involved and uninvolved FLC levels. Absolute increase >10 mg/dL. • Bone marrow plasma cell percentage: absolute % ³10%[h] • Definite development of new bone lesions or soft tissue plasmacytomas or definite increase in the size of existing bone lesions or soft tissue plasmacytomas • Development of hypercalcemia (corrected serum calcium >11.5 mg/dL or 2.65 mmol/L) that could be attributed solely to the plasma cell proliferative disorder

Notes:

a All response categories required 2 consecutive assessments made at any time before the institution of any new therapy; all categories also required no known evidence of progressive or new bone lesions if radiographic studies were performed. Radiographic studies were not required to satisfy these response requirements.

b Confirmation with repeat bone marrow biopsy not needed.

c Presence/absence of clonal cells was based upon the k/l ratio. An abnormal k/? ratio by immunohistochemistry and/or immunofluorescence required a minimum of 100 plasma cells for analysis. An abnormal ratio reflecting presence of an abnormal clone is k/l of >4:1 or <1:2.

d MR also included subjects in whom some, but not all, the criteria for PR were fulfilled, provided the remaining criteria satisfied the requirements for MR.

e The response criterion MR did not apply to subjects who presented with serum FLCs only.

f Per the International Myeloma Working Group Uniform Response Criteria, stable disease was not recommended for use as an indicator of response; stability of disease is best described by providing the time to progression estimates.

g For progressive disease, serum M-component increases of ³1 g/dL were sufficient to define relapse if starting M-component was ³5 g/dL.

h Relapse from CR has the 5% cut-off versus 10% for other categories of relapse.

Pharmacodynamics. As a pharmacodynamic marker, serum myeloma (M) protein levels were used to evaluate severity and clinical response. The median relative change in M protein levels from baseline to post-baseline nadir for felzartamab in combination with low doses of DEX, POM/DEX or LEN/DEX was -13%, -58% and -81%, respectively. The data below show strong effects of felzartamab in reducing M protein levels.

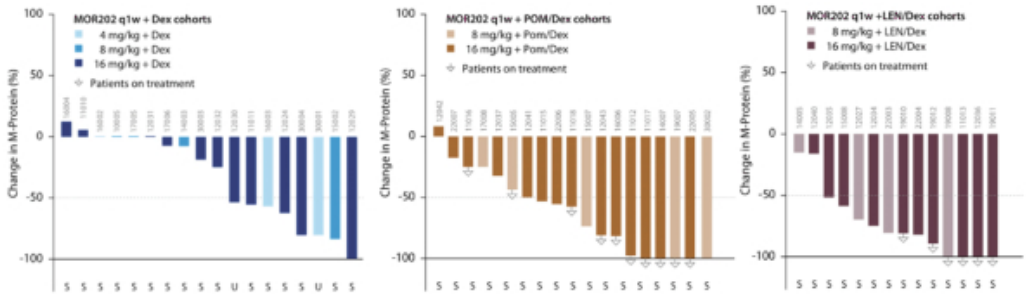


Figure: *The relative change in M protein levels from baseline to post-baseline nadir. Patients were treated with felzartamab in combination with low doses ofDEX, POM/DEX or LEN/DEX. S: serum sample; U: urine sample. (Source: MorphoSys)*

Pharmacokinetics ("PK"). The PK of felzartamab in humans was well characterized by a two-compartment model at dose levels greater than 4 mg/kg. At these doses, stable or even increasing trough levels could be observed over time suggesting the potential for full target occupancy, especially at the highest dose level (16 mg/kg). For most subjects, steady state at 16 mg/kg was observed after the fourth infusion. Terminal half-life at high-dose levels (³4 mg/kg) was at approximately two weeks. Pharmacokinetics of felzartamab were generally consistent across different individuals and dosing days and not affected by the co-medications.

Immunogenicity. No anti-drug antibody ("ADA") against felzartamab was observed as of the cut-off date. Thus, risk of ADA induction for felzartamab in humans is considered low.

Clinical Development Plan

Immediately after in-licensing felzartamab, we formulated a robust clinical development strategy with an aim for an NDA submission in 2021. With an approved IND, we have started a single-arm registrational trial with felzartamab and DEX as a third-line therapy for MM patients in Greater China using ORR as the primary endpoint (NCT03860038). Dosing of the first patient took place in March 2019. Data from this study are expected to be the major package supporting registrational filing in 2021 for conditional approval. In parallel, we started a registrational trial combining felzartamab with LEN and DEX as a second-line combination therapy in

MM patients (NCT03952091). We plan to enroll 291 patients for full approval. Dosing of the first patient took place in Taiwan in April 2019. As of September 30, 2020, we had enrolled a total of 159 patients for these two registrational trials.

Our clinical development plan for SLE starts with a Phase 1b clinical trial to explore dose range, clinical safety and tolerability as well as felzartamab's profiles of PK and pharmacodynamics ("PD") in SLE patients. For this, we submitted an IND application to the NMPA in October 2019.

Efineptakin (TJ107): The First Long-acting Recombinant Human IL-7 with the Potential for Cancer Treatment-related Lymphopenia and Cancer Immunotherapy

Summary

Efineptakin is the world's first and only long-acting recombinant human interleukin-7 ("rhIL-7"), which is being developed as a T lymphocyte-booster for cancer-related immunotherapy. Due to its advantages in terms of selective immune functions, improved stability, developability, and extended half-life, efineptakin is differentiated from an earlier generation of short-acting rhIL-7 and T cell growth factor (interleukin-2). In December 2017, we acquired exclusive rights from Genexine to develop and commercialize efineptakin in Greater China. We plan to position efineptakin first as a monotherapy or an oncology care product for cancer patients with cancer treatment-related lymphopenia (low blood lymphocyte levels) induced by chemotherapy or radiation therapy. This target indication covers a large population of cancer patients who develop cancer treatment-related lymphopenia, a condition that weakens the ability to receive continued chemotherapy or radiation therapy and leads to worsened disease prognosis and clinical outcome. Currently, there is no treatment available for this condition. Second, efineptakin is expected to show a therapeutic effect as a combination therapy with immune checkpoint inhibitors, i.e., PD-1/PD-L1 therapies, due to its inherent selective T cell-boosting properties. Pre-clinical studies have indicated that efineptakin exerted additional anti-tumor effect when combined with PD-1/PD-L1 therapies. If proven efficacious in clinical studies, we believe such a combination therapy, can potentially treat a large population of cancer patients who do not respond or respond poorly to PD-1/PD-L1 therapies. In May 2020, we obtained regulatory clearance from the NMPA to initiate a Phase 2 clinical trial in GBM patients with lymphopenia. We expect to initiate this trial in the fourth quarter of 2020.

Therapeutic Options and Current Development

One of the target therapeutic indications of efineptakin is cancer treatment-related lymphopenia. Cancer patients who undergo chemotherapy and/or radiation therapy often develop cancer treatment-related lymphopenia, which further damages their already compromised immune systems and their ability to fight against cancers. Advanced solid tumor is another indication of efineptakin as a combination therapy with PD-1/PD-L1 treatments. As more than 60% cancer patients either do not respond or respond poorly to current PD-1/PD-L1 therapies, there are intense attempts to identify an effective agent that can work synergistically with PD-1/PD-L1 therapies to increase the probability of treatment success. Efineptakin is believed to provide such a treatment option, which is supported by pre-clinical reports that IL-7 exhibits a synergistic effect with PD-1/PD-L1 antibodies in the treatment of cancers.

Advantages of Efineptakin

Efineptakin has an advantage over other T lymphocyte cytokines with therapeutic potential in oncology. Pre-clinical and clinical results generated so far indicate that efineptakin has a favorable immune function profile over recombinant human interleukin-2 ("rhIL-2") in that efineptakin activates and expands tumor-fighting CD4,

CD8 and natural killer T cells but spares tumor-protecting Treg cells. By contrast, rhIL-2 is a well-known inducer of Tregs, which suppresses tumor-fighting effector T cells. Furthermore, rhIL-2 has a narrow therapeutic window and causes serious side effects such as capillary leak syndrome, breathing problems, serious

infections, and seizures. A polyethylene glycol (PEG)-conjugated IL-2 variant developed by Nektar Therapeutics has yielded mixed results, indicating the complexity associated with using IL-2 as a cancer treatment. Owing to its preferred immune function and molecular profiles demonstrated in pre-clinical and Phase 1/2 clinical trials, we believe that efineptakin is a superior T cell cytokine investigational drug for cancer treatment-related lymphopenia and cancer immunotherapy.

Efineptakin, as an engineered rhIL-7, has the advantages of improved stability and half-life extension through Genexine's proprietary hybrid fragment crystallizable region ("hyFc"). Introducing a few hydrophilic amino acid residues to the N-terminus of IL-7 overcomes stability issues that hampered the development of previous rhIL-7 drug candidates. Furthermore, application of the hyFc technology enhances IL-7's function, increases its half-life (from 48 to 112 hours after a single subcutaneous ("SC") dose in clinical studies), and allows for a robust purification process. By contrast, the half-life of first-generation rhIL-7 was reported to be about 12 hours after SC dosing in human subjects. The hyFc in efineptakin is also non-cytolytic, so it will not damage the T cells to which it binds. Unlike efineptakin, the previous rhIL-7 drug candidates adopt non-glycosylated (CYT 99-007) or glycosylated (CYT-107) forms of short-acting rhIL-7 and were developed by Revimmune Inc (formerly known as Cytheris SA). These molecules had low stability, low production yield, and a short half-life because IL-7 protein is intrinsically unstable and prone to aggregation. However, the preliminary clinical results from Phase 1 and Phase 2 trials in patients with AIDS did show an increase of T lymphocytes following treatment with CYT-107 (Thiebaut R et al., PLoS Comput Biol., 2014).

Mechanism of Action

IL-7 is a cytokine essential for the survival and homeostatic proliferation of naive and memory T cells (see figure below). IL-7 is critically involved in restoring T cells to normal levels in the event of lymphopenia by stimulating T cell proliferation. IL-7 exerts its functions by binding to and activating the IL-7 receptor, which is expressed primarily on lymphocytes, including the lymphoid precursors, developing T and B cells, naive T cells, and memory T cells, but not on tumor-protecting Tregs. Efineptakin as a monotherapy may enhance anti-tumor immunity by augmenting the number and functionality of T cells, whereas efineptakin in combination with an immune checkpoint inhibitor, cancer vaccine or CAR-T may improve the anti-tumor response by restoring T cell numbers, reconstituting T cell pools and reinvigorating exhausted T cells.

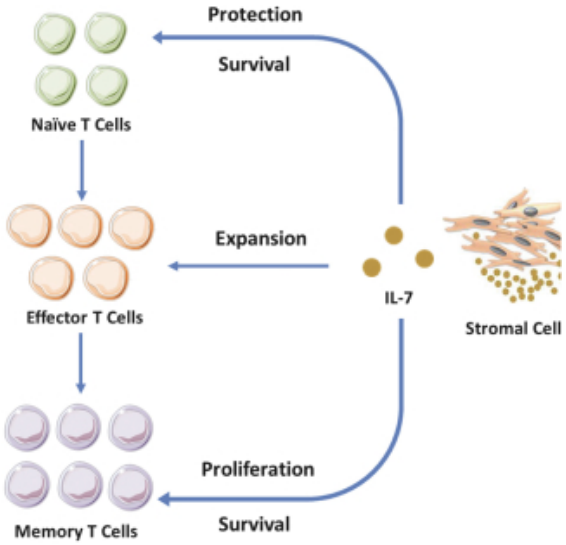


Figure: Role of IL-7 in T cell maintenance and proliferation.

Summary of Clinical Results

A first-in-human Phase 1 trial has been conducted by Genexine in South Korea. This was a randomized, double-blind, placebo-controlled, single ascending dose study, to evaluate the safety, tolerability, pharmacokinetic and pharmacodynamic properties of 20 or 60 µg/kg efineptakin via SC or intramuscular ("IM") administration in healthy volunteers. Each dose group consisted of 10 subjects, eight of whom were administered efineptakin and two were given placebo via the same route of administration.

Safety. Efineptakin was well-tolerated in all 30 subjects without serious adverse events. The most common adverse events were transient Grade 1 or 2 injection site skin reactions.

Pharmacodynamics ("PD"). Because IL-7 promotes the survival and proliferation of T cells, absolute lymphocyte count ("ALC") in the peripheral blood was used as a reliable and convenient PD marker for efineptakin (see figure below). ALC initially decreased transiently in all efineptakin groups. This effect is often termed margination, which is a physiological phenomenon common to many cytokines as a result of increased adherence of cytokine-stimulated white blood cells to the blood vessels and subsequent trafficking to tissues and lymphoid organs. ALC recovered in approximately seven days, reaching a maximum value at close to 21 days, before gradually declining. This result indicated that a single dose of efineptakin had a long-lasting effect of increasing lymphocyte levels. Overall, a greater increase in ALC was observed in Cohort 2 compared with Cohort 1, demonstrating a dose-dependent response. Additionally, a higher increase in ALC was observed in Cohort 3 compared with Cohort 2, which was consistent with the results of an animal study, where IM injection induced a more effective increase in lymphocytes than SC injection.

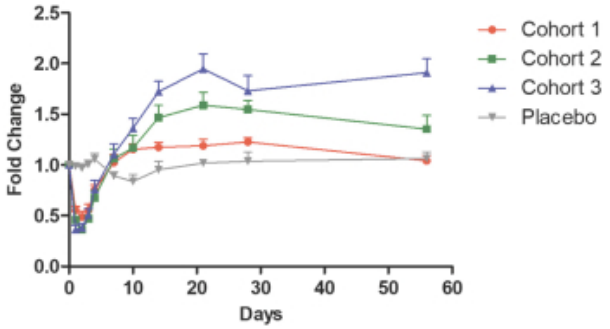
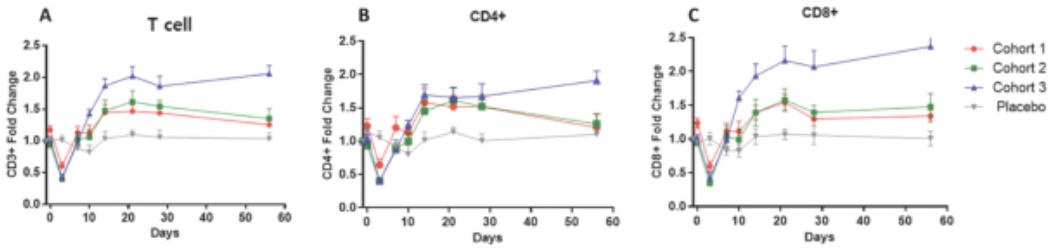


Figure: Median fold changes of ALC following a single dose of efineptakin in humans. Cohort 1: 20 ,ug/kg, SC; Cohort 2: 60 ,ug/kg, SC; and Cohort 3: 60 ,ug/kg, IM. (Source: Genexine)

Efineptakin treatment resulted in a substantial increase in the number of CD4 and CD8 T cells, natural killer T cells, naive T cells, central memory, effector memory, and terminally differentiated effector memory T cells, without affecting the number of B cells, natural killer cells, monocytes or Tregs.



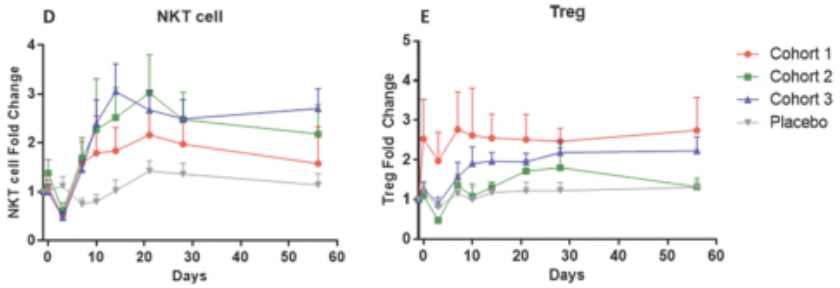


Figure: *Median fold changes of T cells and subsets following a single dose of efineptakin in human subjects. Cohort 1: 20 ,ug/kg, SC; Cohort 2: 60 ,ug/kg, SC; Cohort 3: 60 ,ug/kg, IM. (A) CD3+T cells, (B) CD4+T cells, (C)CD8 + T cells, (D) Natural Killer T cells, and (E) regulatory T cells (Treg). (Source: Genexine)*

Pharmacokinetics. Efineptakin was slowly absorbed, particularly after SC administration, and was slowly removed, resulting in a half-life of 48 to 112 hours, longer than that reported for the first generation rhIL-7 (about 12 hours). Intramuscular efineptakin showed approximately two-fold greater exposure than SC administration at the same dose level of 60 µg/kg. The higher plasma exposure of efineptakin after IM administration was well-correlated with a more robust PD effect on ALC in Cohort 3.

Immunogenicity. ADAs were detected in 22 of 24 subjects treated with efineptakin. One subject in Cohort 3 was positive for ADAs before treatment. Neutralizing antibodies were observed in 42% and 46% of the subjects within one to two months following administration, respectively, but only one person still harbored neutralizing ADAs five months after administration.

The clinical relevance of ADA was evaluated during long-term follow-up monitoring. ALC levels were maintained above the baseline values, endogenous IL-7 was maintained at normal levels, and no specific adverse events associated with ADAs were observed. These results are consistent with well-documented reports that a normal individual can harbor pre-existing auto-antibodies for cytokines such as IL-2, IL-3, IL-4, and IL-7, and that these anti-cytokine antibodies tend to serve as a reservoir and carrier of the cytokines in the blood, extending the half-life of these cytokines and preserving their functions.

Clinical Development Plan

By leveraging the results of Genexine's ongoing clinical trials in South Korea and the United States, we aim to rapidly advance the clinical development of efineptakin for approval in Greater China. Currently, a Phase 1b trial in China is ongoing to investigate the safety, tolerability and PK/PD response of efineptakin in patients with advanced solid cancers. The clinical trial (NCT04001075) is designed to include: (i) dose escalation of efineptakin using a conventional "3 + 3" study design to identify a safe and active dose range and (ii) dose expansion to confirm the safety and obtain preliminary evidence of efficacy. We have finished dose escalation for the four dose cohorts, and the safety and tolerability profile as well as the PK/PD response are consistent with other ongoing studies of efineptakin.

We have obtained regulatory clearance from the NMPA to initiate a Phase 2 clinical trial in GBM patients with lymphopenia. We expect to initiate this trial in the fourth quarter of 2020. In addition, Genexine and we intend to expand our collaboration, where we will be mainly responsible for conducting the Phase 2 clinical trial in China, and Genexine will share the development strategies, data and costs for success of this clinical trial.

Genexine has initiated a dose-finding trial in combination with checkpoint inhibitors in patients with solid tumors. Meanwhile, Genexine is also sponsoring additional early-stage clinical trials in advanced solid

tumors, including glioblastoma and high-risk skin cancer, in the United States and South Korea. The safety, pharmacology and preliminary efficacy data from these ongoing studies are expected to significantly facilitate our clinical development of efineptakin in Greater China.

Eftansomatropin (TJ101): A Potential Highly Differentiated Long-Acting Growth Hormone for Growth Hormone Deficiency

Summary

Eftansomatropin, if approved, is a potential highly differentiated long-acting recombinant human growth hormone ("rhGH") being developed as a more convenient and effective therapy for growth hormone deficiency ("GHD"), for which there is substantial unmet medical need in China. Eftansomatropin met the pre-set safety endpoints in three multi-regional clinical trials conducted in Europe and Asia and preliminary efficacy endpoints in pre-pubertal growth hormone naive pediatric growth hormone deficient ("PGHD") patients. In contrast to marketed short-acting rhGH such as Genotropin, eftansomatropin showed similar efficacy results in a weekly (vs. daily) regimen. Furthermore, eftansomatropin has not shown the safety concerns typically associated with approved pegylated drugs. We in-licensed the China rights to eftansomatropin from Genexine and are positioning eftansomatropin as a highly differentiated growth hormone replacement therapy because of its advantages over a daily regimen in terms of injection frequency (weekly vs. daily) and safety profile (natural protein-based vs. pegylated long-acting rhGH), especially in pediatric patients. In September 2020, the NMPA approved our IND application for a registrational Phase 3 trial of eftansomatropin in pediatric growth hormone deficiency (PGHD). We expect to initiate this trial in the first quarter of 2021.

Therapeutic Options and Current Development

Our current therapeutic indication is PGHD. The widely adopted treatment for PGHD is patient-specific growth hormone replacement therapy, which is given in a calculated weight-based dosing regimen. Currently, short-acting recombinant human growth hormone ("rhGH") is commonly used for the long-term treatment of children and adults with inadequate endogenous growth hormone secretion. There are certain safety concerns related to long-term use of pegylated drugs, such as potential renal toxicity, cellular vacuolation and formation of anti-polyethylene glycol antibodies. Approved by the NMPA in 2014, Jintrolong (developed by GeneScience) is currently the only marketed long-acting pegylated rhGH in China. Other companies in China currently developing long-acting rhGH include Anhui Anke Biotechnology, Xiamen Amoytop Biotech, Generon Pharmaceutical Technology and Visen Pharmaceuticals. Our eftansomatropin is the only Fc-based long-acting rhGH ready for a Phase 3 clinical trial in China.

Only a very small portion of all PGHD patients in China were receiving growth hormone replacement therapy in 2018, which primarily consists of daily injections of rhGH before sleep. This dosing regimen puts a substantial burden on pediatric patients and their families because it requires drug preparation and needle injection every day, which is painful and extremely inconvenient, often resulting in poor patient compliance. More importantly, studies have shown that skipping just one or two doses in a week can markedly reduce the efficacy of the treatment. Therefore, there is a substantial unmet medical need for long-acting growth hormone therapies that are similarly efficacious but with reduced injection frequency, and the market potential for such a long-acting rhGH in China is largely untapped. In addition, recombinant human growth hormone therapy has been included in the National Reimbursement Drug List (NRDL) in China. Inclusion of a drug in the NRDL typically results in a much higher sales volume and significant sales growth despite a reduction in price.

Advantages of Eftansomatropin

We believe that eftansomatropin has the following advantages: (i) when compared to the daily regimen of rhGH, eftansomatropin is expected to be a more convenient therapy with better patient compliance due to a reduced dosing frequency to either weekly or twice-monthly administration, while maintaining similar efficacy;

and (ii) eftansomatropin has not shown safety concerns typically associated with pegylated drugs, such as potential renal toxicity, pre-existing or treatment-induced anti-PEG antibodies, and cellular vacuolation in macrophages, renal tubule cells and the choroid plexus epithelial cells.

Mechanism of Action

Like endogenous growth hormone, eftansomatropin stimulates the production of insulin-like growth factor 1 ("IGF-1") in the liver, which has growth-stimulating effects on a variety of tissues, including osteoblast and chondrocyte activities that stimulate bone growth. Thus, IGF-1 is a reliable pharmacodynamic marker and more importantly, the key mediator of eftansomatropin's growth-promoting activity. Eftansomatropin is based on Genexine's patented hyFc technology. The hyFc part consists of a portion of human immunoglobulin D ("IgD") and G4 ("IgG4"). The former contains a flexible hinge, and the latter is responsible for half-life extension through neonatal Fc receptor ("FcRn")-mediated recycling. Additionally, eftansomatropin's increased molecular weight (103 kilodalton) is expected to reduce renal clearance.

Figure: Schematic presentation of the structure of eftansomatropin. CH2 & CH3: Constant regions 2 & 3 of antibody heavy chains, respectively; hGH: human growth hormone. (Source: Genexine)

Summary of Clinical Results

Genexine has completed three clinical trials with eftansomatropin, including one Phase 1 trial in healthy adult volunteers, one Phase 1b/2 multi-regional trial in adults with GHD, and one Phase 2 multi-regional trial in PGHD in Europe, altogether involving 32 healthy subjects and 99 patients with GHD and PGHD. Overall, eftansomatropin was shown to be well-tolerated, and clinical efficacy endpoint achieved by weekly or twice-monthly eftansomatropin administration was comparable to that of daily administration of Genotropin.

Phase 1 Clinical Trial

The first-in-human trial of eftansomatropin was a randomized, double-blind, placebo-controlled single dose-ascending study in four groups of healthy subjects. A total of 32 subjects were enrolled, and 31 completed the study. Eftansomatropin was shown to be well-tolerated at all dose levels studied (0.2–1.6 mg/kg). Eftansomatropin was detectable in the blood until Day 7 for the 0.2 mg/kg dose group, Day 14 for the 0.4 and 0.8 mg/kg dose groups, and Day 21 for the 1.6 mg/kg dose group. A single subcutaneous ("SC") injection of eftansomatropin at dose levels of 0.4 mg/kg and higher increased IGF-1 and IGF-binding protein-3 ("IGFBP-3") levels for at least one week. No safety concerns were identified. Eftansomatropin showed a half-life ranging from 69.2 to 138 hours.

Phase 2 Clinical Trial in PGHD

Study Design. The Phase 2 trial in PGHD was a randomized, open-label, active-controlled study to assess the safety, tolerability, efficacy, pharmacokinetics, and pharmacodynamics of weekly and twice-monthly doses of eftansomatropin, as compared to a daily injection of Genotropin, which is currently the standard of care for PGHD. Subjects were randomly assigned to receive one of three doses of eftansomatropin (0.8 mg/kg/weekly, 1.2 mg/kg/weekly or 2.4 mg/kg/twice monthly) or 0.03 mg/kg/daily of Genotropin for up to 24 months.

The primary clinical endpoint was annualized height velocity (aHV) in centimeters (cm) per year (equivalent to annual growth rate), measured at six months. A total of 56 subjects were randomized at 27 centers in nine European countries and South Korea. Fifty-two subjects completed the six-month treatment (through Visit 7), meeting the primary endpoint. Two subjects withdrew from the study before first drug administration, and two subjects discontinued due to treatment-related adverse events ("AEs"). Genexine and its co-developer Handok presented the latest interim results of the Phase 2 clinical trial for PGHD in March 2018 at the Endocrine Society's annual meeting.

Safety. No study drug-related serious adverse events ("SAEs") or death were observed. The tolerability of eftansomatropin was consistent with known properties of marketed products. The AE incidence rate was generally similar across the eftansomatropin cohorts treated with three different dose levels (ranging between 69.2% and 84.6%) and the Genotropin cohort (57.1%). A total of two (14.3%), three (23.1%), two (15.4%), and zero subjects experienced treatment-related AEs in the 0.8 mg/kg/week, 1.2 mg/kg/week, and 2.4 mg/kg/twice monthly eftansomatropin groups, and the 0.03 mg/kg/daily Genotropin group, respectively.

Two subjects withdrew from the study due to treatment-related AEs. One subject from Cohort 2 (1.2 mg/kg/week of eftansomatropin) discontinued due to retinal vascular disorder. The Data and Safety Monitoring Board ("DSMB") reviewed this case independently, concluding that the retinal finding was more likely to be of completely different etiology than treatment-induced intracranial hypertension. One subject from Cohort 3 (2.4 mg/kg/twice monthly of eftansomatropin) discontinued due to pseudopapilloedema (optic disc drusen), which was assessed by the principal investigator to be mild with continuous frequency and possibly related to the study drug.

Injection site reactions ("ISRs") were reported by 13 out of 40 subjects (32.5%) in the eftansomatropin cohorts. Pain was the most prominent and common symptom observed in 10 subjects. Also, six subjects reported redness, four reported itching, and one reported bruising, swelling and warmness. With respect to the Genotropin cohort, pain was the only ISR reported in 683 cases by 11 out of 14 subjects (78.5%). None of the ISRs led to discontinuation of treatment, and most of the reported ISRs posed no issue for the subjects and were resolved quickly. No safety signal was detected in laboratory parameters or vital signs for either eftansomatropin or Genotropin.

Pharmacokinetics. Half-life of eftansomatropin was 77.75–141.95 hours after a single dose and 43.92–55.66 hours (compared to 5.27 hours for Genotropin) after three months of multiple-dose administration.

Immunogenicity. Formation of treatment-emergent ADA with neutralizing property was reported in two subjects (one from Cohort 2 and one from Cohort 3) out of a total of 40 subjects randomized and dosed with eftansomatropin. With respect to the Genotropin cohort, the presence of treatment-emergent ADA with neutralizing property was not observed in any subject.

Clinical Efficacy. Subcutaneous administration of eftansomatropin over the dose range of 0.8 mg/kg/ week–2.4 mg/kg/twice monthly resulted in an increase in aHV over the six-month study period. Subjects who received eftansomatropin at 0.8 mg/kg weekly, 1.2 mg/kg weekly, and 2.4 mg/kg twice monthly showed growth rates of 11.50, 11.54, and 11.86 cm/year, respectively, while the growth rate in the control group treated with Genotropin was approximately 11.24 cm/year.

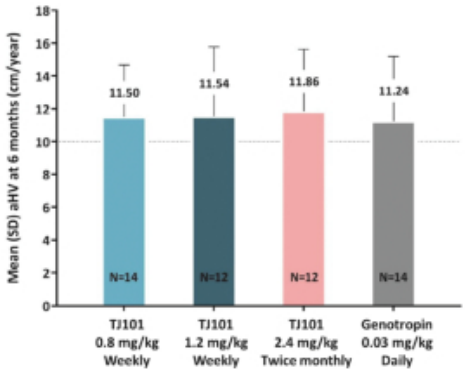


Figure: The aHV at six months indicated comparable growth rates between all doses of eftansomatropin (both weekly and twice-monthly treatment) and the active comparator, Genotropin. (Source: Genexine)

In an extension study in which all patients were put on eftansomatropin, greater than two-digit growth velocity remained until 12 months in all eftansomatropin cohorts, while the Genotropin cohort showed 9.14 cm/ year at 12 months. Moreover, no remarkable slow-down of the growth velocity was observed in the second year in either patients who received eftansomatropin throughout, or in subjects who switched from Genotropin cohort.

Pharmacodynamics. The growth-promoting effect of eftansomatropin was accompanied by elevated serum IGF-1 levels. This hormone is an important biomarker, which mediates growth hormone's biological effects. The Standard Deviation Score ("SDS"), which is a calculated score with reference to the normal age- and sex-matched IGF-1 levels, is a standardized parameter to compare IGF-1 levels across laboratories and populations. Mean IGF-1 SDS at the beginning of the study was below the lower limit of the normal range in all treatment arms. Following initiation of treatment, the IGF-1 SDS values quickly normalized by five days (Visit 2) and three weeks (Visit 3) after the initial treatment, respectively, for the eftansomatropin treatment arms and the Genotropin treatment arm. IGF-1 responses were maintained throughout the intended dosing interval, supporting both the weekly and twice monthly treatment regimens. IGF-1 mean peak levels were mostly within the upper limit of the physiologic range, which is considered safe in clinical practice.

Clinical Development Plan

In September 2020, the NMPA approved our IND application for a registrational Phase 3 trial of eftansomatropin in pediatric growth hormone deficiency (PGHD) in China. We expect to initiate this trial in the first quarter of 2021. This Phase 3 trial will be a multi-center, randomized, open-label, active-controlled clinical study designed to assess the safety, efficacy and pharmacokinetics of eftansomatropin in PGHD. The primary objective is to demonstrate non-inferiority of 1.2 mg/kg/week of eftansomatropin administered SC, compared to the active control Norditropin, a daily rhGH marketed in China. About 165 subjects will be enrolled and treated in the study.

Olamkicept (TJ301): A Potential Highly Differentiated IL-6 Blocker for Ulcerative Colitis and other Autoimmune Diseases

Summary

Olamkicept is the only clinical stage selective interleukin-6 ("IL-6") inhibitor that works through the trans-signaling mechanism. IL-6 is an important cytokine driver in the propagation and maintenance of chronic inflammation in autoimmune diseases. Compared to the approved antibody drugs that directly block IL-6 or IL-6 receptor ("IL-6R"), olamkicept is expected to provide a novel alternative for the treatment of IL-6 mediated inflammation without affecting some of the normal physiological functions of IL-6, e.g., acute immune response against infection and metabolic regulation. Olamkicept demonstrated therapeutic effects in pre-clinical animal models of autoimmune diseases, including inflammatory colitis. Moreover, the safety and tolerability profile of olamkicept was studied in three clinical trials in Germany involving 128 subjects. We believe that olamkicept has the potential to become a highly differentiated therapy to target autoimmune diseases. We acquired an exclusive license from Ferring Pharmaceuticals to develop and commercialize olamkicept in Greater China and South Korea with an option of licensing worldwide rights. As part of our fast-to-market strategy for olamkicept, we selected ulcerative colitis ("UC") as the first indication for the following reasons: (i) olamkicept was shown to be effective in animal models of colitis; (ii) an exploratory Phase 2a biomarker trial showed promising interim treatment effects of olamkicept in UC patients; and (iii) even though UC incidence is increasing rapidly, innovative biologic treatments for this disease are lacking in China. We are conducting an ongoing Phase 2 clinical trial in patients with active ulcerative colitis. The enrollment of this trial is complete with a total of 91 patients recruited. Topline data of this trial are expected to be released by early 2021. After clinical efficacy and differentiation are validated for UC, we plan to develop olamkicept in other inflammatory indications, in which IL-6 plays a role.

Therapeutic Options and Current Development

Our current therapeutic indication for development is UC. UC and Crohn's disease ("CD") are the main types of inflammatory bowel disease ("IBD"), which cause chronic and often relapsing inflammation of the large and small intestines, respectively. Anti-inflammatory drugs, such as 5-aminosalicylic acids ("5-ASAs") and corticosteroids, are often used as initial treatment for UC. Immune system suppressors are also used to control inflammation in patients with UC, including azathioprine, mercaptopurine, and cyclosporine. Biologics that inhibit tumor necrosis factor alpha (TNF-a), including infliximab (Remicade), adalimumab (Humira), and golimumab (Simponi), are efficacious in some UC patients who fail to respond to conventional therapies. Entyvio, an integrin a4ß7 antibody that blocks lymphocytes from accumulating in the intestinal wall, was the first non-anti-TNF-a biologics approved for UC STELARA® (ustekinumab), an anti-IL-12/IL-23 antibody was approved for the treatment of adult patients with moderately to severely active ulcerative colitis in June 2020. In China, Remicade and Entyvio are currently the only two biologics approved for treatment of UC.

There is a substantial unmet medical need in UC for a treatment agent(s) that is efficacious and safe through pathways beyond the traditional drug targets. The incidence of UC is increasing rapidly, but UC patients, especially those with a moderate-to-severe disease, have few treatment options, which have limited efficacy and considerable side-effects. For example, Jak1/3 kinase inhibitors can carry the risk of serious infections and malignancies. TNF-a inhibitors also have inherent side effects and do not work in all patients. Thus, as the only clinical stage selective interleukin-6 ("IL-6") inhibitor that works through the trans-signaling mechanism, we believe olamkicept has the potential to become a highly differentiated IL-6 blocker for UC, if approved.

Advantages of Olamkicept

The existing IL-6 or IL-6R blockers cause total inhibition of IL-6 signaling and are associated with significant adverse events in the clinic, such as infection, gastrointestinal perforation, metabolic disturbances, and insulin resistance. Olamkicept is expected to provide a novel alternative as it works through a different

mechanism, the trans-signaling pathway. This key advantage has been demonstrated in pre-clinical studies and three clinical trials conducted in Germany. The results indicated that olamkicept has no side effects on lipid, glucose or bone metabolism, and it has no agonistic activities that could activate receptors or trigger detrimental immune cascades. We expect that selective inhibition of IL-6 trans-signaling is an effective and safer approach to the treatment of chronic inflammation.

Mechanism ofAction

Olamkicept is a homodimer of a fusion protein consisting of the extracellular domains of human glycoprotein130 ("gp130") and the fragment crystallizable (Fc) domain of human IgG1. Mimicking the function of endogenous soluble gp130, olamkicept works as a decoy by binding to a complex consisting of IL-6 and soluble IL-6 receptor ("sIL-6R"), thereby preventing olamkicept from stimulating the trans-signaling pathway in cells that do not express IL-6R. The gp130 part selectively binds the IL-6/sIL-6R complex with high affinity (Kd=130 pM), whereas the Fc part initiates dimerization and offers longer half-life for the molecule. Olamkicept is not expected to affect the beneficial effects of IL-6, such as the acute immune response against infection mediated by the classical pathway.

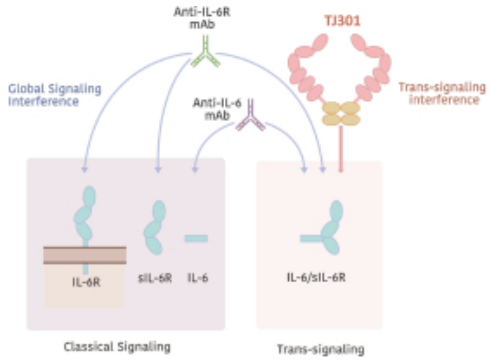


Figure: Classical signaling and trans-signaling pathways ofIL-6. Anti-IL-6R and anti-IL-6 block both pathways, whereas olamkicept blocks only trans-signaling. IL-6R: IL-6 receptor; sIL-6R: Soluble IL-6 receptor.

Summary of Clinical Results

Ferring Pharmaceuticals has completed two Phase 1 trials to evaluate olamkicept's preliminary safety and clinical pharmacology. Olamkicept was shown to be well-tolerated based on the clinical results collected from a total of 112 subjects exposed to the drug. In addition, a Phase 2a biomarker study in active IBD (known as the FUTURE study) has been completed in Germany with promising pharmacodynamic and clinical responses observed.

Phase 1 Clinical Trial: Single Dose Ascending Trial

Study Design. The first-in-human trial of olamkicept was a single dose, placebo-controlled, single-blind, randomized within dose, and parallel group dose-escalating trial. The trial recruited both healthy subjects and patients with Crohn's Disease ("CD") in clinical remission. The primary objective was to examine the safety, tolerability and pharmacokinetics after a single dose of olamkicept. Several dose levels were tested, ranging from 0.75 mg to 750 mg, with each dose level including six subjects receiving olamkicept and two receiving placebo.

Pharmacokinetics. In healthy subjects and CD patients, olamkicept showed similar terminal half-life of 4.3 to 5.1 days. The maximum concentration (Cmax) in plasma and the area under curve ("AUC") of the plasma

drug concentration-time curve were dose proportional. For SC administration of olamkicept (60 mg), the Cmax was approximately 1.0 µg/mL at 2.3 days, and the bioavailability was approximately 48%.

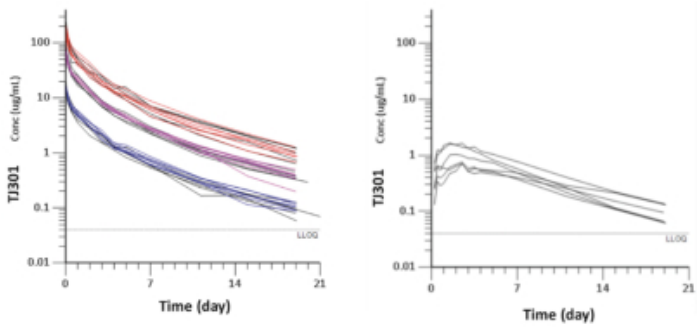


Figure: *Single dose pharmacokinetic profile of olamkicept. Left, healthy subjects (colored lines) and IBD patients in remission (gray lines) received a single IV infusion at 75 mg (blue lines), 300 mg (magenta lines) or 600 mg (red lines) fixed doses. Right, healthy subjects received a single SC injection at 60 mg. LLOQ: lower limit of quantitation. (Source: Ferring Pharmaceuticals)*

Safety. Olamkicept was well-tolerated when administered as a single IV dose at up to 750 mg and as a single SC dose at 60 mg. No apparent dose-related AE was observed. Infusion was discontinued in two subjects due to mild to moderate infusion-related reactions, with skin symptoms such as urticaria and swelling, which were rapidly resolved.

Only one healthy subject in the 300 mg group showed non-neutralizing treatment-emergent ADAs at the follow-up visit five to six weeks after administration.

Phase 1 Clinical Trial: Multiple Dose Ascending Trial

Study Design. This trial was a placebo-controlled, double-blind, and randomized dose-escalating trial in healthy subjects. A total of 24 healthy subjects were randomized into three dose groups and received four weekly infusions of olamkicept at 75 mg, 300 mg or 600 mg.

Pharmacokinetics. PK characteristics were similar on the first and last treatment days of the multiple dose-ascending trial and were similar to results in the single dose-ascending study.

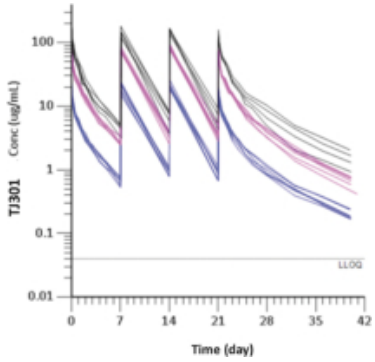


Figure: *Multiple dose pharmacokinetic profile of olamkicept. Healthy subjects received weekly IV infusions at 75 mg (blue lines), 300 mg (magenta lines) or 600 mg (gray lines) fixed doses. LLOQ, lower limit of quantitation. (Source: Ferring Pharmaceuticals)*

Safety. There were only a few mild or moderate AEs reported across all treatment groups. One subject from the 600 mg group withdrew due to mild infusion-related reactions with urticaria and pruritus 30 minutes after administrating the first dose. No apparent dose-related trends or treatment-related change in vital signs, electrocardiogram or clinical chemistry parameters were observed. No ADAs were reported by any subject. Overall, olamkicept was well-tolerated when administered by IV at up to 600 mg once weekly for four weeks.

Overall Summary of Treatment-Emergent Adverse Events

	75 mg (N=6)	300 mg (N=6)	600 mg (N=6)	Placebo (N=6)	Total Active (N=18)
	n (%) E	n (%) E	n (%) E	n (%) E	n (%) E
Any TEAE (1)	6 (100) 13	2 (33) 5	4 (67) 6	6 (100) 14	12 (67) 24
Serious TEAEs	0	0	0	0	0
Adverse Drug Reactions (1)	6 (100) 11	2 (33) 2	3 (50) 5	4 (67) 6	11 (61) 18
TEAEs Leading to Withdrawal	0	0	1 (17) 1	0	1 (6) 1
Deaths	0	0	0	0	0

Source: Ferring Pharmaceuticals
Note:
(1) Reasonably possibly related to treatment; N: number of subjects exposed; n: number of subjects with AE; %: n/N*100; E: number of AEs

Phase 2a Biomarker Study in Active IBD (FUTURE Study)

Study Design. This was an open-label exploratory study to assess the mechanisms of molecular activity (effects on biomarkers), safety and tolerability of olamkicept in adult patients with active IBD. Nine UC patients and seven CD patients were dosed with olamkicept (600 mg, IV, q2w) for up to 12 weeks followed by 42 days of safety follow-up. Patients enrolled had moderately to severe active UC or ileocolonic CD with median disease duration of 5.3 (UC) and 6.9 (CD) years and with immunologically active inflammation (C-reactive protein >5 mg/l), who had failed conventional therapies and had no prior biologics treatment.

The primary endpoint was the proportion of patients with reduced mucosal expression of a predefined set of inflammation-relevant genes (TNFA, IL1A, REG1A, IL8, IL1B and LILRA) as a composite score. Objective assessments included centrally read endoscopies, histology readings, and various explorative molecular parameters and inflammatory biomarkers. The trial was sponsored and conducted by the University Hospital Schleswig Holstein and Paul-Ehrlich Institute (EUDRA-CT 2016-000205-36), with financial and material support from Ferring Pharmaceuticals. The study has been completed, and the abstract of the results was presented at the United European Gastroenterology Week meeting in October 2019.

Safety. Olamkicept was well-tolerated. Reported AEs were unspecific in nature and showed no signs of immune suppression. Five SAEs were observed, none of which were life-threatening or deemed to be related to olamkicept.

Pharmacokinetics. After single and repeated IV administration of olamkicept (600 mg, Q2W) to patients with UC and CD, similar serum exposure was observed after the first and last dosing events, with respect to Cmax and total exposure over 14 days. Maximal serum drug concentration after each dosing was reached at the end of infusion. The mean terminal half-life of olamkicept after the last administration was approximately 5.1 days. Circulating biological activity of olamkicept was confirmed by whole-blood STAT3 phosphorylation assays in all patients. A minimal and transient ADA production was observed in three patients. ADAs were only detected at week 12 and week 15, but no longer detectable at week 18.

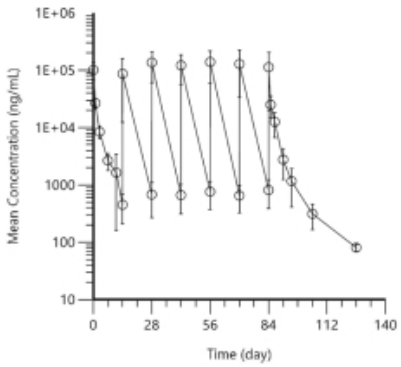


Figure: Time course of the mean serum concentration of olamkicept.

Pharmacodynamics. In the assessment of the primary endpoint, it was observed that clinical remission was associated with a significant reduction of IL-1B, IL-8 and REG1A gene expression in the intestinal mucosa. Pathway analysis of blood transcriptome signatures showed an early molecular anti-inflammatory signature as early as four hours after treatment in all patients, irrespective of treatment outcome, which indicated a thorough inhibitory effect of IL-6 trans-signaling blockade on inflammatory pathways.

Clinical Efficacy. A preliminary clinical response was observed in both UC and CD patients, which appeared to be stronger in patients with UC than those with CD. Overall, 55% of UC patients (5/9) responded to olamkicept, with 22% (2/9) reaching clinical remission, whereas 29% of CD patients (2/7) responded to olamkicept, with 14% (1/7) reaching clinical remission. All three patients in clinical remission showed a fast and thorough induction of clinical, endoscopic, and immunologic remission within the first four weeks.

Clinical Development Plan

We are positioning olamkicept as a differentiated IL-6 blocker for a number of autoimmune diseases. The first target indication is active stage UC that is not well-controlled by conventional therapies such as mesalazine. We are conducting multi-regional Phase 2 clinical trial in Greater China and South Korea to assess the pharmacokinetics, safety, and efficacy of olamkicept in patients with active UC (NCT03235752). This is a randomized, double-blind, and placebo-controlled clinical trial with three treatment arms. The enrollment of this trial is complete with a total of 91 patients recruited. Topline data of this trial are expected to be released by early 2021.

Besides UC, we are evaluating the possibility of extending olamkicept to other autoimmune conditions where there is significant unmet medical need in China. We expect to initiate a second clinical trial for a chronic inflammatory disorder, such as systemic sclerosis or Castleman's disease, in which IL-6 is implicated as a key pathogenic cytokine.

Enoblituzumab: The Most Advanced Clinical Stage Humanized B7-H3 Antibody as a Potential Immuno-oncology Treatment

Summary

Enoblituzumab is a humanized antibody directed at B7-H3, a member of the B7 family of T cell checkpoint regulators. B7-H3 is a promising immuno-oncology drug target as it is widely expressed across multiple tumor types and plays a key role in regulating immune response against cancers. Increasing pre-clinical and clinical evidence suggests that antibodies targeting the two T cell checkpoint molecules—B7-H3 and PD-1—work synergistically in treating cancer. Given B7-H3's critical role, enoblituzumab has a wide range of cancer applications as either a monotherapy or in combination with PD-1 therapies. At the molecular level, enoblituzumab is engineered to possess an enhanced anti-tumor ADCC function and is at the forefront in global clinical development. Originally developed by MacroGenics, enoblituzumab has been evaluated in multiple clinical trials as a monotherapy or in combination with CTLA-4 or PD-1 therapies in patients with B7-H3-expressing cancers. Enoblituzumab is also being evaluated in a neoadjuvant Phase 2 study as a single agent in patients with intermediate and high-risk localized prostate cancer. The clinical studies so far have shown that enoblituzumab is well-tolerated, and it increased CD8 T cell infiltration in tumors with more focused T cell repertoires in patients treated with enoblituzumab as a monotherapy. Recent clinical studies conducted by MacroGenics indicate that combination therapy with enoblituzumab and pembrolizumab correlates with preliminary anti-tumor effects in recurrent or metastatic squamous cell carcinoma of the head and neck ("SCCHN") and non-small cell lung cancer ("NSCLC"). We acquired the development and commercial rights of enoblituzumab from MacroGenics for Greater China. In the first quarter of 2021, MacroGenics expects to initiate a Phase 2 study of enoblituzumab in a chemo-free regimen in combination with either retifanlimab (an investigational PD-1 antibody) in front-line patients with SCCHN who are PD-L1 positive or with tebotelimab (an investigational PD-1 x LAG-3 bispecific DART® antibody) in SCCHN patients who are PD-L1 negative. We expect to participate in any subsequent Phase 3 global study if and when initiated. In addition, considering the dynamic regulatory environment and evolving clinical practice, we have been continually refining the development of enoblituzumab in our territory. As more clinical and pre-clinical data become available, further clinical trials may be planned together with MacroGenics to extend enoblituzumab to other cancer indications in China and/or globally.

Therapeutic Options and Current Development

Our initial therapeutic indication is head and neck cancer. Head and neck cancers occur in various parts of the head and neck, including the mouth, nose, throat and salivary glands. More than 90% of head and neck cancers are classified as SCCHN, which begin in the squamous cells that line the moist, mucosal surfaces inside the head and neck. The treatment principles and regimens for head and neck cancer in China are similar to those in the rest of the world. Treatment strategies often depend on the location and stage of the cancer, the patient's physical status, and response to prior treatments. Early-stage disease is primarily treated with surgical resection, while patients with locally advanced, recurrent or metastatic disease are typically treated with drug therapy. The combination of surgery and drug therapy, with or without radiation therapy, is the current standard of care for Stage 3 SCCHN patients with locally advanced disease. Platinum-based chemotherapy regimens are widely used as first-line therapies for Stage 4 and distant relapse patients. Erbitux (cetuximab from Eli Lilly and Merck KGaA) was approved in 2006 as a first-line treatment of locally advanced SCCHN in combination with radiation therapy. Regimens containing Erbitux, platinum-based chemotherapy, and 5-fluorouracil, known as EXTREME, are often considered as the standard of care for first-line treatment of distant relapse SCCHN. However, only about 35% of patients respond to EXTREME, and the resulting overall median survival is only 10.1 months. Furthermore, about half of the patients on first-line therapies need later-line therapies.

In addition, even second-line therapy is highly varied, including single-agent docetaxel or paclitaxel, Erbitux monotherapy, and Erbitux and paclitaxel combination therapy. In 2016, PD-1 inhibitors were approved globally as second-line therapies. In 2019, Keytruda (pembrolizumab from Merck & Co), used as a single agent

or in combination with chemotherapy, was approved by the FDA as first-line therapy for patients with metastatic or unresectable recurrent SCCHN. The average ORR for second-line therapies has been less than 15%.

As such, we believe that SCCHN patients, especially those with late stage or relapsed disease, need more efficacious treatments with fewer side effects, which represents a significant unmet medical need for immunotherapy and targeted therapy.

Advantages of Enoblituzumab

Enoblituzumab is the most advanced clinical stage humanized B7-H3 antibody as a potential immuno-oncology treatment. The foregoing statement applies only to conventional therapeutic B7-H3 antibodies and does not include radio-labeled B7-H3 antibodies in development by Y-mabs Therapeutics. Targeting B7-H3 offers several advantages over other target options within the class of T cell checkpoint molecules. First, B7-H3 is a tumor-associated antigen that is over-expressed in a variety of solid tumors while its expression in normal tissues is rather limited, enabling the tumor killing mechanism of enoblituzumab. Second, B7-H3 is a unique checkpoint whose expression in tumors is associated with disease prognosis. For example, biomarker analysis of more than 400 NSCLC patients revealed that among all the elevated immune checkpoint inhibitors, including PD-1/PD-L1, PD-L2, B7-H3, TIM-3, BTLA and CTLA4, only B7-H3 is negatively correlated with clinical efficacies of neoadjuvant treatments (Lou et al., Clinical Cancer Research, 2016). Furthermore, recent studies have shown that when combined with a PD-1 antibody, a blockade of B7-H3 results in superior treatment effects in relevant cancer animal models while another study indicates that B7-H3 expression correlates with a lack of anti-PD-1 response (Yonesaka et al., Clinical Cancer Research, 2018). The advantages summarized above make B7-H3 a favorable tumor target for immuno-therapeutic intervention.

Mechanism of Action

Enoblituzumab (MGA271) is an investigational humanized immunoglobulin (IgG1/kappa monoclonal antibody) that binds to B7 homolog 3 (B7-H3). This antibody consists of an engineered human IgG1 fragment crystallizable (Fc) domain that imparts increased affinity for the human activating Fc gamma receptor FcgRIIIA (CD16A) and decreased affinity for the human inhibitory FcgRIIB (CD32B). The engineered Fc domain confers enoblituzumab with enhanced target-specific antibody-dependent cellular cytotoxicity (“ADCC”) in vitro and anti-tumor activity in preclinical studies. Therefore, enhanced cytolysis of B7-H3-expressing tumor cells is a mechanism that supports the development of this molecule as an antineoplastic agent.

In addition, data suggest that enoblituzumab impacts T-cell homeostasis in vivo. Cancer patients display a more narrowly focused T-cell repertoire following enoblituzumab treatment compared to their baseline repertoire distribution. Moreover, enhanced local T-cell infiltration has been observed in prostate cancer patients treated with enoblituzumab.

These data are consistent with the notion that enoblituzumab is capable of engaging both innate and adaptive immunity as mediators of its anti-tumor activity.

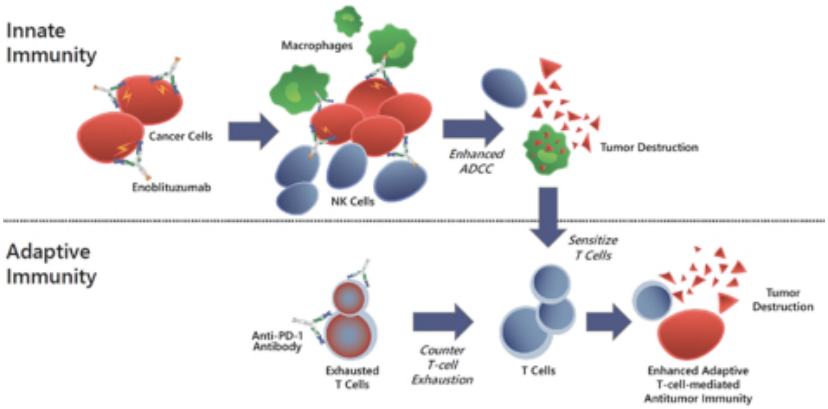


Figure: *Enoblituzumab contributes to the coordination and engagement of innate and adaptive immunity to mediate tumor regression. Enoblituzumab binds to tumor cells, activates innate immune cells such as natural killer cells (NK cells) to kill cancer cells through ADCC. The released tumor antigens may then be presented by antigen-presenting cells, such as macrophages, which, in concert with PD-1 blockade, can promote tumor-specific T-cell immunity. (Source: MacroGenics)*

Summary of Clinical Results

Phase 1 Study of Enoblituzumab Monotherapy

Study Design. This was an open-label, multi-dose, single-arm, multi-center, and dose-escalation study to define safety, tolerability, maximum tolerated dose ("MTD"), PK, immunogenicity, and potential anti-tumor activity of enoblituzumab in patients with refractory cancers that express B7-H3 conducted by MacroGenics. In the dose escalation segment of the study, six doses (0.15–15 mg/kg QW) were evaluated in a conventional "3+3" design.

No MTD or dose-limiting toxicity ("DLT") was observed in the dose escalation phase, so the highest administered dose, 15 mg/kg, was used in the cohort expansion, in which patients received weekly infusions of enoblituzumab in eight-week cycles for up to 12 cycles. Tumor evaluation was carried out by both Response Evaluation Criteria in Solid Tumors ("RECIST") and immune-related response criteria ("irRC") with an initial response assessment after eight weeks. This entailed seven tumor-specific cohorts, including melanoma (post-checkpoint inhibitor failure, n=31), head and neck cancer (n=19), prostate cancer (n=34), triple-negative breast cancer (n=17), renal cell carcinoma (n=16), NSCLC (n=8), and bladder cancer (n=12).

Safety. Interim data analysis as of the data cut-off date of April 13, 2017, indicates that enoblituzumab is well-tolerated. Treatment-related AEs (per investigator assessment) were experienced by 134 out of 170 (78.8%) patients, most of which were infusion-related reactions (n=62, 36.5%), fatigue (n=54, 31.8%), nausea (n=32, 18.8%), and chills (n=24, 14.1%). Only three out of 179 patients (1.7%) had a treatment-related discontinuation, and 13 (7.3%) patients experienced treatment-related Grade 3 or higher AEs (fatigue, infusion-related reactions, and nausea), assessed based on Common Terminology Criteria for Adverse Events (CTCAE) criteria version 4.0. Mild to moderate infusion-related reactions were managed with low dose steroids or a decrease of the infusion rate. No severe immune-mediated toxicity was observed.

Pharmacokinetics. Preliminary analysis and population PK modeling based on 18 patients dosed at 15 mg/kg indicate that PK of enoblituzumab was characterized primarily by target-mediated drug disposition and was consistent with a typical human IgG1 with near-linear PK.

Efficacy. Evidence of decreased size of target and non-target lesions as well as extended time to progression were observed across a broad range of tumors, including heavily pretreated cancers. Three patients achieved PR (partial responses) by RECIST out of a total of approximately 71 patients being evaluated.

Phase 1 Study of Enoblituzumab in Combination with Pembrolizumab

Study Design. This is an open-label, dose escalation, cohort expansion, and efficacy follow-up study of enoblituzumab in combination with pembrolizumab conducted by MacroGenics. The dose escalation phase is designed to characterize the safety and tolerability of the combination and to define the maximum tolerated or maximum administered dose. Three dose levels of enoblituzumab (3, 10, 15 mg/kg, IV, QW) have been evaluated in combination with pembrolizumab (2 mg/kg, IV, Q3W). No MTD has been identified, and so the maximum administered dose of enoblituzumab (15 mg/kg) in combination with pembrolizumab was given to additional cohorts of patients enrolled during the cohort expansion phase. The efficacy follow-up period consists of the two-year period after administering the final dose of the study drug. All tumor evaluations are carried out by both RECIST and irRC.

A total of 133 patients with B7-H3-expressing melanoma, squamous cell carcinoma of the head and neck (SCCHN), non-small cell lung cancer ("NSCLC"), and urothelial cancer have been treated in the study. The interim results as of the data cut-off date, October 12, 2018, were presented at the 2018 Annual Meeting of the Society for Immunotherapy of Cancer (SITC), which showed an ORR (overall response rate) that compared favorably with historical experience with anti-PD-1 monotherapy in anti-PD-1/PD-L1 naive patients.

Safety. The combination of enoblituzumab and pembrolizumab demonstrated acceptable tolerability in patients treated to date. Grade 3 or higher AEs, assessed based on Common Terminology Criteria for Adverse Events (CTCAE) criteria version 4.0, occurred in 27.1% of all patients. Drug-related AEs of all grades included infusion-related reactions (n=73, 54.9%), fatigue (n=37, 27.8%), rash (n=14, 10.5%), and nausea (n=12, 9.0%). The incidence of immune-related AEs in the study was comparable to that observed in patients who received anti PD-1 monotherapy. Nine patients experienced drug-related AEs leading to treatment discontinuation. Drug-related AEs and immune-related AEs of special interest are summarized in the table below.

Drug-Related and Immune-Related Adverse Events
During Combination Treatment with Enoblituzumab and Pembrolizumab

	NO. (%) OF PATIENTS	
DRUG-RELATED AES (³ 5% OF PATIENTS)	ALL GRADES TOTAL (N=133)	³ GRADE 3 (N=133)
Any adverse event	115 (86.5)	36 (27.1)
Infusion-related reaction	73 (54.9)	9 (6.8)
Fatigue	37 (27.8)	2 (1.5)
Rash	14 (10.5)	1 (0.8)
Nausea	12 (9.0)	0
Pyrexia	12 (9.0)	0
Lipase increased	11 (8.3)	8 (6.0)
Arthralgia	10 (7.5)	0
Decreased appetite	9 (6.8)	2 (1.5)
Diarrhea	9 (6.8)	1 (0.8)
Hypothyroidism	8 (6.0)	0
Anemia	7 (5.3)	1 (0.8)
Pneumonitis	7 (5.3)	2 (1.5)
Chills	7 (5.3)	0

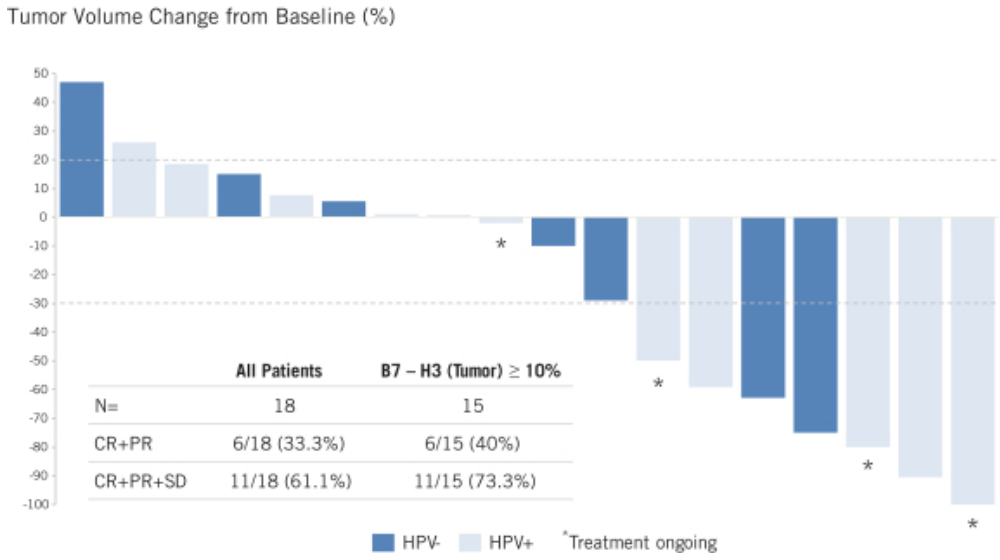
IMMUNE-RELATED ADVERSE EVENTS OF SPECIAL INTEREST (AESI)	NO. (%) OF PATIENTS ALL GRADES TOTAL (N=133)	[3] GRADE 3 (N=133)
Pneumonitis	5 (3.8)	2 (1.5)
Myocarditis	2 (1.5)	1 (0.8)
Diarrhea	1 (0.8)	1 (0.8)
Adrenal insufficiency	1 (0.8)	1 (0.8)
Colitis	1 (0.8)	0

- *Drug-related AEs:*
  - Leading to treatment discontinuation: 6.8% (9 patients)
  - Leading to death: 0.8% (1 patient with pneumonitis)
- *Nature of events consistent with enoblituzumab or pembrolizumab alone*

Source: MacroGenics.

Clinical Efficacy. As of October 12, 2018, the cut-off date of the most recent data analysis, preliminary results indicated that among the 18 response-evaluable SCCHN patients who had not previously received PD-1/PD-L1 therapies, six patients (33.3%) had confirmed partial responses ("PRs"). Among the subset of patients with 10% or higher B7-H3 tumor expression, six out of 15 (40.0%) had confirmed PRs (see figure below) compared to previously reported SCCHN patients treated with PD-1 monotherapy, which achieved ORRs ranging from 13% to 16%.

Anti-tumor Activity in Anti-PD-1/PD-L1-Naive SCCHN Patients

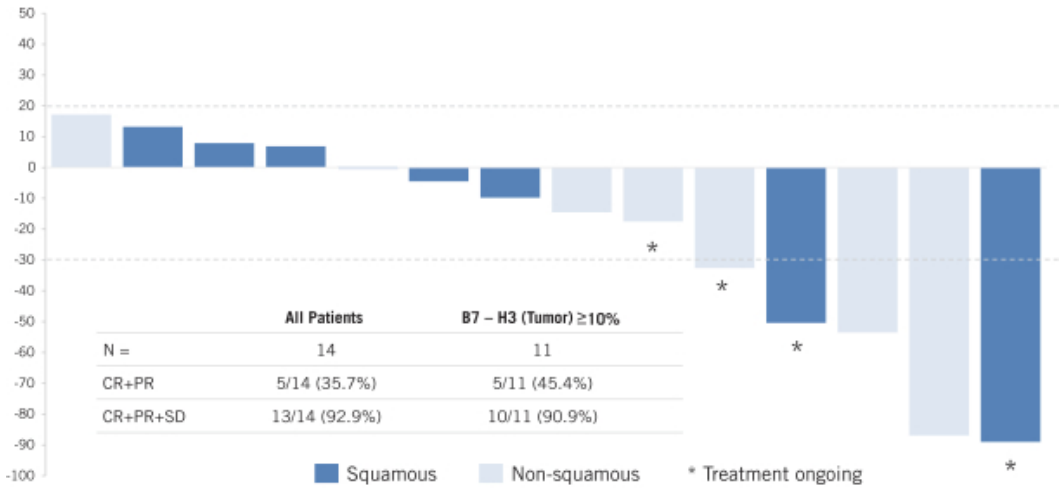


Source: MacroGenics

Among 14 response-evaluable NSCLC patients who had not previously received PD-1/PD-L1 therapies and were PD-L1 negative, i.e., PD-L1 less or equal to 1%, five patients (35.7%) had confirmed PRs (see figure below). Objective response rates ranging from 8% to 17% were reported in PD-L1 negative NSCLC patients treated with PD-1 monotherapy.

Anti-tumor Activity in PD-1-Naive NSCLC Patients Who are PD-L1 Negative (PD-L1 < 1%)

Tumor Volume Change from Baseline (%)



Source: *MacroGenics*

In the two figures above, CR (complete response) means the disappearance of all target lesions, with the reduction of all pathological lymph nodes to <10 mm; PR (partial response) means at least a 30% decrease in the sum of the target lesions, in comparison to the baseline sum diameter; PD (progressive disease) means a 20% increase in the sum of the diameters in comparison to the smallest sum of diameters with an absolute increase of at least 5 mm, provided that any new lesion is considered progressive disease; and SD (stable disease) means meeting neither the criteria for partial response nor for progressive disease, in comparison to the smallest sum of diameters.

Clinical Development Plan

We acquired the development and commercial rights of enoblituzumab from MacroGenics for Greater China. In the first quarter of 2021, MacroGenics expects to initiate a Phase 2 study of enoblituzumab in a chemo-free regimen in combination with either retifanlimab (an investigational PD-1 antibody) in front-line patients with SCCHN who are PD-L1 positive or with tebotelimab (an investigational PD-1 x LAG-3 bispecific DART® antibody) in SCCHN patients who are PD-L1 negative. We expect to participate in any subsequent Phase 3 global study if and when initiated. In addition, considering the dynamic regulatory environment and evolving clinical practice, we have been continually refining the development of enoblituzumab in our territory.

Global Portfolio

Plonmarlimab (TJM2): A GM-CSF Monoclonal Antibody for Rheumatoid Arthritis and CAR-T-related Therapies

Summary

Plonmarlimab is an internally discovered neutralizing antibody against human granulocyte-macrophage colony-stimulating factor (“GM-CSF”), an important cytokine that plays a critical role in chronic inflammation and destruction in autoimmune diseases such as rheumatoid arthritis (“RA”). Plonmarlimab is a humanized IgG1

that displays high affinity binding to GM-CSF and blocks its signaling and downstream effects. Plonmarlimab is being developed for the treatment of autoimmune and inflammatory diseases, including RA and cytokine release syndrome ("CRS"). We have completed a single-dose first-in-human study in healthy volunteers in the United States. In China, plonmarlimab is the first antibody of its class entering clinical development. We dosed the first patient in a Phase 1b study of plonmarlimab in August 2020 in China. We may expand plonmarlimab to other autoimmune and inflammatory indications with high unmet medical need, where GM-CSF is known as a pathogenic cytokine in disease activity and progression. If approved, plonmarlimab is expected to provide an effective treatment option as a disease-modifying anti-rheumatic drug ("DMARD") therapy.

In addition, since the COVID-19 outbreak, we have sprung into action to prioritize plonmarlimab in response to the urgent medical needs. In May 2020, we announced preliminary results from part 1 of a clinical study in the United States of plonmarlimab in patients with cytokine release syndrome (CRS) associated with severe COVID-19, in which plonmarlimab was found to be well tolerated. We are currently conducting part 2 of this clinical trial to evaluate the efficacy, safety and cytokine levels following a single dose of 6 mg/kg plonmarlimab or placebo (standard care) in patients with severe COVID-19. We are currently in discussion with the FDA to finalize the plan for plonmarlimab in relation to clinical development and potential registration in the United States.

Therapeutic Options and Current Development

Our current therapeutic indication is RA, a systemic chronic inflammatory disease considered to be one of the most prevalent immune-mediated inflammatory diseases. RA is nearly always polyarticular and causes joint destruction, deformity, and loss of function. Extra-articular manifestations include cardiopulmonary diseases, eye diseases, Sjogren's syndrome, rheumatoid vasculitis and neurological diseases. Current therapies for RA in China include traditional Chinese medicine, corticosteroids, and DMARDs, including immunosuppressants and targeted therapies such as TNF inhibitors. Although the market for RA has become more competitive in China, new medicines targeting different pathways with greater clinical efficacy and safety remain a significant unmet need. Our GM-CSF antibody targets an entirely different disease pathway and has these desired characteristics to treat RA.

Clinical evidence supporting the role of a GM-CSF antibody in RA is highlighted in a few recent global studies. For example, both otilimab (MOR103), a GM-CSF antibody from MorphoSys and GSK, and mavrilimumab, a GM-CSF receptor antibody from Medimmune, have shown an early onset of clinical responses in Phase 2 proof-of-concept trials with RA patients. In addition to RA, attempts to develop a GM-CSF antibody for treating other autoimmune diseases, such as ankylosing spondylitis, are being studied by Amgen and Takeda. These autoimmune conditions involve the same autoimmune cell types, including macrophages, and neutrophils and the same connective tissues such as bones, joints, and tendons. Given the large patient population affected and the burden of these diseases, we are keen to explore the therapeutic role of plonmarlimab in treating these diseases, if initial studies in RA patients meet primary end-points.

The therapeutic role of plonmarlimab goes beyond autoimmune diseases. A recent study indicates that GM-CSF plays a critical role in serious side effects associated with chimeric antigen receptor (CAR)-T therapy, such as cytokine release syndrome ("CRS") and neurotoxicity. As CAR-T therapy has become an effective treatment option for certain cancer types, finding a treatment solution for CAR-T-related toxicities that occur frequently and can turn into a serious and potentially fatal condition becomes an urgent need. These severe toxicities add to the morbidity and mortality of CAR-T therapy. CRS is caused by a massive release of circulating cytokines by expanding CAR-T cells, and GM-CSF is one of the key cytokines of CRS. Currently, there are no effective therapies to prevent CRS or neurotoxicity. Tocilizumab, an IL-6 receptor antagonist, is approved for severe CRS with limited therapeutic coverage. Recent studies indicate that neutralizing GM-CSF in vivo may ameliorate and potentially prevent CRS and neuroinflammation without affecting CAR-T cell activity. Humanigen has teamed up with Kite to evaluate lenzilumab, a GM-CSF antibody, as a preventive or treatment

agent in association with Yescarta, an approved CD19-directed CAR-T therapy. In parallel with an RA clinical trial, we are seeking opportunities to co-develop plonmarlimab as a treatment option for CRS associated with CAR-T therapy.

Furthermore, emerging data indicate that the common features among COVID-19 patients particularly those severely or critically ill include lymphopenia and significantly elevated serum levels of pro-inflammatory cytokines including GM-CSF and IL-6, IFN-gamma. Moreover, recently published data indicate that COVID-19 can induce a cytokine storm instigated by extensive immune cell infiltration and the release of GM-CSF and IL-6. These inflammatory cytokines drive aberrant activation of monocytes and lymphocytes which in turn provoke increased production of more cytokines and chemokines in a feed forward cycle, resulting in the cytokine storm, or CRS, severe pulmonary complications and mortality. Therefore, blocking of GM-CSF by plonmarlimab may impact the upstream of cytokine storm network to prevent or curb the hyperinflammation and immunopathology which may be responsible for the complications associated with severe COVID-19.

Advantages of Plonmarlimab

Based on reported clinical findings with front-runner GM-CSF antibodies compared to other RA biologics that are clinically used, we have the following expectations:

- Fast onset of therapeutic effect. *Because GM-CSF acts at a relatively early stage in the inflammatory cascade, GM-CSF blockade is expected to take effect after just a few initial doses and provide quick symptomatic relief to patients. This fast onset of clinical responses in RA has been shown in Phase 2 clinical trials on otilimab and mavrilimumab (NCT01023256 and NCT01050998);*

- Convenience and increased patient compliance. *Given the favorable development profile (high affinity, excellent PK, clean immunogenicity and concentrated formulation) exhibited by plonmarlimab thus far, the clinically active dose for plonmarlimab is expected to be low, which is advantageous for chronic maintenance of the disease by subcutaneous administration. This provides convenience to the patients and will likely increase patient compliance; and*

- Analgesic effect on inflammatory pain. *Because the GM-CSF receptor is also expressed on sensory neurons and is involved in RA-associated inflammatory pain, GM-CSF blockade is expected to provide relieffor inflammatory pain, which provides additional clinical benefits to patients. This analgesic effect has been shown in a Phase 2 clinical trial on mavrilimumab (NCT01706926).*

Mechanism of Action

GM-CSF is a central driver cytokine in orchestrating an innate immune response during inflammation. It is responsible for myeloid cell proliferation and functions, such as chemotaxis, adhesion, phagocytosis, and microbial killing. Importantly, GM-CSF can polarize macrophages into a pro-inflammatory M1 phenotype and is known to induce an inflammatory cascade involving other pro-inflammatory cytokines such as TNF, IL-1, IL-6, IL-12, and IL-23. It is evident that GM-CSF plays a crucial role in the pathogenesis and disease progression of multiple autoimmune conditions. The action of GM-CSF is mediated by binding of its cognate receptor on target cells and subsequent phosphorylation of signal transducer and activator of transcription 5 (“STAT5”).

Plonmarlimab specifically binds to human GM-CSF with high affinity and can block GM-CSF from binding to its receptor, thereby preventing downstream signaling and target cell activation. As a result, it can effectively inhibit inflammatory responses mediated by macrophages, neutrophils, and dendritic cells, leading to reduced tissue inflammation and damage.

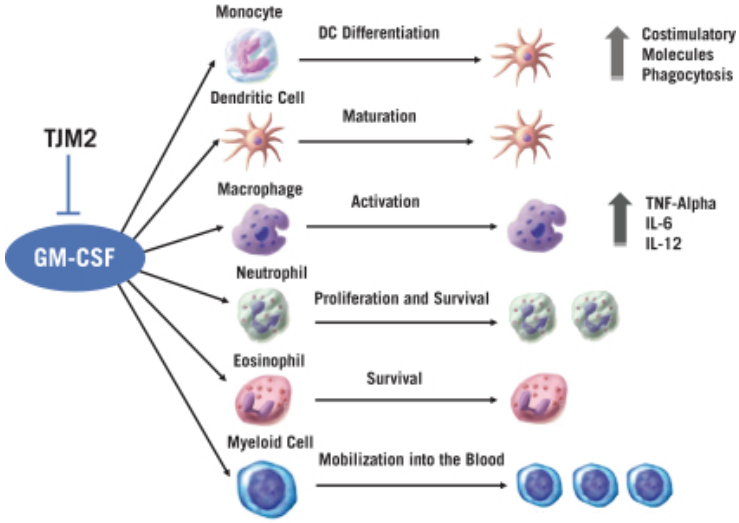


Figure: Role of GM-CSF in orchestrating coordinated immune response.

Summary of Pre-clinical Results

A series of nonclinical studies have been conducted to evaluate the pharmacology, PK, and toxicology profiles of plonmarlimab. Plonmarlimab could potently bind to human and monkey GM-CSF but not rodent GM-CSF. Plonmarlimab neutralized GM-CSF in a number of pharmacological studies in vitro and in vivo. Plonmarlimab demonstrated linear PK behavior in single dose IV and SC studies in monkeys with a half-life characteristic of IgG and a low ADA potential. Weekly plonmarlimab treatment significantly reduced arthritis score and clinical symptoms in monkeys with established collagen-induced arthritis (a model of RA). Both 4-week and 13-week repeat-dose GLP general toxicology studies in non-human primates have been completed with sufficient safety margin. The nonclinical studies performed to date continue to support plonmarlimab in clinical studies.

Summary of Clinical Results

Completed single-dose first-in-human study in healthy volunteers in the United States

Based on the pre-clinical results, we initiated a first-in-human study in healthy volunteers in the United States (NCT03794180). This study has now been completed with a clinical study report (CSR) available.

Study design. This randomized, double-blind, placebo-controlled, and single dose-ascending study was designed to assess the safety, tolerability, PK/PD, and immunogenicity of plonmarlimab (referred to as TJ003234) in healthy volunteers. We have enrolled and completed dosing of four planned cohorts at 0.3, 1, 3 and 10 mg/kg dose levels, with each cohort consisting of eight subjects randomized into six receiving plonmarlimab and two receiving placebo IV infusions.

Safety. Plonmarlimab was well tolerated following a single IV dose up to 10 mg/kg in healthy subjects with no MTD reached. There were no interruptions in dosing or early withdrawals. Fourteen males and 18 females participated in the study. The majority of AEs were mild to moderate in nature. No serious adverse events were reported during the study. Overall, 8 of the 24 subjects who received plonmarlimab and 3 of the 8 subjects on placebo reported treatment-related treatment-emergent adverse events (TEAEs). The most common AEs experienced by subjects dosed with plonmarlimab were headache (25%) and protein urine (25%). These AEs were also the most common AEs reported by subjects receiving placebo (37.5% and 37.5%, respectively).

Pharmacokinetics. Serum concentrations of plonmarlimab (TJ003234) were determined by anti-idiotypic antibody capture immunoassay and PK parameters were analyzed by noncompartmental analysis. Results showed that over the dose range of 0.3 mg/kg to 10 mg/kg, both C_{max} and exposure increased in an approximately dose-proportional manner, with C_{max} increased from 5.75 j.tg/mL to 260 j.tg/mL and AUC0-last increased from 90.5 day*j.tg/mL to 3780 day*j.tg/mL (see Figure below). In addition, $t_{1/2}$ was approximately 3 weeks across the tested dose range. Clearance of plonmarlimab decreased with increasing dose. Volume of distribution decreased slightly with increasing dose. In terms of immunogenicity, two subjects in the 3 mg/kg plonmarlimab cohort and 1 placebo subject were positive for ADA. No subject in the 10 mg/kg dose level was positive for ADA.

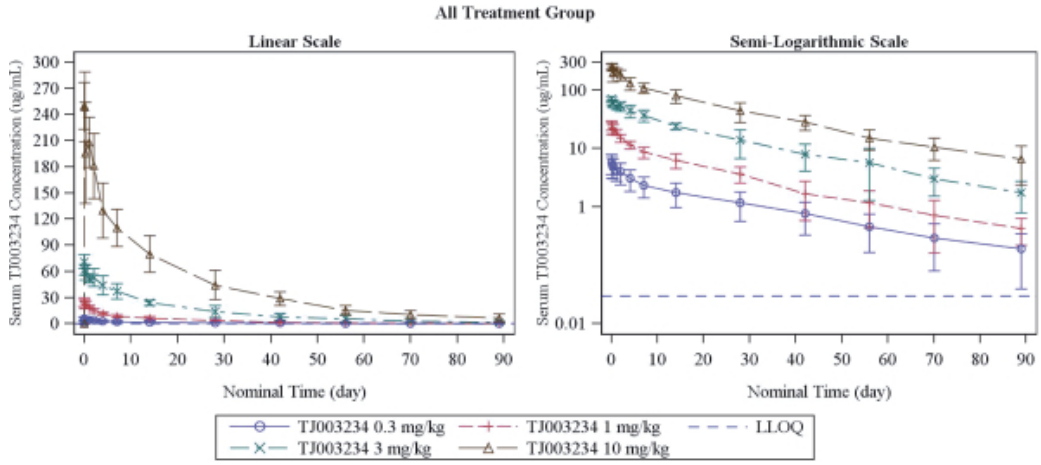


Figure: *Mean±SD concentration-time plots of serum plonmarlimab (TJ003234) levels. Linear scale, left; semi-log scale, right. LLOQ, lower limit of quantitation.*

Pharmacodynamics. Four hours after dosing, the induction of STAT5 phosphorylation by ex vivo GM-CSF in circulating monocytes was inhibited by at least 70% compared to the placebo following a single dose of plonmarlimab for all dose groups. Plonmarlimab inhibited GM-CSF-stimulated STAT5 phosphorylation levels by more than 90% in subjects in the 3 mg/kg and 10 mg/kg cohorts at 4 h to up to 2 weeks after dosing, suggesting the saturation of STAT5 inhibition by the treatment at doses of 3 mg/kg and above.

Ongoing study for plonmarlimab to treat COVID-19 patients with cytokine release syndrome

We are conducting a study of plonmarlimab in the United States in patients with CRS associated with severe COVID-19. This study adopts a robust clinical trial design and represents one of the first double-blind, placebo-controlled and randomized studies to evaluate the therapeutic role of anti-GM-CSF antibody in severe COVID-19 patients.

Part 1 of the study evaluated the safety and tolerability of plonmarlimab in a total of 24 patients who were randomized at a ratio of 1:1:1 to receive either a single dose of 3 mg/kg plonmarlimab, a single dose of

6 mg/kg plonmarlimab or placebo (standard care), administered by intravenous (IV) infusion. Data from part 1 of the study were reviewed by a data monitoring committee (DMC) to assess patient safety and overall conduct of the study. After comprehensive review and analysis, the DMC concluded that we could commence part 2 of the study as planned, indicating that plonmarlimab was safe and well-tolerated in severe COVID-19 patients in the study. The DMC also endorsed recommended protocol changes, including broadening the inclusion criteria and dosing all patients at 6 mg/kg of plonmarlimab or placebo. Part 2 of the study with a design similar to part 1 will target the same patient population and is enrolling patients. It will evaluate the efficacy, safety and cytokine levels following a single dose of 6mg/kg plonmarlimab or placebo in patients with severe COVID-19. To preserve the original clinical trial design with blinding and data integrity, the clinical efficacy data will be revealed upon completing part 2 of this study.

DMC's assessment and positive recommendation is a testament to our science-focused clinical development capabilities. We believe we have the most advanced anti-GM-CSF study in COVID-19 that could potentially lead to registration of plonmarlimab in the United States. The DMC's confirmation of plonmarlimab's safety profile bolsters the drug's potential to address the complications among the severe and critically ill and could ultimately save lives.

Clinical Development Plan

Data from this first-in-human study support continued development of plonmarlimab. In August 2020, we announced that the first patient has been dosed in a Phase 1b study to evaluate plonmarlimab in patients with RA in China. This trial is a multi-center, double-blind, placebo-controlled study of about 63 patients who will receive a single dose or multiple doses of the treatment for up to eight weeks.

In addition, we are developing plonmarlimab to treat cytokine storm in severe and critically ill patients caused by COVID-19. We are currently conducting part 2 of the clinical trial in the United States to evaluate the efficacy, safety and cytokine levels following a single dose of 6 mg/kg plonmarlimab or placebo (standard care) in patients with severe COVID-19. We are currently in discussion with the FDA to finalize the plan for plonmarlimab in relation to clinical development and potential registration in the United States. The results from these planned COVID-19 studies will also be used to further evaluate the potential therapeutic role of plonmarlimab in reducing or preventing cytokine storm and neurotoxicity associated with CAR-T therapy through collaborations.

Lemzoparlimab (TJC4): A Potential Highly Differentiated CD47 Antibody for Immuno-Oncology

Summary

Lemzoparlimab is a fully human CD47 monoclonal antibody that we have discovered and developed internally for cancer immunotherapy. CD47 has emerged as one of the most promising immuno-oncology targets. Unlike other immuno-oncology targets being explored, the CD47-SIRPa pathway is involved in tumor progression by delivering a "don't eat me" signal to tumor-engulfing macrophages, thereby protecting tumors from natural attacks by macrophages. Blockade of this pathway by CD47 antibody represents one of the most effective tumor killing mechanisms. However, due to the inherent epitope sharing between tumor cells and normal red blood cells ("RBCs"), the first-wave of clinical stage CD47 antibodies were found in clinical trials to bind to RBCs and cause significant hematologic adverse effects, such as severe anemia, which has hampered the development of these CD47 antibodies as a potential cancer therapy.

We developed lemzoparlimab by design to possess a unique property or differentiation, to minimize binding to RBCs while retaining anti-tumor activities in line with other antibodies of the same class. This key differentiation is achieved through additional RBC counter-screening to select rare antibody clones that bind to CD47 with high affinity but do not bind to or bind minimally to RBCs. Lemzoparlimab has been validated in a series of in vitro and in vivo pre-clinical studies, which have consistently shown a unique RBC-sparing profile

comprised of minimal RBC binding, lack of hemagglutination and no significant adverse hematologic changes in cynomolgus monkeys even when used at a high dose (100 mg/kg). In addition, the topline results of the completed Phase 1a dose escalation monotherapy trial in the United States have demonstrated the differentiated profile of lemzoparlimab in drug safety and favorable pharmacokinetics in cancer patients. The key findings include: (i) lemzoparlimab was well tolerated up to 30 mg/kg on a weekly basis without priming dosing strategy, and no dose-limiting toxicity and no clinical or laboratory evidence of hemolytic anemia were observed throughout; (ii) lemzoparlimab PK appears to be linear at mid to high dose levels following a single dose with no significant "sink effect" and (iii) one confirmed partial response (PR) was observed in the 30 mg/kg monotherapy cohort (N=3), and this patient had failed prior treatments with checkpoint inhibitors. Therefore, we believe that lemzoparlimab, if approved, will be a potentially highly differentiated anti-tumor CD47 antibody with the advantage of minimizing hematologic side effects.

In September 2020, we received the NMPA approval for a Phase 1 clinical trial of lemzoparlimab in relapsed or refractory advanced lymphoma in China as part of the ongoing international multi-center trial. In addition, lemzoparlimab is being evaluated in a Phase 1/2a clinical trial in China in patients with relapsed or refractory acute myeloid leukemia (r/r AML) or myelodysplastic syndrome (MDS), and we anticipate reporting top-line results in early 2021. We have also entered into a clinical trial collaboration and supply agreement with Merck Sharp & Dohme Corp, or MSD, through a subsidiary, under which we will sponsor a Phase 1 clinical trial in the United States evaluating lemzoparlimab in combination with KEYTRUDA® (pembrolizumab), MSD's anti-PD-1 therapy, in patients with multiple types of solid tumors. In September 2020, we granted AbbVie a global license, excluding Mainland China, Hong Kong and Macau, to develop and commercialize lemzoparlimab (as well as certain other compounds directed against CD47), and we will retain all rights to develop and commercialize lemzoparlimab in Mainland China, Hong Kong and Macau.

Therapeutic Options and Current Development

We plan to evaluate the therapeutic role of lemzoparlimab in a variety of solid tumors, such as cancers of the ovary, lung, liver, pancreas, breast and colon, and hematological malignancies such as AML/MDS, lymphoblastic leukemia, and NHL. Although PD-1/PD-L1 therapies represent a new paradigm in cancer treatment, less than 40% of cancer patients have a clinically meaningful response to PD-1/PD-L1 treatment. As a result, targeting other immune components or cells involved in the immune system's anti-tumor mechanism has become an area of active pursuit in the field of immuno-oncology. Lemzoparlimab is one such innovative and promising therapeutic antibody, which is capable of mobilizing macrophage functions for effective and direct tumor-killing. Currently, a number of CD47 antibodies are in clinical development by biotech companies including Gilead/Forty-Seven, Inc., Surface Oncology and Arch Oncology. The most advanced asset, magrolimab, orginally developed by from Forty-Seven, Inc., is in Phase 3 clinical studies for multiple cancer indications. However, almost all clinical trials with CD47 antibodies so far have shown significant hematologic adverse effects, likely due to inherent RBC-binding properties of generic CD47 antibodies, and as a result, some clinical studies had to be either terminated or managed with extra cautions.

Advantages of Lemzoparlimab

Lemzoparlimab has similar sub-nanomolar binding affinity as other CD47 antibodies and exhibits comparable anti-tumor activity. The key advantage of lemzoparlimab is its minimal binding to RBCs, thus potentially avoiding or minimizing inherent hematologic adverse effects typically seen in other CD47 antibodies in clinical trials. This differentiated property of lemzoparlimab is, at least in part, due to its unique epitope interaction as revealed by crystallography, which is different from those recognized by other CD47 antibodies currently in clinical development based on publicly available information. The differentiation of lemzoparlimab is highlighted in a series of pre-clinical studies summarized as the following: (i) lemzoparlimab displays only minimal RBC-binding even at high antibody concentrations by flow cytometry; (ii) lemzoparlimab does not induce RBC agglutination even in a high concentration range; and (iii) most importantly, lemzoparlimab does not cause significant hematologic changes or systemic toxicologic effects even at high doses in multiple cynomolgus

monkey studies, including a pivotal 4-week GLP toxicity study. Taken together, lemzoparlimab has a potentially better clinical safety profile and may be used in a broader patient population to explore its anti-tumor potential compared to other clinical stage competitor molecules.

	Company 1	Company 2	Company 3	I-Mab
Affinity	$8x10^{-9}$	$4x10^{-9}$	$8x10^{-10}$	$5x10^{-10}$
RBC binding	++	++	++	Minimal
RBC clumping	++	-	-	-
Anti-tumor activity	++	++	++	++
Phase 1	Anemia	Anemia NHL *on-going* AML *stopped*	Anemia *Suspended*	1st patient cohort dosed in U.S. Clinical trials planned China
Phase 2	On-going (combo)			

Table: *Differentiated product profile of lemzoparlimab. (Sources for comparator antibodies: American Society ofHematology publication, PLOS One publication, World Intellectual Property Organization and company data)*

Mechanism of Action

Lemzoparlimab blocks the interaction between CD47 expressed on cancer cells and SIRPa expressed on macrophages, leading to increased phagocytosis of cancer cells by macrophages. Blockade of CD47 by lemzoparlimab may also promote the development of anti-tumor T cell responses, resulting from increased tumor antigen presentation by professional antigen-presenting cells such as macrophages and dendritic cells. In addition to stimulating the phagocytosis of cancer cells, CD47 blockade was shown to involve other anti-tumor mechanisms, such as the enhancement of ADCC, direct induction of apoptosis (programmed cell death) of cancer cells, induction of differentiation of cancer stem cells, and inhibition of metastasis.

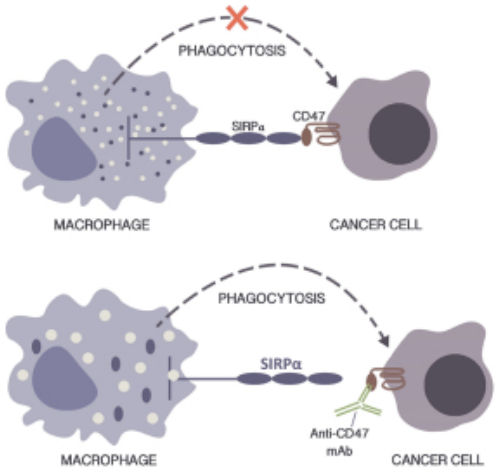


Figure: *Targeting the CD47/SIRPa myeloid-specific immune checkpoint. CD47 is highly expressed on many different types of cancers. SIRPa is an inhibitory receptor expressed on macrophages and other myeloid immune cells. When CD47 binds to SIRPa, it causes the inhibition ofphagocytosis. CD47 antibodies disrupt the CD47/SIRPa axis and enable the phagocytosis of cancer cells.*

Summary of Clinical Results

The ongoing phase 1 study of lemzoparlimab in the US is an open-label, multi-center, multiple dose study conducted in two parts to determine safety, tolerability, pharmacokinetics (PK), pharmacodynamics (PD) and efficacy of lemzoparlimab administered alone and in combination (NCT03934814). The first part is comprised of a single agent dose escalation followed by two separate combination regimens in an escalating dose range (Part 1b with pembrolizumab; Part 1c with rituximab). The second part is a dose expansion study in the combination therapies.

The monotherapy dose escalation (Part 1a) has been completed and the initial data from the monotherapy were presented at Society for Immunotherapy of Cancer (SITC) in November 2020 (poster #385).

Lemzoparlimab was well tolerated up to 30 mg/kg on a weekly infusion schedule without priming dosing strategy. No dose-limiting toxicity and no clinical or laboratory evidence of hemolytic anemia were observed throughout. Maximal tolerable dose (MTD) was not reached. Lemzoparlimab PK appeared to be linear at mid to high dose levels following a single dose with no significant “sink effect”. One confirmed Partial Response (PR) was observed in the 30 mg/kg cohort (n=3). This patient had failed prior treatments with checkpoint inhibitors. Three patients achieved Stable Disease (SD). Recruitment of patients for the dose escalation study of lemzoparlimab in combination with pembrolizumab or rituximab is ongoing.

Part 1a of Phase 1 Clinical Trial: Single Agent Dose Escalation First-in-patient Trial

Study Design. NCT03934814 is an open label, Phase 1 study to evaluate the safety, tolerability, maximal tolerable dose (MTD) or maximum administered dose (MAD), PK, PD, and recommended phase 2 dose (RP2D) of lemzoparlimab in subjects with advanced relapsed or refractory solid tumors and lymphoma. Part 1 of the study comprises a single agent dose escalation in a standard 3+3 design (1a) and 2 separate dose escalations in combination with pembrolizumab (1b) or rituximab (1c). Part 2 is a dose expansion study. Lemzoparlimab was administered as weekly IV infusions in successive dose cohorts (1, 3, 10, 20 and 30 mg/kg) without any priming dose. Twenty patients were enrolled. Clinical data from the Part 1a study were reported as of November 2020.

Safety. No dose limited toxicities (DLTs) or drug-related severe adverse event (SAE) were reported throughout the study. All treatment-related adverse events (TRAEs) were either Grade 1 or Grade 2 except one Grade 3 lipase increase was reported.

AE TERMS	1 mg/kg (N=4)		3 mg/kg (N=4)		10 mg/kg (N=4)		20 mg/kg (N=5)		30 mg/kg (N=3)		Total (N=20)
	Gr Any	Gr 3	Gr Any	Gr 3	Gr Any	Gr 3	Gr Any	Gr 3	Gr Any	Gr 3	Gr Any
Anemia	0	0	2	0	2	0	1	0	1	0	6 (30%)
Neutropenia	0	0	0	0	0	0	0	0	1	0	1 (5%)
Blood bilirubin increased	0	0	0	0	1	0	0	0	0	0	1 (5%)
Blood LDH decreased	0	0	0	0	0	0	0	0	1	0	1 (5%)
Lipase increased	0	0	0	0	0	0	0	0	1	1	1 (5%)
Lymphocyte count decreased	0	0	0	0	1	0	0	0	0	0	1 (5%)
Platelet count decreased	0	0	0	0	1	0	0	0	0	0	1 (5%)
Fatigue	0	0	2	0	2	0	1	0	2	0	7 (35%)
Chills	0	0	1	0	0	0	0	0	0	0	1 (5%)
Constipation	0	0	0	0	0	0	1	0	0	0	1 (5%)
Diarrhea	1	0	1	0	1	0	0	0	0	0	3 (15%)
Nausea	0	0	0	0	0	0	1	0	0	0	1 (5%)
Infusion related reaction	0	0	0	0	2	0	2	0	1	0	5 (25%)
Dyspnea	0	0	0	0	0	0	0	0	1	0	1 (5%)
Hypotension	0	0	0	0	0	0	0	0	1	0	1 (5%)

Table. *Treatment-related adverse events (TRAE) by cohort.*

A transient reduction in the hemoglobin levels during the first cycle was observed across all cohorts. The average drop was ~10% and was not dose dependent. This finding is consistent with the results of pre-clinical GLP toxicity studies. None of the drug-related anemia reported was considered to be severe or hemolytic in nature.

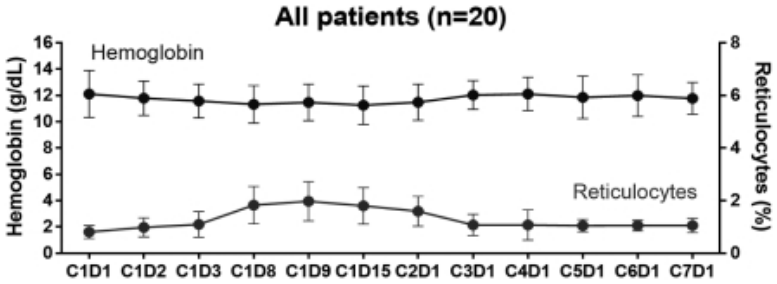


Figure. *Time course of hemoglobulin and reticulocyte counts following lemzoparlimab treatment (all groups). Each cycle (C) is 21 days (D). Mean±SD is shown.*

Pharmacokinetics. The PK profile of lemzoparlimab appeared linear at doses higher than 10 mg/kg following a single dose administration, while its exposure was greater than dose proportional over the dose range of 1 to 10 mg/kg, suggesting that at higher doses, lemzoparlimab could overcome the CD47 "sink effect". Five subjects were confirmed positive for anti-drug antibodies (ADA) following the first treatment: 3 were from 1 mg/kg, 1 from 3 mg/kg and 1 from 10 mg/kg. No impact of ADA was seen on safety or PK profiles.

Pharmacodynamics. Maximal saturation of CD47 receptor occupancy (RO) on peripheral T cells was achieved at 20 and 30 mg/kg following weekly administration of lemzoparlimab.

Preliminary Efficacy. One confirmed Partial Response (PR) was observed in the 30 mg/kg monotherapy cohort (1/3) with 6 cycles completed so far. The patient who had metastatic melanoma had failed prior systemic treatment of nivolumab and ipilimumab.

Summary of Pre-clinical Results

CD47-related In Vitro and In Vivo Anti-tumor Activities

Lemzoparlimab exhibits high-affinity binding to human CD47 protein and CD47-expressing tumor cells at the nanomolar level and effectively blocks interaction of CD47 with its receptor SIRPa. As compared with other CD47 antibodies currently under clinical development, lemzoparlimab (TJC4) demonstrated comparable potency in the enhanced macrophage-mediated phagocytosis of Raji tumor cells (see Figure A below) and comparable anti-tumor activity in the HL-60 leukemia and Raji xenograft models (see Figure B below). Moreover, when combined with rituximab, lemzoparlimab exhibited a markedly enhanced inhibition on tumor growth in a diffuse large B cell lymphoma (DLBCL) animal model, through the synergistic effect of both agents (see Figure C below).

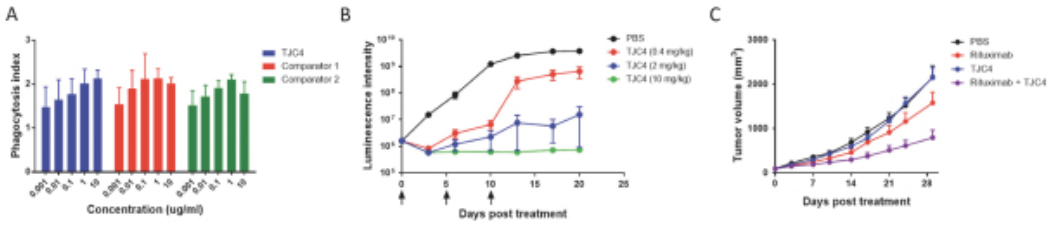


Figure: *In vitro and in vivo anti-tumor activity of lemzoparlimab (TJC4). (A) In vitro phagocytosis of Raji cells by primary human macrophages in the presence of different doses of lemzoparlimab or comparator CD47 antibodies. (B) In vivo anti-tumor activity of lemzoparlimab mono-treatment in Raji xenograft model. (C) In vivo anti-tumor activity of lemzoparlimab (5 mg/kg, BIW) in combination with Rituximab (5 mg/kg, BIW) in the DLBCL model.*

Assessment of Potential CD47-related In Vitro and In Vivo Hematologic Effects

First, in a representative flow cytometric analysis (see Figure A below), lemzoparlimab showed minimal binding to human RBCs compared to comparator CD47 antibodies used at the same concentration (1 j.tg/ml). The minimal binding of lemzoparlimab to RBCs was confirmed when compared with other CD47 antibodies across multiple concentrations in another flow cytometric experiment (see Figure B below).

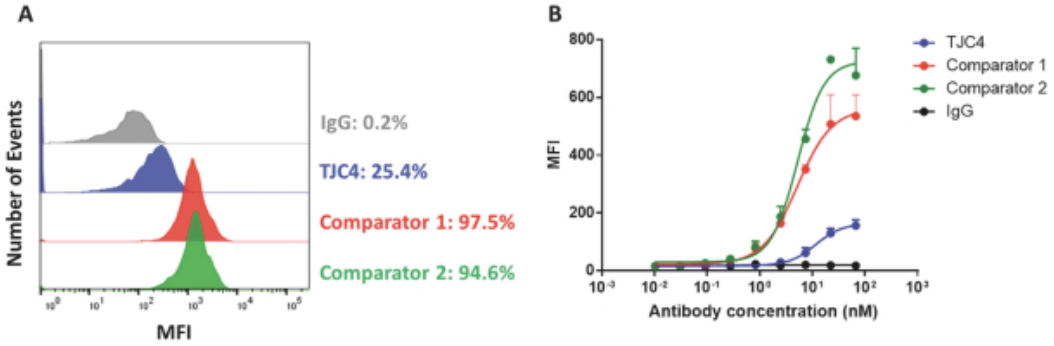


Figure: *Binding of CD47 monoclonal antibodies to RBCs. (A) Representative graph of the staining of human RBCs with CD47 monoclonal antibodies or control IgG (1 µg/ml); (B) Dose dependent binding of CD47 monoclonal antibodies with human RBCs from different healthy donors (n = 3). MFI: mean fluorescence intensity.*

Second, as CD47 is expressed on normal RBCs, binding of CD47 antibodies to the surface of RBCs could cross-link the RBCs into lattices and prevent them from precipitating into compact pellets, which is a phenomenon termed hemagglutination. Our results showed that lemzoparlimab did not induce RBC agglutination across a wide range of antibody concentrations, while a comparator antibody caused significant hemagglutination starting at a concentration of 0.3 j.tg/ml. Results from a representative experiment are shown below.

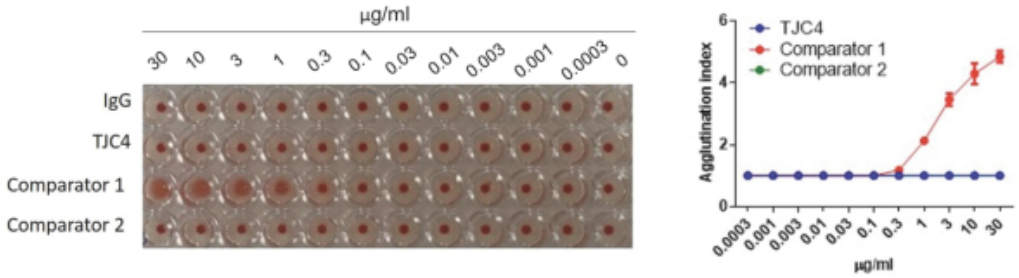


Figure: *Hemagglutination by CD47 monoclonal antibodies. Left: representative graph of hemagglutination (haze appearance) or lack thereof (precipitate) by different concentrations of control IgG, lemzoparlimab (TJC4), and comparator antibodies. Right: quantification through an index determined by the area of RBC occupation in the presence of the test antibodies, normalized to that of IgG control.*

Thirdly, *in vivo* safety studies were performed in cynomolgus monkeys to assess the effects of lemzoparlimab on the hematology parameters. Whereas a single bolus IV injection of the comparator antibody caused a significant drop in the number of RBCs and hemoglobin ("HGB") levels, treatment with lemzoparlimab at a dose of 10 mg/kg did not significantly affect the number of RBCs, HGB levels or reticulocyte or platelet counts (see figure below).

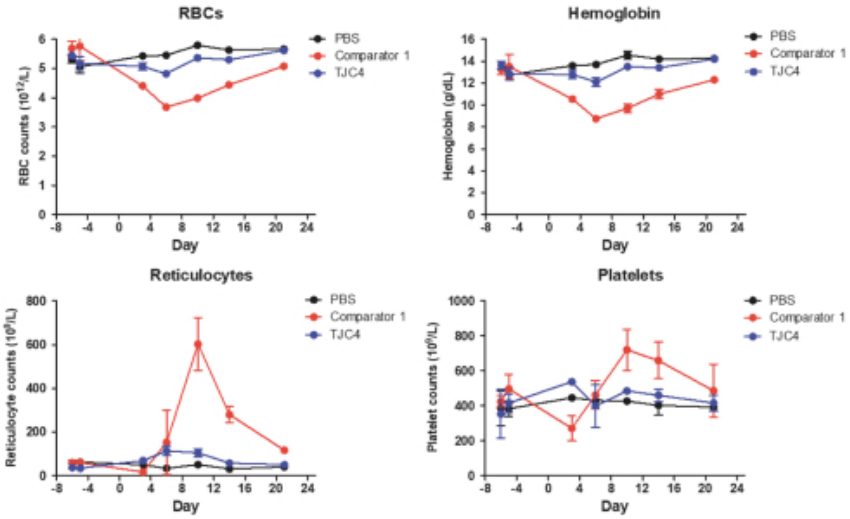


Figure: *Hematological parameters in non-human primates treated with a single dose of CD47 antibodies. On Day 0, naive cynomolgus monkeys were IV injected with PBS control (n=2), lemzoparlimab (TJC4) (n=2, 10 mg/kg) or a comparator antibody (n=2, 10 mg/kg). Blood cells were counted, twice before drug injection (baseline) and at 3, 6, 10, 14 and 21 days post-injection.*

Moreover, in a four-week GLP toxicology study, lemzoparlimab treatment did not induce significant overall toxicologic changes. Only mild decreases in the number of RBCs, HGB and hematocrit were found, which reached nadir at Day 4 post-first administration and then gradually recovered to the normal range following administration. The changes were not dose-dependent. Compared with the placebo control, the average decrease of RBCs in the treated animals was approximately 6% to 9% with only one animal showing an 18% drop at a dose of 30 mg/kg. No RBC-associated changes were noted in histopathologic examinations or in bone marrow smears (including erythrocytic series). Therefore, NOAEL was defined at 100 mg/kg.

Four-week GLP Toxicology Study in Monkeys

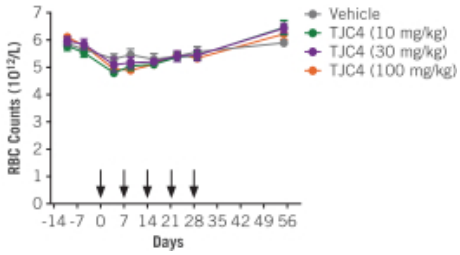


Figure: *RBC counts in male cynomolgus monkeys treated with five consecutive weekly dose of lemzoparlimab (TJC4) at 0-100 mg/kg in a 4-week GLP toxicology study.*

Key preclinical data described above have been published as a poster presentation (#4063) at American Society of Hematology 2019 Annual Meeting.

Clinical Development Plan

The goal of our global and China clinical development plans is to explore the potential in both hematologic malignancies and solid tumor indications, including but not limited to AML/MDS, ovarian cancer and gastric cancer, in both the United States and China.

In September 2020, we received the NMPA approval for a Phase 1 clinical trial of lemzoparlimab in relapsed or refractory advanced lymphoma in China as part of the ongoing international multi-center trial. In addition, lemzoparlimab is being evaluated in a Phase 1/2a clinical trial in China in patients with relapsed or refractory (r/r) AML or MDS, and we anticipate reporting top-line results in early 2021. We have also entered into a clinical trial collaboration and supply agreement with Merck Sharp & Dohme Corp, or MSD, through a subsidiary, under which we will sponsor a Phase 1 clinical trial in the United States evaluating lemzoparlimab in combination with KEYTRUDA® (pembrolizumab), MSD's anti-PD-1 therapy, in patients with multiple types of solid tumors. In September 2020, we granted AbbVie a global license, excluding Mainland China, Hong Kong and Macau, to develop and commercialize lemzoparlimab (as well as certain other compounds directed against CD47), and we will retain all rights to develop and commercialize lemzoparlimab in Mainland China, Hong Kong and Macau.

Uliledlimab (TJD5): A Potential Highly Differentiated CD73 Antibody for Cancer Treatment

Summary

Uliledlimab is an internally developed, humanized inhibitory antibody against human CD73. CD73 is a homodimeric enzyme expressed in tumors and plays a critical role in suppressing immune cells in tumor micro-environment. Uliledlimab displays sub-nanomolar binding affinity to CD73 and inhibits its nucleotidase activity. *In vitro*, uliledlimab completely reversed the AMP- or tumor cell-mediated suppression of T cells. *In vivo*, when combined with a PD-L1 antibody, uliledlimab exhibited a superior or synergistic inhibitory effect on tumor growth. The key differentiation of uliledlimab when compared to some of the other clinical stage antibodies of the same class, is related to its novel epitope, which works through a unique intra-dimer binding mode, resulting in a complete inhibition of the enzymatic activity and avoiding the aberrant pharmacological property known as the "hook effect." With this particular mode of action, uliledlimab, if approved, has the potential to become a highly differentiated CD73 antibody.

In the United States, uliledlimab is in a Phase 1 clinical trial as a single agent and in combination with atezolizumab (TECENTRIQ®), a PD-L1 antibody marketed by Roche, in patients with advanced solid tumors. 20 patients have been enrolled and nineteen of them have been dosed so far. The preliminary data of this trial in the United States are expected by mid-2021. In China, we are conducting a Phase 1/2 clinical trial in China to evaluate uliledlimab in patients with advanced solid tumors. The first patient was dosed in May 2020. We have been able to accelerate the Phase 1/2 trial in China by leveraging data from the ongoing Phase 1 clinical study of uliledlimab in the United States, which is a testament to our global clinical development capabilities and well-executed pipeline strategies. In China, we will also collaborate with Shanghai Junshi Biosciences Co., Ltd, or Junshi, for the combination therapy of uliledlimab with Junshi's PD-1 monoclonal antibody toripalimab in cancer patients with various types of solid tumors.

Therapeutic Options and Current Development

Despite recent breakthroughs with PD-1/PD-L1 therapies, clinical non-response rates to such treatments remains high in cancer patients (exceeding 60%). This non-responsiveness to these standard treatments is partly due to the fact that T cells within an inhibitory tumor environment are suppressed and fail to respond to stimulation induced by PD-1/PD-L1 therapies. CD73, which converts extracellular adenosine monophosphate

("AMP") to adenosine, is implicated in one of the protective mechanisms of tumors that evade immune attack by creating an adenosine-rich microenvironment inhibitory to immune cells. Pre-clinical studies have indicated that the inhibition of CD73 renders T cells more responsive to PD-1/PD-L1 therapies by altering the tumor micro-environment, resulting in a superior anti-tumor effect. As CD73 is widely expressed in various cancers, a combination therapy of uliledlimab with a PD-1/PD-L1 antibody may increase the likelihood of treatment success in cancer patients who do not respond to standard PD-1/PD-L1 therapies. The potential cancer indications of uliledlimab include thyroid cancer, lung cancer, colorectal cancer, stomach cancer, urothelial cancer, endometrial cancer, head and neck cancer, breast cancer, ovarian cancer, and melanoma, in which CD73 is widely expressed.

A number of global companies are running active clinical development programs with CD73 antibodies. Oleclumab (MEDI-9447) from Medimmune and BMS-986179 from Bristol-Myers Squibb are the two most advanced CD73 antibodies, which are in Phase 2 clinical trials. BMS-986179 is being studied as a single agent and in combination with nivolumab (a PD-1 antibody) for the treatment of advanced colorectal, esophageal, gastric, ovarian, and pancreatic cancers. MedImmune is testing MEDI-9447 for the treatment of solid tumors as a single agent or in combination with durvalumab (a PD-L1 antibody) or chemotherapy. NZV-930 (from Novartis) and CPI-006 (from Corvus) have entered Phase 1 clinical trials for the treatment of solid tumors.

Advantages of Uliledlimab

Extracellular AMP can be generated from ATP, cyclic AMP and nicotinamide adenine dinucleotide ("NAD") through separate biochemical pathways, all of which converge to CD73 to generate adenosine. Thus, CD73 antibody is expected to block adenosine generation more completely than other related targets. Further, CD73 antibody works through a substrate non-competitive fashion and has advantages over small molecule inhibitors targeting the adenosine pathway through a substrate competing fashion. More importantly, uliledlimab, if approved, is potentially highly differentiated among the clinical stage CD73 antibodies as it binds to a novel epitope in the C-terminal domain of CD73 without causing a "hook effect."

Uliledlimab has the following key advantages: (i) uliledlimab exhibits a typical dose-response curve without the "hook effect" and with a complete inhibition of both soluble and surface-bound CD73 and (ii) uliledlimab has a non-competitive inhibitory effect that is not blunted by high levels of CD73 enzyme substrates, which would be expected for small-molecule competitive blockers. These pharmacological properties may translate into efficient target inhibition in tumors and superior anti-tumor activity, especially in an adenosine-rich micro-environment.

Mechanism of Action

Adenosine is a potent immunosuppressive signaling molecule abundant in the tumor microenvironment. CD73 is the rate-limiting enzyme that generates adenosine from extracellular AMP. Uliledlimab allosterically inhibits the CD73 enzyme by preventing the inactive CD73 dimer from changing into the active conformation in a substrate non-competitive manner. This results in a decrease in adenosine production in the tumor micro-environment, increasing T cell anti-tumor activity.

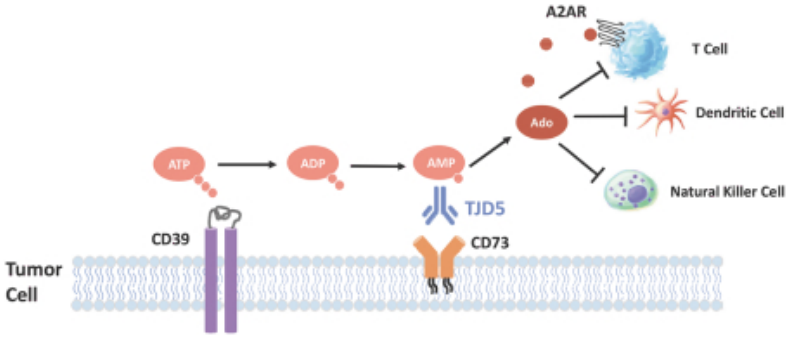


Figure: Schematic diagram of CD73-catalyzed adenosine (Ado) generation and immunosuppression by Ado in the tumor microenvironment.

Summary of Pre-clinical Results

Inhibition of CD73 by Uliledlimab. As shown in the figure below, uliledlimab displayed complete inhibition of soluble CD73 enzymatic activity (IC50= 0.22 n*M*) without the "hook effect" in contrast to the comparator molecule, which at higher concentrations caused a paradoxical rebound of enzymatic activity presumably due to its inter-dimer binding mode.

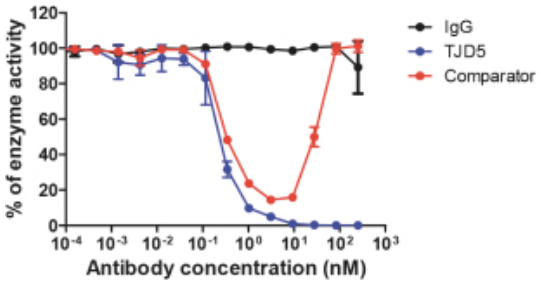


Figure: Inhibition of soluble CD73 enzymatic activity by CD73 antibodies.

Restoration of T Cell Activity by Uliledlimab In Vitro. We observed that AMP inhibited interferon gamma (IFN-g) production by CD4 or CD8 T cells through adenosine generation, mimicking the suppressive tumor microenvironment where AMP is abundantly produced. However, this suppression could be reversed by uliledlimab in a concentration-dependent manner. Moreover, in an experimental system where CD73 high human ovarian cell line SK-OV-3 and human T cells were co-cultured, addition of uliledlimab restored T cell activity as measured by IFN-g production in a concentration-dependent manner.

In Vivo Anti-tumor Activity of Uliledlimab. Uliledlimab monotherapy showed a moderate anti-tumor effect in a mouse xenograft model bearing A375 melanoma cells. To examine whether uliledlimab can enhance

the anti-tumor activity of the PD-L1 antibody, we evaluated the therapeutic effects of uliledlimab used as a single agent and in combination with a PD-L1 antibody in the same A375 melanoma model. The combination treatment group resulted in 68% inhibition of tumor growth which is significantly better than the vehicle and uliledlimab monotherapy.

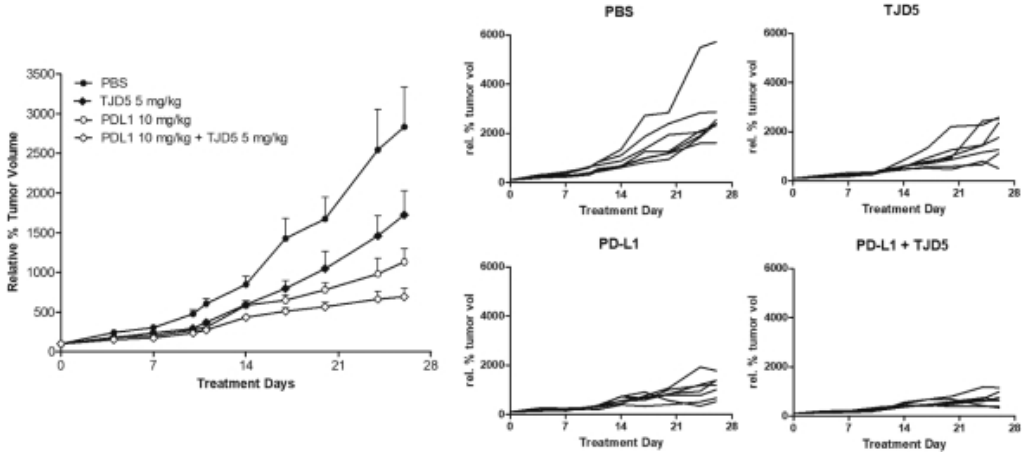


Figure: *In vivo anti-tumor activity of uliledlimab and anti-PD-L1 in A375 melanoma xenograft model. Mice were treated with PBS control, anti-PD-L1 (10 mg/kg), uliledlimab (5 mg/kg) or a combination of anti-PD-L1 and uliledlimab twice a week for three weeks. Tumor volumes as percentages relative to baseline (day 0) for each treated group (n=7 per group) (left) and for each individual mouse (right) were plotted.*

Pharmacokinetics of Uliledlimab in Cynomolgus Monkeys. Following a single IV injection of uliledlimab at 5, 25 and 50 mg/kg, the mean C_{max} ranged dose-proportionally from 136 to 1430 µg/mL, and the systemic exposure indicated by the AUC0-last increased in a non-linear manner, ranging from 4020 to 135000 hr*µg/mL. Mean half-life was 44.9 hours, 61.5 hours and 104 hours, respectively, reflecting decreased clearance of uliledlimab with increasing dose. No apparent sex difference was observed in the main PK parameters. Positive ADAs against uliledlimab were detected in the majority of the animals, without an apparent impact on systemic exposure.

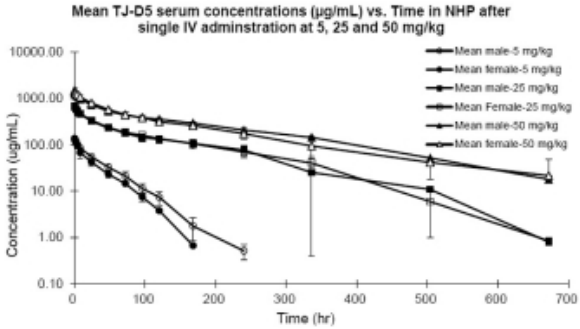


Figure: *Concentration-time profile of uliledlimab in cynomolgus monkeys.*

Repeat-dose Toxicology Study of Uliledlimab in Cynomolgus Monkeys. A four-week GLP toxicity study was conducted in cynomolgus monkeys followed by a six-week recovery period to evaluate the potential

toxicity of ulileclimab. Forty cynomolgus monkeys were randomly assigned into four groups (5/sex/group) and given five weekly doses of ulileclimab at 20, 60 or 200 mg/kg via IV injection. Systemic exposures (C_{max} and AUC0-t) generally increased dose-proportionally, and the Day 22 values were generally higher than those on Day 1, with mean accumulation ratios (AR) ranging between 1.65 and 2.19. No apparent sex difference was observed. Positive ulileclimab antibodies were detected in the majority of animals following repeat administration at all doses, while no significant impact was observed on the TK profiles.

The only ulileclimab-related effect was decreased monocyte chemoattractant protein 1 (MCP-1) on Day 1 (24 or 48 hours post-dosing) in treated animals. Due to a lack of corresponding findings or impact on the wellbeing of the animals, this effect was not considered adverse. No abnormality was observed in other study endpoints, including safety pharmacology parameters and immunotoxicity. The no observed adverse effect level (NOAEL) was defined at 200 mg/kg. This dose level corresponded to the mean C_{max} and AUC values of 6890 j.tg/ mL and 594000 j.tg*hr/mL in males, respectively, and 6450 j.tg/mL and 501000 j.tg*hr/mL in females, respectively, on Day 22 of the dosing phase.

Clinical Development Plan

We will develop ulileclimab in the United States and China in parallel. In the United States, ulileclimab is in a Phase 1 clinical trial as a single agent and in combination with atezolizumab (TECENTRIQ®), a PD-L1 antibody marketed by Roche, in patients with advanced solid tumors. 20 patients have been enrolled and nineteen of them have been dosed so far. The preliminary data of this trial in the United States are expected by mid-2021. In China, we are conducting a Phase 1/2 clinical trial in China to evaluate ulileclimab in patients with advanced solid tumors. The first patient was dosed in May 2020. This Phase 1/2 study is a multicenter, open-label, dose escalation and cohort expansion study, which will evaluate safety, tolerability, pharmacokinetics, pharmacodynamics and efficacy of ulileclimab, and determine a recommended dose for further planned clinical studies of its efficacy and safety as a single agent and in combination with standard dose of toripalimab (TUOYI®) in patients with advanced or metastatic cancers who are refractory to or intolerant of all available therapies. We have been able to accelerate the Phase 1/2 trial in China by leveraging data from the ongoing Phase 1 clinical study of ulileclimab in the United States, which is a testament to our global clinical development capabilities and well-executed pipeline strategies.

Pre-clinical Assets (Monoclonal antibodies)

TJ210 and TJX7 are monoclonal antibodies currently at the pre-clinical stage. The FDA clearance for the IND application of TJ210 was obtained in September 2020.

TJ210: A Potential Highly Differentiated Antibody Targeting Myeloid Derived Suppressor Cells in Cancers and Autoimmune Diseases

TJ210 is a fully human, high affinity antibody against human C5aR1 for the treatment of cancers and potentially autoimmune diseases. Tumors produce large amounts of complement factor C5a to attract C5aR1-expressing myeloid derived suppressor cells (“MDSCs”), M2 macrophages and neutrophils. These myeloid cells critically contribute to an immunosuppressive microenvironment as part of the evading mechanism of tumors and are associated with poor prognosis and resistance to PD-1/PD-L1 therapies in many cancers. Inhibition of C5a or its receptor C5aR in mice leads to markedly reduced MDSCs and has an inhibitory effect on tumor growth in various tumor-bearing animal models. The C5aR-blocking antibody has been shown to have significant therapeutic activity when combined with PD-1 therapies in PD-1-resistant tumor models. TJ210 exerts strong anti-tumor activity by blocking the activation and migration of C5aR1-expressing myeloid cells and has a highly differentiated potential, if approved, as it binds to a novel epitope and possesses superior functional properties. Compared to the only competitor antibody from Innate Pharma, TJ210 shows a more potent anti-tumor effect, especially when C5a concentrations are high, and binds to C5a receptors in both humans and monkeys, making pre-clinical safety assessment possible. In addition, TJ210 has therapeutic potential in multiple inflammatory and

autoimmune indications, in which the role of the C5a/C5aR axis has been validated. We partnered with the original developer of TJ210, MorphoSys, for Greater China rights and shared global rights.

In September 2020, the FDA has cleared the IND application for TJ210 to initiate a Phase 1 clinical trial. The trial is designed to evaluate the safety, tolerability, pharmacokinetics and pharmacodynamics of TJ210 and is expected to commence by early 2021. We plan to work jointly with MorphoSys to develop this asset.

TJX7: A Novel CXCL13 Antibody for Autoimmune Diseases

TJX7 is an internally discovered novel humanized neutralizing antibody targeting the CXCL13 chemokine. CXCL13, through its receptor CXCR5, plays a key role in forming germinal centers, which are critical for immune response. The role of CXCL13 in forming germinal centers is to guide the migration of germinal center B cells and follicular T cells within the lymphoid organs and facilitate their interaction, maturation and function. One of the key pathogenic features in autoimmune diseases is related to the aberrant formation of ectopic germinal centers formed in affected organs, contributing to chronic inflammation and tissue destruction. Elevated serum CXCL13 levels, CXCR5-expressing T cells and pathogenic germinal center B cells and even ectopic germinal center formation are found in multiple autoimmune diseases, including Sjögren's syndrome, RA, multiple sclerosis, and SLE. TJX7 is being developed for the treatment of autoimmune disorders and has been shown to bind to CXCL13 with sub-nanomolar affinity, effectively blocking the interaction between CXCL13 and CXCR5 and the downstream signaling. TJX7 has been shown to completely inhibit the migration of primary human tonsil B cells. Pharmacodynamic studies in mice and cynomolgus monkeys have confirmed TJX7's inhibitory effects on germinal center formation and antibody production. Results generated so far indicate that TJX7 may provide a new therapeutic angle in the treatment of autoimmune diseases as it acts uniquely at the core of tissue pathologies. TJX7 is currently under CMC and pre-clinical development.

Pre-clinical Assets (Bi-Specific Antibody Panel)

PD-L1-based Bi-specific Antibodies. As previously discussed, this panel of PD-L1-based bi-specific antibodies is designed according to the scientific rationale that a PD-L1 antibody, when engineered with a selected second immune component such as a cytokine or another antibody, is able to convert "cold tumors," which typically do not respond to PD-1/PD-L1 inhibitors, to "hot tumors," which are more sensitive to PD-1/PD-L1 therapies. Such PD-L1-based bi-specific antibodies are expected to increase the probability of treatment success in patients who do not respond to PD-1/PD-L1 treatment. Based on this concept, we have generated a panel of bi-specific antibodies using our proprietary PD-L1 antibody sequence as the backbone (the first signal), linked to a second component (the second signal) of selected immune properties. Representative examples of the second signals for this panel of bi-specific antibodies include IL-7 cytokine (expanding T effector cells), 4-1BB and B7-H3 antibodies (activating T cells synergistically with PD-L1) and CD47 antibody (adding the macrophage killing mechanism). We strive to validate all bi-specific antibodies through a series of robust *in vitro* and *in vivo* studies for proof-of-concept, thus providing a solid basis for further development. Collectively, we have demonstrated that the second paired component must be structurally integrated with the tumor-engaging anti-PD-L1 backbone to concentrate and function effectively inside tumors, which cannot be achieved by simply combining two free agents.

"Fortified" Bi-specific Antibodies for Specific Cancer Therapeutic Purposes. TJ-C4GM is a "fortified" version of the CD47 antibody, which is specifically designed for the treatment of solid tumors through the CD47-mediated macrophage killing mechanism. As the majority of tumor-associated macrophages adopt an anti-inflammatory and tumor-promoting M2 phenotype rather than a pro-inflammatory M1 phenotype, they are less efficient in phagocytosis in response to CD47 blockade. Thus, treatment of solid tumors with the CD47 antibody may exhibit limited efficacy. TJ-C4GM is a novel molecule composed of lemzoparlimab with an engineered GM-CSF moiety fused at the C-terminus of the antibody heavy chain. GM-CSF is a potent cytokine known to convert tumor-resident M2 macrophages into tumor-engulfing M1 macrophages, which enables TJ-C4GM to exert a better phagocytic effect in solid tumors. These unique functional properties of TJ-C4GM are confirmed in

a series of *in vitro* and *in vivo* tumor animal models, in which TJ-C4GM exerts superior anti-tumor activity against solid tumors, which cannot be achieved by lemzoparlimab or GM-CSF used either alone or in combination. TJ-C4GM is currently at the CMC and pre-clinical development stage.

TJ-CLDN4B is a bi-specific antibody targeting both Claudin18.2 (CLDN18.2), a tumor antigen preferentially expressed in gastric and pancreatic cancers, and 4-1BB, a co-stimulatory molecule on T cells. CLDN18.2 is a tight junction molecule normally expressed only on epithelial cells of the gastric mucosa, which is inaccessible by antibodies under normal conditions, making it a highly attractive tumor target. Although a CLDN18.2 monoclonal antibody (claudiximab) was active in a Phase 2 trial, only the CLDN18.2 high-expressing tumors seemed to be susceptible. In collaboration with ABL Bio, we developed a bi-specific antibody, TJ-CLDN4B, which provides two key advantages over current CLDN18.2 antibodies and 4-1BB agonistic antibodies. First, TJ-CLDN4B is capable of binding to tumor cells even with low levels of CLDN18.2 expression, making it more suitable for a broader patient population. Second, only upon tumor cell engagement by TJ-CLDN4B are T cells activated. In contrast, other pan-activating 4-1BB antibodies that activate T cells regardless of tumor engagement are prone to liver toxicity as seen in clinical studies. In a humanized mouse model, TJ-CLDN4B suppressed tumor growth to a greater extent than anti-CLDN18.2 or anti-4-1BB alone or in combination. TJ-CLDN4B is currently at the CMC and pre-clinical development stage. We expect to file an IND for a first-in-human clinical study with the FDA in the first quarter of 2021.

Licensing and Collaboration Arrangements

A. In-Licensing Arrangements

Licensing Agreement with MorphoSys (Felzartamab)

In November 2017, we entered into a license and collaboration agreement with MorphoSys AG ("MorphoSys") with respect to the development and commercialization of felzartamab (MOR202/TJ202), MorphoSys´s proprietary investigational antibody against CD38 (the "CD38 product").

Under this agreement, MorphoSys granted to us an exclusive, royalty-bearing, sublicensable license to exploit MOR202/TJ202 for any human therapeutic or diagnostic purpose in the licensed territory, namely Greater China.

Pursuant to this agreement, we granted to MorphoSys an exclusive license to our rights in any inventions that we make while exploiting MOR202/TJ202 under this agreement, solely to exploit MOR202/TJ202 outside of Greater China.

We also received the right to sublicense to affiliates and third parties acting as contract manufacturers, contract research organizations, distributors or wholesalers without prior written consent, as well as the right to sublicense to other third parties with the prior written consent of MorphoSys, not to be unreasonably withheld, delayed or conditioned.

We are solely responsible for the development and commercialization of MOR202/TJ202 in Greater China, and must use commercially reasonable efforts as we develop and commercialize MOR202/TJ202.

Pursuant to this agreement, we paid to MorphoSys an upfront license fee of US$20.0 million. We also agreed to make milestone payments to MorphoSys, conditioned upon the achievement of certain development, regulatory and commercial milestones, in the aggregate amount of US$98.5 million. Such milestones include first patient dosed in human clinical trials, marketing approval, and first annual net sales of CD38 products covered by the agreement in excess of a certain amount. As of the date of this prospectus, we have made milestone payments of US$8.0 million to MorphoSys.

In addition, we are required to pay tiered low-teens royalties to MorphoSys on a country-by-country and product-by-product basis during the term, commencing with the first commercial sale of a relevant licensed product in Greater China. The end of the royalty term is linked to (i) the expiration, invalidation or abandonment of relevant patent claims, (ii) 10 years from the date of first commercial sale of such CD38 product, and (iii) marketing exclusivity for such relevant licensed product. To date, we have not paid any royalties to MorphoSys. Unless terminated earlier in accordance with the terms thereof, this agreement will remain in effect until the expiration of our last payment obligation under the agreement. This agreement may be terminated by either party for the other party's uncured material breach, bankruptcy or insolvency. In addition, we have the right to terminate the agreement for convenience at any time after a certain specified time period upon a notice period that varies based upon the stage of development. MorphoSys has the right to terminate the agreement if we challenge its patents. To the extent that we terminate for convenience or MorphoSys terminates for our material breach, bankruptcy, insolvency or patent challenge, among other things, all licenses and rights granted by MorphoSys to us will automatically terminate and the licenses and rights granted by us to MorphoSys will survive. In the event of such termination, we must also grant to MorphoSys an exclusive, royalty-bearing, sublicensable license under certain of our intellectual property relating to the licensed product to exploit MOR202/TJ202 for any human therapeutic or diagnostic purpose in Greater China.

Assignment and License Agreement with Genexine (Eftansomatropin)

In October 2015, I-Mab Bio-tech Tianjin Co., Ltd., known as Tasgen Bio-tech (Tianjin) Co., Ltd. at the time (which subsequently became our subsidiary following the Acquisition) ("I-Mab Tianjin"), entered into an intellectual property assignment and license agreement with Genexine, Inc. ("Genexine"), further amended in December 2017, with respect to four licensed products, namely GX-H9 (TJ101), GX-G3 (TJ102), GX-G8 and GX-P2 and one assigned product, GX-G6 (TJ103). Under this agreement, Genexine (i) granted to I-Mab Tianjin an exclusive, non-transferable, sublicensable license to use and otherwise exploit certain intellectual property to engage in pre-clinical and clinical development, manufacturing, sale and distribution of the above-mentioned licensed products for (A) the treatment of any disease with respect to GX-H9 and GX-G3 in China (which, for clarity excludes, Hong Kong, Macau and Taiwan), (B) the treatment of chemically induced diarrhea, with respect to GX-G8 anywhere in the world and (C) the treatment of rheumatoid arthritis and lupus (not including psoriasis) with respect to GX-P2 anywhere in the world and further (ii) assigned to I-Mab Tianjin a certain Chinese patent and related know-how related to the assigned product (TJ103) and granted I-Mab Tianjin an exclusive license to exploit the assigned intellectual property to engage in pre-clinical and clinical development, manufacturing, sale and distribution of the assigned product (TJ103) for the treatment of any disease in China (which, for clarity, excludes Hong Kong, Macau and Taiwan). I-Mab Tianjin will also receive an exclusive license to any improvements that Genexine develops or acquires related to any of the aforementioned products.

Under this agreement, I-Mab Tianjin paid an aggregate upfront license fee of US$13.0 million in relation to the patents, patent applications, know-how, data and information in connection with the four licensed products and a purchase fee of US$7.0 million in connection with the assigned product (TJ103). I-Mab Tianjin also agreed to make certain milestone payments, including milestone payments in the aggregate amount of US$40.0 million for GX-H9, US$25.0 million for TJ103 and US$15.0 million for GX-G3, conditioned upon the achievement of certain net sales targets. As of the date of this prospectus, we have made upfront license payment of US$0.1 million and milestone payments of US$0.9 million to Genexine.

The term of this agreement is 30 years unless terminated earlier in accordance with the terms thereof. This agreement may be terminated by either party for the other party's uncured material breach, bankruptcy or insolvency, in the event of force majeure or a PRC regulatory requirement to make material alteration or modification to the contractual rights or obligations of this agreement which has the effect of preventing the parties from achieving their business objectives, or upon the termination of a certain subscription agreement or a certain joint venture agreement entered into by I-Mab Tianjin and Genexine in October 2015 (provided that the termination of such subscription agreement or joint venture agreement was not due to the material breach of the party electing to terminate this agreement). Genexine has the right to terminate the agreement if we fail to use

commercially reasonable efforts to obtain regulatory approvals for commercializing the licensed product in the agreed period due to our own fault or if we cease to pursue clinical development or product registration or to conduct licensed activities on a reasonable scale as approved by our board of directors. During the term of this agreement, if I-Mab Tianjin develops or acquires any improvement, modification or alteration to the licensed products, I-Mab Tianjin will become the sole legal owner of such improvements, modifications and alterations and has full power, right and authority to grant licenses or transfer ownership of the same. I-Mab Tianjin is required to promptly notify Genexine in writing giving details of any such improvements, modifications or alterations and provide Genexine with such explanations or trainings to enable Genexine to legally and effectively use the same. Additionally, I-Mab Tianjin shall grant to Genexine a fully paid up, royalty-free, exclusive license to use any such improvements, modifications and alterations anywhere outside of the territory for which I-Mab Tianjin is licensed under this agreement.

Licensing Agreement with Genexine (GX-I7/TJ107)

In December 2017, we entered into an intellectual property license agreement with Genexine with respect to GX-I7, a long-acting IL-7 cytokine. Under this agreement, Genexine granted to us an exclusive, sublicensable and transferable license to use and otherwise exploit certain intellectual property (including improvements subsequently developed or acquired by Genexine) in connection with the pre-clinical and clinical development, manufacturing, sale and distribution of GX-I7 to treat cancers in the field of oncology in China, Hong Kong, Macau and Taiwan.

Under this agreement, we paid an upfront license fee of US$12.0 million to Genexine. We also agreed to make milestone payments in the aggregate amount of US$23.0 million, conditioned upon the achievement of certain development milestones, including completion of Phase 2 and Phase 3 clinical studies and NDA or BLA approval in any of China, Hong Kong, Macau or Taiwan.

Further, we agreed to make milestone payments in the aggregate amount of US$525.0 million, conditioned upon the achievement of certain cumulative net sales of GX-I7 up to US$2,000 million. We also are required to pay Genexine a low-single-digit percentage royalty in respect of the total annual net sales of GX-I7. The aforesaid milestones and royalties (other than the upfront payment) will be reduced by 50% following the entry of a generic version of GX-I7 in China, Hong Kong, Macau and Taiwan without the consent or authorization of us or any of our sublicensees. As of the date of this prospectus, no milestone payments or royalties are due under this agreement.

Unless terminated earlier in accordance with the terms thereof, this agreement will remain in effect until the later of (i) the expiry of the last to expire patent of the licensed intellectual property that includes a valid claim for China, Hong Kong, Macau or Taiwan and that covers the composition of GX-I7; and (ii) 15 years from the date of the first commercial sale of GX-I7. This agreement may be terminated by either party for the other party's uncured material breach, bankruptcy or insolvency, in the event of force majeure or regulatory requirement to make material alteration or modification to the contractual rights or obligations of this agreement which has the effect of preventing the parties from achieving their business objectives, or by mutual agreement of both parties. Genexine has the right to terminate the agreement if we fail to use commercially reasonable efforts to obtain regulatory approvals or other registrations necessary for commercializing the licensed product in the agreed period due to our fault or if we cease to pursue clinical development or product registration or to conduct licensed activities on a reasonable scale as agreed ("Development and Commercialization Termination Events"). Such Development and Commercialization Termination Events expressly include our failure to reach certain development milestones or commercially launch the licensed product in the agreed period. To the extent that we terminate as a result of a regulatory requirement to make material alteration or modification to the contractual rights or obligations of this agreement or Genexine terminates for our material breach, bankruptcy or insolvency, force majeure, or the Development and Commercialization Termination Events, we cannot develop, manufacture, market, promote, sell, offer for sale, distribute or otherwise make available any competing product for a certain period after such termination.

During the term of this agreement, if we develop or acquire any improvement, modification or alteration to the licensed product, we will own such improvements, modifications or alterations and provide Genexine details thereof, whether patentable or not. Additionally, we shall grant to Genexine a fully paid up, royalty-free, exclusive license (with a right to sublicense) to use any such improvements, modifications or alterations anywhere outside of China, Hong Kong, Macau and Taiwan.

In May 2020, we and Genexine entered into an amendment to this agreement, whereby both parties desire to establish a collaboration on TJ107 GBM Study in Greater China. Under the terms of the expanded collaboration, we will be mainly responsible for using commercially reasonable efforts to conduct the Phase 2 GBM clinical trial in Greater China, and Genexine will share the development strategies, data and costs for success of this clinical trial. As of June 30, 2020, the costs incurred for the development of this new indication was immaterial and had no material impact to our unaudited interim condensed consolidated financial statements for the first six months ended June 30, 2020.

Licensing Agreement with Ferring (Olamkicept)

In November 2016, we entered into a license and sublicense agreement with Ferring International Center SA ("Ferring") with respect to (i) FE301, an interleukin-6 inhibitor, and (ii) all pharmaceutical formulations in finished packaged form containing FE301 covered by certain patents or patent applications. Under this agreement, Ferring granted to us an exclusive, sublicensable license (excluding any non-exclusive license that Ferring granted to Conaris Research Institute AG under a licensing agreement entered into in November 2008) under certain Ferring intellectual property to research, develop, make, have made, import, use, sell and offer to sell FE301 (and the licensed products containing FE301) in China, Hong Kong, Macau, Taiwan and South Korea. We also have an option to receive an exclusive, sublicensable license under certain Ferring intellectual property to research, develop, make, have made, import, use, sell and offer to sell FE301 (and the licensed products containing FE301) in the countries in North America, the European Union and Japan that are mutually agreed upon by the parties.

We are required to use commercially reasonable efforts to obtain approval of FE301 and to promote, market, distribute and sell it in China, Hong Kong, Macau, Taiwan, and South Korea. Such activities are to be at our own cost and expense.

Under this agreement, we paid to Ferring an upfront license fee of US$2.0 million. We also agreed to make milestone payments to Ferring, in the aggregate amount of US$14.5 million, conditioned on the achievement of certain development milestones in the licensed territory, including completion of Phase 1b and Phase 2a clinical studies and the submission and approval of the new drug application. Further, if we exercise our option to receive a license in any of the mutually agreed upon countries in North America, the European Union and Japan, we are required to pay to Ferring an additional US$3.0 million as an upfront license fee (upon the exercise of the option), and milestone fees up to the aggregate amount of US$30.0 million, conditioned upon the licensed product achieving certain development milestones in certain countries in the option territory. As of the date of this prospectus, no milestone payments are due under this agreement.

In addition, we agreed to pay Ferring tiered royalties ranging from the mid-single-digit to high-single-digit percentages of annual net sales for countries in China, Hong Kong, Macau, Taiwan, and South Korea, and from the high-single-digits to 10% of annual net sales for the mutually agreed upon countries in North America, the European Union and Japan. To date, we have not paid any royalties to Ferring.

The royalty term commences with the first commercial sale of the licensed product in the relevant country and ends upon the later of (i) 15 years from the date of launch, and (ii) the expiry of the last to expire patent of Ferring that includes a valid claim covering the development, making, using or selling of the licensed compound or licensed product in the licensed territory and/or option territory. Unless terminated earlier in accordance with the terms thereof, this agreement will remain in effect until the later of the expiry of the royalty

term, and the first date on which we are not conducting any necessary and outstanding clinical study with respect to the licensed product or seeking to obtain any necessary and pending regulatory approval for the licensed product, if applicable. This agreement may be terminated by either party for the other party's uncured material breach, bankruptcy or insolvency. In addition, in the event that the original licensor terminates its license to Ferring governing any of the intellectual property sublicensed to us under this agreement, Ferring has the right to terminate this agreement with respect to such sublicenses in which case both parties will discuss in good faith how to resolve and mitigate to mutual satisfaction. To the extent that Ferring terminates for our material breach, bankruptcy or insolvency, among other things, all licenses and rights granted by Ferring to us will automatically terminate and the licenses and rights we granted to Ferring will survive and automatically become irrevocable with the right to sublicense.

During the term of the licensing agreement, if we develop or acquire any improvement, modification, enhancement or addition to the licensed product, we will own and retain all rights, title and interest therein, and grant to Ferring a non-exclusive, fully paid, royalty-free, worldwide license thereto.

License and Collaboration Agreement with MacroGenics (enoblituzumab)

In July 2019, we entered into a license and collaboration agreement with MacroGenics, Inc. for development and commercialization of an Fc-optimized antibody known as enoblituzumab that targets B7-H3, including in combination with other agents, such as the anti-PD-1 antibody known as MGA012, in the People's Republic of China, Hong Kong, Macau and Taiwan.

Under this agreement, MacroGenics granted to us an exclusive, sublicensable, royalty-bearing license to MacroGenics' patents and know-how to develop and commercialize the enoblituzumab product, and a combination regimen of enoblituzumab and MGA012, in Greater China during the term of the agreement.

In exchange for these rights, in addition to certain financial consideration, we grant to MacroGenics a royalty-free, sublicensable, license outside of Greater China, to our patents and know-how that are related to the enoblituzumab product or useful or necessary for MacroGenics to develop or commercialize the enoblituzumab product or a product containing MGA012, and combinations thereof. The license is (i) non-exclusive with respect to the enoblituzumab product, and (ii) exclusive with regard to MGA012.

Unless prohibited by applicable laws and regulations, which include all international, national, federal, state, regional, provincial, municipal and local government laws, rules, and regulations that apply to either us or MacroGenics or to the conduct of the collaboration under this agreement (including Good Manufacturing Practice, Good Clinical Practices, General Biological Products Standards, and the laws, rules and regulations of the International Conference on Harmonisation, the United States, China, Hong Kong, Macau, and Taiwan, each as may be then in effect, as applicable and amended from time to time), we will co-own all clinical data generated pursuant to this agreement in any clinical trial conducted solely in Greater China, and, to the extent that such joint ownership is not legally permitted, MacroGenics will be the sole and exclusive owner of such clinical data. MacroGenics will solely and exclusively own all other clinical data generated pursuant to this agreement. We are not aware of any applicable laws or regulations that would prohibit us from jointly owning such clinical data and, to our knowledge, we currently qualify for such joint ownership with MacroGenics under this agreement.

Pursuant to this agreement, we paid MacroGenics an upfront payment of US$15.0 million. We also agreed to pay MacroGenics development and regulatory milestone fees of up to US$135.0 million and tiered double-digit royalties (ranging from mid-teens to twenty percent) based on annual net sales in the territories. As of the date of this prospectus, no milestone payments or royalties are due under this agreement.

We are responsible for, and must use commercially reasonable efforts, to develop and commercialize the enoblituzumab product (which includes the enoblituzumab product in combination with MGA012) in Greater

China. This includes conducting all clinical studies required for approval, participating in a planned, global Phase 3 trial (or another mutually agreeable global clinical trial) of the enoblituzumab combination product, the conduct of at least two Phase 2 or Phase 3 trials each targeting B7-H3 expressing patient populations, and submissions to regulatory authorities in Greater China. MacroGenics is responsible for, and must use commercially reasonable efforts to, develop and commercialize the enoblituzumab product (which includes the enoblituzumab product in combination with MGA012) in the rest of the world.

We are responsible for all development costs in Greater China. MacroGenics is responsible for all development costs in the rest of the world, except that we are responsible for 20% of the costs incurred in (i) activities supporting global clinical trials in which we participate, (ii) certain CMC activities for material intended to be used in clinical trials in Greater China, and (iii) companion diagnostic development and validation for indications being studied in Greater China.

Unless terminated earlier in accordance with the terms thereof, this agreement will remain in effect, on a country-by-country and region-by-region basis, until the later of (i) the twelfth (12th) anniversary of the first commercial sale of an enoblituzumab product in such country or region, (ii) the expiration of the last-to-expire MacroGenics patent licensed under this agreement, which will occur in October 2036, and (iii) the expiration of the latest data exclusivity period for the enoblituzumab product in such country or region. Since there is currently no data exclusivity protection period in China, Hong Kong, Macau or Taiwan, this agreement will remain in effect until the later of clauses (i) and (ii). This agreement may be terminated by either party for the other party's uncured material breach, safety reasons or force majeure. In addition, we have the right to terminate the agreement for convenience at any time after a certain specified time period upon advance notice to MacroGenics. MacroGenics has the right to terminate the agreement if we challenge its patents. To the extent that we terminate for convenience or MacroGenics terminates for our material breach, patent challenge or safety reasons, all licenses and rights granted by MacroGenics to us will automatically terminate and the licenses and rights granted by us to MacroGenics will survive and automatically become exclusive and worldwide. To the extent that we terminate for MacroGenics' material breach or safety reasons, among other things, all licenses and rights granted by MacroGenics to us will automatically terminate. The licenses and rights granted by us to MacroGenics will also automatically terminate to the extent we terminate for MacroGenics' material breach. To the extent we terminate for safety reasons, such licenses and rights will terminate only with respect to the licensed territory and will otherwise survive outside the licensed territory.

Other In-Licensing Arrangements

In November 2018, we entered into a license and collaboration agreement with MorphoSys for MorphoSys's proprietary antibody (MOR210/TJ210) directed against C5aR (the "C5aR Agreement"). Under this agreement, MorphoSys granted to us an exclusive, royalty-bearing license to explore, develop and commercialize MOR210/TJ210 in Greater China and South Korea. I-Mab will perform and fund all global development activities related to the development of MOR210/TJ210 in Greater China and South Korea, including all relevant clinical trials (including in the U.S. and China) and all development activities required for IND filing in the U.S. as well as CMC development of manufacturing processes. As of the date of this prospectus, we have made an upfront payment of US$3.5 million to MorphoSys. No milestone payments or royalties are due under this agreement. MorphoSys retains rights in respect of development and commercialization of MOR210/TJ210 in the rest of the world. Additionally, MorphoSys maintains the right to conduct activities in Greater China and South Korea that enable MorphoSys to exploit MOR210/TJ210 outside of those countries. Pursuant to the C5aR Agreement, we are required to use commercially reasonable efforts as we develop and commercialize MOR210/TJ210 in Greater China and South Korea. This agreement may be terminated by either party for the other party's uncured material breach, bankruptcy or insolvency. In addition, we have the right to terminate the agreement for convenience at any time after a certain specified time period upon a notice period that varies based upon the stage of development and for safety reasons. MorphoSys has the right to terminate the agreement if we challenge its patents. To the extent that we terminate for convenience or MorphoSys terminates for our material breach, bankruptcy, insolvency or patent challenge, among other things, all licenses and rights granted by

MorphoSys to us will automatically terminate and the licenses and rights granted by us to MorphoSys will survive. In the event of such termination, in addition to other obligations, we must grant to MorphoSys an exclusive, royalty-bearing, sublicensable license under certain of our intellectual property relating to the licensed product to exploit MOR210/TJ210 in Greater China and South Korea.

B. Out-Licensing Arrangements

License and Collaboration Agreement with AbbVie

In September 2020, we, through our subsidiaries I-Mab Biopharma Co., Ltd. and I-Mab Biopharma US Limited, entered into a license and collaboration agreement with AbbVie Ireland Unlimited Company ("AbbVie") for the development and commercialization of certain compounds and products that target CD47, including lemzoparlimab (which targets a unique epitope of CD47).

Under this agreement, we grant AbbVie an exclusive, royalty-bearing, sublicensable license to develop, manufacture and commercialize the licensed compounds and products (but excluding products that are directed to both a CD47 epitope that is not the same or substantially similar to the epitope targeted by lemzoparlimab and a non-CD47 target) anywhere in the world outside of Mainland China, Hong Kong and Macau, and to conduct development and manufacturing activities in Mainland China, Hong Kong and Macau to further AbbVie's commercialization of the licensed products outside of Mainland China, Hong Kong and Macau, except that, with respect to products containing either our preclinical CD47-PDL1 compound or our preclinical CD47-GMCSF compound, AbbVie will not develop, manufacture or commercialize such products until the parties come to financial terms on such products following AbbVie's exercise of its rights of first negotiation. We have granted AbbVie a license and cannot commercialize products containing our preclinical CD47-PDL1 compound or our preclinical CD47-GMCSF compound outside of Mainland China, Hong Kong and Macau even if AbbVie does not exercise its right of first negotiation or we are unable to come to financial terms on such products. We also grant AbbVie a co-exclusive, royalty-bearing, sublicensable license to develop, manufacture and commercialize licensed compounds and products that are directed to both a CD47 epitope that is not the same or substantially similar to the epitope targeted by lemzoparlimab and a non-CD47 target (excluding such compounds and products that have been developed by us) anywhere in the world.

Under this agreement, AbbVie grants us an exclusive, royalty-free, sublicensable license under its technology and any joint technology developed under this agreement to clinically develop and commercialize in Mainland China, Hong Kong and Macau certain of the licensed compounds and products that (1) only target CD47, including lemzoparlimab, and (2) to the extent AbbVie exercises its rights of first negotiation for such licensed compounds and products, consist of our preclinical CD47-PDL1 compound or our preclinical CD47-GMCSF compound.

We are responsible for conducting certain initial development activities, at our cost and expense, following which AbbVie assumes the responsibility and costs for all development, manufacture and commercialization activities of the licensed compounds and products outside of Mainland China, Hong Kong and Macau. Under this agreement, AbbVie is required to use commercially reasonable efforts to develop, seek and obtain approval of, and commercialize at least one licensed product in at least two indications in the United States and at least three of the United Kingdom, France, Germany, Italy and Spain.

We are responsible for the development and commercialization of the licensed compounds and products in Mainland China, Hong Kong and Macau. We are required to use commercially reasonable efforts to develop, seek and obtain approval of, and commercialize at least one licensed product in at least two indications in the PRC.

During the term of the Agreement, we are not permitted to develop, manufacture or commercialize a compound or product that is directed (1) solely to CD47 or (2) to an epitope that is the same or substantially

similar to the epitope targeted by lemzoparlimab, and AbbVie is not permitted to market a monoclonal antibody that is solely directed to a CD47 epitope that is the same or substantially similar to the epitope targeted by lemzoparlimab for an indication in any country where the licensed product has received regulatory approval for such indication. Additionally, during the first five (5) years after the first commercial sale of a licensed product outside of Mainland China, Hong Kong and Macau, AbbVie will not market any monoclonal antibody solely directed to CD47 for an indication in any country where the licensed product has received regulatory approval for such indication in such country. AbbVie's exclusivity restrictions will not prevent it from marketing an antibody that demonstrates additive or synergistic effects in combination with a licensed product, or an improvement on a licensed product based on improved efficacy or safety data.

Under this agreement, we and AbbVie formed a joint governance committee that consists of three representatives from each of us. The joint governance committee will oversee and coordinate the development of the licensed compounds and products in both of our territories, including the review and approval of each of our respective development plans, the review and approval of clinical trials and commercialization in Mainland China, Hong Kong and Macau, and discussing commercialization strategies in each of our territories. The joint governance committee may create working groups as it deems appropriate.

Under this agreement, AbbVie will pay us an upfront payment of US$180 million and, in connection with recently released clinical data from our Phase 1 trial of lemzoparlimab in the United States, we expect to be paid a first milestone payment of US$20 million. Based on the achievement of certain clinical development and regulatory milestones, including first commercial sales in various markets, we may earn additional milestone payments of up to US$840 million. Further, based on the achievement of certain sales-related milestones, we may earn additional milestone payments of up to US$900 million. In addition to the upfront and milestone payments that we may earn, we may also earn tiered royalties consisting of low double-digit percentages of global net sales.

We will not owe any milestone payments for our development or commercialization in Mainland China, Hong Kong and Macau, but we are required to pay AbbVie tiered royalties in the mid- single-digit percentages of net sales of licensed products in those countries.

Under this agreement, we grant AbbVie several rights of first negotiation with respect to our products, including a right of first negotiation to exercise its right to products containing either our preclinical CD47-PDL1 compound or our preclinical CD47-GMCSF compound outside of Mainland China, Hong Kong and Macau. This right of first negotiation is exercisable following completion of preclinical activities sufficient to initiate IND-enabling, GLP-conforming animal toxicology studies, and if AbbVie exercises this right, the parties shall negotiate an amendment to allow AbbVie to develop, manufacture and commercialize that product in exchange for additional regulatory and sales milestones that could equal or exceed US$500 million plus royalty payments.

We also grant AbbVie other rights of first negotiation for rights to commercialize: (1) our preclinical CD47-PDL1 compound or our preclinical CD47-GMCSF compound in Mainland China, Hong Kong and Macau; (2) our multi-specific or bi-specific licensed compounds that contain a targeting moiety that is directed to both an epitope on CD47 that is not the same or substantially similar to the epitope targeted by lemzoparlimab and a non-CD47 target, as well as any products containing such compounds anywhere in the world; and (3) each licensed product that contains a licensed compound as its sole active ingredient that is directed solely to CD47 in Mainland China, Hong Kong and Macau.

AbbVie grants us a right of first negotiation for rights to: (1) commercialize its multi-specific or bi-specific compounds that contain a targeting moiety that is directed to both an epitope on CD47 that is not the same or substantially similar to the epitope targeted by lemzoparlimab and a non-CD47 target, as well as any products containing such compounds in Mainland China, Hong Kong and Macau; and (2) develop and commercialize licensed compounds as part of combination products (other than products that contain a licensed compound directed against both an epitope on CD47 that is not the same or substantially similar to the epitope targeted by lemzoparlimab and a non-CD47 target) in Mainland China, Hong Kong and Macau.

This agreement may be terminated by either party in the event of an uncured material breach. If the material breach and failure to cure is by AbbVie with respect to some countries, but not others, we have the right to terminate this agreement solely with respect to the countries to which the breach relates. If the material breach and failure to cure is by us with respect to our obligations in Mainland China, Hong Kong and Macau, AbbVie will have the right to reduce payments to us by a certain percentage.

AbbVie has certain termination rights if it determines not to continue development and commercialization based on documented safety concerns. AbbVie may also terminate this agreement in part or in whole for convenience following prior written notice of a certain period. AbbVie may also terminate this agreement immediately following certain breaches by us of anti-bribery and anti-corruption laws. AbbVie also has termination rights related to the approval process under the Hart-Scott-Rodino Antitrust Improvements Act. If we stop material clinical development and commercialization activities in Mainland China, Hong Kong and Macau without justification, AbbVie may reduce any royalties that would have been due to us by a certain percentage.

If AbbVie stops material clinical development and commercialization activities without justification for a period of time, we may terminate this agreement. We also have certain termination rights if AbbVie or its affiliates challenge our patents related to the licensed products.

Licensing Agreement with ABL Bio

In July 2018, we entered into a license and collaboration agreement with ABL Bio (the "ABL Bio License"), as amended from time to time. Under the ABL Bio License, we granted to ABL Bio exclusive, worldwide (excluding Greater China), royalty-bearing rights to develop and commercialize a bispecific antibody (the "BsAb") using certain of our monoclonal antibody sequences. ABL Bio has developed expertise in the area of bispecific antibodies for cancer treatment and has developed proprietary intellectual property around the BsAb technology, and the license allows ABL Bio to further develop and commercialize the BsAb based on monoclonal antibodies licensed from us under the ABL Bio License. ABL Bio granted to us an exclusive, royalty-free, sublicensable license under its interest in the BsAb and related know-how (including improvements thereto) to exploit the licensed BsAb in Greater China.

Under the ABL Bio License, we and ABL Bio each are responsible for using commercially reasonable efforts to develop the licensed products through the completion of in vivo studies, and ABL Bio is responsible for using commercially reasonable efforts thereafter. We agreed to split costs fifty-fifty (50:50) with ABL Bio through the completion of in vivo studies, with ABL Bio responsible for all costs and activities following that time. ABL Bio is responsible for all development and commercialization activities, subject to our input through a joint committee comprised of an equal number of our and ABL Bio's representatives (though ABL Bio has final decision-making authority).

In consideration of the license, ABL Bio paid us an upfront fee of US$2.5 million and agrees to make milestone payments in the aggregate amount of US$97.5 million conditioned upon achieving certain clinical development and sales milestones. Further, ABL Bio agreed to pay us royalties at mid-single-digit percentages in respect of the total annual net sales of the licensed BsAb product.

In addition, ABL Bio granted to us an exclusive, royalty-free, sublicensable license to use its BsAb technology solely to exploit the licensed BsAb product for all indications in Greater China.

We also agreed that, during the term of the ABL Bio License, neither we nor ABL Bio would develop independently from the other a bispecific antibody that uses the same pair of antibodies as the bispecific antibody molecules created under the ABL Bio License.

The ABL Bio License will continue to be in effect until expiration of the last payment obligation thereunder, unless earlier terminated according to its terms. The ABL Bio License may be terminated by either

party for the other party's uncured material breach or in the event that the other party challenges its patents. In addition, after a certain specified time period, ABL Bio may terminate the ABL Bio License upon a notice period that varies based upon the stage of development.

Upon expiration (but not termination) of the ABL Bio License, we and ABL Bio will each retain our respective licenses granted under the ABL Bio License. If the ABL Bio License is terminated pursuant to ABL Bio's right to terminate at will or due to ABL Bio's material breach, all rights and obligations (including all licenses granted) shall terminate and upon our request, we and ABL Bio will negotiate in good faith regarding our takeover of the exploitation of the BsAb product outside of Greater China in exchange for reasonable compensation. Such negotiation will include, among other things, ABL Bio's assignment of assets related to the licensed BsAb product and the continuation of the licenses granted to us under the ABL Bio License.

Licensing Agreement with CSPC Entity

In December 2018, we entered into a product development agreement (the "CSPC Agreement") with an entity controlled by CSPC Pharmaceutical Group Limited (01093.HK) ("CSPC entity"). Under the CSPC Agreement, we granted to CSPC entity exclusive, non-transferable, non-irrevocable and sublicensable rights under our patent rights in China to develop and commercialize TJ103 for treating type 2 diabetes mellitus and any other potential therapeutic applications. CSPC entity's right to sublicense is conditioned on our prior written consent, which we cannot unreasonably withhold, other than sublicense to CSPC entity's affiliates. CSPC entity is a comprehensive pharmaceutical and drug manufacturing company, with an increasing focus on its research and development of new products focusing the therapeutic area of oncology, among others.

Under the CSPC Agreement, CSPC entity is responsible for using commercially reasonable efforts to develop, obtain market approval and commercialize the licensed products, while we are responsible for using commercially reasonable efforts to transfer the manufacturing technology of the licensed products to CSPC entity and assist or guide CSPC entity in the continued optimization of such manufacturing technology thereafter. CSPC entity has final decision-making authority with respect to product development (though the research plan shall be jointly developed by both parties and any changes to the plan shall be discussed and approved by the joint development committee) and commercialization.

We also agreed that, during the term of the CSPC Agreement, we shall not develop, either for ourselves or for third parties, any other hyFc platform technology-based long-acting recombinant GLP-1 Fc fusion proteins that may be in a competitive position with TJ103.

In consideration of the license, CSPC entity paid us an upfront fee of RMB15.0 million and agreed to make milestone payments in an aggregate amount of RMB135.0 million conditioned upon achieving certain clinical development and regulatory approval milestones, including completion of Phase 2 and Phase 3 clinical studies and obtaining NDA approval or market approval. Further, we will also be entitled to tiered royalties ranging from mid-single-digit percentages to 10 percent in respect of the total annual net sales of the products after their commercialization in China. The royalty term shall terminate at the later of: (i) the expiry date of the underlying patents of the licensed products with application numbers 201410851771.1 and 201580071643.8 (final grant of rights requested relating to GLP-1) in China, whichever is later; and (ii) the ten-year anniversary of the initial commercialization of the product developed under the CSPC Agreement. We expect any patents that may issue under the aforementioned patent application numbers 201410851771.1 and 201580071643.8 will expire between 2034 and 2035, before taking into account any extension that may be obtained through patent term extensions or adjustments, or term reduction due to filing of terminal disclaimers.

Unless terminated earlier in accordance with the terms thereof, the CSPC Agreement will remain in effect until the termination of the royalty term. This agreement may be terminated by either party for the other party's uncured material breach, bankruptcy or insolvency or force majeure. We have the right to terminate the agreement if CSPC entity fails to use commercially reasonable efforts to obtain regulatory approvals for

commercializing the licensed product in the period stipulated by its board of directors due to its own fault or if CSPC entity ceases to pursue clinical development or product registration as determined by its board of directors. CSPC entity has the right to terminate the agreement if we fail to resolve certain intellectual property disputes relating to TJ103 within six months after signing.

During the term of the CSPC Agreement, CSPC entity shall have exclusive, royalty-free rights in China to any work product generated by us, and be responsible for any patent application and maintenance costs of such work product. CSPC entity shall have all rights to any work product generated by itself under the CSPC Agreement.

Other Out-Licensing Arrangements

In April 2017, our subsidiary I-Mab Shanghai entered into a technology transfer agreement (the "HDYM License") with Ningbo Hou De Yi Min Information Technology Co., Ltd. ("HDYM") and Hangzhou HealSun Biopharm Co., Ltd. ("HealSun") with respect to PD-L1 humanized monoclonal antibodies. HealSun is a portfolio company of Lepu Biotech (乐普生物). Under the HDYM License, I-Mab Shanghai agreed to grant to HDYM exclusive (even to I-Mab Shanghai itself), worldwide and sublicensable rights to develop, manufacture, have manufactured, use, sell, have sold, import, or otherwise exploit certain PD-L1 related patents, patent applications, know-hows, data and information of I-Mab Shanghai, relevant cell lines as well as any PD-L1 monoclonal antibody arising from such cell lines for the treatment of diseases. Further, I-Mab Shanghai and its cooperative party HealSun agreed to provide subsequent research and development services on such intellectual property to HDYM, including the selection and examination of innovative PD-L1 humanized monoclonal antibodies, cultivation and selection of stable cell lines, establishment of cell bank, research and development of manufacturing processes and preparation of samples, toxicological and pharmacological testing, pre-clinical pharmaceutical experiment report drafting, and application for and registration of clinical trials. If any party breaches the agreement and fails to cure, the non-breaching parties may terminate this agreement. In addition, in the event that the development of the licensed product encounters insurmountable technical difficulties, this agreement may be terminated by mutual agreement of all parties. To the extent that the agreement is terminated for HDYM's breach, all licenses and rights granted by us to HDYM will automatically terminate and be reassigned to us. To the extent that the agreement is terminated due to material difficulty, HDYM will have all rights to dispose of any development data and technology held by HealSun and us under this agreement and neither HealSun or us may use such development data and technology without HDYM's consent.

In March 2020, we entered into a strategic partnership with Kalbe Genexine Biologics ("KG"), a joint venture of Kalbe Farma Tbk ("Kalbe") and Genexine. Under the terms of the agreement, KG will receive a right of first negotiation for an exclusive license for the commercialization of two I-Mab-discovered product candidates: uliledlimab, a highly differentiated anti-CD73 antibody in Phase 1 development for advanced solid tumors, and an I-Mab product candidate to be agreed upon by both parties. With the agreement, KG will have a right of first negotiation for exclusive rights to commercialize these two product candidates in the ASEAN (Brunei Darussalam, Cambodia, Indonesia, Laos, Malaysia, Myanmar, Philippines, Singapore, Thailand and Vietnam) and MENA (Algeria, Bahrain, Djibouti, Egypt, Iran, Iraq, Israel, Jordan, Kuwait, Lebanon, Libya, Malta, Morocco, Oman, Qatar, Saudi Arabia, Syria, Tunisia, United Arab Emirates, Palestine, and Yemen) regions, as well as Sri Lanka. If and when we and KG enter into the definitive licensing agreement for uliledlimab, we will be eligible to receive from KG an aggregate amount of up to approximately $340 million, including an upfront payment and subsequent payments conditional upon achieving certain development and commercial milestones. KG will pay us tiered royalties in the low to mid-teen percentages on net sales from the ASEAN and MENA regions, as well as Sri Lanka.

C. Collaboration Arrangements

In July 2018, we entered into a collaboration agreement with ABL Bio whereby both parties agreed to collaborate to develop three PD-L1-based bispecific antibodies by using ABL Bio's proprietary BsAb technology

and commercialize them in their respective territories, which, collectively, include the PRC, Hong Kong, Macau, Taiwan and South Korea, and other territories throughout the rest of the world if both parties agree to do so in such other territories during the performance of the agreement. This agreement may be terminated by either party for the other party's uncured material breach or in the event that the other party challenges its patents. Also, if a party encounters insurmountable technical difficulties and risks, which cannot be resolved by such party within a certain period thereafter despite all reasonable efforts, such party will have the right to terminate this agreement and will no longer have the right to develop the licensed product. As of the date of this prospectus, ABL Bio has paid US$2.5 million upfront payment to us.

In September 2018, we entered into a collaboration and platform technology license agreement with WuXi Biologics Ireland Limited ("WuXi Biologics"), whereby both parties agreed to collaborate in the research and development of at least three bispecific antibodies for our company to commercialize them worldwide. Such bispecific antibodies shall be created using our proprietary monoclonal antibodies and WuXi Biologics' proprietary WuXiBody platform technology for generating bispecific antibodies, shall be developed and manufactured through the exclusive service of WuXi Biologics. This agreement may be terminated by either party for the other party's uncured material breach, bankruptcy or insolvency. WuXi Biologics has the right to terminate this agreement if we challenge its patents. We have the right to terminate this agreement if we decide to end the development and commercialization of the licensed product in the licensed territory due to scientific, technical, or commercial reasons. As of the date of this prospectus, we have made an up-front payment of US$1.0 million to Wuxi Biologics and no milestone payments or royalties are due under this agreement. In April 2019, we extended our existing partnership with WuXi Biologics (Shanghai) Co., Ltd. ("WuXi Biologics Shanghai"). We entered into a long-term, strategic collaboration agreement with WuXi Biologics Shanghai to facilitate the CMC development and GMP manufacturing of both clinical and commercial supplies of certain of our monoclonal and bispecific antibodies and fusion products, leveraging WuXi Biologics' and its affiliates' expertise in this area and supporting our pre-existing collaboration and platform technology license agreement with WuXi Biologics.

Competition

Our industry is highly competitive and subject to rapid and significant change. While we believe that our management's research, development and commercialization experience provide us with competitive advantages, we face competition from global and China-based biopharmaceutical companies, including specialty pharmaceutical companies, generic drug companies, biologics drug companies, academic institutions, government agencies and research institutions.

For our Global Portfolio drug candidates, we expect to face competition from a broad range of global and local pharmaceutical companies. Many of our competitors have significantly greater financial, technical and human resources than we have, and mergers and acquisitions in the biopharmaceutical industry may result in even more resources being concentrated among a smaller number of our competitors. Our commercial opportunity could be reduced or eliminated if our competitors develop or market products or other novel therapies that are more effective, safer or less costly than our current or future drug candidates, or obtain regulatory approval for their products more rapidly than we may obtain approval for our drug candidates.

Intellectual Property

Our success will depend significantly on our ability to obtain and maintain patent and other proprietary protection for our drug candidates and other commercially important products, technologies, inventions and know-how, as well as on our ability to defend and enforce our patents including any patent that we have or may issue from our patent applications, preserve the confidentiality of our trade secrets and operate without infringing the valid and enforceable patents and proprietary rights of other parties.

As of September 30, 2020, our owned patent portfolio consists of (i) 11 issued patents, including four issued in the U.S., one issued in the PRC, three issued in Korea and three other jurisdictions; and (ii) 223 pending

patent applications, including 12 PCT patent applications, 16 U.S. patent applications, 18 PRC patent applications and 177 patent applications in other jurisdictions. Our owned patents and patent applications primarily relate to the drug candidates in our Global Portfolio. Furthermore, as of September 30, 2020, we in-licensed the Greater China and Korea rights relating to (i) 22 issued patents, including 13 issued in the PRC, one issued in Korea, six issued in Hong Kong and two issued in Taiwan; and (ii) 34 pending patent applications, including five PCT patent applications, 10 PRC patent applications, 10 Hong Kong patent applications, six Taiwan patent applications, two Korean patent applications and one Macau patent application. The in-licensed patents and patent applications primarily relate to felzartamab, eftansomatropin, olamkicept, enoblituzumab and efineptakin alfa.

Felzartamab	As of September 30, 2020, we exclusively licensed from MorphoSys nine issued patents (including six issued in the PRC, two issued in Hong Kong and one issued in Taiwan) and 11 pending patent applications (including two PCT applications, two in the PRC and four in Hong Kong, two in Taiwan and one in Macau) relating to felzartamab. The licensed patents include composition of matter patents in China, Hong Kong and Taiwan. The patents (including patent applications if issued) in this portfolio are expected to expire between 2025 and 2040, before taking into account any extension that may be obtained through patent term extension or adjustment, or term reduction due to filing of terminal disclaimers.
Eftansomatropin	As of September 30, 2020, we (i) exclusively licensed from Genexine two pending PRC patent applications directly relating to eftansomatropin and (ii) exclusively licensed from Genexine three issued patents in the PRC relating to a hyFc platform that develops eftansomatropin. The licensed patents include composition of matter patents in China. The patents (including patent applications if issued) in this portfolio are expected to expire between 2028 and 2037, before taking into account any extension that may be obtained through patent term extension or adjustment, or term reduction due to filing of terminal disclaimers.
Olamkicept	As of September 30, 2020, we exclusively licensed from Ferring two issued patents in the PRC and Korea relating to olamkicept and six patient applications in the PRC, Hong Kong and Korea relating to olamkicept. The licensed patents include composition of matter patents. These patents are expected to expire between 2027 and 2035, before taking into account any extension that may be obtained through patent term extension or adjustment, or term reduction due to filing of terminal disclaimers.
Enoblituzumab	As of September 30, 2020, we exclusively licensed from MacroGenics six issued patents (including two issued in the PRC, three issued in Hong Kong and one issued in Taiwan) and eight pending patent applications (including two in the PRC, four in Hong Kong and two in Taiwan) relating to enoblituzumab. The patents (including patent applications if issued) in this portfolio are expected to expire between 2023 and 2036, before taking into account any extension that may be obtained through patent term extension or adjustment, or term reduction due to filing of terminal disclaimers.
Efineptakin	As of September 30, 2020, we (i) exclusively licensed from Genexine one pending PRC patent application directly relating to efineptakin and (ii) exclusively license from Genexine three issued patents in the PRC relating to a hyFc platform that develops efineptakin. The patents (including patent applications if issued) in this portfolio are expected to expire between 2028 and 2036, before taking into account any extension that may be obtained through patent term extension or adjustment, or term reduction due to filing of terminal disclaimers.

Plonmarlimab	As of September 30, 2020, we owned one PCT patent application that relates to plonmarlimab and it has entered national phases in China, the United States and 22 other jurisdictions. We expect that any patent that may issue under this application will expire in 2037, before taking into account any extension that may be obtained through patent term extension or adjustment, or term reduction due to filing of terminal disclaimers.
Lemzoparlimab	As of September 30, 2020, we owned two PCT patent application, one of which has entered national phases in the PRC, the United States and 24 other jurisdictions, and the other has entered national phase in the PRC. We expect that any patents that may issue under these applications will expire between 2037 and 2039, before taking into account any extension that may be obtained through patent term extension or adjustment, or term reduction due to filing of terminal disclaimers.
Ulileldimab	As of September 30, 2020, we owned one PCT patent application and it has entered national phases in the PRC, the United States, and 23 other jurisdictions. We expect that any patent that may issue under this application will expire in 2038, before taking into account any extension that may be obtained through patent term extension or adjustment, or term reduction due to filing of terminal disclaimers.

The term of a patent depends upon the laws of the country in which it is issued. In most jurisdictions, a patent term is 20 years from the earliest filing date of a non-provisional patent application. Under the PRC Patent Law, the term of patent protection starts from the date of application. Patents relating to inventions are effective for twenty years, and utility models and designs are effective for ten years from the date of application. There are no patent term adjustments or patent term extensions available in the PRC for issued patents.

In addition to patents, we rely upon unpatented trade secrets and know-how and continuing technological innovation to develop and maintain our competitive position. However, trade secrets and know-how can be difficult to protect. We seek to protect our proprietary information, in part, by executing confidentiality agreements with our partners, collaborators, scientific advisors, employees, consultants and other third parties, and invention assignment agreements with our consultants and employees. We have also executed agreements requiring assignment of inventions with selected scientific advisors and collaborators. The confidentiality agreements we enter into are designed to protect our proprietary information and the agreements or clauses requiring assignment of inventions to us are designed to grant us ownership of technologies that are developed through our relationship with the respective counterparty. We cannot guarantee that we have entered into such agreements with each party that may have or have had access to our trade secrets or proprietary technology and processes or that these agreements will afford us adequate protection of our intellectual property and proprietary information rights. If any of the partners, collaborators, scientific advisors, employees and consultants who are parties to these agreements breaches or violates the terms of any of these agreements or otherwise discloses our proprietary information, we may not have adequate remedies for any such breach or violation, and we could lose our trade secrets as a result.

Additionally, as of September 30, 2020, we had (i) three registered trademarks in Hong Kong, 12 registered trademarks in the PRC, two registered trademarks in the United States, 45 trademark applications in the PRC and six trademark applications in the United States; (ii) 12 domain names in the PRC, including www.i-mabbiopharma.com, four domain names in Hong Kong and two domain names in the United States and (iii) 12 software copyrights in the PRC.

For more information on these and other risks related to intellectual property, see “Risk Factors—Risks Related to Our Intellectual Property.”

Enterprise Social Responsibility

Having a positive impact on the communities in which we operate is an integral part of our business, and we maintain that as our core values. We aim to make a significant positive contribution to society around the

world, through the transformational medicines that we research, develop, manufacture and sell. We are committed to reflecting ethical, social and environmental concerns in our business decisions. Our products must improve people's lives and ensure a profitable and sustainable future for our business. We also understand that stakeholders, including employees, need to be reassured of the sound ethical basis for our business.

Our focus on making a contribution to improving healthcare and alleviating suffering is evidenced by our efforts on coping with the COVID-19 outbreak. We are initiating the development of plonmarlimab to treat cytokine storm in severe and critically ill patients caused by COVID-19. Cytokine storm is characterized by surge of high levels of circulating inflammatory cytokines and is an overreaction of the immune system in patients infected with SARS-CoV-2. Recent studies revealed that high levels of GM-CSF, along with a few other cytokines, are critically associated with severe clinical complications in COVID-19 patients. Research data provide the rationale to use plonmarlimab as a potential treatment for cytokine storm associated with COVID-19, because the antibody effectively neutralizes circulating GM-CSF to control acute inflammatory responses, and it may also exhibit potential advantages over conventional IL-6 antibodies. We received IND clearance from the FDA in April 2020, and our study commenced initially in the United States with plans to expand into other hardest-hit countries. Predefined safety assessment of the first part of the study was performed and the study is currently ongoing as a Phase 2 trial with potential to be a Phase 3 trial in patients with cytokine release syndrome associated with severe COVID-19. Data from part 1 of the study and review results of a data monitoring committee indicated that plonmarlimab is safe and well-tolerated in the severe COVID-19 patients in the study. Part 2 of the study will evaluate the efficacy, safety and cytokine levels is on-going. In addition, at the peak of the COVID-19 outbreak, we donated personal protective equipment and funds worth a total of RMB800 thousand to support medical personnel and hospitals in Wuhan. We also donated US$50 thousand to BayHelix, a nonprofit organization focused on global life sciences and healthcare community, for the purpose of supporting relief of COVID-19 in the United States. Meanwhile, we took the health and safety of our employees as our top priority and have implemented company-wide self-protection policies for employees to either working remotely or onsite with protective masks and sanitization.

Manufacturing and Supply

Our manufacturing strategy for our drug candidates consists of two progressive steps, involving (i) using contract development and manufacturing organizations ("CDMOs") and (ii) establishing our own capabilities and infrastructure, including a manufacturing facility. We believe that development of our own manufacturing facility will provide us with enhanced control of material supply for both clinical trials and the commercial market, enable the more rapid implementation of process changes and help us achieve better long-term margins.

We currently outsource the manufacturing of clinical trial material for our internally developed, IND enabling projects to leading CDMOs in China such as WuXi Biologics, and the manufacturing of clinical trial material for clinical stage projects which were in-licensed from our global partners to reputable global CDMOs, which have established track records for both clinical trial material supply and commercial material supply. We have assembled a seasoned internal team with deep experience in this area to drive and monitor this process. For contingency planning purposes, we have also established relationships with other CDMOs. We expect to continue our outsourcing relationships with contract manufacturers to meet the ongoing needs for the development of our drug candidates. We have framework agreements with these external service providers, under which they provide services to us on a project-by-project basis. We also monitor the manufacturing activities of clinical trial material at CDMO to ensure the compliance with local and international cGMP and applicable regulations. Currently, our contract manufacturers obtain raw materials and supplies for the manufacturing activities from multiple suppliers who we believe have sufficient capacity to meet our demands. We typically order materials and services on a purchase order basis. We also enter into long-term capacity or minimum supply arrangements with them.

We believe it is strategically important and advantageous that we own and control our GMP manufacturing process in order to ensure quality, secure production slots and maximize cost-effectiveness for

clinical trial materials and commercial supplies. We intend to build a comprehensive biologics manufacturing facility in Hangzhou, China (the "Hangzhou Facility") as part of our strategic plan to become a fully integrated biopharma company. We have taken concrete steps to execute this plan. These steps include detailed operational planning for the facility, actions taken to secure an appropriate site, and negotiations with external financing providers. The Hangzhou Facility targets to have a pilot capacity of 2 x 2,000L by the end of 2021 and commercially progressive capacity up to 8 x 2,000L to begin operation by the end of 2023. Construction is expected to commence in late 2020. The project will be financed by a combination of internal and external sources. A group of domestic investors in China have agreed to invest a total of US$120 million (in RMB equivalent) in cash. Upon closing, we, through our wholly owned subsidiary and parties acting in concert, will remain the majority shareholder of I-Mab Biopharma (Hangzhou) Limited ("I-Mab Hangzhou"), the entity holding the Hangzhou Facility, and retain a managing role and take full control to build and operate the manufacturing facility. We plan to prioritize our therapeutic focus and resources on immuno-oncology in our global ambition to become a leading immuno-oncology company. This goal has been accelerated by our recent global strategic partnership with AbbVie and its commercialization plan for the initial oncology products. I-Mab Hangzhou is positioned to provide manufacturing capabilities for us, as well as the continued development of selected biologics assets that are unessential to our immuno-oncology focus, i.e. olamkicept, plonmarlimab (excluding cytokine release syndrome indications) and a few pre-clinical CMC-stage programs. We believe that this strategic alignment is necessary to maximize the pipeline value and balance the development risk for us.

R&D Governance

We have established robust governance regime for all stages of our research and development activities, through our internal discovery, CMC, pre-clinical and clinical development programs, and through product acquisition and in-licensing strategies. The research and development governance regime has enabled our senior management to continuously oversee and monitor our company's research and development activities for complying with applicable laws, regulations, rules, guidelines and internal policies.

We have established various governance and decision-making committees, composed of senior representatives from the respective functional units to review, discuss and determine, for instance, whether a drug candidate molecule is qualified to move forward into the next stage or not, what data package is considered appropriate and compliant to be submitted to regulatory agencies and how clinical safety of our investigational drugs will be monitored and reported. These committees make decisions over the critical "checkpoints" of our research and development activities and include our (i) Science Committee, (ii) IND Scientific Advisory Committee, (iii) R&D Project/Program/Portfolio Governance, (iv) Medical Safety Council, (v) Safety Management Team, and (vi) Quality Committees.

Science Committee for Early Stage Research of Drug Candidates

Our Science Committee is composed of selected functional heads and members of the leadership, including Dr. Taylor B. Guo, Dr. Zheru Zhang, Dr. Joan Huaqiong Shen, Dr. Jane Meng, Yuan Meng, Dr. Weimin Tang, Dr. Chao Zhang and Dr. Zhengyi Wang, chaired by Dr. Taylor B. Guo. The Science Committee will collaborate with the management team to enhance our company's research practices and assist management in evaluating scientific aspects of potential in-licensing opportunities, collaborations and new technologies that may bolster our pipeline and research and development capabilities. The Science Committee's responsibilities include:

- approving the target review package submitted by our discovery group;
- providing governance on the quality and integrity of drug candidates, before entering into CMC process development;
- examining the experimental data and scientific evidence supporting the drug candidate;

- reviewing and making recommendations on our company's resource allocation in further development; and
- setting the direction for scientific and technical review of potential in-licensing opportunities.

Furthermore, our Corporate Compliance Function led by Mr. Thomas Song has taken a number of steps to review the integrity and reliability of the experimental data submitted with the selected drug candidate. The design, operation and monitoring of this data integrity program is integral to our quality control and assurance system, and is independent with respect to our research and development unit and Science Committee, to ensure the compliance with the principles of scientific data integrity, including controls over changes to, and deletions of source of data.

IND Scientific Advisory Committee for Drug Candidates Entering into Clinical Development Stage

Our IND Scientific Advisory Committee is composed of Dr. Joan Huaqiong Shen, Dr. Zheru Zhang and Dr. Jane Meng. The IND Scientific Advisory Committee is accountable for our IND application strategy and the data quality of our IND registration dossier before submission to the FDA, the NMPA and other comparable authorities. Our IND Scientific Advisory Committee advises the project team on policy matters and provides overall direction of new drug studies, and to that extent serves as a standing modality committee.

R&D Project/Program/Portfolio Governance ("IP3 Governance")

Our IP3 Governance is composed of Dr. Joan Huaqiong Shen, Dr. Zheru Zhang and Dr. Chao Zhang, with Dr. Joan Huaqiong Shen serving as the chair. Our IP3 Governance is a decision-making body that assesses and approves research and development portfolio strategy and execution proposals from a multi-discipline perspective, with an integrated approach incorporating scientific, clinical and commercial considerations. Our IP3 Governance aims to ensure that the project, program and/or portfolio-related decisions are logical, robust and repeatable and that our investments in research and development activities is aligned with our vision and strategy. The IP3 Governance responsibilities include:

- reviewing and determining the in-licensing and out-licensing strategic plan;
- performing reviews on critical research and development stage gates, including clinical asset selection, GLP pharmacology and toxicology studies, FIH studies, clinical development and regulatory submission; and
- reviewing product development strategy and monitoring project timeline and costs. ***Medical Safety Council ("MSC")***

Our MSC is composed of selected research and development functional heads and Subject Matter Experts, including Yuan Meng, Dr. Joan Huaqiong Shen, Michelle Yang, Dr. Taylor B. Guo, Dr. Jane Meng, Dr. Claire Xu and Zhengsong Zhang, chaired by Yuan Meng, Head of Medical Office. Our MSC is the highest medical safety governance body engaged in setting standards for protecting the medical safety of patients and users of our products, and providing strategic direction in product vigilance and patient or user safety. The MSC's responsibilities include:

- establishing standards and policies, and identifying best practices related to medical safety;
- providing oversight of all medical safety relevant activities, and overseeing the implementation of our company's medical safety standard, as well as the outcomes of the periodic audits;
- addressing safety information that could result in a significant change in the benefit-risk profile of our products; and

- reviewing and approving FIH studies and any other issues with respect to the safety of human exposure during early development stage.

Safety Management Teams ("SMT") for Product-Related Safety System

Our SMT is composed of representatives from each research and development function, including Yuan Meng, program lead, clinical physician (on program level), representatives of regulatory affairs (on program level), representatives of project management (on project level), external business partner (if applicable) and representatives of medical affairs (if applicable), chaired by Yuan Meng. The SMT is a product-based, cross-functional collaborative team responsible for the review and evaluation of medical safety data arising from any source throughout the product lifecycle. Our SMT performs assessments to identify changes in safety profiles or potential safety signals. Based on these safety evaluations, the SMT will determine the appropriate safety-related actions to be taken with respect to the product based on its benefit-risk profile for subjects in clinical trials and for patients treated with the marketed product.

Our SMT works closely with and escalates safety issues, as appropriate, to the MSC to fulfill our medical safety obligations. Our SMT is responsible for reviewing available safety information from multiple sources on a regular basis and make final decisions on safety in a timely manner with appropriate cross-functional input.

Quality Committees

We have formed two Quality Committees, namely, I-Mab Biopharma Quality Management Review and R&D Quality Council.

I-Mab Biopharma Quality Management Review ("I-Mab QMR") is composed of Dr. Joan Huaqiong Shen, Dr. Zheru Zhang, Yuan Meng and Thomas Song, co-chaired by R&D Quality Assurance officer Yuan Meng and CMC Quality Assurance officer Jack Qin. I-Mab QMR is a company-level cross-functional senior leadership meeting to provide management oversight of our company's Quality Management System ("QMS") and the compliance status of our company's regulated activities with applicable laws, regulations, policies and procedures, focusing on R&D and CMC GXP activities. To ensure our Corporate Quality Plan is set, key QMS elements are established and maintained, quality requirements are met, and trends, changes and risks are identified and addressed proactively.

R&D Quality Council is composed of representatives from each research and development function, including Dr. Joan Huaqiong Shen, Niri Wu, Yuan Meng, Michelle Yang, Dr. Claire Xu, Dr. Jane Meng and heads of therapeutic areas (in China and the United States), chaired by Dr. Joan Huaqiong Shen. R&D Quality Council is a governance body that oversees the performance of the QMS and serves as the final decision-making body for critical quality issues that affect subject and patient safety, data integrity and compliance with global and local regulatory authorities. The QMS encompasses the structure, responsibilities and procedures that enable the organization to identify, measure, control and enhance core regulated processes and activities.

Code of Conduct

We have adopted a Code of Conduct that is applicable to many aspects of our business operation, such as business ethics, responsible research and development activities, IP and data protection, workplace ethics and other corporate governance topics, as well as implementing high ethical standards that are mandatory for our employees. In addition, we have adopted an employee handbook which describes the compliance management system implemented at I-Mab to ensure compliance with applicable legal and regulatory requirements.

Quality Control and Assurance

In addition to the research and development governance regime described above, we have established an independent quality control and assurance system and devote significant attention to quality control for the

designing, manufacturing and testing of our drug candidates. Our Assurance Board is composed of Dr. Joan Huaqiong Shen, Dr. Zheru Zhang and Thomas Song. Our senior management is firmly committed to delivering our quality performance, actively involved in allocating sufficient resources to quality management system and setting quality governance mechanism.

For pre-clinical and clinical trials, the overall quality management outlines the implementation of our business policies and procedures in order to consistently comply with the regulatory requirements, including Good Laboratory Practices, or GLP; Good Clinical Practices, or GCP; Good Pharmacovigilance Practice, or GVP and other applicable regulatory requirements in the performance of the trials. This includes:

- predefined policies and procedures to manage pre-clinical and clinical studies;
- dedicated resources and personnel with well delineated roles and responsibilities;
- quality risk management across the product lifecycle;
- continuous quality management system improvement;
- non-conformance management via quality issue management process;
- development and execution of quality audit program; and
- regulatory inspection readiness.

For CMC, we have established a quality management system to oversee the process development and API and drug production at the CDMOs. This system takes a holistic approach bringing senior management, quality assurance team and company policies together to create an efficient and agile quality culture. Our CMC quality commitment includes, but not limited to:

- ensure that the product manufacturing, releasing, packaging, storage, and shipment meets all specifications and the requirements of the FDA and/or NMPA's quality system regulations, cGMP or other applicable laws and regulations;
- review of process deviations and changes, root cause analysis, impact assessment, corrective and preventative actions, and validation;
- ensure the consistency of key quality practices with our CDMOs;
- proactive quality system review based on audits, process data analysis, equipment condition, and periodic review of internal and external sources of data; and
- assessment of regulatory guidance and ensure readiness for regulatory inspections.

Employees

We had 59, 134, 185 and 229 employees as of December 31, 2017, 2018 and 2019 and September 30, 2020, respectively. As of September 30, 2020, 203 employees were located in China and 26 were located outside China. The table below sets forth our employees by function as of September 30, 2020:

	Number
Management	10
Research and development	123
Chemistry, manufacturing and controls	40
General and administrative	47
Business and corporate development	8
Commercial	1
Total	**229**

We recruit our employees primarily through recruitment websites, recruiters, internal referrals and job fairs. We recruit our employees based on their qualification and potential. We promote culture diversity, and our employees come from the United States, Taiwan and South Korea, in addition to China. The remuneration package of our employees includes salary, benefits and bonus. Our compensation programs are designed to remunerate our employees based on their performance, measured against specified objective criteria. We are required to make contributions to social insurance and housing provident funds in accordance with PRC laws and regulations from time to time.

We provide new hire training to our employees and periodic on-the-job training to enhance the skills and knowledge of our employees. We have not established a labor union. We have not experienced any material labor disputes or strikes that may have a material and adverse effect on our business, financial condition or results of operations.

We enter into standard confidentiality and employment agreements with all of our key management and research staff. The contracts with our key personnel typically include a standard non-compete agreement that prohibits the employee from competing with us, directly or indirectly, during his or her employment and for one year after the termination of his or her employment. The contracts also typically include undertakings regarding assignment of innovations and discoveries made during the course of his or her employment. For further details regarding the terms of confidentiality and employment agreements with our key management, see “Management.”

Facilities

Our headquarter is located in Shanghai, China, where we lease and occupy approximately 2,851 square meters as office space and laboratories. We currently lease approximately 435 square meters of office space in Beijing, approximately 54 square meters of office space in Tianjin, approximately 14,495 square meters of office space and manufacturing space in Hangzhou, approximately 187 square meters of office space in Hong Kong, and approximately 441 square meters of office space and laboratories in Maryland. The terms of these leases range from one year to five years.

Legal Proceedings

From time to time we may become involved in legal proceedings or be subject to claims arising in the ordinary course of our business. We are not presently a party to any legal proceedings that, if determined adversely to us, would individually or taken together have a material adverse effect on our business, results of operations, financial condition or cash flows. Regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

Internal Control and Risk Management

We have implemented various risk management policies and measures to identify, assess and manage risks arising from our operations. In addition, we have codified risk categories identified by our management, internal and external reporting mechanisms, remedial measures and contingency management as part of our policies. For details on major risks identified by our management, see "Risk Factors" in this prospectus.

To monitor the ongoing implementation of our risk management policies and corporate governance measures, we have adopted or will adopt, among other things, the following risk management and internal control measures:

- the establishment of an audit committee responsible for overseeing our financial records, internal control procedures and risk management systems. See "Management—Committees of the Board of Directors" in this prospectus for information of our audit committee members and detailed description of the responsibility of our audit committee;
- the establishment of an internal audit function for identifying and assessing operational risks, reviewing our internal control over financial reporting and facilitating the remediation actions; and
- the engagement of external legal advisors to advise us on compliance with relevant regulatory requirements and applicable laws to which we will be subject to as a public company, where necessary.

Further, we have adopted or will adopt, various internal regulations against corrupt and fraudulent activities, including measures against bribery and the misuse of company assets. Key measures and procedures to implement such regulations include:

- authorizing our compliance department to assume responsibility for our anti-corruption and anti-fraud measures, including handling complaints, conducting internal investigations and ensuring protection for whistleblowers;
- providing anti-corruption compliance training to our senior management and employees on a periodic basis to enhance their knowledge and compliance with applicable laws and regulations, including relevant policies and prohibitions against non-compliance set out in our employee handbook; and
- evaluating and undertaking rectification measures with respect to any identified corrupt or fraudulent activity, including proposing and establishing preventative measures to avoid future non-compliance.

We will continue to implement and enforce these measures and procedures to ensure ongoing compliance with all applicable laws and regulations, including the prevention of our employees from engaging in corruption, bribery or other improper conduct. During the periods presented, we were not subject to any government investigation or litigation with respect to claims or allegations relating to monetary and non-monetary bribery activities.

We have also designated responsible personnel to monitor our ongoing compliance with relevant laws and regulations that govern our business operations, and to oversee the implementation of any necessary measures. Meanwhile, we plan to provide our directors, senior management and relevant employees with continuing training programs and updates regarding relevant laws and regulations on a regular basis, with a view to proactively identifying concerns or issues relating to any potential non-compliance.

REGULATION

PRC Regulation

We are subject to a variety of PRC laws, rules and regulations affecting many aspects of our business. This section summarizes the principal PRC laws, rules and regulations that we believe are relevant to our business and operations.

Regulations on Company Establishment and Foreign Investment

Company Law

The establishment, operation and management of companies in China is governed by the PRC Company Law, which was passed by the Standing Committee of the National People's Congress (the "NPC"), on December 29, 1993 and came into effect on July 1, 1994 and was latest revised or amended on October 26, 2018, respectively. In light of the PRC Company Law, companies established in the PRC are either in the form of a limited liability company or a joint stock company. The PRC Company Law applies to both PRC domestic companies and foreign-invested companies, unless otherwise provided in the relevant foreign investment laws and regulations.

Foreign Investment Law

On March 15, 2019, the NPC approved the PRC Foreign Investment Law, which became effective on January 1, 2020 and replaced the three old rules on foreign investment in China, namely, the PRC Equity Joint Venture Law, the PRC Cooperation Joint Venture Law and the Wholly Foreign-Owned Enterprise Law, together with their implementation rules and ancillary regulations. The Foreign Investment Law establishes the basic framework for the access to, and the promotion, protection and administration of foreign investments in view of investment protection and fair competition. According to the Foreign Investment Law, "foreign investment" refer to investment activities directly or indirectly conducted by one or more natural persons, business entities, or other organizations of a foreign country (collectively referred to as "foreign investor") within China, and "investment activities" include the following activities: (i) a foreign investor, individually or together with other investors, establishes a foreign-invested enterprise within China; (ii) a foreign investor acquires stock shares, equity shares, shares in assets, or other similar rights and interests of an enterprise within China; (iii) a foreign investor, individually or together with other investors, invests in a new construction project within China; and (iv) investments in other means as provided by the laws, administrative regulations or the State Council.

Regulations Relating to Foreign Investment

On December 26, 2019, the State Council promulgated the Implementation Rules to the Foreign Investment Law, which became effective on January 1, 2020. The implementation rules further clarified that the state encourages and promotes foreign investment, protects the lawful rights and interests of foreign investors, regulates foreign investment administration, continues to optimize foreign investment environment, and advances a higher-level opening.

Furthermore, PRC-based investments by foreign investors have historically been regulated by the Catalogue for the Guidance of Foreign Investment Industries (2017 Revision) issued on June 28, 2017 and effective from July 28, 2017, the Special Management Measures (Negative List) for the Access of Foreign Investment (2018) issued on June 28, 2018 and effective from July 28, 2018, and the Special Management Measures (Negative List) for the Access of Foreign Investment (2019) issued on June 30, 2019 and effective from July 30, 2019. According to the aforesaid catalogue and management measures, foreign-invested industries fall into four categories, namely, "encouraged" "permitted" "restricted" and "prohibited" and certain ownership requirements, requirements for senior executives and other special management measures shall apply to foreign

investors with regard to the access of foreign investments in certain categories. Currently, the Catalogue for the Guidance of Foreign Investment Industries (2017 Revision), the Special Management Measures (Negative List) for the Access of Foreign Investment (2018) and the Special Management Measures (Negative List) for the Access of Foreign Investment (2018) have all been replaced. The currently effective industry entry clearance requirements governing investment activities in the PRC by foreign investors are set out in two categories, namely the Special Management Measures (Negative List) for the Access of Foreign Investment (2020), and the Catalogue of Industries for Encouraging Foreign Investment (2019 Version), which were promulgated by the National Development and Reform Commission (the "NDRC"), and the MOFCOM, and took effect on July 23, 2020 and on July 30, 2019, respectively. The Catalogue of Industries for Encouraging Foreign Investment (2019 Version) and the Special Management Measures (Negative List) for the Access of Foreign Investment (2020) further reduce restrictions on the foreign investment. Industries not listed in these two catalogues are generally deemed "permitted" for foreign investment unless specifically restricted by other PRC laws.

On December 30, 2019, the MOFCOM and SAMR jointly promulgated Measures for Information Reporting on Foreign Investment, which became effective on January 1, 2020. Pursuant to the Measures for Information Reporting on Foreign Investment, where a foreign investor carries out investment activities in China directly or indirectly, the foreign investor or the foreign-invested enterprise shall submit the investment information to the competent commerce department.

M&A Rules

According to the Provisions on the Merger or Acquisition of Domestic Enterprises by Foreign Investors jointly issued by the MOFCOM, the State Assets Supervision and Administration Commission of the State Council, the State Administration of Taxation (the "SAT"), the State Administration for Industry and Commerce (now known as the State Administration for Market Regulation), the China Securities Regulatory Commission and the State Administration of Foreign Exchange (the "SAFE"), on August 8, 2006 and amended by the MOFCOM on June 22, 2009, among other things, (i) the purchase of an equity interest or subscription to the increase in the registered capital of non-foreign-invested enterprises, (ii) the establishment of foreign-invested enterprises to purchase and operate the assets of non-foreign-invested enterprises, or (iii) the purchase of the assets of non-foreign-invested enterprises and the use of such assets to establish foreign-invested enterprises to operate such assets, in each case, by foreign investors shall be subject to the Provisions on the Merger or Acquisition of Domestic Enterprises by Foreign Investors. Particularly, application shall be made for examination and approval of the acquisition of any company in China affiliating to a domestic company, enterprise or natural person, which is made in the name of an oversea company established or controlled by such domestic company, enterprise or natural person.

PRC Drug Regulation

The Drug Administration Law of the PRC promulgated by the Standing Committee of the NPC on September 20, 1984 and effective from July 1, 1985 and amended on February 28, 2001, December 28, 2013, April 24, 2015 and August 26, 2019, respectively, and the Implementing Measures of the Drug Administration Law promulgated by the State Council on August 4, 2002 and effective from September 15, 2002 and amended on February 6, 2016 and March 2, 2019, respectively, have jointly established the legal framework for the administration of pharmaceutical products in China, including the research, development and manufacturing of new drugs. The Drug Administration Law applies to entities and individuals engaged in the development, production, trade, application, supervision and administration of pharmaceutical products, which regulates and provides for a framework for the administration of pharmaceutical manufacturers, pharmaceutical trading companies and medicinal preparations of medical institutions, and the development, research, manufacturing, distribution, packaging, pricing and advertisements of pharmaceutical products. The Implementing Measures of the Drug Administration Law, on the other hand, provides detailed implementation regulations for the Drug Administration Law.

The newly amended Drug Administration Law, which became effective on December 1, 2019, brought a series of changes to the drug supervision and administration system, including but not limited to the clarification of the drug marketing authorization holder system, pursuant to which the marketing authorization holder shall assume responsibilities for non-clinical studies, clinical trials, manufacturing and marketing, post-marketing studies, monitoring, reporting and handling of adverse reactions of the drug. The amendment also stipulates that the State supports the innovation of drugs with clinical value and specific or special effects on human diseases, encourages the development of drugs with new therapeutic mechanisms and have multi-targeted, systematic regulatory and intervention functions on human body and promotes the technological advancement of drugs.

We are required to follow the above-mentioned regulations in respect of our non-clinical research, clinical trials and production of new drugs.

Regulatory Authorities and Recent Government Reorganization

Pharmaceutical products and medical devices and equipment in China are monitored and supervised on a national scale by the NMPA (formerly known as the China Food and Drug Administration, or the "CFDA"), while the local provincial medical products administrative authorities are responsible for the supervision and administration of drugs within their respective administrative regions. Pursuant to the Decision of the First Session of the Thirteenth National People's Congress on the State Council Institutional Reform Proposal made by the NPC on March 17, 2018, the NMPA is no longer an independent agency and its duties shall be performed by the newly established State Administration for Market Regulation, into which the various agencies responsible for, among other areas, consumer protection, advertising, anticorruption, pricing, fair competition and intellectual property, have been merged.

The NMPA is still the chief drug regulatory agency and implements the same laws, regulations, rules, and guidelines as the CFDA, and the NMPA regulates almost all of the key stages of the life cycle of pharmaceutical products, including non-clinical studies, clinical trials, marketing approvals, manufacturing, advertising and promotion, distribution, and pharmacovigilance (i.e., post-marketing safety reporting obligations). The Center for Drug Evaluation (the "CDE"), which remains under the NMPA, conducts the technical evaluation of each drug and biologic application for safety and effectiveness.

Formed on March 2018, the National Health Commission (the "NHC") (formerly known as the Ministry of Health ("MOH") and the National Health and Family Planning Commission ("NHFPC")) is China's chief healthcare regulator. It is primarily responsible for overseeing the operation of medical institutions, which also serve as clinical trial sites, and regulating the licensure of hospitals and medical personnel. The NHC plays a significant role in drug reimbursement. Furthermore, the NHC and its local counterparts at or below provincial-level local governments also oversee and organize public medical institutions' centralized bidding and procurement process for pharmaceutical products, which is the chief means through which public hospitals and their internal pharmacies acquire drugs.

Also, as part of its 2018 reorganization, the PRC government formed a new State Medical Insurance Bureau (the "SMIB"), which focuses on regulating reimbursement under the state-sponsored insurance plans.

Non-Clinical Research

On August 4, 2003, the NMPA promulgated the Administrative Measures for Good Laboratories Practice of Non-clinical Laboratory, which was revised on July 27, 2017, to improve the quality of non-clinical research, and began to conduct the Good Laboratories Practice. Pursuant to the Circular on Administrative Measures for Certification of Good Laboratory Practice for Non-clinical Laboratory issued by the NMPA on April 16, 2007, the NMPA is responsible for the certification of non-clinical research institutions nationwide and local provincial medical products administrative authorities is in charge of the daily supervision of non-clinical research institution. The NMPA decides whether an institution is qualified for undertaking pharmaceutical

non-clinical research by evaluating such institution's organizational administration, its research personnel, its equipment and facilities, and its operation and management of non-clinical pharmaceutical projects. A Good Laboratory Practice Certification will be issued by the NMPA if all the relevant requirements are satisfied, which will also be published on the NMPA's website.

Pursuant to the Regulations for the Administration of Affairs Concerning Experimental Animals promulgated by the State Science and Technology Commission on November 14, 1988 and amended on January 8, 2011, July 18, 2013 and March 1, 2017, respectively, by the State Council, the Administrative Measures on Good Practice of Experimental Animals jointly promulgated by the State Science and Technology Commission and the State Bureau of Quality and Technical Supervision on December 11, 1997, and the Administrative Measures on the Certificate for Experimental Animals (Trial) promulgated by the State Science and Technology Commission and other regulatory authorities on December 5, 2001, a Certificate for Use of Laboratory Animals is required for performing experimentation on animals. Applicants must satisfy the following conditions:

- Laboratory animals must be qualified and sourced from institutions that have Certificates for Production of Laboratory Animals;
- The environment and facilities for the animals' living and propagating must meet national requirements;
- The animals' feed and water must meet national requirements;
- The animals' feeding and experimentation must be conducted by professionals, specialized and skilled workers, or other trained personnel;
- The management systems must be effective and efficient; and
- The applicable entity must follow other requirements as stipulated by Chinese laws and regulations.

Pre-clinical and Clinical Development

The NMPA requires supporting pre-clinical data for the registration applications for imported and domestic drugs. Pre-clinical work, including pharmacology and toxicology studies, must satisfy the requirements of the Administrative Measures for Good Laboratories Practice of Non-clinical Laboratory. No approval is required from the NMPA to conduct pre-clinical studies.

Clinical Trials and Registration of New Drugs

Categories

Pursuant to the Administrative Measures for Drug Registration promulgated by the NMPA on July 10, 2007 and effective from October 1, 2007, which provides the standards and requirements for clinical trials and drug registration applications, drug registration applications are divided into three different types, namely, New Drug Application, Generic Drug Application, and Imported Drug Application. Drugs are categorized based on their working mechanism, including chemical medicine, biological product or traditional Chinese or natural medicine. On January 22, 2020, the SAMR promulgated the new Administrative Measures for Drug Registration (the "New Measures for Registration"), which became effective from July 1, 2020. According to the New Measures for Registration, drug registration applications are divided into three different types, namely, traditional Chinese medicine, chemical medicine, and biological products, and each type is further divided into several sub-types. The category and corresponding application requirements will be promulgated by the NMPA based on a drug's working mechanism, degree of innovation, and the need of review management. As provided in the New

Administrative Measures for Registration, the Drug Administration Law and Implementing Measures of the Drug Administration Law, upon completion of non-clinical research, clinical trials shall be conducted for the application of new drug registration.

Clinical Trial Approval

All clinical trials conducted in China for new drug development must be approved and conducted at pharmaceutical clinical trial institution which shall be under filing administration. For imported drugs, proof of foreign approval is required prior to the trial, unless the drug has never been approved anywhere in the world. In addition to a standalone trial in China, imported drug applicants may establish a site in China as part of an international multi-center trial (the "IMCT") at the outset of the global trial. Domestically manufactured drugs are not subject to foreign approval requirements, and by contrast to prior practice, the NMPA has recently decided to also permit such drugs to be tested and developed through an IMCT.

In addition, the NMPA has adopted a notification system for clinical trials of new drugs. Pursuant to the newly amended Drug Administration Law and the New Measures for Registration, effective from July 1, 2020, clinical trials may be commenced as long as the applicant has not received any objections from the CDE within 60 business days of application filing after acceptance of the application, and such application will be deemed as approved. Bioequivalence test may only be conducted after the completion of record-filing on the website of the CDE. All clinical trials that have been approved but not initiated within three years since the execution of the Informed Consent Forms will become invalid. As provided in the New Measures for Registration, a new application of clinical trial must be submitted if an applicant of an approved clinical trial decides to add new indications or drug combinations into the trial.

Drug Clinical Trial Registration

Pursuant to the Administrative Measures for Drug Registration, upon obtaining the clinical trial approval and before commencing a clinical trial, the applicant shall file a registration with the NMPA containing various details of the clinical trial, including the clinical study protocol, the name of the principal researcher of the leading institution, names of participating institutions and researchers, an approval letter from the ethics committee, and a sample of the Informed Consent Form, with a copy sent to the competent provincial administration departments where the trial institutions will be located. On September 6, 2013, the NMPA released the Announcement on Drug Clinical Trial Information Platform, providing that for all clinical trials approved by the NMPA and conducted in China, instead of the aforementioned registration filed with the NMPA, clinical trial registration shall be completed and trial information shall be published through the Drug Clinical Trial Information Platform. The applicant shall complete trial pre-registration within one month after obtaining the clinical trial approval to obtain the trial's unique registration number and shall complete registration of certain follow-up information before the first subject's enrollment in the trial. If approval of the foregoing pre-registration and registration is not obtained within one year after obtaining the clinical trial approval, the applicant shall submit an explanation, and if the procedure is not completed within three years, the clinical trial approval shall automatically expire.

Pursuant to the New Measures for Registration, during the period of clinical trial, the applicant must continuously update the registration information and the trial results after completion of each clinical trial on the Drug Clinical Trial Information Platform. Applicants are responsible for the authenticity of the registration information.

Human Genetic Resources Approval

On June 10, 1998, the Ministry of Science and Technology and the MOH jointly established the rules for protecting and utilizing human genetic resources in China. On July 2, 2015, the Ministry of Science and Technology issued the Service Guide for Administrative Licensing Items concerning Examination and Approval

of Sampling, Collecting, Trading, Exporting Human Genetic Resources, or Taking Such Resources out of the PRC, which provides that foreign-invested sponsors that sample and collect human genetic resources in clinical trials shall be required to file with the China Human Genetic Resources Management Office through its online system. On October 26, 2017, the Ministry of Science and Technology issued the Circular on Optimizing the Administrative Examination and Approval of Human Genetic Resources, which simplified the approval for sampling and collecting human genetic resources for the purpose of commercializing a drug in the PRC.

On June 10, 2019, the State Council of the PRC issued the PRC Administrational Rules on the Management of Human Genetic Resources (effective from July 1, 2019) ("Genetic Rules"), which formalized the approval requirements pertinent to research collaborations between Chinese and foreign-owned entities. Pursuant to this new rule, a new notification system (as opposed to the advance approval approach originally in place) is put in place for clinical trials using China's human genetic resources at clinical institutions without involving the export of human genetic resources outside of China.

On October 17, 2020, the Standing Committee of the NPC promulgated the Biosecurity Law of the PRC, which will become effective from April 15, 2021. The new law restates the approval and notification requirements of human genetic resources sampling, collecting, utilizing and exporting, as provided in the Genetic Rules. Moreover, the promulgation of the new law, which takes the form of national law, further demonstrates the commitments of protecting China's human genetic resources and safeguarding state biosecurity by the PRC government.

Trial Exemptions and Acceptance of Foreign Data

The NMPA may reduce its requirements for clinical trials and data, depending on the drug and the existing data. The NMPA has granted waivers for all or part of trials and has stated that it will accept data generated abroad (even if not as part of a global study), including early phase data, that meets its requirements. On July 6, 2018, the NMPA issued the Technical Guidance Principles on Accepting Foreign Drug Clinical Trial Data (the "Guidance Principles") as one of the implementing rules for the Innovation Opinion. According to the Guidance Principles, the data of foreign clinical trials must meet the authenticity, completeness, accuracy and traceability requirements, and such data must be obtained in consistency with the relevant requirements under the Good Clinical Trial Practice (GCP) of the International Conference on Harmonization of Technical Requirements for Registration of Pharmaceuticals for Human Use (the "ICH"). Clinical trial sponsors must be attentive to potentially meaningful ethnic differences in the subject population.

The NMPA now officially permits, and its predecessor agencies have permitted on a case-by-case basis in the past, drugs approved outside of China to be approved in China on a conditional basis without pre-approval clinical trials being conducted in China. Specifically, in 2018, the NMPA issued the Procedures for Reviewing and Approval of Clinical Urgently Needed Overseas New Drugs, permitting drugs that have been approved within the last ten years in the United States, the European Union or Japan and that prevent or treat orphan diseases or prevent or treat serious life-threatening illnesses for which there is either no effective therapy in China or for which the foreign-approved drug would have clear clinical advantages. Applicants will be required to establish a risk mitigation plan and may be required to complete trials in China after the drug has been marketed. The CDE has developed a list of qualifying drugs that meet the foregoing criteria.

Clinical Trial Process and Good Clinical Practices

Typically, drug clinical trials in China have four phases. Phase 1 refers to the initial clinical pharmacology and human safety evaluation studies. Phase 2 refers to the preliminary evaluation of a drug candidate's therapeutic efficacy and safety for target indication(s) in patients. Phase 3 (often the pivotal study) refers to clinical trials that further verify the drug candidate's therapeutic efficacy and safety on patients with target indication(s) and ultimately provide sufficient evidence for the review of a drug registration application. Phase 4 refers to a new drug's post-marketing study to assess therapeutic effectiveness and adverse reactions

when the drug is widely used, to evaluate overall benefit-risk relationships of the drug when used among the general population or specific groups and to adjust the administration dose, etc.

On August 6, 2003, the NMPA promulgated the Administration of Quality of Drug Clinical Practice (the "GCP") to improve the quality of clinical trials. Pursuant to the newly amended Drug Administrative Law, and the Regulations on the Administration of Drug Clinical Trial Institution jointly promulgated by NMPA and NHC on November 29, 2019 and effective from December 1, 2019, drug clinical trial institutions shall be under filing administration. Clinical trial institutions that only conduct analysis of biological samples related to clinical trials of drugs do not need to be filed. Pursuant to the Circular on Measures for Certification of Good Laboratory Practice for Non-clinical Laboratory, a Good Laboratory Practice Certification will be issued by the NMPA if all the relevant requirements are satisfied, which will also be published on the NMPA's website. Pursuant to the Opinions on Deepening the Reform of the Evaluation and Approval System and Inspiring Innovation of Drugs and Medical Devices and Equipment, the accreditation of the institutions for drug clinical trials shall be subject to record-filing administration. The conduct of clinical trials must adhere to the Good Laboratory Practice, and the protocols must be approved by the ethics committees of each study site.

Reform of Evaluation and Approval System for Drugs

On August 9, 2015, the State Council promulgated the Opinions on the Reform of Evaluation and Approval System for Drugs and Medical Devices and Equipment, which establishes the reform framework of the evaluation and approval system for drugs, medical devices and equipment, indicating the enhancement of the standard of approval for drug registration and accelerating the evaluation and approval process for innovative drugs.

On November 11, 2015, the NMPA issued the Circular Concerning Several Policies on Drug Registration Review and Approval, which further clarifies the measures and policies with regard to the simplification and acceleration of the approval process for drugs.

According to the Decision of the NMPA on Adjusting the Approval Procedures under the Administrative Approval Items for Certain Drugs made on March 17, 2017 and effective from May 1, 2017, the approval for a clinical trial application can be directly issued by the CDE under the NMPA on behalf of the NMPA.

On October 8, 2017, the General Office of the State Council promulgated the Innovation Opinions, which further promotes the structural adjustment to and technical innovations of drugs, medical devices and equipment.

On May 17, 2018, the NMPA and the NHC jointly issued the Circular on Issues Concerning Optimizing Drug Registration Review and Approval, which further simplifies and accelerates the clinical trial approval process.

On January 22, 2020, the SAMR promulgated the New Measures for Registration, effective from July 1, 2020, which deploys several mechanisms to simplify and accelerate the drug registration process, including the Priority Review Procedure and the Special Review Procedure.

On July 7, 2020, the NMPA promulgated the Evaluation and Approval Working Process for Revolutionary Therapeutic Drugs (Trial), the Evaluation and Approval Working Process for the Conditional Approval Application of Drugs (Trial) and the Priority Evaluation and Approval Working Process for Drugs (Trial), repealing the Opinions on Encouraging the Prioritized Evaluation and Approval for Drug Innovations, which provide for fast track clinical trial approval, drug registration pathway or conditional approval to innovative drugs or drugs with revolutionary therapeutic effects.

Special Examination and Fast Track Approval for Innovative Drugs under Current Reform Frame

Pursuant to the Provisions on the Administration of Special Examination and Approval of Registration of New Drugs promulgated by the NMPA on January 7, 2009, the NMPA conducts special examination and approval for new drug registration applications when, among others, (1) the effective constituent of a drug extracted from plants, animals, minerals, etc., as well as the preparations thereof, have never been marketed in China, or the material medicines and the preparations thereof are newly discovered; (2) the chemical raw material medicines as well as the preparations thereof and the biological product have not been approved for marketing anywhere in the world; (3) the new drugs are for treating AIDS, malignant tumors and rare diseases, etc., and have obvious advantages in clinical treatment; or (4) the new drugs are for treating diseases with no effective methods of treatment. The Provisions on the Administration of Special Examination and Approval of Registration of New Drugs provides that the applicant may file for special examination and approval at the clinical trial application stage if the drug candidate falls within items (1) or (2). The provisions provide that for drug candidates that fall within items (3) or (4), the application for special examination and approval cannot be made until filing for production.

The Circular Concerning Several Policies on Drug Registration Review and Approval issued on November 11, 2015 further clarifies the above-mentioned policy, potentially simplifying and accelerating the approval process of clinical trials: (x) a one-time umbrella approval procedure allowing the overall approval of all phases of a new drug's clinical trials, replacing the current phase-by-phase application and approval procedure, will be adopted for new drugs' clinical trial applications; and (y) a fast track drug registration or clinical trial approval pathway for the following applications: (i) registration of innovative new drugs treating AIDS, malignant tumors, serious infectious diseases and rare diseases; (ii) registration of pediatric drugs; (iii) registration of drugs treating specific or prevalent diseases in elders; (iv) registration of drugs listed in national major science and technology projects or national key research and development plan; (v) registration of innovative drugs using advanced technology, using innovative treatment methods, or having distinctive clinical benefits; (vi) registration of foreign innovative drugs to be manufactured locally in China; (vii) concurrent applications for new drug clinical trials which are already approved in the United States or the European Union or concurrent drug registration applications for drugs which have applied to the competent drug approval authorities for marketing authorization and passed such authorities' onsite inspections in the United States or European Union and are manufactured using the same production line in China; and (viii) clinical trial approval for drugs with urgent clinical need and patent expiry within three years, and manufacturing authorization applications for drugs with urgent clinical need and patent expiry within one year.

The Opinions on Encouraging the Prioritized Evaluation and Approval for Drug Innovations promulgated on December 21, 2017 provides that a fast track clinical trial approval or drug registration pathway will be available to both innovative drugs with distinctive clinical benefits, which have not been sold within or outside China, and drugs using advanced technology, innovative treatment methods or having distinctive treatment advantages.

The Opinions on the Reform of Evaluation and Approval System for Drugs and Medical Devices and Equipment promulgated on August 9, 2015 provides that the composition of the examiner team of the CDE shall be strengthened by, among other actions, (1) recruiting professional evaluation talent from the public, (2) engaging relevant experts to participate in technological examination and evaluation, and (3) establishing a system of chief professional positions. Additionally, the Opinions on Encouraging the Prioritized Evaluation and Approval for Drug Innovations emphasizes the improvement of the examination and evaluation system, which requires the establishment of a new drug examination and evaluation team comprising professionals specialized in clinical medicine, pharmaceutical sciences, pharmacology, toxicology and statistics. As a result, since 2015, the NMPA and the CDE have started a large-scale expansion of examiners, which could greatly accelerate the new drug approval process in China.

Pursuant to the New Measures for Registration, at the stage of clinical trial application, depending on the characteristics of the drug and the corresponding conditions, applicants may apply for adoption of the

Breakthrough Drug Procedure or the Conditioned Approval Procedure. Such procedures may be applied for eligible drugs, including drugs for fatal diseases without any effective treatment and breakthrough drugs, and extra policy support, including communication with the CDE at the critical stage of clinical trials and suggestions from the CDE may be given to applicants in such special procedures.

Manufacturing and Distribution

According to the Drug Administration Law, all facilities that manufacture drugs in China must receive a drug manufacturing license from the local drug regulatory authority. Each drug manufacturing license issued to a pharmaceutical manufacturing enterprise is effective for a period of five years. Any enterprise holding a drug manufacturing license is subject to review by the relevant regulatory authorities on an annual basis. A separate certification of compliance with Good Manufacturing Practice (the "GMP") is also required.

Similarly, to conduct sales, importation, shipping and storage (collectively, the "distribution activities"), a company must obtain a Drug Distribution License from the local drug regulatory authority, subject to renewal every five years. A separate certification of compliance with the NMPA's drug good supply practice (the "GSP"), is also required.

China has implemented a "Two-Invoice System" to control the distribution of prescription drugs. The "Two-Invoice System" generally requires that no more than two invoices be issued throughout the distribution chain: one from the manufacturer to a distributor and another from the distributor to the end-user hospital. This excludes the sale of products invoiced from the manufacturer to its wholly-owned or controlled distributors, or for imported drugs, to its exclusive distributor, or from a distributor to its wholly-owned or controlled subsidiary (or between its wholly-owned or controlled subsidiaries). However, the system still significantly limits the options for companies to use multiple distributors to reach a larger geographic area in China. Compliance with the Two-Invoice System is a prerequisite for pharmaceutical companies to participate in the procurement processes of public hospitals, which currently provide most of China's healthcare services. Manufacturers and distributors that fail to implement the Two-Invoice System may lose their qualifications to participate in the bidding process. Non-compliant manufacturers may also be blacklisted from engaging in drug sales to public hospitals in a locality.

The Two-Invoice System was first implemented in 11 provinces involved in pilot comprehensive medical reforms, and the program has been expanded to nearly all provinces, each with its own individual rules for the program.

New Drug Application

Pursuant to the Administrative Measures for Drug Registration, when Phases 1, 2 and 3 clinical trials have been completed, the applicant may apply to the NMPA for approval of a new drug application. The NMPA shall then determine whether to approve the application according to the comprehensive evaluation opinion provided by the CDE of the NMPA.

Pursuant to the New Measures for Registration, at the stage of new drug application, depending on the characteristics of the drug and the corresponding conditions, applicants may apply for adoption of special procedures, including the Priority Review Procedure and the Special Review Procedure. Such procedures may be applied for innovative drugs for severe infectious diseases or rare diseases, breakthrough drugs and other eligible drugs stipulated in the New Measures for Registration. Extra policy support, including less review period, may be given to applicants in such special procedures.

International Multi-center Clinical Trials Regulations

On January 30, 2015, the NMPA promulgated the Notice on Issuing the International Multi-Center Clinical Trial Guidelines (Trial), effective as of March 1, 2015, to provide guidance on the regulation of the

application, implementation and administration of international multi-center clinical trials in China. Pursuant to the Notice on Issuing the International Multi-Center Clinical Trial Guidelines (Trial), international multi-center clinical trial applicants may simultaneously perform clinical trials in different centers using the same clinical trial protocol. Where the applicant plans to make use of the data derived from the international multi-center clinical trials for its application to the NMPA for approval of a new drug application, such international multi-center clinical trials shall satisfy, in addition to the requirements set forth in the Drug Administration Law and its implementation measures, the Administrative Measures for Drug Registration and other relevant laws and regulations, the following requirements:

- The applicant shall first conduct an overall evaluation on the global clinical trial data and further make trend analysis of the Asian and Chinese clinical trial data. In the analysis of Chinese clinical trial data, the applicant shall consider the representativeness of the research subjects, i.e., the participating patients;

- The applicant shall analyze whether the amount of Chinese research subjects is sufficient to assess and adjudicate the safety and effectiveness of the drug under clinical trial, and satisfy the statistical and relevant legal requirements; and

- The onshore and offshore international multi-center clinical trial research centers shall be subject to on-site inspections by competent PRC governmental agencies.

International multi-center clinical trials shall follow international prevailing GCP principles and ethics requirements. Applications shall ensure the truthfulness, reliability and trustworthiness of clinical trials results; the researchers shall have the qualification and capability to perform relevant clinical trials; and an ethics committee shall continuously review the trials and protect the subjects' interests, benefits and safety. Before the performance of the international multi-center clinical trial, applicants shall obtain clinical trial approvals or complete filings pursuant to requirements under the local regulations where clinical trials are conducted, and register and disclose the information of all major researchers and clinical trial organizations on the NMPA drug clinical trial information platform.

Pursuant to the Opinions on Deepening the Reform of the Evaluation and Approval System and Inspiring Innovation of Drugs and Medical Devices and Equipment, clinical trial data obtained from foreign centers may be used to apply for registration in China as long as such data meet the relevant requirements for the registration of drugs and medical devices in China. When using international multi-center clinical trial data to support new drug applications in China, applicants shall submit the completed global clinical trial report, statistical analysis report and database, along with relevant supporting data in accordance with ICH-CTD (International Conference on Harmonization-Common Technical Document) content and format requirements; subgroup research results summary and comparative analysis shall also be conducted concurrently.

Marketing Authorization Holder System

Pursuant to the Opinions on the Reform of Evaluation and Approval System for Drugs and Medical Devices and Equipment promulgated on August 9, 2015, the State Council published the policy for carrying out a pilot plan for the drug marketing authorization holder mechanism.

Pursuant to the newly amended Drug Administrative Law, under the drug marketing authorization holder mechanism, an enterprise obtained drug registration certificate and a research and development institution are eligible to be a pharmaceutical marketing authorization holder and the drug marketing authorization holder shall be responsible for nonclinical laboratory studies, clinical trials, production and distribution, post-market studies, and the monitoring, reporting, and handling of adverse reactions in connection with pharmaceuticals in accordance with the provisions of the Drug Administrative Law. The pharmaceutical marketing authorization holder may engage contract manufacturers for manufacturing, provided that the contract manufacturers are

licensed and may engage pharmaceutical distribution enterprises with drug distribution license for the distribution activities. Upon the approval of the medical products administrative department under the State Council, a drug marketing authorization holder may transfer the drug marketing license and the transferee shall have the capability of quality management, risk prevention and control, and liability compensation to ensure the safety, effectiveness and quality controllability of drugs, and fulfill the obligations of the drug marketing license holder.

Administrative Observation Periods for New Drugs

According to the Implementing Measures of the Drug Administration Law, the NMPA may, for the purposes of protecting public health, set an administrative observation period of not more than five years for a new drug produced by a drug manufacturer. During the administrative observation period, no approval shall be given to any other manufacturer to produce or import the said drug.

Non-Inferiority Standard

In China, a drug may receive regulatory approval without showing superiority in its primary endpoint. Rather, a drug may be approved for use if it shows non-inferiority in its primary endpoint and superiority in one of its secondary endpoints.

Packaging of Pharmaceutical Products

Pursuant to the Administration of Quality of Drug Clinical Practice, the applicant shall be responsible for proper packaging and labeling of drugs for clinical trials, and in double-blinded clinical trials, the test drug shall be consistent with the control drug or placebo in appearance, odor, packaging, labeling, and certain other features. According to the Measures for the Administration of Pharmaceutical Packaging promulgated on February 12, 1988 and effective from September 1, 1988, pharmaceutical packaging must comply with national and professional standards. If there is no national or professional standard available, an applicant may formulate and implement its own standards after obtaining the approval of the provincial administration or bureau of standards. The applicant must reapply if it needs to change its own packaging standards. Drugs that have not been developed and approved for packaging standards must not be sold or marketed in the PRC (except for drugs for the military).

National List of Essential Drugs

On August 18, 2009, the MOH and eight other ministries and commissions in the PRC issued the Provisional Measures on the Administration of the National List of Essential Drugs which was revised on February 13, 2015 aim to promote essential medicines sold to consumers at fair prices in the PRC and ensure that the general public in the PRC has equal access to the drugs contained in the National List of Essential Drugs. The MOH promulgated the National List of Essential Drugs on March 13, 2013 and on September 30, 2018. According to these regulations, basic healthcare institutions funded by the government shall store up and use drugs listed in the National List of Essential Drugs. The drugs listed in the National List of Essential Drugs shall be purchased by centralized tender process and shall be subject to the price control by the National Development and Reform Commission (the "NDRC"). Remedial drugs in the National List of Essential Drugs are all listed in the NRDL and the purchase price of such drugs is entitled to reimbursement.

Government Price Controls

The Chinese government has abolished the 15-year-old government-led pricing system for drugs. On May 4, 2015, the NDRC and six other ministries and commissions in the PRC issued the Opinion on Promoting Drug Pricing Reform, which lifted the government-prescribed maximum retail price for most drugs, except for narcotic drugs and Class I psychotropic drugs. The government regulates drug prices mainly by establishing a consolidated procurement mechanism, restructuring medical insurance reimbursement standards and strengthening the regulation of medical and pricing practices as discussed below.

Centralized Procurement and Tenders

Under the current regulations, public medical institutions owned by the government or owned by State-owned or controlled enterprises are required to purchase pharmaceutical products through centralized online procurement processes. There are exceptions for drugs on the National List of Essential Drugs, which have their own procurement rules, and for certain drugs subject to the central government's special control, such as toxic, radioactive and narcotic drugs and traditional Chinese medicines.

The centralized procurement process takes the form of public tenders operated by provincial or municipal-level government agencies. The centralized tender process is typically conducted once every year. The bids are assessed by a committee randomly selected from a database of experts. The committee members assess the bids based on a number of factors, including, but not limited to, bid price, product quality, clinical effectiveness, product safety, level of technology, qualifications and reputation of the manufacturer, after-sale services and innovation.

The State Council approved state-run centralized medicine procurement and 11 pilot cities for the program in a circular issued on January 17, 2019. It is an effort to deepen reform of the medical and health sector and optimize the pricing system of drugs. According to the circular, in the 11 pilot cities drugs will be selected from generic brands for centralized medicine procurement. The selected drugs must pass the consistency evaluation on quality and effectiveness. The policy is aimed at lowering drug costs for patients, reducing transaction costs for enterprises, regulating drug use of institutions, and improving the centralized medicine procurement and pricing system. The centralized procurement is open to all approved enterprises that can produce drugs on the procurement list in China. Clinical effects, adverse reactions, and batch stability of the drugs will be considered, and their consistency will be the main criteria for evaluation, while production capacity and stability of the supplier will also be considered.

Commercial Insurance

On October 25, 2016, the State Council issued the Plan for Healthy China 2030. According to the Plan, the country will establish a multi-level medical security system built around basic medical insurance, with other forms of insurance supplementing the basic medical insurance, including serious illness insurance for urban and rural residents, commercial health insurance and medical assistance. Furthermore, the Plan encourages enterprises and individuals to participate in commercial health insurance and various forms of supplementary insurance. The evolving medical insurance system makes innovative drugs more affordable and universally available to the Chinese population, which renders greater opportunities to drug manufacturers that focus on the research and development of innovative drugs, such as high-cost cancer therapeutics.

Healthcare System Reform

The PRC government recently promulgated several healthcare reform policies and regulations to reform the healthcare system. On March 17, 2009, the State Council issued the Guidelines on Strengthening the Reform of Healthcare System. On December 27, 2016, the State Council issued the Notice on the Issuance of the 13th Five-year Plan on Strengthening the Reform of Healthcare System. On May 23, 2019, the General Office of the State Council issued the Notice on the Main Tasks of Strengthening the Reform of Healthcare System in 2019, which specified the key legislative work of the national medical and health system and the key tasks to promote its implementation. Twenty-one specific tasks have been proposed to address the difficulty and high cost of getting medical services and to strengthen hospital management.

Chronic Diseases Prevention and Treatment

Pursuant to the Guiding Opinion of the General Office of the State Council on Promoting the Construction of the Hierarchical Healthcare System issued by the General Office of the State Council on

September 8, 2015 and the Notice on Promoting Pilot Work for Hierarchical Healthcare System jointly promulgated by the NHFPC and the State Administration of Traditional Chinese Medicine on August 19, 2016, the hierarchical healthcare system is expected to be gradually improved, and the framework for division and coordination among medical and health institutions shall be substantially established by 2017, and a diagnosis and treatment model featuring objectives, such as initial diagnosis of common diseases and frequent diseases at primary hospitals and separate treatment of acute and chronic diseases, are expected to be gradually established. According to the Guiding Opinion of the General Office of the State Council on Promoting the Construction of the Hierarchical Healthcare System, several chronic diseases, including hypertension, diabetes, cancer and cardiovascular and cerebrovascular diseases, are pilot diseases under the hierarchical healthcare system. Primary healthcare institutions, rehabilitation hospitals and nursing institutions may provide treatment, rehabilitation and nursing services for patients with chronic diseases, patients in stable conditions, elderly patients, and advanced cancer patients who have clear diagnosis and stable disease conditions.

On January 22, 2017, the General Office of the State Council issued the Notice on the Medium and Long-Term Plan for Chronic Disease Prevention and Treatment in China (2017-2025), which sets up the objectives of the management of diabetes patients, targeting the involvement of 35 million diabetic patients by 2020 and 40 million by 2025 in chronic disease management. The Notice on the Medium and Long-Term Plan for Chronic Disease Prevention and Treatment in China (2017-2025) reaffirms that the hierarchical healthcare system of chronic diseases such as diabetes shall be promoted and encourages the initial diagnosis of common diseases and frequent diseases at primary hospitals. In addition, social participation in regional medical services, health management and chronic disease prevention services, as well as investments in the field of chronic disease prevention by social capital, are encouraged.

Intellectual Property Rights

China became a member of the World Trade Organization and a party to the Agreement on Trade-Related Aspects of Intellectual Property Rights on December 11, 2001. China has also entered into several international conventions on intellectual property rights, including, but not limited to, the Paris Convention for the Protection of Industrial Property, the Madrid Agreement Concerning the International Registration of Marks, and the Patent Cooperation Treaty.

Patents

Pursuant to the PRC Patent Law promulgated by the Standing Committee of the NPC on March 12, 1984 and amended on September 4, 1992, August 25, 2000 and December 27, 2008, respectively, and effective from October 1, 2009, and the Implementation Rules of the Patent Law of the PRC promulgated by the State Council on June 15, 2001 and amended on December 28, 2002 and January 9, 2010, respectively, patents in China fall into three categories: invention, utility model and design. An invention patent is granted to a new technical solution proposed in respect of a product or method or an improvement of a product or method. A utility model is granted to a new technical solution that is practicable for application and proposed in respect of the shape, structure or a combination of both of a product. A design patent is granted to the new design of a certain product in shape, pattern or a combination of both and in color, shape and pattern combinations aesthetically suitable for industrial application. Under the PRC Patent Law, the term of patent protection starts from the date of application. Patents relating to invention are effective for twenty years, and utility models and designs are effective for ten years from the date of application. The PRC Patent Law adopts the principle of "first-to-file" system, which provides that where more than one person files a patent application for the same invention, a patent will be granted to the person who files the application first.

Existing patents can become narrowed, invalid or unenforceable due to a variety of grounds, including lack of novelty, creativity, and deficiencies in patent application. In China, a patent must have novelty, creativity and practical applicability. Under the PRC Patent Law, novelty means that before a patent application is filed, no identical invention or utility model has been publicly disclosed in any publication in China or overseas or has

been publicly used or made known to the public by any other means, whether in or outside of China, nor has any other person filed with the patent authority an application that describes an identical invention or utility model and is recorded in patent application documents or patent documents published after the filing date. Creativity means that, compared with existing technology, an invention has prominent substantial features and represents notable progress, and a utility model has substantial features and represents any progress. Practical applicability means an invention or utility model can be manufactured or used and may produce positive results. Patents in China are filed with the State Intellectual Property Office (the "SIPO"). Normally, the SIPO publishes an application for an invention patent within 18 months after the filing date, which may be shortened at the request of applicant. The applicant must apply to the SIPO for a substantive examination within three years from the date of application.

Article 20 of the PRC Patent Law provides that, for an invention or utility model completed in China, any applicant (not just Chinese companies and individuals), before filing a patent application outside of China, must first submit it to the SIPO for a confidential examination. Failure to comply with this requirement will result in the denial of any Chinese patent for the relevant invention. This added requirement of confidential examination by the SIPO has raised concerns by foreign companies who conduct research and development activities in China or outsource research and development activities to service providers in China.

On October 17, 2020, the Standing Committee of the NPC promulgated the Amendment to the Patent Law. The Amendment to the Patent Law, which will become effective from June 1, 2021, extends the validity period for design and the time limitation of actions for infringement of patent rights, and increases the maximum amount of infringement compensation. Meanwhile, the Amendment to the Patent Law implements a "compensation for patent term" (the "Term Compensation") measure. In the event that an invention patent is granted after the forth (4th) anniversary of the date of application and the third (3rd) anniversary of the date of the request for substantive examination, the Patent Administration Department of the State Council shall, at the request of the patentee, provide the Term Compensation for the unreasonable delay in the process of granting the patent, except for the unreasonable delay caused by the applicant. In particular, in order to compensate the time taken for the review and approval of new drugs, if the new drug-related invention patents are approved for marketing in China, the Patent Administration Department of the State Council shall provide the Term Compensation to the patentee, for the duration of patent rights at the request of the patentee. The Term Compensation shall not exceed five (5) years, and the total effective patent right period after the new drug is approved for marketing shall not exceed fourteen (14) years.

Patent Enforcement

Unauthorized use of patents without consent from owners of patents, forgery of the patents belonging to other persons, or engagement in other patent infringement acts, will subject the infringers to infringement liability. Serious offenses such as forgery of patents may be subject to criminal penalties.

When a dispute arises out of infringement of the patent owner's patent right, Chinese law requires that the parties first attempt to settle the dispute through mutual consultation. However, if the dispute cannot be settled through mutual consultation, the patent owner, or an interested party who believes the patent is being infringed, may either file a civil legal suit or file an administrative complaint with the relevant patent administration authority. A Chinese court may issue a preliminary injunction upon the patent owner's or an interested party's request before instituting any legal proceedings or during the proceedings. Damages for infringement are calculated as the loss suffered by the patent holder arising from the infringement, and if the loss suffered by the patent holder arising from the infringement cannot be determined, the damages for infringement shall be calculated as the benefit gained by the infringer from the infringement. If it is difficult to ascertain damages in this manner, damages may be determined by using a reasonable multiple of the license fee under a contractual license. Statutory damages may be awarded in the circumstances where the damages cannot be determined by the above-mentioned calculation standards. The damage calculation methods shall be applied in the aforementioned order. Generally, the patent owner has the burden of proving that the patent is being

infringed. However, if the owner of an invention patent for manufacturing process of a new product alleges infringement of its patent, the alleged infringer has the burden of proof.

Medical Patent Compulsory License

According to the PRC Patent Law, for the purpose of public health, the SIPO may grant a compulsory license for manufacturing patented drugs and exporting them to countries or regions covered under relevant international treaties to which the PRC has acceded.

Trade Secrets

Pursuant to the PRC Anti-Unfair Competition Law promulgated by the Standing Committee of the NPC on September 2, 1993 and amended on November 4, 2017 and April 23, 2019, respectively, the term "trade secrets" refers to technical and business information that is unknown to the public, has utility, may create business interests or profits for its legal owners or holders, and is maintained as a secret by its legal owners or holders. Under the PRC Anti-Unfair Competition Law, business persons are prohibited from infringing others' trade secrets by (1) obtaining the trade secrets from the legal owners or holders by any unfair methods, such as theft, bribery, fraud, coercion, electronic intrusion, or any other illicit means; (2) disclosing, using or permitting others to use the trade secrets obtained illegally under item (1) above; (3) disclosing, using or permitting others to use the trade secrets, in violation of any contractual agreements or any requirements of the legal owners or holders to keep such trade secrets in confidence; or (4) instigating, inducing or assisting others to disclose, use or permit others to use the trade secrets, in violation of any contractual agreements or any requirement of the legal owners or holders to keep such trade secret in confidence. If a third party knows or should have known of the above-mentioned illegal conduct but nevertheless obtains, uses or discloses trade secrets of others, the third party may be deemed to have committed a misappropriation of the others' trade secrets. The parties whose trade secrets are being misappropriated may petition for administrative corrections, and regulatory authorities may terminate any illegal activities and impose fines on the infringing parties.

Trademarks

Pursuant to the Trademark Law of the PRC promulgated by the Standing Committee of the NPC on August 23, 1982 and amended on February 22, 1993, October 27, 2001 and August 30, 2013, respectively, and effective from May 1, 2014, which has been amended on April 23, 2019 and became effective from November 1, 2019, the period of validity for a registered trademark is ten years, commencing from the date of registration. The registrant shall go through the formalities for renewal within twelve months prior to the expiry date of the trademark if continued use is intended. Where the registrant fails to do so, a grace period of six months may be granted. The validity period for each renewal of registration is ten years, commencing from the day immediately after the expiry of the preceding period of validity for the trademark. In the absence of a renewal upon expiry, the registered trademark shall be cancelled. Industrial and commercial administrative authorities have the authority to investigate any behavior in infringement of the exclusive right under a registered trademark in accordance with the law. In case of a suspected criminal offense, the case shall be timely referred to a judicial authority and decided according to the law.

Domain Names

Domain names are protected under the Measures on Administration of Domain Names for the Chinese Internet promulgated by the Ministry of Industry and Information Technology, on November 5, 2004 and effective from December 20, 2004, which was replaced by the Administrative Measures on the Internet Domain Names issued by the Ministry of Industry and Information Technology on August 24, 2017 and effective from November 1, 2017, and the Implementing Rules on Registration of Domain Names issued by China Internet Network Information Center on May 28, 2012, which became effective on May 29, 2012. The Ministry of

Industry and Information Technology is the main regulatory body responsible for the administration of PRC internet domain names. Domain name registrations are handled through domain name service agencies established under the relevant regulations, and the applicants become domain name holders upon successful registration.

Product Liability

The Product Quality Law of the PRC promulgated by the Standing Committee of the NPC on February 22, 1993 and amended on July 8, 2000, August 27, 2009 and December 29, 2018, respectively, is the principal governing law relating to the supervision and administration of product quality. According to the Product Quality Law, manufacturers shall be liable for the quality of products produced by them, and sellers shall take measures to ensure the quality of the products sold by them. A manufacturer shall be liable for compensating for any bodily injuries or property damages, other than the defective product itself, resulting from the defects in the product, unless the manufacturer is able to prove that: (1) the product has never been distributed; (2) the defects causing injuries or damages did not exist at the time when the product was distributed; or (3) the science and technology at the time when the product was distributed was at a level incapable of detecting the defects. A seller shall be liable for compensating for any bodily injuries or property damages of others caused by the defects in the product if such defects are attributable to the seller. A seller shall pay compensation if it fails to indicate either the manufacturer or the supplier of the defective product. A person who is injured or whose property is damaged by the defects in the product may claim for compensation from the manufacturer or the seller.

Pursuant to the General Principles of the Civil Law of the PRC promulgated by the NPC on April 12, 1986 and amended on August 27, 2009, both manufacturers and sellers shall be held liable where the defective products result in property damages or bodily injuries to others. Pursuant to the Tort Liability Law of the PRC promulgated by the Standing Committee of the NPC on December 26, 2009 and effective from July 1, 2010, manufacturers shall assume tort liabilities where the defects in products cause damages to others. Sellers shall assume tort liabilities where the defects in products that have caused damages to others are attributable to the sellers. The aggrieved party may claim for compensation from the manufacturer or the seller of the defected product that has caused damage.

Regulation of Commercial Bribery

Pharmaceutical companies involved in a criminal investigation or administrative proceedings related to bribery are listed in the Adverse Records of Commercial Briberies by their respective provincial health and family planning administrative department. Pursuant to the Provisions on the Establishment of Adverse Records of Commercial Briberies in the Medicine Purchase and Sales Industry which became effective on March 1, 2014, provincial health and family planning administrative departments formulate the implementing measures for establishment of Adverse Records of Commercial Briberies. Where a pharmaceutical company or its agent is listed in the Adverse Records of Commercial Briberies on one occasion, it will be prohibited from participating in the procurement bidding process or selling its products to public medical institutions located in the local provincial-level region for two years from the publication of the adverse records. The evaluation points of such pharmaceutical company or agent in respect of the procurement bidding process and procurement by public medical institutions must be credited by public medical institutions in the other provincial-level regions for two years from the publication of the adverse records. Where a pharmaceutical company or its agent is listed in the Adverse Records of Commercial Briberies on two or more occasions within five years, it will be prohibited from participating in the procurement bidding process or selling its products to all public medical institutions in the PRC for two years from the publication of these adverse records.

Regulations Relating to Employee Stock Incentive Plan

In February 2012, the SAFE promulgated the Notices on Issues Concerning the Foreign Exchange Administration for Domestic Individuals Participating in Stock Incentive Plans of Overseas Publicly Listed

Companies (the "Stock Option Rules"), which replaced the Application Procedures of Foreign Exchange Administration for Domestic Individuals Participating in Employee Stock Ownership Plans or Stock Option Plans of Overseas Publicly Listed Companies issued by the SAFE on March 28, 2007. In accordance with the Stock Option Rules and relevant rules and regulations, PRC citizens or non-PRC citizens residing in China for a continuous period of not less than one year, who participate in any stock incentive plan of an overseas publicly listed company, subject to a few exceptions, are required to register with the SAFE through a domestic qualified agent, which could be a PRC subsidiary of such overseas listed company, and complete certain procedures. We and our employees who are PRC citizens or who reside in China for a continuous period of not less than one year and who participate in our stock incentive plan will be subject to such regulation. In addition, the SAT has issued circulars concerning employee share options or restricted shares. Under these circulars, employees working in the PRC who exercise share options, or whose restricted shares vest, will be subject to PRC individual income tax (the "IIT"). The PRC subsidiaries of an overseas listed company have obligations to file documents related to employee share options or restricted shares with relevant tax authorities and to withhold IIT of those employees related to their share options or restricted shares. If the employees fail to pay, or the PRC subsidiaries fail to withhold, their IIT according to relevant laws, rules and regulations, the PRC subsidiaries may face sanctions imposed by the tax authorities or other PRC government authorities.

Regulations Relating to Foreign Exchange and the Dividend Distribution

Foreign Exchange Control

The State Council promulgated the PRC Regulation for the Foreign Exchange on January 29, 1996, which was amended on January 14, 1997 and August 5, 2008, respectively. On June 20, 1996, the People's Bank of China promulgated the Regulation on the Administration of the Foreign Exchange Settlement, Sales and Payment, which came into effect on July 1, 1996. Pursuant to the above-mentioned regulations, foreign exchanges required for distribution of profits and payment of dividends may be purchased from designated foreign exchange banks in the PRC upon presentation of a board resolution authorizing the distribution of profits or payment of dividends. The Regulation on the Administration of the Foreign Exchange Settlement, Sales and Payment removed the previous restrictions on convertibility of foreign exchange in respect of current account items, including the distribution of dividends, interest and royalty payments, trade and service-related foreign exchange transactions, while foreign exchange transactions in respect of capital account items, such as direct investment, loan, securities investment and repatriation of investment, remain subject to the approval of the SAFE.

On November 19, 2012, the SAFE issued the Operating Rules for Foreign Exchange Issues with Regard to Direct Investment under Capital Account as an appendix to the Circular of the SAFE on Further Improving and Adjusting the Foreign Exchange Policies on Direct Investment, which was issued on November 19, 2012 and amended on May 4, 2015. According to the Circular of the SAFE on Further Improving and Adjusting the Foreign Exchange Policies on Direct Investment, (i) the opening of and payment into foreign exchange accounts under direct investment accounts are no longer subject to approval by the SAFE; (ii) reinvestment with the legal income of foreign investors in China is no longer subject to approval by the SAFE; (iii) the procedures for capital verification and confirmation that foreign-funded enterprises need to go through are simplified; (iv) the purchase and external payment of foreign exchange under direct investment accounts are no longer subject to approval by the SAFE; (v) domestic transfer of foreign exchange under direct investment accounts is no longer subject to approval by the SAFE; and (vi) the administration over the conversion of foreign exchange capital of foreign-funded enterprises is improved. On February 13, 2015, the SAFE issued the Circular on Further Simplifying and Improving Foreign Exchange Administration Policies in Respect of Direct Investment, which came into effect on June 1, 2015, providing that the banks, instead of the SAFE, can directly handle the foreign exchange registration and approval under foreign direct investment, while the SAFE and its branches indirectly supervise the foreign exchange registration and approval under foreign direct investment through the banks.

On May 11, 2013, the SAFE promulgated the Provisions on the Administration of Foreign Exchange in Foreign Direct Investments by Foreign Investors, which became effective on May 13, 2013, and relevant supporting documents that regulate and clarify the administration over foreign exchange administration in foreign direct investments.

On March 30, 2015, the SAFE released the Circular on the Reform of the Management Method for the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises, which came into effect on June 1, 2015 and superseded the Notice on the Relevant Operating Issues Concerning the Improvement of the Administration of Payment and Settlement of Foreign Currency Capital of Foreign-funded Enterprises issued by the SAFE on August 29, 2008. The Circular on the Reform of the Management Method for the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises has made certain adjustments to some regulatory requirements on the settlement of foreign exchange capital of foreign-invested enterprises, and some foreign exchange restrictions provided in the Notice on the Relevant Operating Issues Concerning the Improvement of the Administration of Payment and Settlement of Foreign Currency Capital of Foreign-funded Enterprises. On June 9, 2016, the SAFE issued the Circular on the Reform and Standardization of the Management Policy of the Settlement of Capital Projects. Under the Circular on the Reform and Standardization of the Management Policy of the Settlement of Capital Projects and the Circular on the Reform of the Management Method for the Settlement of Foreign Exchange Capital of Foreign-invested Enterprises, the settlement of foreign exchange by foreign-invested enterprises shall be governed by the policy of foreign exchange settlement on a discretionary basis. However, the aforementioned circulars also reiterate that the settlement of foreign exchange shall only be used for its own operation purposes within the business scope of the foreign-invested enterprises and following the principles of authenticity. Considering that these circulars are relatively new, it is unclear how they will be implemented, and there exist great uncertainties with respect to their interpretation and implementation by the authorities.

The 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 on July 4, 2014, which requires PRC residents to register with local branches of the 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 as a "special purpose vehicle" as defined therein. The aforesaid circular further requires amendment to the registration in the event of any significant changes with respect to the special purpose vehicle. Failure to comply with the SAFE registration requirements under the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Offshore Investment and Financing and Roundtrip Investment through Special Purpose Vehicles could result in liabilities under PRC law for evasion of foreign exchange controls. The Circular on Further Simplifying and Improving Foreign Exchange Administration Policies in Respect of Direct Investment, provides that local banks, instead of the SAFE, can directly handle the initial foreign exchange registration and amendment registration under the Circular on Relevant Issues Concerning Foreign Exchange Control on Domestic Residents' Offshore Investment and Financing and Roundtrip Investment through Special Purpose Vehicles.

On April 10, 2020, SAFE promulgated the Circular on Optimizing Administration of Foreign Exchange to Support the Development of Foreign-related Business, which allows eligible enterprises to make domestic payments using their capital funds, foreign credits and the income under capital accounts of overseas listing, without providing evidentiary materials concerning authenticity of such capital for banks in advance, provided that their capital use shall be authentic and in line with provisions, and conform to the prevailing administrative regulations on the use of income under capital accounts. The administering bank shall perform ex-post sampling in accordance with the relevant requirements.

Dividend Distribution

Pursuant to the PRC Company Law and Foreign Investment Law of the PRC, foreign-invested enterprises in the PRC may pay dividends only out of their accumulated profits as determined in accordance with

PRC accounting standards and regulations. In addition, a foreign-invested enterprise is required to set aside at least 10% of its accumulated profits each year to fund certain reserve funds, until the accumulative amount of such fund reaches 50% of its registered capital.

On January 26, 2017, the SAFE issued the Notice on Improving the Check of Authenticity and Compliance to Further Promote Foreign Exchange Control, which stipulates several capital control measures with respect to outbound remittance of profits from domestic entities to offshore entities, including the following: (i) under the principle of genuine transaction, banks shall check board resolutions regarding profit distribution, the original version of tax filing records and audited financial statements; and (ii) domestic entities shall hold income to account for previous years' losses before remitting the profits. Moreover, domestic entities shall provide detailed explanations of the sources of capital and the utilization arrangements and board resolutions, contracts and other proof when completing the registration procedures in connection with an outbound investment.

Regulations Relating to Labor

Labor Law and Labor Contract Law

Pursuant to the PRC Labor Law promulgated by the Standing Committee of the NPC on July 5, 1994 and effective from January 1, 1995 and amended on August 27, 2009 and December 29, 2018, respectively, the PRC Labor Contract Law promulgated by the Standing Committee of the NPC on June 29, 2007 and effective from January 1, 2008 and amended on December 28, 2012 and effective from July 1, 2013, and the Implementing Regulations of the Employment Contracts Law of the PRC promulgated by the State Council on September 18, 2008, labor contracts in written form shall be executed to establish labor relationships between employers and employees. Wages cannot be lower than the local minimum wage. The employer must establish a system for labor safety and sanitation, strictly abide by the state rules and standards, provide education regarding labor safety and sanitation to its employees, provide employees with labor safety and sanitary conditions and necessary protection materials in compliance with the state rules and standards, and carry out regular health examinations for employees engaged in work involving occupational hazards.

Social Insurance and Housing Provident Funds

Under applicable PRC laws, including the Social Insurance Law of the PRC which became effective on July 1, 2011 and was amended on December 19, 2018, the Interim Regulations on the Collection and Payment of Social Security Funds promulgated by the State Council on January 22, 1999 and amended on March 24, 2019, and the Regulations on the Administration of Housing Provident Funds promulgated by the State Council on April 3, 1999 and amended on March 24, 2002 and March 24, 2019, respectively, employers are required to contribute, on behalf of their employees, to a number of social security funds, including funds for basic pension insurance, unemployment insurance, basic medical insurance, occupational injury insurance, maternity insurance and housing provident funds. These payments are made to local administrative authorities, and any employer who fails to contribute may be fined and ordered to pay the deficit amount within a stipulated time limit.

Regulations Relating to Enterprise Income Tax

Pursuant to the Enterprise Income Tax Law of the PRC effective as of January 1, 2008 and as amended on February 24, 2017 and December 29, 2018, respectively, the income tax rate for both domestic and foreign-invested enterprises is 25% with certain exceptions. To clarify certain provisions in the Enterprise Income Tax Law, the State Council promulgated the Implementation Rules of the Enterprise Income Tax Law on December 6, 2007, which was amended and became effective on April 23, 2019. Under the Enterprise Income Tax Law and the Implementation Rules of the Enterprise Income Tax Law, enterprises are classified as either "resident enterprises" or "non-resident enterprises." Besides enterprises established within the PRC, enterprises established outside of China whose "de facto management bodies" are located in China are considered "resident

enterprises" and subject to the uniform 25% enterprise income tax rate for their global income. In addition, the Enterprise Income Tax Law provides that a non-resident enterprise refers to an entity established under foreign law whose "de facto management bodies" are not within the PRC, but has an establishment or place of business in the PRC, or does not have an establishment or place of business in the PRC but has income sourced within the PRC.

The Implementation Rules of the Enterprise Income Tax Law provide that since January 1, 2008, an income tax rate of 10% shall normally be applicable to dividends declared to non-PRC resident enterprise investors that do not have an establishment or place of business in the PRC, or have such establishment or place of business but the relevant income is not effectively connected with the establishment or place of business, to the extent such dividends are derived from sources within the PRC. The income tax on the dividends may be reduced pursuant to a tax treaty between China and the jurisdictions in which the non-PRC shareholders reside.

Other PRC National- and Provincial-Level Laws and Regulations

We are subject to changing regulations under many other laws and regulations administered by governmental authorities at the national, provincial and municipal levels, some of which are or may become applicable to our business. For example, regulations control the confidentiality of patients' medical information and the circumstances under which patient medical information may be released for inclusion in our databases, or released by us to third parties. These laws and regulations governing both the disclosure and the use of confidential patient medical information may become more restrictive in the future.

We also comply with numerous additional national and provincial laws relating to matters such as safe working conditions, manufacturing practices, environmental protection and fire hazard control. We believe that we are currently in compliance with these laws and regulations; however, we may be required to incur significant costs to comply with these laws and regulations in the future. Unanticipated changes in existing regulatory requirements or adoption of new requirements could therefore have a material adverse effect on our business, results of operations and financial condition.

U.S. Regulation

Government Regulation and Product Approval in the United States

The FDA and other regulatory authorities in the United States at federal, state and local levels, as well as in foreign countries, extensively regulate, among other things, the research, development, testing, manufacture, quality control, import, export, safety, effectiveness, labeling, packaging, storage, distribution, recordkeeping, approval, advertising, promotion, marketing, post-approval monitoring and post-approval reporting of biological products. Along with third-party contractors, we will be required to navigate the various pre-clinical, clinical and commercial approval requirements of the governing regulatory agencies of the countries in which we wish to conduct studies or seek approval or licensure of our drug candidates. The processes for obtaining regulatory approvals in the United States and in foreign jurisdictions, along with subsequent compliance with applicable laws and regulations and other regulatory authorities, require the expenditure of substantial time and financial resources.

Government policies may change and additional government regulations may be enacted that could prevent or delay further development or regulatory approval of any of our drug candidates, or anticipated manufacturing processes, disease indications, or labeling. We cannot predict the likelihood, nature or extent of government regulation that might arise from future legislative or administrative action.

Review and Approval for Licensing Biologics in the United States

In the United States, the FDA regulates our current drug candidates as biological products, or biologics, under the Federal Food, Drug, and Cosmetic Act (the "FDCA"), the Public Health Service Act and associated

implementing regulations. Biologics, like other drugs, are used for the treatment, prevention or cure of disease in humans. In contrast to chemically synthesized small molecular weight drugs, which have a well-defined structure and can be thoroughly characterized, biologics are generally derived from living material (human, animal, or microorganism) and are complex in structure, and thus are usually not fully characterized. Biologics include immunomedicines for cancer and other diseases.

Biologics are also subject to other federal, state and local statutes and regulations. The failure to comply with applicable statutory and regulatory requirements at any time during the product development process, approval process or after approval may subject a sponsor or applicant to administrative or judicial enforcement actions. These actions could include the suspension or termination of clinical trials by the FDA, the FDA's refusal to approve pending applications or supplemental applications, withdrawal of an approval, "Warning Letters" (official messages from the FDA to a manufacturer or other organization that it has violated some rule in a federally regulated activity) or "Untitled Letters" (initial correspondences from the FDA with a regulated industry that cite violations that do not meet the threshold of regulatory significance for a Warning Letter and request correction of the violation), product recalls, product seizures, total or partial suspension of production or distribution, import detention, injunctions, fines, refusals of government contracts, restitution, disgorgement of profits, or civil or criminal investigations and penalties brought by the FDA, the Department of Justice (the "DOJ"), or other governmental entities.

An applicant seeking approval to market and distribute a biologic in the United States typically must undertake the following:

- completion of non-clinical laboratory tests and animal studies performed in accordance with the FDA's good laboratory practice (the "GLP"), regulations;
- submission to the FDA of an application for an Investigational New Drug ("IND"), which must become effective before clinical trials may begin and must be updated annually or when significant changes are made;
- manufacture, labeling and distribution of an investigational drug in compliance with current good manufacturing practice (the "cGMP");
- approval by an independent institutional review board (the "IRB"), or ethics committee at each clinical site before each clinical trial may be initiated;
- performance of adequate and well-controlled human clinical trials in accordance with the FDA's current Good Clinical Practices requirements (the "cGCP"), to establish the safety, purity and potency of the proposed biological drug candidate for its intended purpose;
- preparation of and submission to the FDA of a biologics license application ("BLA"), after completion of all pivotal clinical trials requesting marketing approval for one or more proposed indications;
- satisfactory completion of an FDA Advisory Committee review, where appropriate or if applicable, as may be requested by the FDA to assist with its review;
- satisfactory completion of one or more FDA inspections of the manufacturing facility or facilities at which the proposed product, or components thereof, are produced to assess compliance with cGMP and data integrity requirements to assure that the facilities, methods and controls are adequate to preserve the biologic's identity, safety, quality, purity and potency;
- satisfactory completion of FDA audits of selected clinical investigation sites to assure compliance with cGCP requirements and the integrity of the clinical data;

- payment of user fees under the Prescription Drug User Fee Act (the "PDUFA"), for the relevant year;
- obtaining FDA review and approval of the BLA to permit commercial marketing of the licensed biologic for particular indications for use in the United States; and
- compliance with any post-approval requirements, including the potential requirement to implement a Risk Evaluation and Mitigation Strategy (the "REMS"), and the potential requirement to conduct post-approval studies.

The testing and approval process requires substantial time, effort and financial resources and we cannot be certain that any approvals for our drug candidates will be granted on a timely basis, if at all.

From time to time, legislation is drafted, introduced and passed in the Congress of the United States that could significantly change the statutory provisions governing the testing, approval, manufacturing and marketing of products regulated by the FDA. In addition to new legislation, FDA regulations and policies are often revised or interpreted by the agency in ways that may significantly affect our business and our drug candidates. It is impossible to predict whether further legislative changes will be enacted or whether FDA regulations, guidance, policies or interpretations will be changed or what the effect of such changes, if any, may be.

Pre-clinical and Clinical Development in the United States

Before a BLA applicant can begin testing the potential asset in human subjects, the applicant must first conduct pre-clinical studies. Pre-clinical studies include laboratory evaluations of product chemistry, toxicity and formulation, as well as in vitro and animal studies to assess the potential safety and activity of the biologic for initial testing in humans and to establish a rationale for therapeutic use. Pre-clinical studies are subject to federal regulations and requirements, including GLP regulations. The results of an applicant's pre-clinical studies are submitted to the FDA as part of an IND.

An IND is a request for authorization from the FDA to administer an investigational new drug product to humans. An IND is an exemption from the FDCA that allows an unapproved drug to be shipped in interstate commerce for use in an investigational clinical trial. Such authorization must be secured prior to interstate shipment. In support of a request for an IND, applicants must submit a range of information, including pre-clinical data, manufacturing information and a detailed protocol for each clinical trial. Any subsequent protocol amendments must be submitted to the FDA as part of the IND.

Human clinical trials may not begin until an IND is effective. The IND automatically becomes effective 30 days after receipt by the FDA, unless the FDA raises safety concerns or questions about the proposed clinical trial within the 30-day time period. In such a case, the IND may be placed on clinical hold and the IND sponsor and the FDA must resolve any outstanding concerns or questions before the clinical trial can begin. Submission of an IND therefore may or may not result in FDA authorization to begin a clinical trial.

The FDA may also place a clinical hold or partial clinical hold on such trial following commencement of a clinical trial under an IND. A clinical hold is an order issued by the FDA to the sponsor to delay a proposed clinical investigation or to suspend an ongoing investigation. A partial clinical hold is a delay or suspension of only part of the clinical work requested under the IND. For example, a specific protocol or part of a protocol is not allowed to proceed, while other protocols may do so. No more than 30 days after the imposition of a clinical hold or partial clinical hold, the FDA will provide the sponsor with a written explanation of the basis for the hold. Following issuance of a clinical hold or partial clinical hold, an investigation may only resume after the FDA has notified the sponsor that the investigation may proceed. The FDA will base that determination on information provided by the sponsor correcting the deficiencies previously cited or otherwise satisfying the FDA that the investigation can proceed.

Clinical trials involve the administration of the investigational product to human subjects under the supervision of qualified investigators in accordance with cGCP regulations, which include the requirement that all research subjects provide their informed consent for their participation in any clinical study. Clinical trials are conducted under protocols detailing, among other things, the objectives of the study, the parameters to be used in monitoring safety and the effectiveness criteria to be evaluated. A separate submission to the existing IND must be made for each successive clinical trial conducted during product development and for any subsequent protocol amendments.

A sponsor may choose, but is not required, to conduct a foreign clinical study under an IND. When a foreign clinical study is conducted under an IND, all FDA IND requirements must be met unless waived. When the foreign clinical study is not conducted under an IND, the sponsor must ensure that the study complies with cGCP regulations in order to use the study as support for an IND or application for marketing approval, including review and approval by an independent ethics committee and informed consent from subjects.

Furthermore, an independent IRB for each site proposing to conduct the clinical trial must review and approve the plan for any clinical trial and its informed consent form before the clinical trial begins at that site, and must monitor the study until completed. Regulatory authorities, the IRB or the sponsor may suspend a clinical trial at any time on various grounds, including a finding that the subjects are being exposed to an unacceptable health risk or that the trial is unlikely to meet its stated objectives.

Some trials also include oversight by an independent group of qualified experts organized by the clinical trial sponsor, known as a data safety monitoring board (the "DSMB"). DSMBs provide authorization for whether or not a trial may move forward at designated check points based on access to certain data from the trial and may halt the clinical trial if a DSMB determines that there is an unacceptable safety risk for subjects or based on other grounds, such as no demonstration of efficacy. Other grounds for suspension or termination may be made based on evolving business objectives and/or competitive climate. There are also requirements governing the reporting of ongoing clinical trials and clinical trial results to public registries.

Clinical Trials

For purposes of BLA approval, clinical trials are typically conducted in the following sequential phases that may overlap or be combined:

- Phase 1: The investigational product is initially introduced into a small number of healthy human subjects or patients with the target disease or condition. These trials are designed to test the safety, dosage tolerance, absorption, metabolism and distribution of the investigational product in humans and the side effects associated with increasing doses. These trials may also yield early evidence of effectiveness. In the case of some products for severe or life-threatening diseases, especially when the product is suspected or known to be unavoidably toxic, the initial human testing may be conducted in patients.

- Phase 2: The investigational product is administered to a limited patient population with a specified disease or condition to evaluate the preliminary efficacy, optimal dosages and dosing schedule and to identify possible adverse side effects and safety risks. Multiple Phase 2 clinical trials may be conducted to obtain information prior to beginning larger and more expensive Phase 3 clinical trials.

- Phase 3: The investigational product is administered to an expanded patient population generally at multiple geographically dispersed clinical trial sites to further evaluate dosage, to provide statistically significant evidence of clinical efficacy and to further test for safety. These clinical trials are intended to generate sufficient data to statistically evaluate the efficacy and safety of the product for approval, to establish the overall risk/benefit ratio of the investigational product and to provide an adequate basis for product approval by the FDA.

In some cases, the FDA may require, or companies may voluntarily pursue, additional clinical trials after a product is approved to gain more information about the product, referred to as Phase 4 trials. Such post-approval trials, when applicable, are conducted following initial approval, typically to develop additional data and information relating to the biological characteristics of the product and treatment of patients in the intended therapeutic indication.

Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA and more frequently if serious adverse events occur. In addition, IND safety reports must be submitted to the FDA for any of the following: suspected serious and unexpected adverse reactions; findings from epidemiological studies, pooled analysis of multiple studies, animal or in vitro testing, or other clinical studies, whether or not conducted under an IND, and whether or not conducted by the sponsor, that suggest a significant risk in humans exposed to the drug; and any clinically important increase in the rate of a serious suspected adverse reaction over such rate listed in the protocol or investigator brochure, which is a comprehensive document summarizing the body of information about an investigational product obtained during clinical and non-clinical trials.

Each of Phase 1, Phase 2 and Phase 3 clinical trials may not be completed successfully within any specified period, or at all. Furthermore, the FDA or the sponsor may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research patients are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution, or an institution it represents, if the clinical trial is not being conducted in accordance with the IRB's requirements or if the drug has been associated with unexpected serious harm to patients. The FDA will typically inspect one or more clinical sites to assure compliance with cGCP and the integrity of the clinical data submitted.

During clinical development, the sponsor often refines the indication and endpoints on which the BLA will be based. For endpoints based on patient-reported outcomes (the "PROs"), and observer-reported outcomes (the "OROs"), the process typically is an iterative one. The FDA has issued guidance on the framework it uses to evaluate PRO instruments. Although the agency may offer advice on optimizing PRO and ORO instruments during the clinical development process, the FDA usually reserves final judgment until it reviews the BLA.

Concurrent with clinical trials, companies often complete additional animal studies, and develop additional information about the chemistry and physical characteristics of the drug and finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the drug candidate and, among other things, must develop methods for testing the identity, strength, quality, purity and potency of the final drug. Additionally, appropriate packaging must be selected and tested and stability studies must be conducted to demonstrate that the drug candidate does not undergo unacceptable deterioration over its shelf life.

BLA Submission and Review

Assuming successful completion of all required clinical testing in accordance with all applicable regulatory requirements, an applicant may submit a BLA requesting licensing to market the biologic for one or more indications in the United States. The BLA must include the results of product development, non-clinical studies and clinical trials; detailed information on the product's chemistry, manufacture and controls; and proposed labeling. Under the Prescription Drug User Fee Amendments, a BLA submission is subject to an application user fee, unless a waiver or exemption applies.

The FDA will initially review the BLA for completeness before accepting it for filing. Under the FDA's procedures, the agency has 60 days from its receipt of a BLA to determine whether the application will be accepted for filing and substantive review. If the agency determines that the application does not meet this initial threshold standard, the FDA may refuse to file the application and request additional information, in which case the application must be resubmitted with the requested information and review of the application delayed.

With certain exceptions, BLAs must include a pediatric assessment, generally based on clinical trial data, of the safety and effectiveness of the biologic in relevant pediatric populations. Under certain circumstances, the FDA may waive or defer the requirement for a pediatric assessment, either at the sponsor's request or by the agency's initiative.

After the BLA is accepted for filing, the FDA reviews the BLA to determine, among other things, whether a product is safe, pure and potent and if the facility in which it is manufactured, processed, packed or held meets standards designed to assure the product's continued identity, strength, quality, safety, purity and potency. The FDA may convene an advisory committee to provide clinical insight on application review questions. Before approving a BLA, the FDA will typically inspect the facility or facilities where the product is manufactured. The FDA will not approve an application unless it determines that the manufacturing processes and facilities comply with cGMP and are adequate to assure consistent production of the product within required specifications. In addition, the FDA expects that all data be reliable and accurate, and requires sponsors to implement meaningful and effective strategies to manage data integrity risks. Data integrity is an important component of the sponsor's responsibility to ensure the safety, efficacy and quality of its product or products.

The FDA will typically inspect one or more clinical sites to assure compliance with cGCP regulations before approving a BLA. If the FDA determines that the application, manufacturing process or manufacturing facilities are not acceptable, it will outline the deficiencies in the submission and often will request additional testing or information. Notwithstanding the submission of any requested additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval.

FDA performance goals generally provide for action on a BLA within ten months of filing, which (as discussed above) typically occurs within 60 days of submission, but that deadline is extended in certain circumstances. Furthermore, the review process is often significantly extended by FDA requests for additional information or clarification.

The FDA may refer applications for novel products or products that present difficult questions of safety or efficacy to an advisory committee. Typically, an advisory committee consists of a panel that includes clinicians and other experts who will review, evaluate and provide a recommendation as to whether the application should be approved and, if so, under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions and usually has followed such recommendations.

After the FDA evaluates a BLA and conducts inspections of manufacturing facilities where the investigational product and/or its components will be produced, the FDA may issue an approval letter or a Complete Response Letter (the "CRL"). An approval letter authorizes commercial marketing of the biologic with specific prescribing information for specific indications. A CRL will describe all of the deficiencies that the FDA has identified in the BLA, except that where the FDA determines that the data supporting the application are inadequate to support approval, the FDA may issue the CRL without first conducting required inspections, testing submitted product lots and/or reviewing proposed labeling. If and when the deficiencies have been addressed to the FDA's satisfaction in a resubmission of the BLA, the FDA will issue an approval letter. In issuing the CRL, the FDA may recommend actions that the applicant might take to place the BLA in condition for approval, including requests for additional data, information or clarification. The FDA may delay or refuse approval of a BLA if applicable regulatory criteria are not satisfied, and may require additional testing or information and/or require post-marketing studies and clinical trials. Even with submission of this additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval.

During the approval process, the FDA will determine whether a REMS is necessary to assure the safe use of the biologic. A REMS is a safety strategy to manage a known or potential serious risk associated with a product and to enable patients to have continued access to such medicines by managing their safe use, and could

include medication guides, physician communication plans or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. If the FDA concludes that a REMS is needed, the BLA sponsor must submit a proposed REMS and the FDA will not approve the BLA without a REMS that the agency has determined is acceptable.

In addition, under the Pediatric Research Equity Act of 2003 (the "PREA"), as amended and reauthorized, certain applications or supplements must contain data that are adequate to assess the safety and effectiveness of the drug for the claimed indications in all relevant pediatric subpopulations, and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults, or full or partial waivers from the pediatric data requirements.

If the FDA approves a product, it may limit the approved indications for use for the product, or require that contraindications, warnings or precautions be included in the product labeling. The FDA may also require that post-approval studies, including Phase 4 clinical trials, be conducted to further assess the drug's safety after approval. The FDA may prevent or limit further marketing of a product based on the results of post-marketing studies or surveillance programs.

The FDA may also require testing and surveillance programs to monitor the product after commercialization. For biologics, such testing may include official lot release, which requires the manufacturer to perform certain tests on each lot of the product before it is released for distribution. The manufacturer then typically must submit samples of each lot of product to the FDA, together with a release protocol showing a summary of the history of manufacture of the lot and the results of all of the manufacturer's tests performed on the lot. The FDA may also perform certain confirmatory tests on lots of some products itself, before releasing the lots for distribution by the manufacturer.

After approval, many types of changes to the approved product, such as adding new indications, manufacturing changes and additional labeling claims, are often subject to further testing requirements and FDA review and approval, depending on the nature of the post-approval change. The FDA may withdraw the product approval if compliance with pre- and post-marketing requirements is not maintained or if problems occur after the product reaches the marketplace.

Post-Approval Requirements

Any products manufactured or distributed pursuant to FDA approvals are subject to pervasive and continuing regulation by the FDA, including, among other things, requirements relating to recordkeeping, periodic reporting, reporting of certain deviations and adverse experiences, product sampling and distribution and advertising and promotion of the product. After approval, most changes to the approved product, such as adding new indications or other labeling claims, are subject to FDA review and approval. There also are continuing user fee requirements, under which the FDA assesses an annual program fee for each product identified in an approved BLA. Biologic manufacturers and their third-party contractors are required to register their establishments with the FDA and certain state agencies. These establishments are subject to routine and periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP and data integrity requirements, which impose certain procedural and documentation requirements to assure quality of manufacturing and product. The FDA has increasingly observed cGMP violations involving data integrity during site inspections and investigating compliance with data integrity requirements is a significant focus of its oversight. Requirements with respect to data integrity include, among other things, controls to ensure data are complete and secure; activities documented at the time of performance; audit trail functionality; authorized access and limitations; validated computer systems; and review of records for accuracy, completeness and compliance with established standards.

Post-approval changes to the manufacturing process are strictly regulated, and, depending on the significance of the change, may require FDA approval before being implemented. FDA regulations also require investigation and correction of any deviations from cGMP and impose reporting requirements upon us and any third-party manufacturers that we may decide to use. Accordingly, manufacturers must continue to expend time, money and effort in the area of production and quality control to maintain compliance with cGMP, data integrity, pharmacovigilance (i.e., post-marketing safety reporting obligations) and other aspects of regulatory compliance.

The FDA may withdraw a product approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-approval studies or clinical trials to assess new safety risks; or imposition of distribution or other restrictions under a REMS. Other potential consequences include:

- restrictions on the marketing or manufacturing of a product, complete withdrawal of the product from the market or product recalls;
- fines, Warning Letters, Untitled Letters or holds on post-approval clinical studies;
- refusal of the FDA to approve pending applications or supplements to approved applications, or suspension or revocation of existing product approvals;
- product seizure or detention, or refusal of the FDA to permit the import or export of products that it believes present safety problems by issuing an Import Alert;
- permanent injunctions and consent decrees, including the imposition of civil or criminal penalties; or
- voluntary product recall.

The FDA strictly regulates the marketing, labeling, advertising and promotion of prescription drug products placed on the market. A company can make only those claims relating to safety and efficacy, purity and potency that are approved by the FDA and in accordance with the provisions of the approved label. The FDA's regulation includes, among other things, standards and regulations for direct-to-consumer advertising, communications regarding unapproved uses, industry-sponsored scientific and educational activities and promotional activities involving the Internet and social media. Promotional claims relating to a product's safety or effectiveness are prohibited before the drug is approved. After approval, a product generally may not be promoted for uses that are not approved by the FDA, as reflected in the product's prescribing information. In the United States, healthcare professionals are generally permitted to prescribe drugs for such uses not described in the drug's labeling, known as off-label uses, because the FDA does not regulate the practice of medicine. However, FDA regulations impose rigorous restrictions on manufacturers' communications, prohibiting the promotion of off-label uses. It may be permissible, under very specific, narrow conditions, for a manufacturer to engage in non-promotional, non-misleading communication regarding off-label information, such as distributing scientific or medical journal information.

If a company is found to have promoted off-label uses, it may become subject to adverse public relations and administrative and judicial enforcement by the FDA, the DOJ or the Office of the Inspector General of the Department of Health and Human Services, as well as other federal and state authorities. This could subject a company to a range of penalties that could have a significant commercial impact, including civil and criminal fines and agreements that materially restrict the manner in which a company promotes or distributes products. The federal government has levied large civil and criminal fines against companies for alleged improper promotion, and has also requested that companies enter into consent decrees and permanent injunctions under which specified promotional conduct is changed or curtailed.

The distribution of prescription drugs and biologics are subject to the Drug Supply Chain Security Act (the "DSCSA"), which requires manufacturers and other stakeholders to comply with product identification, tracing, verification, detection and response, notification and licensing requirements. In addition, the Prescription Drug Marketing Act (the "PDMA"), and its implementing regulations, and state laws limit the distribution of prescription pharmaceutical product samples, and the DSCSA imposes requirements to ensure accountability in distribution and to identify and remove prescription drug and biological products that may be counterfeit, stolen, contaminated, or otherwise harmful from the market.

Patent Term Restoration and Marketing Exclusivity

After approval, owners of relevant drug or biological product patents may apply for up to a five-year patent extension to restore a portion of patent term lost during product development and FDA review of a BLA if approval of the application is the first permitted commercial marketing or use of a biologic containing the active ingredient under the Drug Price Competition and Patent Term Restoration Act of 1984, referred to as the Hatch-Waxman Act. The allowable patent term extension is calculated as one-half of the product's testing phase, which is the time between IND and BLA submission, and all of the review phase, which is the time between BLA submission and approval, up to a maximum of five years. The time can be shortened if the FDA determines that the applicant did not pursue approval with due diligence. The total patent term after the extension may not exceed more than 14 years from the date of FDA approval of the product. Only one patent claiming each approved product is eligible for restoration and the patent holder must apply for restoration within 60 days of approval. The United States Patent and Trademark Office (the "USPTO"), in consultation with the FDA, reviews and approves the application for patent term restoration.

For patents that might expire during the application phase, the patent owner may request an interim patent extension. An interim patent extension increases the patent term by one year and may be renewed up to four times. For each interim patent extension granted, the post-approval patent extension is reduced by one year. The director of the USPTO must determine that approval of the drug candidate covered by the patent for which a patent extension is being sought is likely. Interim patent extensions are not available for a drug candidate for which a BLA has not been submitted.

Expedited Development and Review Programs

The FDA is required to facilitate the development and expedite the review of pharmaceutical products that are intended for the treatment of a serious or life-threatening condition for which there is no effective treatment and which demonstrate the potential to address unmet medical need for the condition. Under the fast track program, the sponsor of a new drug candidate may request the FDA to designate the product for a specific indication as a fast track product concurrent with or after the filing of the IND for the drug candidate. The FDA must determine if the drug candidate qualifies for fast track designation within 60 days after receipt of the sponsor's request.

In addition to other benefits, such as the ability to have more frequent interactions with the FDA, the agency may initiate review of sections of a fast track product's BLA before the application is complete. This rolling review is available if the applicant provides and the FDA approves a schedule for the submission of the remaining information and the applicant pays applicable user fees. However, the FDA's PDUFA review period for a fast track application does not begin until the last section of the BLA is submitted. In addition, the fast track designation may be withdrawn by the FDA if the agency believes that the designation is no longer supported by data emerging in the clinical trial process.

Healthcare Regulation

Pharmaceutical Coverage and Reimbursement

Significant uncertainty exists as to the coverage and reimbursement status of any products for which we may obtain regulatory approval. In the United States, sales of any products for which we may receive regulatory

approval for commercial sale will depend in part on the availability of coverage and reimbursement from third-party payors. Third-party payors include government authorities, managed care providers, private health insurers and other organizations. Third-party payors establish the coverage and reimbursement policies for pharmaceutical products, and the marketability of any products for which we may receive regulatory approval for commercial sale depends on those payors' coverage policies and reimbursement rates. Third-party payors may limit coverage to specific products on an approved list, or formulary, which might not include one or more of our drug candidates, if approved. Third-party payors, together with regulators and others, are increasingly challenging the prices charged for pharmaceutical products and health services, in addition to their cost-effectiveness, safety and efficacy.

In addition, no uniform policy for coverage and reimbursement exists in the United States. Third-party payors often rely upon Medicare coverage policy and payment limitations in setting their own coverage and reimbursement policies, but also have their own methods and approval process apart from Medicare determinations. Therefore, coverage and reimbursement rates can vary significantly from payor to payor.

Moreover, obtaining coverage and adequate reimbursement is a time-consuming and costly process. We may be required to provide scientific and clinical support for the use of any product to each third-party payor separately with no assurance that approval will be obtained, and we may need to conduct expensive pharmacoeconomic studies in order to demonstrate the cost-effectiveness of our products. We cannot be certain that our drug candidates will be considered cost-effective by third-party payors. This process could delay the market acceptance of any drug candidates for which we may receive approval and could have a negative effect on our future revenues and operating results.

Other U.S. Healthcare Laws and Compliance Requirements

In the United States, our business may be subject to healthcare fraud and abuse regulation and enforcement by both the federal government and the states in which we conduct our business, particularly once third-party reimbursement becomes available for one or more of our products. The healthcare fraud and abuse laws and regulations that may affect our ability to operate include, but are not limited to:

- The federal Anti-Kickback Statute, which prohibits, among other things, knowingly and willfully soliciting, receiving, offering or paying any remuneration (including any kickback, bribe or rebate), directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, either the referral of an individual, or the purchase, lease, order or recommendation of any good, facility, item or service for which payment may be made, in whole or in part, under the Medicare and Medicaid programs, or other federal healthcare programs;

- The federal civil and criminal false claims laws and civil monetary penalty laws, including the civil False Claims Act, or FCA, which prohibits, among other things, knowingly presenting, or causing to be presented, claims for payment of government funds that are false or fraudulent, or knowingly making, or using or causing to be made or used, a false record or statement material to a false or fraudulent claim to avoid, decrease, or conceal an obligation to pay money to the federal government;

- The federal Health Insurance Portability and Accountability Act of 1996 (the "HIPAA"), which, among other things, prohibits executing a scheme to defraud any healthcare benefit program, including private third-party payors, and prohibits (i) knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false, fictitious or fraudulent statement or representation and (ii) making or using any false writing or document knowing the same to contain any materially false, fictitious or fraudulent statement or entry in connection with the delivery of or payment for healthcare benefits, items or services;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act of 2009 (the "HITECH"), and their respective implementing regulations, which impose

requirements relating to the privacy, security and transmission of individually identifiable health information held by covered entities, including health plans, healthcare clearinghouses and certain healthcare providers, and their business associates, individuals or entities that perform certain services on behalf of a covered entity that involve the use or disclosure of individually identifiable health information. HITECH also created new tiers of civil monetary penalties, amended HIPAA to make civil and criminal penalties directly applicable to business associates and gave state attorneys general new authority to file civil actions for damages or injunctions in federal courts to enforce HIPAA and seek attorneys' fees and costs associated with pursuing federal civil actions;

- The federal Physician Payments Sunshine Act, being implemented as the Open Payments Program, which requires manufacturers of drugs, devices, biologics and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) to report annually to the Centers for Medicare and Medicaid Services (the "CMS"), information related to direct or indirect payments and other transfers of value to physicians and teaching hospitals, as well as ownership and investment interests held in a company by physicians and their immediate family members. Beginning in 2022, applicable manufacturers will also be required to report information regarding payments and transfers of value provided to physician assistants, nurse practitioners, clinical nurse specialists, certified nurse anesthetists and certified nurse-midwives; and

- U.S. state and local laws and regulations, such as state anti-kickback and false claims laws, which may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third-party payors, including private insurers; state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government or otherwise restrict payments that may be made to healthcare providers; state laws that restrict the ability of manufacturers to offer co-pay support to patients for certain prescription drugs; state laws that require drug manufacturers to report information related to clinical trials, or information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; state laws that require drug manufacturers to report information on the pricing of certain drugs; state laws and local ordinances that require identification or licensing of sales representatives; and state laws governing the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

We will be required to spend substantial time and money to ensure that our business arrangements with third parties comply with applicable healthcare laws and regulations. Even then, governmental authorities may conclude that our business practices do not comply with current or future statutes, regulations or case law involving applicable fraud and abuse or other healthcare laws and regulations. If governmental authorities find that our operations violate any of these laws or any other governmental regulations that may apply to us, we may be subject to significant civil, criminal and administrative penalties, damages, fines, disgorgement, individual imprisonment, exclusion from government funded healthcare programs, such as Medicare and Medicaid, and additional reporting obligations and oversight if we become subject to a corporate integrity agreement or other agreement to resolve allegations of non-compliance with these laws, and we may be required to curtail or restructure our operations. Moreover, we expect that there will continue to be federal and state laws and regulations, proposed and implemented, that could impact our operations and business. In addition, the approval and commercialization of any drug candidate we develop outside the United States will also likely subject us to foreign equivalents of the healthcare laws mentioned above, among other foreign laws. The extent to which future legislation or regulations, if any, relating to health care fraud and abuse laws or enforcement, may be enacted or what effect such legislation or regulation would have on our business remains uncertain.

Healthcare Reform

In the United States there have been, and continue to be, several legislative and regulatory changes and proposed reforms of the healthcare system to contain costs, improve quality and expand access to care. In the United States, there have been and continue to be a number of healthcare-related legislative initiatives that have significantly affected the pharmaceutical industry. For example, the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act of 2010 (collectively, the "ACA"), was passed in March 2010, substantially changing the way healthcare is financed by both governmental and private insurers and significantly impacting the U.S. pharmaceutical industry. Among other things, the ACA subjects biologics to potential competition by lower-cost biosimilars; addresses a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected; increases the minimum Medicaid rebates owed by manufacturers under the Medicaid Drug Rebate Program and extends the rebate program to individuals enrolled in Medicaid managed care organizations; establishes annual fees and taxes on manufacturers of certain branded prescription drugs; and creates a new Medicare Part D coverage gap discount program in which, as a condition of coverage of its products under Medicare Part D, manufacturers must now agree to offer 70% point-of-sale discounts off negotiated prices of applicable brand drugs to eligible beneficiaries during their coverage gap period.

Some of the provisions of the ACA have yet to be fully implemented, while certain provisions have been subject to judicial and Congressional challenges. In addition, there have been efforts by the Trump Administration to repeal or replace certain aspects of the ACA and to alter the implementation of the ACA and related laws. For example, Congress has considered legislation that would repeal or repeal and replace all or part of the ACA. While Congress has not passed comprehensive repeal legislation, bills affecting the implementation of certain taxes under the ACA have been signed into law. The Tax Cuts and Jobs Act of 2017 (the "Tax Act"), includes a provision repealing, effective January 1, 2019, the tax-based shared responsibility payment imposed by the ACA on certain individuals who fail to maintain qualifying health coverage for all or part of a year commonly referred to as the "individual mandate." On January 22, 2018, President Trump signed a continuing resolution on appropriations for fiscal year 2018 that delayed the implementation of certain ACA-mandated fees, including the so-called "Cadillac" tax on certain high cost employer-sponsored insurance plans, the annual fee imposed on certain high cost employer-sponsored insurance plans, the annual fee imposed on certain health insurance providers based on market share and the medical device excise tax on non-exempt medical devices. The Bipartisan Budget Act of 2018 (the "BBA"), among other things, amends the ACA, effective January 1, 2019, to reduce the coverage gap in most Medicare drug plans, commonly referred to as the "donut hole." In addition, in July 2018, the CMS issued a final rule permitting further collections and payments to and from certain ACA qualified health plans and health insurance issuers under the ACA risk adjustment program in response to the outcome of federal district court litigation regarding the method CMS uses to determine this risk adjustment. Additional legislative changes or regulatory changes related to the ACA remain possible. In December 2018, a United States District Court Judge for the Northern District of Texas ruled that the entire ACA is unconstitutional because the tax penalty associated with the "individual mandate" was repealed by Congress as part of the Tax Act. This ruling is under appeal and stayed pending appeal. While the United States District Court Judge for the Northern District of Texas, as well as the Trump Administration and the CMS, have stated that the ruling will have no effect while this appeal is pending, it is unclear how this decision, subsequent appeals and other efforts to invalidate the ACA, regulations promulgated under the ACA or portions thereof, will impact the ACA and its implementation.

Additionally, there has been increasing legislative and enforcement interest in the United States with respect to specialty drug pricing practices. Specifically, there have been several recent U.S. Congressional inquiries and proposed and enacted federal and state legislation designed to, among other things, bring more transparency to drug pricing; reduce the cost of prescription drugs under Medicare; review the relationship between pricing and manufacturer patient programs; and reform government program reimbursement methodologies for drugs. For example, the Trump Administration released a "Blueprint" to lower drug prices and reduce out-of-pocket costs of drugs that contains additional proposals to increase manufacturer competition,

increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products and reduce the out-of-pocket costs of drug products paid by consumers. On January 31, 2019, Office of the Inspector General of the Department of Health and Human Services proposed modifications to the federal Anti-Kickback Statute discount safe harbor for the purpose of reducing the cost of drug products to consumers which, among other things, if finalized, will remove safe harbor protection from rebates paid by manufacturers to Medicare Part D plans, Medicaid managed care organizations and pharmacy benefit managers working with these organizations. Although a number of these, and other proposed measures may require additional authorization to become effective, Congress and the Trump Administration have each indicated that they will continue to seek new legislative and/or administrative measures to control drug costs. Individual states in the United States have also increasingly passed legislation and implemented regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement limitations, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. In addition, regional healthcare authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other healthcare programs.

Moreover, on May 30, 2018, the Right to Try Act was signed into law. The law, among other things, provides a federal framework for certain patients to access certain investigational new drug products that have completed a Phase 1 clinical trial and that are undergoing investigation for FDA approval. Under certain circumstances, eligible patients can seek treatment without enrolling in clinical trials and without obtaining FDA permission under the FDA expanded access program. There is no obligation for a pharmaceutical manufacturer to make its drug products available to eligible patients as a result of the Right to Try Act.

MANAGEMENT

Directors and Executive Officers

The following table sets forth information regarding our directors and executive officers as of the date of this prospectus.

Directors and Executive Officers	Age	Position/Title
Jingwu Zhang Zang, M.D., Ph.D.	64	Founder, Honorary Chairman and Director
Joan Huaqiong Shen, M.D., Ph.D.	58	Director and Chief Executive Officer
Zheru Zhang, Ph.D.	57	Director and President
Jielun Zhu	44	Director and Chief Financial Officer
Wei Fu	38	Director
Mengjiao Jiang	39	Director
Jie Yu	45	Director
Bing Yuan	52	Director
Chun Kwok Alan Au	48	Independent Director
Conor Chia-hung Yang	57	Independent Director
Pamela M. Klein	59	Independent Director
Lili Qian, Ph.D.	38	Vice President of Operations
Weimin Tang, Ph.D.	55	Executive Vice President of Global Business Development
Yunhan Lin, Ph.D.	43	Vice President of Corporate Development
Neil Warma	57	General Manager of I-Mab US
Ivan Yifei Zhu	51	Chief Commercial Officer
Gigi Qi Feng	39	Chief Communications Officer

Jingwu Zhang Zang, M.D., Ph.D., is our founder, honorary chairman and director. Dr. Zang served as our chief executive officer from our inception to October 2019. Prior to founding our company, Dr. Zang served as the chief scientific officer and president of Simcere Pharmaceutical Group and Bioscikin Co., Ltd. from September 2013 to April 2016. Dr. Zang held senior management positions at GlaxoSmithKline (GSK), as the global senior vice president and head of GSK's Research and Development in China from April 2007 to June 2013. The academic career of Dr. Zang started in Dr. Willems Institute and University of Limburg in Belgium. Dr. Zang became a professor at Baylor College of Medicine in Houston and later joined the Chinese Academy of Sciences as the founding director of the Institute of Health Sciences and as a co-director of Institute Pasteur Shanghai, an independent non-profit life science institute to address public health problems in China, where he served as its director from October 2004 to September 2006. Dr. Zang also served as a director of Shanghai Institute of Immunology from June 2002 to April 2007. Dr. Zang received his M.D. from Shanghai Second Medical University (now part of Shanghai Jiaotong University) in 1984, and his Ph.D. in neuroimmunology from the University of Brussels in 1990. Dr. Zang conducted his post-doctoral work at Harvard Medical School in 1992, and obtained his U.S. medical license from the Texas Medical Board through a clinical residency at Baylor College of Medicine in Houston.

Joan Huaqiong Shen, M.D., Ph.D., has served as our head of discovery and clinical development since September 2017, as our director since July 2019 and as our chief executive officer since October 2019. Prior to joining our company, Dr. Shen served as the vice president and development head of Janssen Pharmaceutical Companies of Johnson & Johnson from September 2015 to September 2017. Dr. Shen was the chief medical officer and vice president in Jiangsu Hengrui Medicine, Co., Ltd. (SHA: 600276) from May 2013 to August 2015. Dr. Shen served as the head of the China clinical department and a senior director at Pfizer (China) Research and Development Co., Ltd. from August 2011 to May 2013. Prior to that, Dr. Shen worked as a senior medical director at Pfizer Inc. (NYSE: PFE) from November 2009 to August 2011. From August 2005 to November 2009, Dr. Shen was the medical director at Wyeth Research, a leading pharmaceutical company. Dr. Shen worked as a clinical research physician at Eli Lilly and Company (NYSE: LLY) from September 2003

to August 2005. Dr. Shen served as an adjunctive assistant professor in the department of psychiatry of the Indiana University School of Medicine from October 2003 to October 2005. She has also been a guest professor of Beijing University Clinical Research Institute since March 2018. Dr. Shen completed three fellowships in the Indiana University School of Medicine, one in endocrinology from August 1996 to July 1998, one in psychopharmacology and one in clinical pharmacology, both from January 2002 to September 2003. Dr. Shen obtained her U.S. medical license from the Indiana University School of Medicine through a clinical residency. Dr. Shen received her M.D. from Southeast University Medical College in 1983, master's degree in anatomy from West China University of Medical Sciences, currently Sichuan University School of Medicine in 1989, and her Ph.D. in anatomy/neuroscience from the Indiana University School of Medicine in 1996.

Zheru Zhang, Ph.D., has served as our director and president since September 2017. Prior to joining our company, Dr. Zhang served as the president at Tasgen Bio-tech (Tianjin) Co., Ltd. from November 2015 to April 2017, as the chief executive officer at Shanghai JMT-Bio Co., Ltd. from October 2012 to October 2015, as a vice president, research and development at Celltrion Inc. from March 2008 to October 2012, as a group leader for the development of analytics and drug products at Johnson & Johnson (NYSE: JNJ) from January 2006 to March 2008, and as a research investigator at Bristol-Myers Squibb Company from May 2000 to January 2006, focusing on bioanalytical development and protein therapeutics development, respectively. Dr. Zhang received his master's degree in chemistry from Suzhou University in 1991, and his Ph.D. in chemistry from University of Alberta in Canada in 2000.

Jielun Zhu has served as our chief financial officer since August 2018 and as our director since July 2019. Prior to joining our company, Mr. Zhu held positions as a managing director and the head of healthcare investment banking, Asia, at Jefferies Hong Kong Limited from December 2015 to July 2018, advising biotechnology and healthcare clients globally on initial public offerings, mergers and acquisitions and other strategic transactions. From August 2008 to December 2015, Mr. Zhu worked at the Deutsche Bank Group in its Hong Kong branch, with his last position being a director in the corporate finance division. He worked as an investment banker at UBS Investment Bank in Hong Kong from July 2007 to July 2008. Mr. Zhu received his bachelor's degree of arts with honors in mathematics-economics from Wesleyan University in May 2000 and master's degree in business administration from the Harvard Business School with Distinction in June 2007. Mr. Zhu was awarded the Chartered Financial Analyst (CFA) charter by the CFA Institute in January 2012.

Wei Fu has served as our director since June 2018. Mr. Fu was appointed by the C-Bridge entities pursuant to our shareholders agreement dated July 6, 2018. Mr. Fu has served as the chief executive officer and a managing partner of C-Bridge Capital Investment Management, Ltd. since April 2014. Mr. Fu currently also serves on the board of several private companies. From August 2011 to December 2013, Mr. Fu served as the general manager of the investment department at Far East Horizon International, a financial services organization. Mr. Fu served as a partner and the head of the Beijing office of Themes Investment Management Ltd, a private equity firm specializing in healthcare and environmental businesses, from July 2010 to July 2011. From March 2008 to April 2010, Mr. Fu worked as an associate director of the private equity department at Standard Chartered Business Consulting (Beijing) Co., Ltd, where he was mainly responsible for private equity investment in relation to infrastructure projects. Mr. Fu received his bachelor's degree in electrical engineering and business administration from Nanyang Technological University in Singapore in February 2005.

Mengjiao Jiang has served as our director since September 2017. Ms. Jiang was appointed by the C-Bridge entities pursuant to our shareholders agreement dated July 6, 2018. Ms. Jiang is a managing director of C-Bridge Capital Investment Management, Ltd., a healthcare-dedicated private equity firm, and has served as a partner and a managing director since January 2014. Ms. Jiang currently also serves on the board of several private companies. Ms. Jiang served as a director at International Far East Horizon International, a financial services organization, from March 2012 to December 2013. Prior to that, Ms. Jiang served at ARC China Inc. as a managing director from May 2008 to June 2011. Ms. Jiang received her bachelor's degree in economics with a political science double major from Wellesley College in Massachusetts in May 2003.

Jie Yu has served as our director since July 2019. Mr. Yu was appointed by the Tasly entities pursuant to our shareholders agreement dated July 6, 2018. Mr. Yu has served as the secretary of the board at Tasly Pharmaceutical Group Co., Ltd. since November 2016. Prior to that, Mr. Yu was a director of brand management office at China Minsheng Investment Co., Ltd., an international private capital investment group, from March 2015 to October 2016. Mr. Yu worked as the head of the brand management department and the head of Chinese media affairs department at Huawei Technologies Co., Ltd. from April 2001 to March 2015. Mr. Yu received his bachelor's degree in management from Harbin Normal University in 1998 and master's degree in management from Northeast Forestry University in 2001.

Bing Yuan has served as our director since April 2020. Mr. Yuan is a managing director of Hony Capital and a member of Hony Capital's executive committee, responsible for its equity investment operations. Mr. Yuan joined Hony Capital in April 2009 and has served as a managing director of the private equity department since January 2010. Prior to joining Hony Capital, Mr. Yuan served as a managing director of the direct investment department of Morgan Stanley Asia Limited from 2008 to 2009. Before that, Mr. Yuan served as a managing director of the investment banking division of Morgan Stanley Asia Limited from April 2004 to June 2008. Prior to that, Mr. Yuan served as a vice president with Credit Suisse First Boston in Hong Kong and New York from August 1998 to March 2004, focusing on corporate finance and merger & acquisitions transactions in the technology, media and telecom industry. During his investment banking time, Mr. Yuan assisted numerous prominent Chinese state-owned enterprises and private sector companies in completing their initial public offerings, corporate finance and merger & acquisition transactions. Mr. Yuan also worked as a financial analyst in project finance with Fieldstone Private Equity LLP in New York from 1993 to 1995. Mr. Yuan received his bachelor's degree in English from Nanjing University in July 1990 and received his master's degree in international relations in June 1993 and his Juris Doctor degree in June 1998 from Yale University.

Mr. Chun Kwok Alan Au has served as our director since January 2020. Mr. Au is the founder of GT Healthcare Group, a private equity platform focusing on cross border healthcare investments, and has served as the managing partner of GT Healthcare Group since September 2015. Mr. Au has served as a director of Cellular BioMedicine Group (Nasdaq: CBMG), a clinical-stage biopharmaceutical firm engaged in the development of immunotherapies for cancer and stem cell therapies for degenerative diseases, since November 2014. Mr. Au also has served as a panel member for the Entrepreneur Support Scheme (ESS Program) of the Innovation and Technology Fund of the Hong Kong SAR Government since 2014. Mr. Au was an advisor to Simcere Pharmaceutical Group, a leading pharmaceutical company in China (previously listed on NYSE: SCR, privatized in December 2013, when Mr. Au served as chairman of the special committee on the board of directors). Mr. Au was also a member of the board of China Nepstar Chain Drugstore Ltd. (NYSE: NPD, privatized in September 2016) from March 2013 to August 2016. Mr. Au served as the head of the Asia Healthcare Investment Banking of Deutsche Bank Group, advising healthcare IPOs and M&A in the region from April 2011 to December 2012. Prior to that, Mr. Au served as the executive director at JAFCO Asia Investment Group, responsible for healthcare investments in China from 2008 to 2010. Mr. Au worked at Morningside Group as a director in charge of healthcare investments in Asia from 2000 to 2005. Mr. Au received his bachelor's degree in psychology from Chinese University of Hong Kong in 1995 and his master's degree in management from Columbia Business School in New York in 2007. Mr. Au is a certified public accountant (CPA) in the U.S. and a chartered financial analyst (CFA). He is an associate member of the Hong Kong Institute of Financial Analysts and member of the American Institute of Certified Public Accountants.

Mr. Conor Chia-hung Yang has served as our director since January 2020. Mr. Yang is a co-founder of Black Fish Group Limited and has served as the president of Black Fish Group Limited since November 2017. Prior to that, Mr. Yang was the chief financial officer of Tuniu Corporation (Nasdaq: TOUR) from January 2013 to November 2017, the chief financial officer of E-Commerce China Dangdang Inc. from March 2010 to July 2012 and the chief financial officer of AirMedia Group Inc., currently known as AirNet Technology Inc., (Nasdaq: ANTE) from March 2007 to March 2010. Mr. Yang was the chief executive officer of Rock Mobile Corporation from 2004 to February 2007. From 1999 to 2004, Mr. Yang served as the chief financial officer of the Asia Pacific region for CellStar Asia Corporation. Mr. Yang was an executive director of Goldman Sachs

(Asia) L.L.C. from 1997 to 1999. Prior to that, Mr. Yang was a vice president of Lehman Brothers Asia Limited from 1994 to 1996 and an associate at Morgan Stanley Asia Limited from 1992 to 1994. Mr. Yang currently serves as an independent director and chairman of the audit committee of each of China Online Education Group (NYSE: COE) and Ehang Holdings Limited (Nasdaq: EH). Mr. Yang received a master's degree of business administration from University of California, Los Angeles in 1992.

Dr. Pamela M. Klein has served as our director since January 2020. Dr. Klein currently serves a director of Spring Bank Pharmaceuticals, Inc. (Nasdaq: SBPH) since July 2019, a director of argenx SE (Nasdaq: ARGX) since April 2016 and a director of Patrys Limited (ASX: PAB) since October 2019. In addition, Dr. Klein has served as the president at PMK BioResearch since 2008, offering consultancy in Oncology Drug Development to Biotech, Pharma and the Investment Community. Dr. Klein has also served as the consulting chief medical officer at Olema Oncology since 2018. Previously, Dr. Klein served as Chief Medical Officer for successful biotech start-ups and prior to that, Vice President, Genentech, Development. Dr. Klein received her bachelor's degree in cell and molecular biology from California State University in 1985 and an M.D. from Stritch School of Medicine, Loyola University Chicago in 1992 followed by an internal medicine residency at Cedars Sinai, Los Angeles. Dr. Klein spent seven years at the National Cancer Institute of the NIH in Bethesda, Maryland in medical oncology.

Lili Qian, Ph.D., has served as the vice president of operations since June 2016 and our director from September 2017 to July 2019. Dr. Qian worked at Bioscikin Biopharma Technology Co., Ltd. from January 2016 to May 2016, serving as the secretary to the board of directors and president office manager. Prior to that, Dr. Qian held various positions at Simcere Pharmaceutical Group as the president assistant and a project management manager from October 2013 to December 2015, and as a business development manager from July 2013 to October 2013. She was the project leader of the national key laboratory of protein and plant genetic engineering at Peking University from September 2007 to June 2013. Dr. Qian received her bachelor's degree in biochemistry from University of British Columbia in 2005 and her Ph.D. in biochemistry and molecular biology from Peking University in 2013.

Weimin Tang, Ph.D., has served as our executive vice president of global business development since April 2018. Prior to joining our company, Dr. Tang served as an executive director and a business director at Hengrui Therapeutics, Inc. from July 2015 to April 2018. Dr. Tang served as the vice president and a business director at Crown Bioscience Inc., a pre-clinical contract research organization, from July 2011 to July 2015. Prior to that, Dr. Tang served as the vice president and a business director at ShanghaiBio Corporation Shanghai Biotechnology Cooperation, a biotech company based in Shanghai, from October 2010 to July 2011. Dr. Tang received his bachelor's degree in plant pathology from Zhejiang University in 1986, master's degree in microbiology from Chinese Academy of Sciences in 1989, and Ph.D. in biochemistry from Rutgers University, New Jersey in 1997.

Yunhan Lin, Ph.D., has served as our vice president of corporate development since September 2017. Prior to joining our company, Dr. Lin served as the head of business development at Mycenax Biotech Inc., a Taiwan-based public pharmaceutical company, from January 2016 to September 2017. Prior to that, Dr. Lin served as the head of business development at SynCore Biotechnology Co., Ltd, a Taiwan-based public biopharmaceutical company, from February 2012 to December 2015. Dr. Lin worked as a science project deputy manager at Sinphar Pharmaceutical Co, Ltd., a Taiwan-based pharmaceutical company, from September 2001 to January 2012. Dr. Lin received his bachelor's degree in applied chemistry from Providence University, Taiwan in 2000, master's degree in chemistry from Fu Jen Catholic University, Taiwan in 2003, and Ph.D. in chemistry from Tamkang University, Taiwan in 2008.

Neil Warma has served as the general manager of I-Mab US since September 2019. Mr. Warma is currently an advisor to several companies and serves on the board of directors of several biotechnology companies and BioHouston, a non-profit tax-exempt 501(c)(3) corporation founded by Houston area academic/ research institutions. Prior to joining our company, Mr. Warma served as the president and chief executive

officer of Opexa Therapeutics, currently Acer Therapeutics Inc. (Nasdaq: OPXA), from June 2008 to September 2017, and as its director from September 2008 to September 2017. At Opexa Therapeutics, he also served as acting chief financial officer from March 2016 to September 2017, and previously served in such role from March 2009 to August 2012. From July 2004 to September 2007, Mr. Warma served as president and chief executive officer of Viron Therapeutics Inc., a privately-held clinical stage biopharmaceutical company. Mr. Warma co-founded MedExact USA, Inc., an Internet company providing clinical information and services to physicians and pharmaceutical companies in 2000 and served as president until 2003. From 1992 to 2000, Mr. Warma held senior positions of increasing responsibility at Novartis Pharmaceuticals (previously Ciba-Geigy Ltd.) at its corporate headquarters in Basel, Switzerland. While at Novartis, Mr. Warma served as the Head of International Pharma Policy & Advocacy and in senior management within global marketing where he worked on the international launch of a gastrointestinal product. Mr. Warma obtained an honors degree specializing in neuroscience from the University of Toronto in 1984 and an International M.B.A. from the Schulich School of Management at York University in Toronto in 1992.

Ivan Yifei Zhu has served as our chief commercial officer since August 2020. Mr. Zhu has more than 20 years of successful commercialization experience at global and domestic pharma and biotech companies. Prior to joining us, Mr. Zhu served as vice president and general manager of the sales division of Qilu Pharmaceutical Group where he managed the company's sales and marketing team. From April 2018 to March 2019, Mr. Zhu served as the chief commercial officer of BeiGene (HKEX: 6160) where he played an instrumental role in the expansion of BeiGene's commercialization team and the implementation of its commercialization strategies. Mr. Zhu also worked for Xi'an Janssen for more than 20 years where he held various senior management positions. During this period, he built and managed numerous business units, covering a wide range of therapeutic areas including oncology, immunotherapy, skin diseases, infectious diseases and the central nervous system. Mr. Zhu received his bachelor's degree in medicine from Zhejiang University in 1992.

Gigi Qi Feng has served as our chief communications officer since October 2020 and served as our vice president and global head of corporate communications from April 2020 to October 2020. Prior to joining us, Ms. Feng served as Amgen's Japan Asia Pacific regional head of corporate affairs from March 2018 to March 2020, where she led communications efforts including executive communications, media relations, employee engagement and philanthropy to build the Amgen brand across 14 markets in the Asia Pacific region. Prior to joining Amgen, Ms. Feng held progressive China, Asia Pacific and global communications leadership roles at Sanofi from November 2013 to March 2018, positioning the company as a scientific partner of choice. Prior to that, Ms. Feng led the strategic communications group at an international public affairs consultancy from December 2009 to November 2013 with a focus on the healthcare industry. She also worked at the U.S. Consulate General in Shanghai from 2005 to 2009, where she managed consulate-wide communications and large-scale events. Ms. Feng received her bachelor's degree in Government and Asian studies from Cornell University in 2003 and completed an EMBA program in business strategy from Harvard Business School in 2015.

Our Scientific Advisory Board

The members of our scientific advisory board provide scientific, portfolio and project strategy advice to us, including the evaluation of research and development strategies. The members of our scientific advisory board receive cash compensation for their services.

Howard Weiner, M.D., has served on our scientific advisory board since July 2019. Dr. Weiner is the Robert L. Kroc Professor of Neurology at the Harvard Medical School, Director of the Partners Multiple Sclerosis ("MS") Center and Co-Director of Center for Neurologic Diseases at Brigham & Women's Hospital in Boston. The Partners MS Center is the first integrated MS Center that combines clinical care, MRI imaging and immune monitoring to the MS patient as part of the 2000 patient CLIMB cohort study. Dr. Weiner has pioneered immunotherapy in MS and has investigated immune mechanisms in nervous system diseases including MS, Alzheimer's disease, amyotrophic lateral sclerosis, stroke and brain tumors. Dr. Weiner has also pioneered the

investigation of the mucosal immune system for the treatment of autoimmune and other diseases and the use of anti-CD3 to induce regulatory T cells for the treatment of these diseases.

Eric K. Rowinsky, M.D., has served on our scientific advisory board since June 2019. Dr. Rowinsky is an independent consultant and/or board member of various public and private companies and not-for-profit efforts. Since 2017, Dr. Rowinsky has served as an advisor to C-Bridge Capital and the U.S. Chief Medical Officer for Everest Medicines, Inc. Since 2015, Dr. Rowinsky has served as an Executive Director and President at Rgenix Inc. and as the Chief Scientific Officer of Clearpath Development Co. From 2005 to 2015, Dr. Rowinsky held various positions with various biotechnology companies. At ImClone Systems (now a wholly-owned subsidiary of Eli Lilly), Dr. Rowinsky and his team developed and registered cetuximab (Erbitux) and ramucirumab in five indications and two other monoclonal antibodies in North America and elsewhere. Dr. Rowinsky has been an Adjunct Professor of Medicine at New York University School of Medicine since 2005. From 1987 to 2005, Dr. Rowinsky held various academic and research positions with various universities and research institutions including the Institute for Drug Development of the Cancer Therapy and Research Center in San Antonio, where he held the SBC Endowed Chair for Early Drug Development, and the Johns Hopkins University School of Medicine. Dr. Rowinsky received his B.A. degree from New York University and his M.D. from the Vanderbilt University School of Medicine and completed fellowship training at the Johns Hopkins University School of Medicine. Dr. Rowinsky received the career development award of the American Cancer Society and the 6th Annual Emil J. Freireich Award. He has also served on the Board of Scientific Counselors of the NCI. Dr. Rowinsky is the Editor-in-Chief of Investigational New Drugs, an Editorial Board Member of Cancer Research and several other oncology journals.

Patricia LoRusso, D.O., M.A., Ph.D., has served on our scientific advisory board since July 2019. Dr. LoRusso is currently a professor of medicine and a clinical scholar in medical oncology and Associate Director of Innovative Medicine at Yale Cancer Center in New Haven, Connecticut, USA, where she is also Director of Early Therapeutics Disease-Aligned Team. Dr. LoRusso's expertise is in testing new treatments on patient volunteers with advanced-stage cancer. She heads the early clinical trials program at Yale Cancer Center. She has served as the co-leader of the Stand Up To Cancer/Melanoma Research Alliance–funded Melanoma Dream Team, a Komen Promise grant co-Principal Investigator, and has been a Principal Investigator of the National Cancer Institute Phase 1/early phase clinical trials program grant in excess of 20 years. She is currently primary investigator or co-investigator of numerous clinical trials. Prior to joining Yale in August 2014, Dr. LoRusso served in numerous leadership roles at Wayne State University's Barbara Karmanos Cancer Institute for more than 25 years, most recently as director of the Phase 1 Clinical Trials Program and of the Eisenberg Center for Experimental Therapeutics. Dr. LoRusso also worked as a director in Karmanos Cancer Institute, a cancer research and provider network, from 1997 to 2014. Dr. LoRusso received her B.A. degree of science in religion/religious studies and biology, her master's degree at Yale University, her D.O. and Ph.D. from Michigan State University, and completed fellowship training at Wayne State University. Dr. LuRosso served as co-chair of the National Cancer Institute Cancer Therapy Evaluation Program (NCI CTEP) Investigational Drug Steering Committee, a prior parent member of the NCI's Quick Trials Clinical Subcommittee, and has served as either an ad hoc or an appointed member on multiple study sections and has reviewed for Komen Promise grants, numerous SPORE and P01 study sections, and translational research grants. She has served on the education and scientific committees of the American Society of Clinical Oncology, the Scientific Committee of the American Association for Cancer Research as well as a Vice-Chair for the 2019 AACR annual meeting. She is a member of the NCI Board of Scientific Council and has served on the Board of Directors for the American Association for Cancer Research.

Yi-Long Wu, M.D., FACS, has served on our scientific advisory board since August 2019. Yi-Long Wu is a tenured professor of Guangdong General Hospital, Guangdong Academy of Medical Sciences and Guangdong Lung Cancer Institute. He is the former President of Chinese Society of Clinical Oncology (CSCO), the Chief of the WUJIEPING Oncology Medical Foundation, the vice-director of the Precision Medicine of the Chinese Medical Doctor Association, the President of Chinese Thoracic Oncology Group (C-TONG), the President of International Chinese Society of Thoracic Surgery (ICSTS), a Fellow of the American College of

Surgeons, a Member of Board of Directors of the International Association Study of Lung Cancer (IASLC), the Chairman of European Society for Medical Oncology (ESMO) in China, the Chairman of Federation of Asia Clinical Oncology (FACO), a past Member of the International Affairs Committee of American Society of Clinical Oncology (ASCO), and a former Member of staging committee of the IASLC. He graduated from Sun Yat-sen University of Medical Sciences in 1982 and completed his thoracic surgery training in Germany in 1989. His main research interests are the multidisciplinary synthetic therapy on lung cancer in translation medicine and evidence-based medicine in oncology. He is leading the Chinese lung cancer research field and has been the Principal Investigator or Co-PI of more than 120 international or national multicenter clinical trials. He has contributed 20 books on cancer and has published more than 300 articles in peer-reviewed journals including *J Clin Oncol, Lancet Oncol, New Engl J Med, Cancer Cell and J Thorac Oncol*. He also serves on the editorial boards of *Cancer Letters, Annals of Surgical Oncology, Lung Cancer Management, International Journal of Biological Marker and General Thoracic and Cardiovascular Surgery*. He is Editor-in-Chief of *Journal of Evidence-based Medicine, Journal of Thoracic Oncology (Chinese Edition), and The Oncologist (Chinese Edition)* etc.

Timothy Yap, M.D., Ph.D., has served on our scientific advisory board since August 2019. Dr. Yap is a medical oncologist and physician-scientist based at the University of Texas MD Anderson Cancer Center. He is an Associate Professor in the Department for Investigational Cancer Therapeutics (Phase I Program), and the Department of Thoracic/Head and Neck Medical Oncology. Dr. Yap is the Medical Director of the Institute for Applied Cancer Science, a drug discovery biopharmaceutical unit where drug discovery and clinical translation are seamlessly integrated. He is also the Associate Director of Translational Research in the Institute for Personalized Cancer Therapy, which is an integrated research and clinical trials program aimed at implementing personalized cancer therapy and improving patient outcomes. Prior to his current position, Dr. Yap was a Consultant Medical Oncologist at The Royal Marsden Hospital in London, UK and National Institute for Health Research BRC Clinician Scientist at The Institute of Cancer Research, London, UK. Dr. Yap gained his BSc degree with First Class Honors in Immunology and Infectious Diseases at Imperial College London, UK, and was awarded the Huggett Memorial Prize. His BSc laboratory research involved an immunogenetics study under the supervision of Professor Charles Bangham. He subsequently went on to attain his Medical degree from Imperial College London, UK, before completing general medical training in Oxford. Dr. Yap's main research focuses on the first-in-human and combinatorial development of molecularly targeted agents and immunotherapies, and their acceleration through clinical studies using novel predictive and pharmacodynamic biomarkers. Dr. Yap leads immuno-oncology clinical and associated translational studies, including novel agents targeting PD-1/PD-L1, ICOS, IDO, LAG3, TIM3, STING, TGFbeta, adenosine A2A receptor and fucosylation. He was previously the UK Chief Investigator for the CheckMate 331 Phase III trial in relapsed small cell lung cancer and the KEYNOTE-158 Phase II biomarker study in advanced solid tumors and multiple novel immunotherapy combination phase I trials.

Roy S. Herbst, MD, PhD, has served on our scientific advisory board since July 2019. Dr. Roy S. Herbst is an Ensign Professor of Medicine (Medical Oncology) and Professor of Pharmacology, the Chief of Medical Oncology at Yale Cancer Center and Smilow Cancer Hospital, and an Associate Cancer Center Director for Translational Research, Yale Cancer Center in New Haven, CT. Dr. Herbst is nationally recognized for his leadership and expertise in lung cancer treatment and research. He is best known for his work in developmental therapeutics and the personalized therapy of non-small cell lung cancer, in particular the process of linking genetic abnormalities of cancer cells to novel therapies. Prior to his appointment at Yale, Dr. Herbst was the Barnhart Distinguished Professor and Chief of the Section of Thoracic Medical Oncology in the Department of Thoracic/Head and Neck Medical Oncology, at The University of Texas M.D. Anderson Cancer Center (UT-MDACC) in Houston, Texas. He also served as Professor in the Department of Cancer Biology and Co-Director of the Phase I Clinical Trials Program. He has led the Phase I development of several of the new generation of targeted agents for non-small cell lung cancer (NSCLC), including gefitinib, erlotinib, cetuximab, and bevacizumab. More recently, he participated in the successful registration of pembrolizumab for the treatment of advanced non-small cell lung cancer, following the successful Yale-led KEYNOTE 10 study of the immune therapy drug commonly used to treat other cancers. He was co-leader for the BATTLE-1 clinical trial

program, co-leads the subsequent BATTLE-2 clinical trial program, and served as a Co-program Leader of the Developmental Therapeutics Program for the YCC Support Grant. Dr. Herbst's laboratory work is focused on immunotherapy angiogenesis; dual epidermal growth factor receptor (EGFR)/vascular endothelial growth factor receptor (VEGFR) inhibition in NSCLC, and targeting KRAS-activated pathways. More recently, he has explored predictive biomarkers for the use of immunotherapy agents. This work has been translated from the preclinical to clinical setting in multiple Phase II and III studies which he has led. After earning a B.S. and M.S. degree from Yale University, Dr. Herbst earned his M.D. at Cornell University Medical College and his Ph.D. in molecular cell biology at The Rockefeller University in New York City, New York. His postgraduate training included an internship and residency in medicine at Brigham and Women's Hospital in Boston, Massachusetts. His clinical fellowships in medicine and hematology were completed at the Dana-Farber Cancer Institute and Brigham and Women's Hospital, respectively. Subsequently, Dr. Herbst completed a M.S. degree in clinical translational research at Harvard University in Cambridge, Massachusetts. Dr. Herbst is an author or co-author of more than 275 publications, including peer-reviewed journal articles, abstracts, and book chapters. His work has been published in many prominent journals, such as the Journal of Clinical Oncology, Clinical Cancer Research, Lancet, the New England Journal of Medicine, and Nature. Dr. Herbst was a member of the National Cancer Policy Forum (1998-2014) for which he organized an Institute of Medicine meeting focused on policy issues in personalized medicine. He is a member of ASCO and, as a member of AACR, he chairs the Tobacco Task Force. He is a fellow of the American College of Physicians and an elected member of the Association of American Physicians. Dr. Herbst is also a member of the medical advisory committee for the Lung Cancer Research Foundation and chair of the communications committee for ASCO and the International Association for the Study of Lung Cancer. He is currently the Vice Chair for Developmental Therapeutics for the Southwestern Oncology Group (SWOG) Lung Committee, Principal Investigator of the SWOG 0819 trial, and steering committee chair for the Lung Master Protocol (Lung MAP).

Chen Dong, Ph.D., has served on our scientific advisory board since September 2020. Dr. Dong is a professor and the director of the Institute for Immunology at Tsinghua University. Prior to joining Tsinghua University in 2013, Dr. Dong served as a professor of immunology and the director of the Center for inflammation and Cancer at the University of Texas MD Anderson Cancer Center from 2004 to 2013. Dr. Dong's research focuses on understanding the molecular mechanisms whereby immune and inflammatory responses are normally regulated, and applying this knowledge to the understanding and treatment of autoimmunity and allergy disorders as well as cancer. The work from Dr. Dong's group has led to the discoveries of Th17 and T follicular helper (Tfh) cell subsets in the immune system and elucidation of their biological and pathological functions. Dr. Dong has over 200 publications and was rated highly cited researcher for six years from 2014 to 2019. The honors he has received include the 2009 American Association of Immunologists-BD Bioscience Investigator Award and 2019 International Cytokine and Interferon Society Biolegend-William E. Paul Award. He is a fellow of the American Association for the advancement of Science and a member of the Chinese Academy of Sciences. Dr. Dong is currently an Editor for Immunity, Editor-in-chief for Frontiers in Immunology- T Cell Biology and Associate Editor for China Sciences- Life Sciences.

Jun Ma, has served on our scientific advisory board since December 2020. Dr. Ma is Chief Physician, Professor, Doctoral Supervisor, Director of Harbin Institute of Hematology & Oncology, Chief Supervisor of Supervisory Committee, Chinese Society of Clinical Oncology (CSCO), Vice Chairman of ACOS, Chairman of Union for China Leukemia Investigators of CSCO, Past-Vice Chairman of Chinese Society of Hematology, Vice Chairman of CMDA for Hematologist Committee, Vice Chairman of CMDA for Oncology Committee and Past-Chairman of Union for China Lymphoma Investigators of CSCO. Dr. Ma studied in the University of Tokyo Hospital since 1979. He was devoted to giving the treatment for benign and malignant diseases of hematological system. He earns the fame for treating Leukemia and lymphoma. In 1982, he built the very first multiple hematopoietic progenitor cells culture system in vitro in China. Since 1983, he used the sequential therapy of ATRA and ATO to treat APL for 1200 cases or so. And disease free survival (DFS) were 85% in 10 years, which achieved international advanced level. He has published about 200 articles in Journals from home and abroad, with over 40 monographs and has earned 20 national, provincial and municipal Science & Technology

awards. He has taken 8 programs from National R&D Program (863 Program) and 25 projects from provincial, municipal scientific research project.

Certain Past Incidents

From June 2007 to June 2013, Dr. Jingwu Zhang Zang worked and held senior management positions at GlaxoSmithKline ("GSK"), as a global senior vice president, and head of GSK's Research and Development in China. Dr. Zang was dismissed by GSK in June 2013 after GSK became aware of misrepresentation of certain data in a research paper entitled "Crucial role of interleukin-7 in T helper type 17 survival and expansion in autoimmune disease," which was prepared by scientists at GSK China's research center and published in Nature Medicine in 2010. Dr. Zang was the corresponding author of the paper, primarily handling manuscript editing and communications with editors and reviewers of the paper, which are the general responsibility of a corresponding author. According to Dr. Zang and the first author of the paper, Dr. Zang, as the head of GSK China's research center and a member of GSK's global senior management, was neither involved in nor aware of the mislabeled samples relating to the misrepresented data referenced in the paper at the time when the paper was prepared and published. Nonetheless, Dr. Zang admitted his management oversight and accepted the responsibility as the corresponding author. He later coordinated the retraction of the paper in September 2013.

From 1996 to 2002, Dr. Zang was employed by Baylor College of Medicine in Houston, Texas initially as an associate professor and was later promoted to full professor. At that time, Dr. Zang's team was conducting a clinical study on T-cell vaccination for the treatment of multiple sclerosis after approval by Baylor's Institutional Review Board ("IRB"). Dr. Zang was led to believe that such clinical research would not require FDA approval. In March 1999, the Food and Drug Administration, or the FDA, issued a warning letter to Dr. Zang stating that the clinical study did require IND approval from the FDA in addition to the approval from the IRB and requested the study to be suspended. The study was suspended and later re-initiated and successfully completed after the IND approval was obtained.

To the best of our knowledge, Dr. Zang was not and is not subject to any legal or regulatory charges, proceedings or disciplinary actions in connection with the above incidents or by relevant parties involved in the incidents.

Since the incident, Dr. Zang continues to be recognized by his peers and institutions, given his longstanding scientific achievements. For example, he was approved by the Ministry of Science and Technology of PRC in 2015 through a peer review process, to serve as the director of China National Key Laboratory of Translational Medicine and Innovative Medicine. Since 2016, Dr. Zang has successfully led all financing rounds of our company from high caliber investors, including the initial public offering of our company.

For risks related to the above incidents, please see "Risk Factors—Risks Related to Our Industry, Business and Operations—Negative publicity with respect to us, our management, employees, business partners, affiliates, or our industry, may materially and adversely affect our reputation, business, results of operations and prospect."

For the measures and systems we have in place to ensure the integrity and legal compliance of our R&D process and business operations, please see "Business—R&D Governance" and "Business—Quality Control and Assurance."

Board of Directors

Our board of directors consists of 11 directors. A director is not required to hold any shares in our company by way of qualification. Subject to the Nasdaq Global Market rules and disqualification by the chairman of the relevant board meeting, a director may vote with respect to any contract, proposed contract or arrangement in which he is interested. A director who is interested in a contract, proposed contract or

arrangement shall declare the nature of his or her interest at the earliest meeting of the board at which it is practicable for him or her to do so, either specifically or by way of a general notice. The directors may exercise all the powers of our company to borrow money, mortgage its undertaking, property and uncalled capital, and issue debentures or other securities whenever money is borrowed or as security for any obligation of our company or of any third party. None of our directors who are not our executive officers has a service contract with us that provides for benefits upon termination of service.

Committees of the Board of Directors

We have established three committees under the board of directors: an audit committee, a compensation committee and a nominating and corporate governance committee. We have adopted a charter for each of the three committees. Each committee's members and functions are described below.

Audit Committee. Our audit committee consists of Mr. Conor Chia-hung Yang, Mr. Chun Kwok Alan Au and Mr. Bing Yuan. Mr. Conor Chia-hung Yang is the chairman of our audit committee. We have determined that each of Mr. Conor Chia-hung Yang, Mr. Chun Kwok Alan Au and Mr. Bing Yuan satisfies the "independence" requirements of Rule 5605(c)(2) of the Nasdaq Stock Market Rules and meets the independence standards under Rule 10A-3 under the Exchange Act. We have determined that Mr. Conor Chia-hung Yang qualifies as an "audit committee financial expert." The audit committee will oversee our accounting and financial reporting processes and the audits of the financial statements of our company. The audit committee is responsible for, among other things:

- appointing the independent auditors and pre-approving all auditing and non-auditing services permitted to be performed by the independent auditors;
- reviewing with the independent auditors any audit problems or difficulties and management's response;
- discussing the annual audited financial statements with management and the independent auditors;
- reviewing the adequacy and effectiveness of our accounting and internal control policies and procedures and any steps taken to monitor and control major financial risk exposures;
- reviewing and approving all proposed related party transactions;
- meeting separately and periodically with management and the independent auditors; and
- monitoring compliance with our code of business conduct and ethics, including reviewing the adequacy and effectiveness of our procedures to ensure proper compliance.

Compensation Committee. Our compensation committee consists of Dr. Jingwu Zhang Zang, Mr. Chun Kwok Alan Au and Dr. Pamela M. Klein. Dr. Jingwu Zhang Zang is the chairman of our compensation committee. We have determined that each of Mr. Chun Kwok Alan Au and Dr. Pamela M. Klein satisfies the "independence" requirements of Rule 5605(a)(2) of the Nasdaq Stock Market Rules. The compensation committee will assist the board in reviewing and approving the compensation structure, including all forms of compensation, relating to our directors and executive officers. Our chief executive officer may not be present at any committee meeting during which his compensation is deliberated. The compensation committee is responsible for, among other things:

- reviewing and approving, or recommending to the board for its approval, the compensation for our chief executive officer and other executive officers;

- reviewing and recommending to the board for determination with respect to the compensation of our directors who are not our employees;
- reviewing periodically and approving any incentive compensation or equity plans, programs or similar arrangements; and
- selecting compensation consultant, legal counsel or other adviser only after taking into consideration all factors relevant to that person's independence from management.

Nominating and Corporate Governance Committee. Our nominating and corporate governance committee consists of Mr. Wei Fu, Mr. Chun Kwok Alan Au and Mr. Conor Chia-hung Yang. Mr. Wei Fu is the chairman of our nominating and corporate governance committee. We have determined that each of Mr. Chun Kwok Alan Au and Mr. Conor Chia-hung Yang satisfies the "independence" requirements of Rule 5605(a)(2) of the Nasdaq Stock Market Rules. The nominating and corporate governance committee will assist the board of directors in selecting individuals qualified to become our directors and in determining the composition of the board and its committees. The nominating and corporate governance committee is responsible for, among other things:

- selecting and recommending to the board nominees for election by the shareholders or appointment by the board;
- reviewing annually with the board the current composition of the board with regards to characteristics such as independence, knowledge, skills, experience and diversity;
- making recommendations on the frequency and structure of board meetings and monitoring the functioning of the committees of the board; and
- advising the board periodically with regards to significant developments in the law and practice of corporate governance as well as our compliance with applicable laws and regulations, and making recommendations to the board on all matters of corporate governance and on any corrective action to be taken.

Duties of Directors

Under Cayman Islands law, our directors owe fiduciary duties to our company, including a duty of loyalty, a duty to act honestly, and a duty to act in what they consider in good faith to be in our best interests. Our directors must also exercise their powers only for a proper purpose. A director must exercise the skill and care of a reasonably diligent person having both—(a) the general knowledge, skill and experience that may reasonably be expected of a person in the same position (an objective test), and (b) if greater, the general knowledge, skill and experience that that director actually possesses (a subjective test). In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association, as amended from time to time, and the class rights vested thereunder in the holders of the shares. Our company has the right to seek damages if a duty owed by our directors is breached. A shareholder may in certain limited circumstances have the right to seek damages in our name if a duty owed by the directors is breached.

Our board of directors has all the powers necessary for managing, and for directing and supervising, our business affairs. The functions and powers of our board of directors include:

- convening shareholders' annual general meetings and reporting its work to shareholders at such meetings;
- declaring dividends and other distributions;

- appointing officers and determining the term of office of the officers;
- exercising the borrowing powers of our company and mortgaging the property of our company; and
- approving the transfer of shares in our company, including the registration of such shares in our share register.

Terms of Directors and Officers

Our directors may be elected by an ordinary resolution of our shareholders. Alternatively, our board of directors may, by the affirmative vote of a simple majority of the directors present and voting at a board meeting appoint any person as a director to fill a casual vacancy on our board or as an addition to the existing board. Our directors (other than independent directors) are not automatically subject to a term of office and hold office until such time as they are removed from office by an ordinary resolution of our shareholders. Our independent directors hold office until the earlier of (i) the date on which the independent director ceases to be a member of the board for any reason; (ii) the date of termination of an independent director's director agreement, which may be terminated by either the independent director or by us with a 30-day advance written notice or such other shorter period as mutually agreed; or (iii) three years from the effective date of the director agreement, subject to the terms of our current memorandum and articles of association of our company. In addition, a director will cease to be a director if he or she (i) becomes bankrupt or makes any arrangement or composition with his or her creditors; (ii) dies or is found to be or becomes of unsound mind; (iii) resigns his or her office by notice in writing; (iv) without special leave of absence from our board, is absent from meetings of our board for three consecutive meetings and our board resolves that his or her office be vacated; or (v) is removed from office pursuant to any other provision of our articles of association.

Our officers are appointed by and serve at the discretion of the board of directors, and may be removed by our board of directors. Under our articles of association, the board of directors may appoint one or more of their number to the office of managing director upon like terms, but any such appointment shall ipso facto terminate if any managing director ceases for any cause to be a director, or if our company by ordinary resolution of shareholders resolves that his tenure of office be terminated. In addition, the board of directors may appoint any natural person or corporation to be a secretary (and if need be an assistant secretary or assistant secretaries) who shall hold office for such term, at such remuneration and upon such conditions and with such powers as they think fit. Any secretary or assistant secretary so appointed by the board of directors may be removed by the board of directors or by ordinary resolution of shareholders.

Employment Agreements and Indemnification Agreements

We have entered into employment agreements with all of our executive officers. Under these agreements, each of our executive officers is employed for a specified time period. We may terminate employment for cause, at any time, for certain acts of the executive officer, such as continued failure to satisfactorily perform, willful misconduct or gross negligence in the performance of agreed duties, conviction or nolo contendere plea of guilty to any felony or any misdemeanor involving moral turpitude, or dishonest act that result in material harm to our detriment, or material breach by the executive officer of the employment agreement. We may also terminate an executive officer's employment without cause upon a 60-day prior written notice. In such case of termination by us, we will provide severance payments to the executive officer as may be agreed between the executive officer and us. The executive officer may resign at any time with a 60-day prior written notice.

Under these agreements, each executive officer has agreed to hold, both during and after the termination or expiry of his or her employment agreement, in strict confidence and not to use, except as required in the performance of his or her duties in connection with the employment or pursuant to applicable law, any of our confidential information or trade secrets, any confidential information or trade secrets of our clients or

prospective clients, or the confidential or proprietary information of any third party received by us and for which we have confidential obligations. The executive officers have also agreed to disclose in confidence to us all inventions, designs and trade secrets which they conceive, develop or reduce to practice during the executive officer's employment with us and to assign all right, title and interest in them to us, and assist us in obtaining and enforcing patents, copyrights and other legal rights for these inventions, designs and trade secrets.

In addition, under these agreements, each executive officer has agreed to be bound by non-competition and non-solicitation restrictions during the term of his or her employment and typically for one year following the last date of employment. Specifically, each executive officer has agreed not to (i) approach our suppliers, clients, direct or end customers or contacts or other persons or entities introduced to the executive officer in his or her capacity as a representative of us for the purpose of doing business with such persons or entities that will harm our business relationships with these persons or entities; (ii) assume employment with or provide services to any of our competitors, or engage, whether as principal, partner, licensor or otherwise, any of our competitors, without our express consent; or (iii) seek directly or indirectly, to solicit the services of any of our employees who is employed by us on or after the date of the executive officer's termination, or in the year preceding such termination, without our express consent.

We have also entered into indemnification agreements with each of our directors and executive officers. Under these agreements, we agree to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being a director or officer of our company.

Compensation of Directors and Executive Officers

For the fiscal year ended December 31, 2019, we paid an aggregate of approximately US$2.7 million for salaries and benefits in cash to our executive officers. We also completed a repurchase of 3,890,155 options held by a director of our company at the total consideration of US$21.9 million. We did not pay any compensation to our directors who are not our executive officers. We have not set aside or accrued any amount to provide pension, retirement or other similar benefits to our executive officers and directors. Our PRC subsidiaries are required by law to make contributions equal to certain percentages of each employee's salary for his or her pension insurance, medical insurance, unemployment insurance and other statutory benefits and a housing provident fund.

Share Incentive Plans

Second Amended and Restated 2017 Employee Stock Option Plan

In October 2017, we adopted an equity incentive plan (as last amended and restated in December 2019), which we refer to as the 2017 Plan, to secure and retain the services of valuable employees, directors or consultants, and provide incentives for such persons to exert their best efforts for the success of our business. The maximum aggregate number of ordinary shares which may be issued pursuant to all awards under the 2017 Plan is 9,609,084, subject to certain adjustments. As of the date of this prospectus, options to purchase an aggregate of 7,895,607 ordinary shares under the 2017 Plan had been granted and remained outstanding, excluding options that were forfeited, cancelled or exercised after the relevant grant date.

The following paragraphs describe the principal terms of the 2017 Plan.

Types of awards. The 2017 Plan permits the awards of options.

Plan administration. Our board of directors will administer the 2017 Plan. The board of directors will determine, among other things, the participants to receive options, the number and subscription price of options to be granted to each participant, and the terms and conditions of each option granted.

Offer letter. Options granted under the 2017 Plan are evidenced by an offer letter that sets forth terms, conditions and limitations for each option, which may include the term of the option, and the provisions applicable in the event that the grantee's employment or service terminates.

Eligible participants. We may grant awards to employees, officers, directors, contractors, advisors and consultants of our company.

Vesting schedule. Unless otherwise approved by the board of directors and set forth in an offer letter, the vesting schedule shall be a three-year vesting schedule consisting of a cliff vesting 50% on the second anniversary of the applicable vesting commencement date, and a vesting of the remaining 50% on the third anniversary of the applicable vesting commencement date. Except as otherwise approved by the board of directors, vested portion of option shall become exercisable upon the earlier of a listing or the occurrence of a change in control.

Exercise of options. The board of directors determines the subscription price for each option, which is stated in the offer letter. The vested portion of each option will expire if not exercised prior to the time as the board of directors determines at the time of its grant. However, the maximum exercisable term is ten years from the applicable vesting commencement date or such shorter period specified in the award agreement. Further, an option will lapse upon the earliest of, among other circumstances, two years after the date when the option becomes exercisable upon the listing or the occurrence of a change in control, and a violation in transfer restrictions.

Transfer restrictions. Options may not be transferred in any manner by the participant other than in accordance with the exceptions provided in the 2017 Plan or the relevant offer letter or otherwise determined by the board of directors, such as transfers by will or the laws of descent and distribution.

Termination and amendment of the 2017 Plan. Unless terminated earlier, the 2017 Plan has a term of ten years. The board of directors has the authority to amend, suspend or terminate the plan, subject to the limitations of applicable laws. No amendment, suspension or termination may adversely affect in any material way any awards previously granted pursuant to the 2017 Plan unless agreed to by the participant.

The following table summarizes, as of the date of this prospectus, the number of ordinary shares underlying outstanding options that we granted under the 2017 Plan, excluding options that were forfeited, cancelled or exercised after the relevant grant date.

Name	Ordinary Shares Underlying Outstanding Options	Exercise Price (US$/Share)	Date of Grant	Date of Expiration
Zheru Zhang	*	1.00	October 1, 2017	October 1, 2027
Joan Huaqiong Shen	*	1.00	October 1, 2017	October 1, 2027
Jielun Zhu	*	1.00	August 1, 2018	October 1, 2027
Weimin Tang	*	1.00	April 2, 2018	October 1, 2027
Yunhan Lin	*	1.00	October 1, 2017	October 1, 2027
Lili Qian	*	1.00	October 1, 2017	October 1, 2027
Other grantees	3,115,887	1.00	October 1, 2017 to July 25, 2019	October 1, 2027
Total	**7,895,607**			

Note:
* Less than 1% of our total outstanding shares.

Second Amended and Restated 2018 Employee Stock Option Plan

In February 2019, we adopted an equity incentive plan (as last amended and restated in December 2019), which we refer to as the 2018 Plan, to secure and retain the services of valuable employees, directors or consultants, and provide incentives for such persons to exert their best efforts for the success of our business. The maximum aggregate number of ordinary shares which may be issued pursuant to all awards under the 2018 Plan is 11,005,888, subject to certain adjustments. As of the date of this prospectus, options to purchase an aggregate of 10,589,660 ordinary shares under the 2018 Plan had been granted and remained outstanding, excluding options that were forfeited, cancelled or exercised after the relevant grant date.

The following paragraphs describe the principal terms of the 2018 Plan.

Types of awards. The 2018 Plan permits the awards of options.

Plan administration. Our board of directors will administer the 2018 Plan. The board of directors will determine, among other things, the participants to receive options, the number and subscription price of options to be granted to each participant, and the terms and conditions of each option granted.

Offer letter. Options granted under the 2018 Plan are evidenced by an offer letter that sets forth terms, conditions and limitations for each option, which may include the term of the option, and the provisions applicable in the event that the grantee's employment or service terminates.

Eligible participants. We may grant awards to employees or if approved by the board, designee of any employee.

Vesting schedule. Unless otherwise approved by the board of directors and set forth in an offer letter, the vesting schedule shall be a two-year vesting schedule consisting of a cliff vesting 50% on the first anniversary of the applicable vesting commencement date, and a vesting of the remaining 50% on the second anniversary of the applicable vesting commencement date. Notwithstanding the foregoing, if a listing occurs at any time prior to any option granted under the 2018 Plan becoming full vested, and to the extent such option has been granted and outstanding, any such option shall vest in full with immediate effect upon the listing. Except as otherwise approved by the board of directors, vested portion of option shall become exercisable upon the earlier of six months after a listing or the occurrence of a change in control; provided, however that in each case, no option of an employee shall become exercisable until the third anniversary of such employee's employment commencement date.

Exercise of options. The board of directors determines the subscription price for each option, which is stated in the offer letter. The vested portion of each option will expire if not exercised prior to the time as the board of directors determines at the time of its grant. However, the maximum exercisable term is ten years from the applicable vesting commencement date or such shorter period specified in the award agreement. Further, an option will lapse upon the earliest of, among other circumstances, two years after the date when the option becomes exercisable upon the listing or the occurrence of a change in control, and a violation in transfer restrictions.

Transfer restrictions. Options may not be transferred in any manner by the participant other than in accordance with the exceptions provided in the 2018 Plan or the relevant offer letter or otherwise determined by the board of directors, such as transfers by will or the laws of descent and distribution.

Termination and amendment of the 2018 Plan. Unless terminated earlier, the 2018 Plan has a term often years. The board of directors has the authority to amend, suspend or terminate the plan, subject to the limitations of applicable laws. No amendment, suspension or termination may adversely affect in any material way any awards previously granted pursuant to the 2018 Plan unless agreed to by the participant.

The following table summarizes, as of the date of this prospectus, the number of ordinary shares underlying outstanding options that we granted under the 2018 Plan, excluding options that were forfeited, cancelled, exercised after the relevant grant date.

Name	Ordinary Shares Underlying Outstanding Options	Exercise Price (US$/Share)	Date of Grant	Date of Expiration
Jingwu Zhang Zang	7,893,171	1.00	February 22, 2019	February 22, 2029
Zheru Zhang	*	1.00	July 25, 2019	February 22, 2029
Joan Huaqiong Shen	*	1.00	July 25, 2019	February 22, 2029
Jielun Zhu	*	1.00	July 25, 2019	February 22, 2029
Weimin Tang	*	1.00	July 25, 2019	February 22, 2029
Yunhan Lin	*	1.00	July 25, 2019	February 22, 2029
Lili Qian	*	1.00	July 25, 2019	February 22, 2029
Other grantees	*	1.00	July 25, 2019	February 22, 2029
Total	**10,589,660**			

Note:
* Less than 1% of our total outstanding shares.

2019 Share Incentive Plan

In October 2019, we adopted an equity incentive plan, which we refer to as 2019 Plan, to promote the success and enhance the value of our company. Under the 2019 Plan, the maximum aggregate number of ordinary shares available for issuance is 100,000. As of the date of this prospectus, options to purchase an aggregate of 72,000 ordinary shares under the 2019 Plan had been granted and remained outstanding, excluding options that were forfeited, cancelled or exercised after the relevant grant date.

The following paragraphs describe the principal terms of the 2019 Plan:

Type of Awards. The plan permits the awards of options, restricted shares, restricted share units or other types of awards approved by the board of directors or a committee of one or more members of the board of directors.

Plan Administration. Our board of directors or a committee of one or more members of the board of directors will administer the plan. The committee or the board of directors, as applicable, will determine the participants to receive awards, the type and number of awards to be granted to each participant, and the terms and conditions of each grant.

Award Agreement. Awards granted under the plan are evidenced by an award agreement that sets forth the terms, conditions and limitations for each award, which may include the term of the award, the provisions applicable in the event that the grantee's employment or service terminates, and our authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind the award.

Eligibility. We may grant awards to our independent directors, as determined by a committee of one or more members of the board of directors.

Vesting Schedule. In general, the plan administrator determines the vesting schedule, which is specified in the relevant award agreement.

Exercise of Options. The plan administrator determines the exercise price for each award, which is stated in the relevant award agreement. Options that are vested and exercisable will terminate if they are not exercised prior to the time as the plan administrator determines at the time of grant. However, the maximum exercisable term is ten years from the date of grant.

Transfer Restrictions. Awards may not be transferred in any manner by the participant other than in accordance with the exceptions provided in the plan or the relevant award agreement or otherwise determined by the plan administrator, such as transfers by will or the laws of descent and distribution.

Termination and Amendment of the Plan. Our board of directors has the authority to terminate, amend, suspend or modify the plan in accordance with our articles of association. However, without the prior written consent of the participant, no such action may adversely affect in any material way any award previously granted pursuant to the plan.

The following table summarizes, as of the date of this prospectus, the number of ordinary shares underlying outstanding options that we granted under the 2019 Plan, excluding options that were forfeited, cancelled or exercised after the relevant grant date.

Name	Ordinary Shares Underlying Outstanding Options	Exercise Price (US$/ Share)	Date of Grant	Date of Expiration
Chun Kwok Alan Au	*	6.09	April 30, 2020	April 30, 2030
Conor Chia-hung Yang	*	6.09	April 30, 2020	April 30, 2030
Pamela M. Klein	*	6.09	April 30, 2020	April 30, 2030
Total	**72,000**			

Note:
* Less than 1% of our total outstanding shares.

2020 Share Incentive Plan

In July 2020, we adopted 2020 Share Incentive Plan, which we refer to as the 2020 Plan, to promote the success and enhance the value of our company. Under the 2020 Plan, the maximum aggregate number of ordinary shares which may be issued pursuant to all awards shall be 10,760,513 ordinary shares; provided that the maximum number of ordinary shares may be issued pursuant to awards in the form of restricted share units under the 2020 Plan shall not exceed 7,686,081 ordinary shares. As of the date of this prospectus, options to purchase an aggregate of 1,046,919 ordinary shares and restricted share units to receive an aggregate of 4,321,257 ordinary shares under the 2020 Plan had been granted and remained outstanding, excluding awards that were forfeited, cancelled, exercised or vested after the relevant grant date.

The following paragraphs describe the principal terms of the 2020 Plan:

Type of Awards. The plan permits the awards of options, restricted shares, restricted share units or other share-based awards.

Plan Administration. Our board of directors or one or more committees or subcommittees of the board of directors, or the Committee, will administer the plan. The Committee or the board of directors, as applicable, will determine the participants to receive awards, the type and number of awards to be granted to each participant, and the terms and conditions of each grant.

Award Agreement. Awards granted under the plan are evidenced by an award agreement that sets forth the terms, conditions and restrictions for each award, which may include the term of the award, the provisions applicable in the event that the grantee's employment or service terminates, and our authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind the award.

Eligibility. We may grant awards to our employees, directors and consultants of our company. However, we may grant options that are intended to qualify as incentive share options only to our employees and employees of our subsidiaries.

Vesting Schedule. The options and restricted share units shall vest according to the schedules specified in the plan, unless otherwise determined by the plan administrator. The vesting schedule of other share-based awards shall be determined by the plan administrator, which is specified in the relevant award agreement.

Exercise of Options. The plan administrator determines the exercise price for each award, which is stated in the relevant award agreement. Options that are vested and exercisable will terminate if they are not exercised prior to the time as the plan administrator determines at the time of grant. However, the maximum exercisable term is ten years from the date of grant.

Transfer Restrictions. Awards may not be transferred in any manner by the participant other than in accordance with the exceptions provided in the plan or the relevant award agreement or otherwise determined by the plan administrator, such as transfers by will or the laws of descent and distribution.

Termination and Amendment of the Plan. Our board of directors has the authority to terminate, amend or modify the plan in accordance with our articles of association.

The following table summarizes, as of the date of this prospectus, the number of ordinary shares underlying outstanding options and restricted share units that we granted under the 2020 Plan, excluding awards that were forfeited, cancelled, exercised or vested after the relevant grant date.

Name	Ordinary Shares Underlying Options and Restricted Share Units	Exercise Price (US$/ Share)	Date of Grant	Date of Expiration
Jingwu Zhang Zang	*(1)	N/A	September 4, 2020	—
Zheru Zhang	*(1)	N/A	September 4, 2020	—
Joan Huaqiong Shen	*(1)	N/A	September 4, 2020	—
Jielun Zhu	*	5.91	August 14, 2020	August 14, 2030
	*(1)	N/A	August 14, 2020	—
	*(1)	1.00	August 14, 2020	—
Weimin Tang	*(1)	N/A	September 4, 2020	—
	*(1)	1.00	September 4, 2020	—
Yunhan Lin	*	5.91	August 14, 2020	August 14, 2030
	*(1)	N/A	August 14, 2020	—
Lili Qian	*	5.91	August 14, 2020	August 14, 2030
	*(1)	N/A	August 14, 2020	—
Gigi Qi Feng	*(1)	N/A	September 4, 2020	—
Other grantees	*	5.91	August 14, 2020	August 14, 2030
	*(1)	N/A	August 14, 2020 to September 4, 2020	—
	*(1)	1.00	August 14, 2020 to September 4, 2020	—
Total	**5,368,176**			

Note:
* Less than 1% of our total outstanding shares.
(1) Represents restricted share units.

Biomaster Trust

Biomaster Trust was established under the trust deed dated October 23, 2019, between us and TMF Trust (HK) Limited, or TMF Trust, as the trustee of the Biomaster Trust. As of the date of this prospectus, all participants in Biomaster Trust are our employees or former employees.

Participants in Biomaster Trust transfer their equity awards granted under the 2017 Plan and the 2018 Plan to TMF Trust for their benefit. Upon satisfaction of vesting conditions, TMF Trust will exercise the equity awards and transfer the relevant ordinary shares and other rights and interests under the equity awards to the relevant grant recipients with the consent of the advisory committee. TMF Trust shall not exercise the voting rights attached to such ordinary shares unless otherwise directed by the advisory committee, whose members shall be appointed by our company.

PRINCIPAL AND SELLING SHAREHOLDERS

Except as specifically noted, the following table sets forth information with respect to the beneficial ownership of our ordinary shares as of the date of this prospectus by:

- each of our directors and executive officers;
- each of our principal shareholders, including all shareholders who own beneficially more than 5% of our total outstanding shares; and
- each selling shareholder.

The ordinary shares registered under this prospectus include (i) 20,421,378 ordinary shares (represented by 8,878,860 ADSs) issued to the selling shareholders identified in this prospectus on September 11, 2020, (ii) 3,744,032 ordinary shares (represented by 1,627,840 ADSs) that certain selling shareholders identified in this prospectus have the right to purchase from our company through the exercise of the warrants issued to them, and (iii) 958,341 ordinary shares (represented by 416,670 ADSs) that certain selling shareholders identified in this prospectus have the right to purchase pursuant to a call option agreement with certain members of our management team.

The ordinary shares held by the selling shareholders reflected in the table below may be sold by the selling shareholders from time to time in one or more offerings described in this prospectus and any applicable prospectus supplement. The selling shareholders may sell all, some or none of these ordinary shares (or the ADSs representing these ordinary shares) beneficially owned by them, and therefore we cannot estimate either the number or the percentage of ordinary shares (or the ADSs representing these ordinary shares) that will be beneficially owned by the selling shareholders following any offering or sale hereunder. We cannot advise you as to whether the selling shareholders will in fact sell any or all of the ordinary shares (or the ADSs representing these ordinary shares) that they own.

The selling shareholders listed in the table below may have sold or transferred, or pledged as collateral, in transactions pursuant to this prospectus or exempt from the registration requirements of the Securities Act, some or all of their ordinary shares (or the ADSs representing their ordinary shares) since the date as of which the information is presented in the table below. Information concerning the selling shareholders may change from time to time, and any changed information will, if required, be set forth in prospectus supplements or post-effective amendments to the registration statement of which this prospectus is a part, as may be appropriate.

The calculations in the table below are based on 154,310,098 ordinary shares outstanding as of the date of this prospectus (excluding 4,036,868 ordinary shares issued to our depositary bank for bulk issuance of ADSs reserved for future issuances upon the exercising or vesting of awards granted under our share incentive plans).

We intend to use our reasonable efforts to keep the Registration Statement effective for a period of 90 days after the effectiveness of the Registration Statement.

Beneficial ownership is determined in accordance with the rules and regulations of the SEC. In computing the number of shares beneficially owned by a person and the percentage ownership of that person, we have included shares that the person has the right to acquire within 60 days, including through the exercise of any option, warrant or other right or the conversion of any other security. These shares, however, are not included in the computation of the percentage ownership of any other person.

	Ordinary Shares Beneficially Owned		Ordinary Shares Being Registered	
	Number	%	Number	%
Directors and Executive Officers:**				
Jingwu Zhang Zang(1)	11,825,284	7.3	—	—
Joan Huaqiong Shen	2,055,128	1.3	—	—
Zheru Zhang	2,030,186	1.3	—	—
Jielun Zhu	*	*	—	—
Wei Fu(2)	36,430,941	23.6	—	—
Mengjiao Jiang	—	—	—	—
Jie Yu	—	—	—	—
Bing Yuan	—	—	—	—
Chun Kwok Alan Au	—	—	—	—
Conor Chia-hung Yang	*	*	—	—
Pamela M. Klein	—	—	—	—
Lili Qian	*	*	—	—
Weimin Tang	*	*	—	—
Yunhan Lin	*	*	—	—
Neil Warma	—	—	—	—
Ivan Yifei Zhu	—	—	—	—
Gigi Qi Feng	—	—	—	—
All Directors and Executive Officers as a Group	54,420,936	32.4	—	—
Principal and Selling Shareholders:				
C-Bridge entities(2)	36,430,941	23.6	—	—
Tasly entities(3)	14,664,020	9.5	—	—
GIC Private Limited(4)	12,099,770	7.8	5,773,253	3.7
Hillhouse entities(5)	10,586,008	6.8	7,143,961	4.6
Genexine(6)	10,572,823	6.8	—	—
Hony entity(7)	9,465,631	6.1	—	—
Avidity entities(8)	3,092,833	2.0	3,092,833	2.0
Temasek entity(9)	1,649,537	1.1	1,649,537	1.1
Octagon Investments Master Fund LP(10)	1,237,147	0.8	1,237,147	0.8
OrbiMed entities(11)	1,649,537	1.1	1,649,537	1.1
Invus Public Equities, L.P.(12)	1,072,191	0.7	1,072,191	0.7
Lake Bleu Prime Healthcare Master Fund Limited (13)	824,780	0.5	824,780	0.5
Perceptive Life Sciences Master Fund, Ltd.(14)	742,279	0.5	742,279	0.5
Cormorant Global Healthcare Master Fund, LP(15)	618,585	0.4	618,585	0.4
Sphera entities(16)	494,868	0.3	494,868	0.3
Alyeska entities(17)	412,390	0.3	412,390	0.3
CVI Investments, Inc.(18)	412,390	0.3	412,390	0.3

Notes:

* Less than 1% of our total ordinary shares on an as-converted basis outstanding as of the date of this prospectus.

** Except as otherwise indicated below, the business address of our directors and executive officers is Suite 802, West Tower, OmniVision, 88 Shangke Road, Pudong District, Shanghai, China. The business

address of Wei Fu and Mengjiao Jiang is Suite 3306-3307, Two Exchange Square, 8 Connaught Place, Central, Hong Kong. The business address of Jie Yu is Tasly Great Health Town, No. 2, East Puji River Road, Beichen District, Tianjin, China. The business address of Bing Yuan is Flat B, 31/F BLK 2, The Hermitage, Mongkok, Hong Kong. The business address of Chun Kwok Alan Au is 22 Pottinger Street, Central, Hong Kong. The business address of Conor Chia-hung Yang is 7th Floor, Building C, Luneng International Center, No. 209 Guoyao Road, Pudong New Area, Shanghai, China. The business address of Dr. Pamela M. Klein is 231 Fort Mason, San Francisco, California 94123, the United States.

(1) Represents (i) 3,932,113 ordinary shares directly held by Mabcore Limited, a British Virgin Islands company and (ii) 7,893,171 ordinary shares issuable upon exercise of options exercisable within 60 days after the date of this prospectus held by Dr. Zang through Doctor Zang 2020 Dynasty Trust. Dr. Zang, through himself and The Jingwu Zhang Zang 2018 Irrevocable Family Trust, owns a 55.6% equity interest in Mabcore Limited. Dr. Lili Qian and two other individuals own the remaining equity interest in Mabcore Limited. Dr. Zang is the sole director of Mabcore Limited. The Jingwu Zhang Zang 2018 Irrevocable Family Trust was established under the laws of New York and is managed by Ms. Ying Qin Zang, as the trustee and Dr. Zang as the settlor. The Doctor Zang 2020 Dynasty Trust was established under the laws of the State of California and is managed by Dr. Zang as the settlor and investment trustee and Ms. Ying Qin Zang as the trustee. Pursuant to the currently effective memorandum and articles of association of Mabcore Limited, Dr. Zang, as the sole director, has the power to direct the actions of Mabcore Limited, including the voting and disposal of Mabcore Limited's shares in I-Mab. Accordingly, Dr. Zang is deemed to indirectly own all of the 3,932,113 ordinary shares held by Mabcore Limited, while Dr. Qian and the other two individuals are only entitled to their respective pro-rata economic interest in Mabcore Limited. The registered address of Mabcore Limited is Trinity Chambers, P.O. Box 4301, Road Town, Tortola, British Virgin Islands.

(2) Represents (i) 5,141,587 ordinary shares directly held by IBC Investment Seven Limited, a Hong Kong limited liability company, (ii) 7,051,804 ordinary shares directly held by CBC SPVII LIMITED, a Hong Kong limited liability company, (iii) 14,930,252 ordinary shares directly held by CBC Investment I-Mab Limited, a British Virgin Islands limited liability company, (iv) 2,369,546 ordinary shares directly held by C-Bridge II Investment Ten Limited, a British Virgin Islands limited liability company, (v) 6,078,571 ordinary shares directly held by Everest, and (vi) 373,557 ADSs (representing 859,181 ordinary shares) held by C-Bridge II Investment Thirteen Limited, a British Virgin Islands limited liability company. IBC Investment Seven Limited, CBC SPVII LIMITED, CBC Investment I-Mab Limited, C-Bridge II Investment Ten Limited, Everest, and C-Bridge II Investment Thirteen Limited are collectively referred to as the C-Bridge entities. CBC Investment I-Mab Limited, C-Bridge II Investment Ten Limited and C-Bridge II Investment Thirteen Limited are controlled by C-Bridge Healthcare Fund II, L.P., whose general partner is C-Bridge Healthcare Fund GP II, L.P., and its general partner is C-Bridge Capital GP, Ltd. CBC SPVII Limited and IBC Investment Seven Limited are controlled by I-Bridge Healthcare Fund, L.P., whose general partner is I-Bridge Healthcare GP, L.P., and its general partner is I-Bridge Capital GP, Ltd., which is indirectly controlled by C-Bridge Capital GP, Ltd. Mr. Wei Fu is the sole director of C-Bridge Capital GP, Ltd. Everest is a public company listed on the Hong Kong Stock Exchange and controlled by funds which are under common control of the C-Bridge group, which, in turn, is controlled by Mr. Wei Fu. The business address of each of C-Bridge entities is Suite 3306-3307, Two Exchange Square, 8 Connaught Place, Central, Hong Kong.

(3) Represents (i) 12,942,997 ordinary shares directly held by Tasly Biopharm Limited, a British Virgin Islands limited liability company, and (ii) 1,721,023 ordinary shares directly held by Tasly International BioInv One Limited. Tasly Biopharm Limited and Tasly International BioInv One Limited are collectively referred to as the Tasly entities. Tasly Biopharm Limited's sole shareholder is Tasly Biopharmaceuticals Co., Ltd., which is controlled by Tasly Pharmaceutical Group Co., Ltd., which is in turn controlled by Tasly Holding Group Co., Ltd. Tasly International BioInv One Limited is wholly-owned by Tasly International Capital Limited, whose sole shareholder is Tasly Holding Group Co., Ltd. Tasly Holding Group Co., Ltd. is controlled by

Tianjin Tasly Health Industry Investment Group Co., Ltd., which is in turn controlled by Tianjin Fuhuade Science & Technology Development Co., Ltd. Kaijing Yan is the controlling shareholder of Tianjin Fuhuade Science & Technology Development Co., Ltd. and the ultimate beneficial owner of Tasly entities. The registered address of Tasly Biopharm Limited is P.O. Box 957, Offshore Incorporation Centre, Road Town, Tortola, British Virgin Islands. The registered address of Tasly International BioInv One Limited is 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands.

(4) Represents 8,677,996 ordinary shares, 1,098,838 ADSs (representing 2,527,327 ordinary shares) and 894,447 ordinary shares issuable upon exercise of warrants held by GIC Private Limited, a Singapore fund manager. GIC Private Limited only has two clients: the Government of Singapore, or GoS, and the Monetary Authority of Singapore, or MAS. Under the investment management agreement with GoS, GIC Private Limited has been given the sole discretion to exercise the voting rights attached to, and the disposition of, any shares managed on behalf of GoS. As such, GIC Private Limited has the sole power to vote and dispose of securities beneficially owned by it. GIC Private Limited shares the power to vote and dispose of securities beneficially owned by it with MAS. The business address of GIC Private Limited is 168 Robinson Road, #37-01 Capital Tower, Singapore 068912.

(5) Represents (i) 5,030,744 ordinary shares, 922,300 ordinary shares that Gaoling Fund, L.P., or Gaoling, has the right to purchase pursuant to a call option agreement with certain members of our management team, and 922,300 ordinary shares issuable upon exercise of warrants directly held by Gaoling, an exempted limited partnership organized under the laws of the Cayman Islands, (ii) 196,535 ordinary shares, 36,041 ordinary shares that YHG Investment, L.P., or YHG, has the right to purchase pursuant to a call option agreement with certain members of our management team, and 36,041 ordinary shares issuable upon exercise of warrants directly held by YHG, an exempted limited partnership organized under the laws of the Cayman Islands, and (iii) 5 ordinary shares and 1,496,540 ADSs (representing 3,442,042 ordinary shares) directly held by HH IMB Holdings Limited, or HH IMB, an exempted Cayman Islands company. Hillhouse Capital Advisors, Ltd., or HCA, an exempted Cayman Islands company, acts as sole management company of Gaoling and the sole general partner of YHG, and is deemed to be the beneficial owner of, and to control the voting power of, the ordinary shares held by Gaoling and YHG. HH IMB is wholly owned by Hillhouse Fund IV, L.P., whose sole management company is Hillhouse Capital Management, Ltd., or HCM. HCM is deemed to be the beneficial owner of, and to control the voting power of, the ordinary shares held by HH IMB. HCA and HCM are under common control and share certain policies, personnel and resources. Accordingly, each of HCA and HCM has shared voting and dispositive power of the ordinary shares beneficially owned by each of HCA and HCM. The business address of each of Gaoling, YHG and HH IMB is Suite 2202, 22nd Floor, Two International Finance Centre, 8 Finance Street, Central Hong Kong.

(6) Represents (i) 8,361,823 ordinary shares directly held by Genexine, Inc. (Genexine), (ii) 900,000 ordinary shares issuable to Genexine upon the full conversion of the US$9.0 million interest free convertible promissory note based on a conversion price of US$10 per share and (iii) 570,000 ADSs (representing 1,311,000 ordinary shares) purchased by Genexine. Genexine is a Korean public company. The registered address of Genexine is 700 Daewangpangyo-ro, Korea Bio-Park, Bldg. B4D, Bundang-gu, Seongnam-si, Gyeonggi-do, Korea.

(7) Represents 9,465,631 ordinary shares directly held by Fortune Eight Jogging Limited, a British Virgin Islands limited liability company, which we refer to as the Hony entity. Fortune Eight Jogging Limited is wholly-owned by Hony Hongling (Shanghai) Investment Center, a PRC limited partnership, whose general partner is Hony Investment (Shanghai) Limited. The sole shareholder of Hony Investment (Shanghai) Limited is Beijing Hony Hezhong Enterprise Management Limited. Each of Yonggang Cao, Minsheng Xu and Wen Zhao holds 33.3% equity interests in Beijing Hony Hezhong Enterprise Management Limited. The registered address of Fortune Eight Jogging Limited is Kingston Chambers, PO Box 173, Road Town, Tortola, British Virgin Islands. Mr. Bing Yuan, our director, is a managing director of the sole director of the Hony entity.

(8) Represents (i) 2,341,837 ordinary shares and 429,364 ordinary shares issuable upon exercise of warrants directly held by Avidity Master Fund LP, or Avidity Master, a Delaware limited partnership, and (ii) 271,814 ordinary shares and 49,818 ordinary shares issuable upon exercise of warrants directly held by Avidity Capital Fund II LP, or Avidity Capital, a Delaware limited partnership. Avidity Master and Avidity Capital are collectively referred to as the Avidity entities. The general partner of each of the Avidity entities is Avidity Capital Partners Fund (GP) LP, a Delaware limited partnership, whose general partner is Avidity Capital Partners (GP) LLC, a Delaware limited liability company. David Witzke and Michael Gregory are the managing members of Avidity Capital Partners (GP) LLC. The address of David Witzke and Michael Gregory's principal office is 2828 N Harwood Street, Suite 1220, Dallas, Texas 75201. The registered address of each of Avidity entities is 2828 N. Harwood St., Suite 1220, Dallas, TX 75201.

(9) Represents 1,393,961 ordinary shares and 255,576 ordinary shares issuable upon exercise of warrants directly held by ARANDA INVESTMENTS PTE. LTD., a company incorporated under the laws of Singapore. ARANDA INVESTMENTS PTE. LTD. is an indirect wholly-owned subsidiary of Temasek Holdings (Private) Limited. The registered address of ARANDA INVESTMENTS PTE. LTD. is 60B Orchard Road, #06-18 Tower 2, The Atrium@Orchard, Singapore 238891.

(10) Represents 1,045,465 ordinary shares and 191,682 ordinary shares issuable upon exercise of warrants directly held by Octagon Investments Master Fund LP, or Octagon, an exempted limited partnership organized under the laws of the Cayman Islands. Octagon's shareholders are comprised of global institutions such as university endowments, non-profit foundations, family offices, pension funds and established asset managers. The registered address of Octagon Investments Master Fund LP is at c/o Ogier, 89 Nexus Way, Camana Bay, Grand Cayman, Cayman Islands KY1-9009.

(11) Represents (i) 696,992 ordinary shares and 127,788 ordinary shares issuable upon exercise of warrants directly held by OrbiMed Partners Master Fund Limited, or OPM, an exempted company organized under the laws of Bermuda, (ii) 383,341 ordinary shares and 70,288 ordinary shares issuable upon exercise of warrants directly held by The Biotech Growth Trust PLC, or BIOG, a publicly-listed investment trust organized under the laws of England, (iii) 174,248 ordinary shares and 31,947 ordinary shares issuable upon exercise of warrants directly held by OrbiMed Genesis Master Fund, L.P., or OrbiMed Genesis, an exempted limited partnership organized under the laws of the Cayman Islands, and (iv) 139,380 ordinary shares and 25,553 ordinary shares issuable upon exercise of warrants directly held by OrbiMed New Horizons Master Fund, L.P., or ONH, an exempted limited partnership organized under the laws of the Cayman Islands. OPM, BIOG, OrbiMed Genesis and ONH are collectively referred to as the OrbiMed Entities. OrbiMed Capital LLC, or OrbiMed Capital, is the portfolio manager of BIOG and the investment advisor to OPM. OrbiMed Advisors LLC, or OrbiMed Advisors, is the investment manager of OrbiMed Genesis and ONH. OrbiMed Capital and OrbiMed Advisors exercise voting and investment power through a management committee comprised of Carl L. Gordon, Sven H. Borho, and Jonathan T. Silverstein, each of whom disclaims beneficial ownership of the shares held by OPM, BIOG, OrbiMed Genesis, and ONH. The business address of each of OrbiMed Entities is c/o OrbiMed Advisors LLC, 601 Lexington Avenue, 54th Floor, New York, NY 10022.

(12) Represents 906,062 ordinary shares and 166,129 ordinary shares issuable upon exercise of warrants directly held by Invus Public Equities, L.P., a Bermuda limited partnership. Invus is a investment firm with source of capital from a European family group. The registered address of Invus Public Equities, L.P. is Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.

(13) Represents 696,992 ordinary shares and 127,788 ordinary shares issuable upon exercise of warrants directly held by Lake Bleu Prime Healthcare Master Fund Limited, or Lake Bleu Prime, an exempted limited partnership organized under the laws of the Cayman Islands. LBC Prime Management Limited is the ultimate controlling shareholder of Lake Bleu Prime. The registered address of Lake Bleu Prime Healthcare Master Fund Limited is Cayman Corporate Centre, 27 Hospital Road, George Town, Grand Cayman KY1-9008, Cayman Islands.

(14) Represents 627,279 ordinary shares and 115,000 ordinary shares issuable upon exercise of warrants directly held by Perceptive Life Sciences Master Fund, Ltd., a Cayman Islands limited liability company. The registered address of Perceptive Life Sciences Master Fund, Ltd. is 190 Elgin Avenue, George Town, Grand Cayman, KY1-9007, Cayman Islands.

(15) Represents 522,744 ordinary shares and 95,841 ordinary shares issuable upon exercise of warrants directly held by Cormorant Global Healthcare Master Fund, LP, or Cormorant Global, an exempted limited partnership organized under the laws of the Cayman Islands. Cormorant Global is a long-term investment partnership whose beneficial owners include institutional and other sophisticated investors. The registered address of Cormorant Global Healthcare Master Fund, LP is PO Box 309, Ugland House, Grand Cayman, KY14104, Cayman Islands.

(16) Represents (i) 313,651 ordinary shares and 57,500 ordinary shares issuable upon exercise of warrants directly held by Sphera Global Healthcare Master Fund, or Sphera Global, a Cayman Islands limited liability company, and (ii) 104,535 ordinary shares and 19,182 ordinary shares issuable upon exercise of warrants directly held by Sphera Biotech Master Fund L.P., or Sphera Biotech, an exempted limited partnership organized under the laws of the Cayman Islands. Sphera Global and Sphera Biotech are collectively referred to as the Sphera entities. Both Sphera Global and Sphera Biotech appointed Sphera Global Healthcare Management LP or Sphera Management, as their investment manager. Sphera Management also serves as Sphera Biotech's general partner, and has day-to-day investment discretion for the Sphera entities. The registered address of each of Sphera entities is at c/o Maples Corporate Services Limited, P.O. Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands.

(17) Represents (i) 345,713 ordinary shares and 63,388 ordinary shares issuable upon exercise of warrants directly held by Alyeska Master Fund, L.P., an exempted limited partnership organized under the laws of the Cayman Islands, and (ii) 2,783 ordinary shares and 506 ordinary shares issuable upon exercise of warrants directly held by Alyeska Master Fund 3, L.P., a Delaware limited partnership. Alyeska Master Fund, L.P. and Alyeska Master Fund 3, L.P. are collectively referred to as the Alyeska entities. Alyeska entities are controlled by Alyeska Investment Group, L.P., a limited partnership incorporated in the United States, whose chief executive officer is Anand Parekh. Mr. Parekh, however, disclaims any beneficial ownership of the shares held by Alyeska entities. The registered address of Alyeska Master Fund, L.P. is at c/o Maples Corporate Services Limited, P.O. Box 309, Ugland House, South Church Street George Town, Grand Cayman, KY1-1104, Cayman Islands. The registered address of Alyeska Master Fund 3, L.P. is 251 Little Falls Drive, Wilmington, DE 19808.

(18) Represents 348,496 ordinary shares and 63,894 ordinary shares issuable upon exercise of warrants directly held by CVI Investments, Inc., or CVI, a Cayman Islands limited liability company. Heights Capital Management, Inc., the authorized agent of CVI, has discretionary authority to vote and dispose of the shares held by CVI and may be deemed to be the beneficial owner of these shares. Martin Kobinger, in his capacity as Investment Manager of Heights Capital Management, Inc., may also be deemed to have investment discretion and voting power over the shares held by CVI. Mr. Kobinger disclaims any such beneficial ownership of the shares. CVI is affiliated with one or more FINRA members. CVI purchased the shares being registered hereunder in the ordinary course of business and at the time of purchase, had no agreements or understandings, directly or indirectly, with any other person to distribute such shares. The registered address of CVI Investments, Inc. is at c/o Maples Corporate Services Limited, PO Box 309, Ugland House, Grand Cayman, KY l-1104, Cayman Islands.

As of the date of this prospectus, 37,636,418 of our ordinary shares are held by one record holder in the United States (including 4,036,868 ordinary shares issued to our depositary bank for bulk issuance of ADSs reserved for future issuances upon the exercising or vesting of awards granted under our share incentive plans), representing approximately 23.8% of our total outstanding shares. The holder is Citibank, N.A., the depositary of our ADS program. The number of beneficial owners of our ADSs in the United States is likely to be much larger than the number of record holders of our ordinary shares in the United States.

We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company. See "Description of Share Capital—History of Securities Issuances" for historical changes in our shareholding structure.

RELATED PARTY TRANSACTIONS

Private Placements

See "Description of Share Capital—History of Securities Issuances."

Shareholders Agreement

See "Description of Share Capital—History of Securities Issuances—Shareholders Agreement."

Employment Agreements and Indemnification Agreements

See "Management—Employment Agreements and Indemnification Agreements."

Share Incentive Plans

See "Management—Share Incentive Plans."

Other Related Party Transactions with Our Shareholders and Affiliates

On September 25, 2017, I-Mab Tianjin and I-Mab Shanghai entered into a loan agreement with each of Qianhai Equity Investment Fund (Limited Partnership) ("Qianhai Fund"), Shanghai Tasly Pharmaceutical Co., Ltd. ("Shanghai Tasly"), and Tianjin Kangshijing Biopharmaceutical Technology Partnership (Limited Partnership) ("CBC RMB Fund"), pursuant to which each of Qianhai Fund, Shanghai Tasly and CBC RMB Fund made a loan to I-Mab Tianjin to fund its business operations in an aggregate principal amount in RMB equivalent to US$1.3 million, US$5.1 million and US$1.6 million, respectively. Each of these loans bears an annual compound interest rate of 8%. Pursuant to these loan agreements, each of Qianhai Fund, Shanghai Tasly and CBC RMB Fund has the right to contribute its interest in the respective loan to I-Mab Tianjin in exchange for I-Mab Tianjin's equity interests. We fully repaid the loans made by Qianhai Fund and Shanghai Tasly in 2018, and neither of these lenders exercised such right. The loan agreement with CBC RMB Fund was not performed by CBC RMB Fund and was mutually terminated on September 25, 2017.

In January 2018, we entered into a collaboration agreement with Everest, an affiliate of C-Bridge Capital Investment Management, Ltd., whereby both parties agreed to collaborate on programs to co-develop MorphoSys' proprietary CD38 antibody for all indications in hematologic oncology and commercialize the CD38 product in China, Hong Kong, Macau and Taiwan. For a detailed description of this collaboration agreement, see "Business—Licensing and Collaboration Arrangements—(c) Collaboration Arrangements." Everest had paid us prepayments of RMB178.7 million, RMB53.1 million (US$7.5 million) and nil for the year ended December 31, 2018 and 2019 and the six months ended June 30, 2020, respectively.

On November 4, 2019, we and Everest Medicines Limited, or Everest, terminated the collaboration agreement (including all the supplements and amendments thereto) with respect to the co-development and commercialization of felzartamab in Greater China. Upon the termination, Everest will not retain any rights or entitlements to develop or commercialize felzartamab or any economic interest in its commercialization. All intellectual property rights in respect of felzartamab arising from its development under the collaboration agreement are vested and owned by us, and we hold all intellectual property rights and have maximum flexibility to further develop, manufacture and commercialize felzartamab in Greater China. In consideration of the above arrangements, we issued a total value of US$37.0 million of ordinary shares (the "CPP Shares") to Everest, representing Everest's historical contribution to our collaboration and the associated time cost. The CPP Shares were issued concurrently with the completion of our initial public offering, at a per share price equal to the initial public offering price adjusted to reflect the ADS-to-ordinary share ratio. The total value of US$37.0 million was calculated based on the sum of (1) US$33.7 million, which equals cumulative paid-in contributions historically

made by Everest under the collaboration agreement; and (2) a negotiated US$3.3 million time cost of the foregoing historical contribution in light of our exclusive rights over the commercialization of felzartamab after this termination.

Based on the initial public offering price of US$14.00 per ADS (or US$6.09 per ordinary share), Everest was issued 6,078,571 ordinary shares and became a minority shareholder of our company upon the completion of our initial public offering. Our issuance of ordinary shares to Everest is being made pursuant to an exemption from registration with the U.S. Securities and Exchange Commission under Regulation S of the U.S. Securities Act of 1933, as amended, or the Securities Act. Everest has agreed not to, directly or indirectly, sell, transfer or dispose of any CPP Shares for a period of 180 days after the date of the prospectus of our initial public offering.

In June 2018, we entered into a biologics master services agreement with CMAB Biopharma (Suzhou) Inc. ("CMAB"), an affiliate of Bridge Capital Partners LLC. In July 2018, we entered into Service Proposal: CMC Development of A Monoclonal Antibody with this entity. Pursuant to these two agreements, CMAB will provide us with CMC services in connection with the preparation of the IND filings to the FDA and the NMPA in a period of 18 to 22 months for US$3.6 million. We had paid CMAB RMB2.8 million for the year ended December 31, 2018 and RMB0.7 million (US$0.1 million) for the six months ended June 30, 2020.

In September 2016, I-Mab Tianjin entered into a CRO agreement with Tasly Pharmaceutical Group Co., Ltd. ("Tasly") and three ancillary agreements to this CRO agreement in November 2016, May 2017 and June 2017, respectively. Pursuant to these agreements, Tasly Pharmaceutical Group Co., Ltd. will provide I-Mab Tianjin with CRO services in connection with pre-clinical studies for G-CSF-HyFc fusion protein. All of these agreements were terminated on December 10, 2018. We had paid Tasly RMB0.8 million, nil, RMB5.6 million (US$0.8 million) and nil for the year ended December 31, 2017, 2018 and 2019 and six months ended June 30, 2020, respectively.

DESCRIPTION OF SHARE CAPITAL

We are a Cayman Islands exempted company with limited liability and our affairs are governed by our memorandum and articles of association, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised), as amended, of the Cayman Islands, which is referred to as the Companies Law below, and the common law of the Cayman Islands.

As of the date of this prospectus, our authorized share capital is US$80,000 divided into 800,000,000 ordinary shares of a par value of US$0.0001 each. As of the date of this prospectus, there are 154,310,098 ordinary shares issued and outstanding (excluding 4,036,868 ordinary shares issued to our depositary bank for bulk issuance of ADSs reserved for future issuances upon the exercising or vesting of awards granted under our share incentive plans).

Our Sixth Amended and Restated Memorandum and Articles of Association

The following is a summary of the material provisions of the sixth memorandum and articles of association of our company and of the Companies Law (2020 Revision), insofar as they relate to the material terms of our ordinary shares.

Objects of Our Company. Under our current memorandum and articles of association, the objects of our company are unrestricted and we have the full power and authority to carry out any object not prohibited by the Companies Law or any other law of the Cayman Islands.

Ordinary Shares. Certificates representing the ordinary shares are issued in registered form and our ordinary shares are issued when registered in our register of members. We may not issue shares to bearers. Our shareholders who are non-residents of the Cayman Islands may freely hold and vote their shares.

Dividends. Our directors may from time to time declare dividends (including interim dividends) and other distributions on our shares in issue and authorize payment of the same out of the funds of our company lawfully available therefor. In addition, our company may declare dividends by ordinary resolution, but no dividend shall exceed the amount recommended by our directors. Our current memorandum and articles of association provide that dividends may be declared and paid out of the funds of our company lawfully available therefor. Under the laws of the Cayman Islands, our company may pay a dividend out of either profit or the credit standing in our share premium account; provided that in no circumstances may a dividend be paid out of the share premium account if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business.

Voting Rights. Voting at any meeting of shareholders is by show of hands unless a poll is demanded. A poll may be demanded by the chairman of such meeting or any one shareholder or shareholders collectively holding not less than 5% of the votes attaching to the shares present in person or by proxy.

An ordinary resolution to be passed at a meeting by the shareholders requires the affirmative vote of a simple majority of the votes attaching to the ordinary shares cast at a meeting, while a special resolution requires the affirmative vote of not less than two-thirds of the votes attaching to the ordinary shares cast at a meeting. A special resolution will be required for important matters such as a change of name or making changes to our current memorandum and articles of association.

Alternation of Share Capital

We may from time to time by ordinary resolution:

(a) increase our share capital by such sum, to be divided into shares of such classes and amount, as the resolution shall prescribe;

(b) consolidate and divide all or any of our share capital into shares of a larger amount than its existing shares;

(c) subdivide our shares, or any of them, into shares of an amount smaller than that fixed by the memorandum of association, provided that in the subdivision the proportion between the amount paid and the amount, if any, unpaid on each reduced share shall be the same as it was in case of the share from which the reduced share is derived; and

(d) cancel any shares that, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.

We may by special resolution, subject to any confirmation or consent required by the Companies Law, reduce our share capital and any capital redemption reserve in any manner authorized by law.

General Meetings of Shareholders. As a Cayman Islands exempted company, we are not obliged by the Companies Law to call shareholders' annual general meetings. Our current memorandum and articles of association provide that we may (but are not obliged to) in each year hold a general meeting as our annual general meeting in which case we shall specify the meeting as such in the notices calling it, and the annual general meeting shall be held at such time and place as may be determined by our directors.

Shareholders' general meetings may be convened by our directors (acting by a resolution of our board). Advance notice of at least 14 calendar days is required for any general shareholders' meeting. A quorum required for any general meeting of shareholders consists of, at the time when the meeting proceeds to business, one or more of our shareholders holding shares which carry in aggregate (or representing by proxy) not less than one-third of all votes attaching to all of our shares in issue and entitled to vote at such general meeting.

The Companies Law does not provide shareholders with any right to requisition a general meeting, nor any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our current articles of association allow our shareholders holding in aggregate not less than one-tenth of all votes attaching to all issued and outstanding shares of our company that as at the date of the deposit carry the right to vote at general meetings of the company to requisition an extraordinary general meeting of our shareholders, in which case our board is obliged to convene an extraordinary general meeting and to put the resolutions so requisitioned to a vote at such meeting. However, our current memorandum and articles of association do not provide our shareholders with any right to put any proposals before annual general meetings or extraordinary general meetings not called by such shareholders.

Transfer of Ordinary Shares. Subject to the restrictions set out below, any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board of directors.

Our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share which is not fully paid up or on which we have a lien. Our board of directors may also decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of shares;
- the instrument of transfer is properly stamped, if required;

- in the case of a transfer to joint holders, the number of joint holders to whom the ordinary share is to be transferred does not exceed four; and

- a fee of such maximum sum as the Nasdaq Global Market may determine to be payable or such lesser sum as our directors may from time to time require is paid to us in respect thereof.

If our directors refuse to register a transfer, they shall, within three calendar months after the date on which the instrument of transfer was lodged with our company, send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, on ten calendar days' notice being given by advertisement in such one or more newspapers, by electronic means or by any other means in accordance with the rules of the Nasdaq Global Market be suspended and the register closed at such times and for such periods as our board of directors may from time to time determine; provided, however, that the registration of transfers shall not be suspended nor the register closed for more than 30 calendar days in any year.

Liquidation. On the winding up of our company, if the assets available for distribution amongst our shareholders shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed amongst our shareholders in proportion to the par value of the shares held by them at the commencement of the winding up, subject to a deduction from those shares in respect of which there are monies due, of all monies payable to our company for unpaid calls or otherwise. If our assets available for distribution are insufficient to repay the whole of the share capital, such assets will be distributed so that, as nearly as may be, the losses are borne by our shareholders in proportion to the par value of the shares held by them.

Calls on Shares and Forfeiture of Shares. Our board of directors may from time to time make calls upon shareholders in respect of any moneys unpaid on their shares in a notice served to such shareholders at least 14 calendar days prior to the specified time or times of payment. The shares that have been called upon and remain unpaid are subject to forfeiture.

Redemption, Repurchase and Surrender of Shares. We may issue shares on terms that such shares are subject to redemption, at our option or at the option of the holders of these shares, on such terms and in such manner as may be determined, before the issue of such shares, by our board of directors or by our shareholders by a special resolution. Our company may also repurchase any of our shares on such terms and in such manner as have been approved by our board of directors or by an ordinary resolution of our shareholders or are otherwise authorized by the articles of association. Under Cayman Islands law, any redemption or repurchase of shares by our company may be made out of profits of our company, out of our company's share premium account or out of the proceeds of a fresh issue of shares made for the purpose of the repurchase or, if so authorized by the articles of association and subject to provisions of the Companies Law, out of capital. Any premium payable on a redemption or repurchase over the par value of the shares to be repurchased or redeemed must be provided for out of profits of our company or from sums standing to the credit of the share premium account of our company or, if authorized by the articles of association and subject to the provisions of the Companies Law, out of capital. At no time may a company redeem or repurchase its shares unless they are fully paid. A company may not redeem or repurchase any of its shares if, as a result of the redemption or repurchase, there would no longer be any issued shares of the company other than shares held as treasury shares. In addition, our company may accept the surrender of any fully paid share for no consideration.

Variations of Rights of Shares. Whenever the capital of our company is divided into different classes the rights attached to any such class may, subject to any rights or restrictions for the time being attached to any class, only be varied with the consent in writing of the holders of all of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, subject to any

rights or restrictions for the time being attached to the shares of that class, be deemed to be varied by the creation, allotment or issue of further shares ranking *pari passu* with or subsequent to them or the redemption or purchase of any shares of any class by our company. The rights of the holders of shares shall not be deemed to be varied by the creation or issue of shares with preferred or other rights including, without limitation, the creation of shares with enhanced or weighted voting rights.

Issuance of Additional Shares. Our current memorandum and articles of association authorize our board of directors to issue additional ordinary shares from time to time as our board of directors shall determine.

Our current memorandum and articles of association also authorize our board of directors to issue from time to time one or more series of preference shares and to determine, with respect to any series of preference shares, the terms and rights of that series, including:

- the designation of the series;
- the number of preferred shares to constitute such series;
- the dividend rights, dividend rates, conversion rights, voting rights; and
- the rights and terms of redemption and liquidation preferences. Issuance of these shares may dilute the voting power of holders of ordinary shares.

Inspection of Books and Records. The notice of registered office is a matter of public record. A list of the names of the current directors and alternate directors (if applicable) are made available by the Registrar of Companies of the Cayman Islands for inspection by any person on payment of a fee. The register of mortgages is open to inspection by creditors and shareholders. Shareholders have no general right under Cayman Islands law to inspect or obtain copies of our list of shareholders or our corporate records. However, we intend to provide our shareholders with annual audited financial statements. See "Where You Can Find Additional Information."

Anti-Takeover Provisions. Some provisions of our current memorandum and articles of association may discourage, delay or prevent a change of control of our company or management that shareholders may consider favorable, including provisions that authorize our board of directors to issue preference shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preference shares.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under our current memorandum and articles of association for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Exempted Company. We are an exempted company with limited liability incorporated under the Companies Law. The Companies Law distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except that an exempted company:

- does not have to file an annual return of its shareholders with the Registrar of Companies;
- is not required to open its register of members for inspection;
- does not have to hold an annual general meeting;
- may issue shares with no par value;

- may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- may register as a limited duration company; and
- may register as a segregated portfolio company.

"Limited liability" means that the liability of each shareholder is limited to the amount unpaid by the shareholder on the shares of the company.

Differences in Corporate Law

The Companies Law is modeled after that of England but does not follow recent English statutory enactments and differs from laws applicable to U.S. corporations and their shareholders. Set forth below is a summary of the significant differences between the provisions of the Companies Law applicable to us and the laws applicable to companies incorporated in the United States and their shareholders.

Mergers and Similar Arrangements. The Companies Law permits mergers and consolidations between Cayman Islands companies and between Cayman Islands companies and non-Cayman Islands companies. For these purposes, (a) "merger" means the merging of two or more constituent companies and the vesting of their undertaking, property and liabilities in one of such companies as the surviving company, and (b) a "consolidation" means the combination of two or more constituent companies into a consolidated company and the vesting of the undertaking, property and liabilities of such companies to the consolidated company. In order to effect such a merger or consolidation, the directors of each constituent company must approve a written plan of merger or consolidation, which must then be authorized by (a) a special resolution of the shareholders of each constituent company, and (b) such other authorization, if any, as may be specified in such constituent company's articles of association. The plan of merger or consolidation must be filed with the Registrar of Companies of the Cayman Islands together with a declaration as to the solvency of the consolidated or surviving company, a statement of the assets and liabilities of each constituent company and an undertaking that a copy of the certificate of merger or consolidation will be given to the members and creditors of each constituent company and that notification of the merger or consolidation will be published in the Cayman Islands Gazette. Court approval is not required for a merger or consolidation which is effected in compliance with these statutory procedures.

A merger between a Cayman parent company and its Cayman subsidiary or subsidiaries does not require authorization by a resolution of shareholders if a copy of the plan of merger is given to every member of that Cayman subsidiary to be merged unless that member agrees otherwise. For this purpose a company is a "parent" of a subsidiary if it holds issued shares that together represent at least ninety percent (90%) of the votes at a general meeting of the subsidiary.

The consent of each holder of a fixed or floating security interest over a constituent company is required unless this requirement is waived by a court in the Cayman Islands.

Save in certain limited circumstances, a shareholder of a Cayman constituent company who dissents from the merger or consolidation is entitled to payment of the fair value of his or her shares (which, if not agreed between the parties, will be determined by the Cayman Islands court) upon dissenting to the merger or consolidation, provided that the dissenting shareholder complies strictly with the procedures set out in the Companies Law. The exercise of dissenter rights will preclude the exercise by the dissenting shareholder of any other rights to which he or she might otherwise be entitled by virtue of holding shares, save for the right to seek relief on the grounds that the merger or consolidation is void or unlawful.

Separate from the statutory provisions relating to mergers and consolidations, the Companies Law also contains statutory provisions that facilitate the reconstruction and amalgamation of companies by way of schemes of arrangement, provided that the arrangement is approved by a majority in number of each class of shareholders and creditors with whom the arrangement is to be made, and who must in addition represent three-fourths in value of each such class of shareholders or creditors, as the case may be, that are present and voting either in person or by proxy at a meeting, or meetings, convened for that purpose. The convening of the meetings and subsequently the arrangement must be sanctioned by the Grand Court of the Cayman Islands. While a dissenting shareholder has the right to express to the court the view that the transaction ought not to be approved, the court can be expected to approve the arrangement if it determines that:

- the statutory provisions as to the required majority vote have been met;
- the shareholders have been fairly represented at the meeting in question and the statutory majority are acting bona fide without coercion of the minority to promote interests adverse to those of the class;
- the arrangement is such that may be reasonably approved by an intelligent and honest man or woman of that class acting in respect of his interest; and
- the arrangement is not one that would more properly be sanctioned under some other provision of the Companies Law.

When a takeover offer is made and accepted by holders of 90% of the shares within four months, the offeror may, within a two-month period commencing on the expiration of such four-month period, require the holders of the remaining shares to transfer such shares to the offeror on the terms of the offer. An objection can be made to the Grand Court of the Cayman Islands but this is unlikely to succeed in the case of an offer which has been so approved unless there is evidence of fraud, bad faith or collusion.

If an arrangement and reconstruction is thus approved, or if a takeover offer is made and accepted, a dissenting shareholder would have no rights comparable to appraisal rights, which would otherwise ordinarily be available to dissenting shareholders of Delaware corporations, providing rights to receive payment in cash for the judicially determined value of the shares.

Shareholders' Suits. In principle, we will normally be the proper plaintiff and as a general rule a derivative action may not be brought by a minority shareholder. However, based on English authorities, which would in all likelihood be of persuasive authority in the Cayman Islands, the Cayman Islands courts can be expected to follow and apply the common law principles (namely the rule in Foss v. Harbottle and the exceptions thereto) which may permit a minority shareholder to commence a class action against, or derivative actions in the name of, our company to challenge:

- an act which is ultra vires or illegal and is therefore incapable of ratification by the shareholders;
- an act which constitutes a fraud against the minority where the wrongdoers are themselves in control of the company; and
- an act which requires a resolution with a qualified (or special) majority (i.e., more than a simple majority) which has not been obtained.

Indemnification of Directors and Executive Officers and Limitation of Liability. Cayman Islands law does not limit the extent to which a company's memorandum and articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the

consequences of committing a crime. Our current memorandum and articles of association permit indemnification of officers and directors for losses, damages, costs and expenses incurred in their capacities as such unless such losses, damages, costs and expenses arise from dishonesty, willful default or fraud of such directors or officers. This standard of conduct is generally the same as permitted under the Delaware General Corporation Law for a Delaware corporation.

In addition, we have entered into indemnification agreements with our directors and executive officers that provide such persons with additional indemnification beyond that provided in our current memorandum and articles of association.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers or persons controlling us under the foregoing provisions, we have been informed that in the opinion of the SEC, such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Directors' Fiduciary Duties. Under Delaware corporate law, a director of a Delaware corporation has a fiduciary duty to the corporation and its shareholders. This duty has two components: the duty of care and the duty of loyalty. The duty of care requires that a director act in good faith, with the care that an ordinarily prudent person would exercise under similar circumstances. Under this duty, a director must inform himself of, and disclose to shareholders, all material information reasonably available regarding a significant transaction. The duty of loyalty requires that a director acts in a manner he or she reasonably believes to be in the best interests of the corporation. He or she must not use his or her corporate position for personal gain or advantage. This duty prohibits self-dealing by a director and mandates that the best interests of the corporation and its shareholders take precedence over any interest possessed by a director, officer or controlling shareholder and not shared by the shareholders generally. In general, actions of a director are presumed to have been made on an informed basis, in good faith and in the honest belief that the action taken was in the best interests of the corporation. However, this presumption may be rebutted by evidence of a breach of one of the fiduciary duties. Should such evidence be presented concerning a transaction by a director, the director must prove the procedural fairness of the transaction, and that the transaction was of fair value to the corporation.

As a matter of Cayman Islands law, a director of a Cayman Islands company is in the position of a fiduciary with respect to the company and therefore it is considered that he or she owes the following duties to the company—a duty to act in good faith in the best interests of the company, a duty not to make a personal profit based on his or her position as director (unless the company permits him or her to do so), a duty not to put himself or herself in a position where the interests of the company conflict with his or her personal interest or his or her duty to a third party and a duty to exercise powers for the purpose for which such powers were intended. A director of a Cayman Islands company owes to the company a duty to act with skill and care. It was previously considered that a director need not exhibit in the performance of his or her duties a greater degree of skill than may reasonably be expected from a person of his or her knowledge and experience. However, English and Commonwealth courts have moved towards an objective standard with regard to the required skill and care and these authorities are likely to be followed in the Cayman Islands.

Shareholder Action by Written Consent. Under the Delaware General Corporation Law, a corporation may eliminate the right of shareholders to act by written consent by amendment to its certificate of incorporation.

Cayman Islands law and our current articles of association provide that shareholders may approve corporate matters by way of a unanimous written resolution signed by or on behalf of each shareholder who would have been entitled to vote on such matter at a general meeting without a meeting being held.

Shareholder Proposals. Under the Delaware General Corporation Law, a shareholder has the right to put any proposal before the annual meeting of shareholders, provided it complies with the notice provisions in the governing documents. A special meeting may be called by the board of directors or any other person authorized to do so in the governing documents, but shareholders may be precluded from calling special meetings.

The Companies Law does not provide shareholders with any right to requisition a general meeting, nor any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. Our current articles of association allow our shareholders holding in aggregate not less than one-tenth of all votes attaching to the issued and outstanding shares of our company entitled to vote at general meetings to requisition an extraordinary general meeting of our shareholders, in which case our board is obliged to convene an extraordinary general meeting and to put the resolutions so requisitioned to a vote at such meeting. Other than this right to requisition a shareholders' meeting, our current articles of association do not provide our shareholders with any other right to put proposals before annual general meetings or extraordinary general meetings. As an exempted Cayman Islands company, we are not obliged by law to call shareholders' annual general meetings.

Cumulative Voting. Under the Delaware General Corporation Law, cumulative voting for elections of directors is not permitted unless the corporation's certificate of incorporation specifically provides for it. Cumulative voting potentially facilitates the representation of minority shareholders on a board of directors since it permits the minority shareholder to cast all the votes to which the shareholder is entitled on a single director, which increases the shareholder's voting power with respect to electing such director. There are no prohibitions in relation to cumulative voting under the laws of the Cayman Islands but our current articles of association do not provide for cumulative voting. As a result, our shareholders are not afforded any less protections or rights on this issue than shareholders of a Delaware corporation.

Removal of Directors. Under the Delaware General Corporation Law, a director of a corporation with a classified board may be removed only for cause with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. Under our current articles of association, subject to certain restrictions as contained therein, directors may be removed with or without cause, by an ordinary resolution of our shareholders. A director shall hold office until the expiration of his or her term or his or her successor shall have been elected and qualified, or until his or her office is otherwise vacated. In addition, a director's office shall be vacated if the director (i) becomes bankrupt or makes any arrangement or composition with his or her creditors; (ii) is found to be or becomes of unsound mind or dies; (iii) resigns his or her office by notice in writing to the company; (iv) without special leave of absence from our board of directors, is absent from three consecutive meetings of the board and the board resolves that his or her office be vacated; (v) is prohibited by law from being a director; or (vi) is removed from office pursuant to any other provisions of our current memorandum and articles of association.

Transactions with Interested Shareholders. The Delaware General Corporation Law contains a business combination statute applicable to Delaware corporations whereby, unless the corporation has specifically elected not to be governed by such statute by amendment to its certificate of incorporation, it is prohibited from engaging in certain business combinations with an "interested shareholder" for three years following the date that such person becomes an interested shareholder. An interested shareholder generally is a person or a group who or which owns or owned 15% or more of the target's outstanding voting share within the past three years. This has the effect of limiting the ability of a potential acquirer to make a two-tiered bid for the target in which all shareholders would not be treated equally. The statute does not apply if, among other things, prior to the date on which such shareholder becomes an interested shareholder, the board of directors approves either the business combination or the transaction which resulted in the person becoming an interested shareholder. This encourages any potential acquirer of a Delaware corporation to negotiate the terms of any acquisition transaction with the target's board of directors.

Cayman Islands law has no comparable statute. As a result, we cannot avail ourselves of the types of protections afforded by the Delaware business combination statute. However, although Cayman Islands law does not regulate transactions between a company and its significant shareholders, it does provide that such transactions must be entered into bona fide in the best interests of the company and not with the effect of constituting a fraud on the minority shareholders.

Dissolution; Winding up. Under the Delaware General Corporation Law, unless the board of directors approves the proposal to dissolve, dissolution must be approved by shareholders holding 100% of the total voting power of the corporation. Only if the dissolution is initiated by the board of directors may it be approved by a simple majority of the corporation's outstanding shares. Delaware law allows a Delaware corporation to include in its certificate of incorporation a supermajority voting requirement in connection with dissolutions initiated by the board.

Under Cayman Islands law, a company may be wound up by either an order of the courts of the Cayman Islands or by a special resolution of its members or, if the company is unable to pay its debts as they fall due, by an ordinary resolution of its members. The court has authority to order winding up in a number of specified circumstances including where it is, in the opinion of the court, just and equitable to do so. Under the Companies Law and our current articles of association, our company may be dissolved, liquidated or wound up by a special resolution of our shareholders.

Variation of Rights of Shares. Under the Delaware General Corporation Law, a corporation may vary the rights of a class of shares with the approval of a majority of the outstanding shares of such class, unless the certificate of incorporation provides otherwise. Under our current articles of association, if our share capital is divided into more than one class of shares, we may vary the rights attached to any class with the written consent of the holders of all of the issued shares of that class or with the sanction of a special resolution passed at a general meeting of the holders of the shares of that class.

Amendment of Governing Documents. Under the Delaware General Corporation Law, a corporation's governing documents may be amended with the approval of a majority of the outstanding shares entitled to vote, unless the certificate of incorporation provides otherwise. As permitted by Cayman Islands law, our current memorandum and articles of association may only be amended with a special resolution of our shareholders.

History of Securities Issuances

The following is a summary of our securities issuances in the past three years.

Ordinary Shares

On January 22, 2020, at the closing of our initial public offering, we issued and sold a total of 17,037,020 ordinary shares, represented by ADSs at a public offering price of US$14.00 per ADS. On February 10, 2020, we issued and sold a total of 1,767,205 ordinary shares, represented by ADSs at the initial public offering price pursuant to the partial exercise by the underwriters in our initial public offering of their option to purchase additional ADSs.

On January 22, 2020, we issued 6,078,571 ordinary shares to Everest Medicines Limited concurrently with the completion of our initial public offering, at a per share price equal to the initial public offering price adjusted to reflect the ADS-to-ordinary share ratio, at a total value of US$37.0 million, with respect to Everest's historical contribution to our co-development and commercialization of felzartamab in Greater China.

On August 12, 2020, we issued 4,036,868 ordinary shares to Citi (Nominees) Limited, the nominee of Citibank, N.A., the depositary of our ADS program, for bulk issuance of ordinary shares reserved and issuable under our share incentive plans.

In September 2020, we entered into definitive subscription agreements (collectively, the "Subscription Agreements," and each, a "Subscription Agreement") with a consortium of institutional investors, pursuant to which we agree to issue and sell to these investors (i) a total of 29,133,502 ordinary shares of our company for an aggregate purchase price of approximately US$418 million (equivalent to a price of US$33 per ADS); and (ii) warrants (the "Investor Warrants") to subscribe for up to 5,341,267 ordinary shares of our company at an

exercise price of US$45 per ADS, subject to the closing conditions set forth in the Subscription Agreements. Each ten ADSs of our company represents twenty-three ordinary shares of our company. On September 11, 2020, we issued 20,421,378 ordinary shares to these investors pursuant to the Subscription Agreements.

The Subscription Agreement with the Hillhouse Entities contemplates two closings. The first closing occurred on September 11, 2020, and the second closing is conditioned upon an existing director of our company having resigned to enable the Hillhouse Entities to appoint a director to replace such director and the lemzoparlimab out-licensing agreement with AbbVie being or remaining effective.

The closings of the Subscription Agreements with investors other than the Hillhouse Entities have occurred in September 2020.

On November 9, 2020, we issued 100,000 ordinary shares to Biomaster Holding Limited upon exercise of options granted to certain of our employees for an aggregate exercise price of US$100,000.

On November 19, 2020, we issued 200,000 ordinary shares to Biomaster Holding Limited upon exercise of options granted to certain of our employees for an aggregate exercise price of US$200,000.

On November 30, 2020, we issued 582,076 ordinary shares to Biomaster Holding Limited upon exercise of options granted to certain of our employees for an aggregate exercise price of US$452,020 and RMB56,028.

Preferred Shares

On September 6, 2017, we issued an aggregate of 16,723,646 Series A-3 preferred shares to CBC SPVII LIMITED and Genexine for an aggregate purchase price of US$30.0 million.

On September 22, 2017, we issued 14,089,714 Series B preferred shares to CBC Investment I-Mab Limited for an aggregate purchase price of US$48.4 million.

On February 9, 2018, we issued 1,804,880 Series B preferred shares to C-Bridge II Investment Ten Limited for an aggregate purchase price of US$6.2 million.

On June 29, 2018, we issued an aggregate of 2,535,201 Series B-1 preferred shares to CBC Investment I-MAB Limited and C-Bridge II Investment Ten Limited for an aggregate purchase price of approximately US$13.7 million as a result of the conversion by these two entities of the convertible promissory notes issued to them on September 25, 2017 and February 9, 2018, respectively. On the same date, we issued an aggregate of 2,253,512 Series B-2 preferred shares to CBC Investment I-MAB Limited and C-Bridge II Investment Ten Limited for an aggregate purchase price of approximately US$13.7 million as a result of the exercise of the warrants granted to them on September 25, 2017.

On June 29, 2018, we issued 8,361,823 Series A-3 preferred shares, 5,938,640 Series B preferred shares, and 947,218 Series B-1 preferred shares to Tasly Biopharma Limited in exchange for Tasly Biopharma Limited's equity interests in I-Mab Hong Kong.

On July 6, 2018, Tasly Biopharma Limited transferred to Rainbow Horizon Limited 947,218 Series B-1 preferred shares and the warrant in part to purchase 841,971 Series B-2 preferred shares for a total purchase price of US$6.0 million. On the same date, we issued 841,971 Series B-2 preferred shares to Rainbow Horizon Limited as a result of the exercise of the warrant by Rainbow Horizon for an aggregate purchase price of US$5.1 million.

On July 6, 2018, we issued to Qianhai Ark (Cayman) Investment Co. Limited ("Qianhai Ark Cayman"), (i) 1,455,549 Series B preferred shares for a purchase price of approximately US$2.0 million, (ii) 232,161 Series B-1 preferred shares for an aggregate purchase price of US$1.25 million as a result of the conversion of a convertible promissory note issued to Qianhai Ark Cayman on July 6, 2018, and (iii) 206,366 Series B-2 preferred shares for an aggregate purchase price of US$1.25 million as a result of the exercise of warrant granted to Qianhai Ark Cayman on September 25, 2017.

On July 6, 2018, we issued an aggregate of 31,046,360 Series C preferred shares to Fortune Eight Jogging Limited, C-Bridge II Investment Seven Limited, HH IMB Holdings Limited, Ally Bridge LB Precision Limited, Marvey Investment Company Limited, Mab Health Limited, Casiority H Limited, Southern Creation Limited (formerly known as Ally Bridge LB-Sunshine Limited), Tasly International Capital Limited, and Parkway Limited for an aggregate purchase price of US$200.0 million.

On July 25, 2019, we entered into a share purchase agreement with Caesar Pro Holdings Limited, WuXi Biologics HealthCare Venture, and Hongkong Tigermed Co., Limited. Pursuant to the share purchase agreement, these investors will subscribe for an aggregate of 3,857,143 Series C-1 preferred shares of I-Mab for an aggregate purchase price of US$27.0 million. On October 17, 2019, we issued 1,428,571 Series C-1 preferred shares to Wuxi Biologics HealthCare Venture. On November 6, 2019, we issued an aggregate of 2,428,572 Series C-1 preferred shares to Hong Kong Tigermed Co., Limited and Caesar Pro Holdings Limited.

All the preferred shares outstanding were converted into ordinary shares immediately upon the closing of the initial public offering of our company's ordinary shares in January 2020.

Convertible Promissory Notes

On September 25, 2017, we issued a US$12.1 million convertible promissory note due September 2020 to CBC Investment I-Mab Limited. On June 29, 2018, CBC Investment I-Mab Limited converted this note to 2,247,321 Series B-1 preferred shares.

On February 5, 2018, we issued a US$9.0 million convertible promissory note due February 2021 to Genexine. Genexine can at any time prior to February 5, 2021 convert this note into preferred shares of I-Mab at US$10 per share, subject to certain price adjustments. As of the date of this prospectus, Genexine has not converted this note.

On February 9, 2018, we issued a US$1.6 million convertible promissory note due September 2020 to C-Bridge II Investment Ten Limited. On June 29, 2018, C-Bridge II Investment Ten Limited converted this note into 287,880 Series B-1 preferred shares.

On July 6, 2018, we issued a US$1.3 million convertible promissory note due July 2021 to Qianhai Ark Cayman. On July 6, 2018, Qianhai Ark Cayman converted this note into 232,161 Series B-1 preferred shares.

Options and Warrants

On September 6, 2017, we granted Shanghai Tasly an option to purchase up to 8,361,823 Series A-3 preferred shares. On September 25, 2017, we granted Shanghai Tasly an additional option to purchase up to 5,938,640 Series B preferred shares and 947,218 Series B-1 preferred shares. On June 29, 2018, Tasly Biopharma Limited, as Shanghai Tasly's permitted assign, exercised these options in full.

On September 25, 2017, we granted (i) Qianhai Fund an option to purchase up to 1,455,549 Series B preferred shares and up to 232,161 Series B-1 preferred shares, and (ii) CBC RMB Fund an option to purchase up to 1,804,880 Series B preferred shares and up to 287,880 additional Series B-1 preferred Shares. The option granted to Qianhai Fund was exercised in full on July 6, 2018. The option granted to CMC RMB Fund was terminated on February 9, 2018.

On September 25, 2017, we granted a warrant to each of CBC Investment I-Mab Limited, Shanghai Tasly, Qianhai Fund and C-Bridge II Investment Ten Limited to purchase up to 4,994,046 Series B-2 preferred shares, up to 2,104,928 Series B-2 preferred shares, up to 515,914 Series B-2 preferred shares and up to 639,734 Series B-2 preferred shares, respectively. On July 6, 2018, these investors exercised their warrants in part and purchased 1,997,618 Series B-2 preferred shares, 841,971 Series B-2 preferred shares, 206,366 Series B-2 preferred shares and 255,894 Series B-2 preferred shares, for an aggregate purchase price of US$20.0 million. These investors have waived and cancelled their rights under the rest of the warrants. On September 25, 2017, we also granted a warrant to CBC RMB Fund to purchase up to 639,734 Series B-2 preferred shares, which was terminated on the same date.

On July 6, 2018, Tasly Biopharm Limited, as Shanghai Tasly's permitted assign, transferred to Rainbow Horizon Limited the warrant in part to purchase 841,971 Series B-2 preferred shares. On the same date, Rainbow Horizon Limited exercised this warrant.

Pursuant to the Subscription Agreements, we agree to issue and sell to the investors thereunder the Investor Warrants, exercisable at the election of the applicable investors within 12 months after the initial or subsequent closing dates set forth in the applicable Subscription Agreements. On September 11, 2020, we issued and sold a portion of the Investor Warrants, allowing the applicable investors to purchase 3,744,032 ordinary shares. As of the date of this Prospectus, none of the Investor Warrants has been exercised.

We have granted options to purchase our ordinary shares to certain of our directors, executive officers and employees. See "Management—Share Incentive Plans."

Shareholders Agreement

In July 2019, we entered into our fourth amended and restated shareholders agreement with our shareholders.

The shareholders agreement provides for certain special rights, including right of first refusal, co-sale rights, preemptive rights and contains provisions governing the board of directors and other corporate governance matters. Those special rights, as well as the corporate governance provisions, automatically terminated upon the completion of our initial public offering.

Deed of Undertaking

In December 2019, a deed of undertaking was made by our company and a few shareholders of our company, each as a warrantor, to the other shareholders of our company (other than the shareholder warrantors), each as a warrantee, pursuant to which each warrantor represents and warrants to each warrantee that it has provided each warrantee with all information and documents in connection with the initial public offering of our company that has the effect of establishing rights or otherwise benefiting any shareholder in a manner more favorable than the corresponding terms applicable to the relevant warrantee in relation to the initial public offering of our company (collectively, the "More Favorable Arrangements"). Pursuant to the deed of undertaking, until the fifth anniversary of the completion of our initial public offering, we will not directly or indirectly enter into any agreements or arrangements or modify, amend or waive any existing agreements or arrangements of any kind that would have the effect of establishing the More Favorable Arrangements; provided that it shall be allowed to adopt or modify any employee incentive plans and grant options to the management or any employee of our company after our initial public offering pursuant to such plans and in accordance with the then effective memorandum and articles of association and the applicable listing rules for the purpose of rewarding their bona fide services.

Registration Rights

Pursuant to our shareholders agreement, we have granted certain registration rights to our shareholders. Set forth below is a description of the registration rights granted under the agreement.

Demand Registration Rights. At any time after the earlier of (i) December 31, 2020, or (ii) six months following the effectiveness of a registration statement for a firm underwritten public offering of our ordinary shares on The Stock Exchange of Hong Kong Limited, the New York Stock Exchange, the Nasdaq Stock Market or other internationally recognized securities exchange, with an offering price (exclusive of underwriting commissions and expenses) that reflects a market capitalization (immediately prior to the public offering) of not less than US$1.0 billion, the holders of a majority of the registrable securities then issued and outstanding may request in writing that we file a registration statement covering the registration of at least 20% of the registrable securities (or any lesser percentage if the anticipated gross receipts from the offering are to exceed US$5.0 million). Upon such a request, we shall, within ten business days of the receipt of such written request, give written notice of such request to all holders, and use our best efforts to effect, as soon as practicable, the registration of all registrable securities that the holders request to be registered and included in such registration by written notice given by such holders to us within 20 days after receipt of the request notice. We have the right to defer filing of a registration statement for a period of not more than 90 days after receipt of the request of the initiating holders if our board of directors determines in good faith that filing of such registration statement at such time will be materially detrimental to us or our shareholders, but we cannot exercise the deferral right more than once during any twelve-month period and cannot register any other securities during such twelve-month period. We are not obligated to effect any such registration if we have, within the six-month period preceding the date of such request, already effected a registration. We are not obligated to effect more than three demand registrations. This demand registration right is subject to the customary exclusion right of the underwriters.

Registration on Form F-3. If we qualify for registration on Form F-3, any holder or holders of a majority of all registrable securities then issued and outstanding may request in writing that we effect a registration on Form F-3 (or an equivalent registration in a jurisdiction outside of the U.S.). We shall promptly give written notice of the proposed registration and as soon as practicable, effect such registration within 20 days after we provide the aforesaid written notice. The holders are entitled to an unlimited number of registrations on Form F-3 so long as such registration offerings are in excess of US$500,000. We are not obligated to effect any such registration if we have, within the six-month period preceding the date of such request, already effected a registration other than a registration from which registrable securities of the holders have been excluded, or if we would be required to qualify to do business or to execute a general consent to service of process in effecting such registration in any particular jurisdiction.

Piggyback Registration Rights. If we propose to register for a public offering of our securities (other than registration statements relating to demand registration, Form F-3 registration, any employee benefit plan or a corporate reorganization), we shall give written notice of such registration to all holders of registrable securities at least 30 days prior to filing any registration statement and afford each such holder an opportunity to be included in such registration. If a holder decides not to include all of its registrable securities in any registration statement thereafter filed by us, such holder shall nevertheless continue to have the right to include any registrable securities in any subsequent registration statement or registration statements as may be filed by us, subject to certain limitations. This piggyback registration right is subject to the customary exclusion right of the underwriters.

Expenses of Registration. We will bear all registration expenses. Each holder, however, should bear its proportionate share of all of the underwriting discounts and selling commissions applicable to the sale of registrable securities or other amounts payable to underwriter(s) or brokers in connection with such offering by the holders.

Termination of Obligations. Our obligations to effect any demand, Form F-3 or piggyback registration shall terminate upon the earlier of (i) the tenth anniversary of the initial public offering (ii) after the initial public offering, the date on which such shareholder is eligible to sell all of the registrable securities held by it under Rule 144 within any 90-day period without volume limitations.

Subscription Agreement with Hillhouse Entities

In September 2020, we entered into a Subscription Agreement with the Hillhouse Entities. The Subscription Agreement provides for (i) certain investors' rights, such as registration rights, board representation rights and anti-dilution rights and (ii) lock-up and other transfer restrictions. Set forth below is a description of certain rights and restrictions thereof.

Mandatory Registration after Initial Closing (September 11, 2020). We agree to file with the SEC a registration statement to register the resale of Hillhouse Entities' registrable securities, which include ordinary shares issued and issuable upon exercise of Investor Warrants under the Subscription Agreement, on Form F-3 or Form F-1, as applicable. We shall have the relevant registration statement declared effective by the SEC no later than ninety (90) calendar days after September 11, 2020, which period could be extended to one hundred and twenty (120) calendar days if the SEC reviews and comments on the registration statement. However, if the SEC prevents inclusion of the registrable securities in the registration statement pursuant to limitations under Rule 415 of the Securities Act, the number of registrable securities to be registered for each selling shareholder named in the registration statement shall be reduced pro rata among all such selling shareholders. We shall maintain the continuous effectiveness of the registration statement for a period of ninety (90) days after its effectiveness or such shorter period upon which the Hillhouse Entities have notified us that their registrable securities have actually been sold.

Mandatory Registration after Subsequent Closing. With respect to the registrable securities then held by the Hillhouse Entities which have not been previously registered and sold, we agree to file a prospectus supplement or a registration statement to register the resale of such registrable securities on a Form F-3 or Form F-3ASR registration statement (or, if Form F-3 or Form F-3ASR is not then available to us, on Form F-1 or such other form of registration statement as is then available to effect a registration for resale of such registrable securities), and have such registration statement declared effective by the SEC no later than (a) the ten (10) business days after the later of (i) the first date when we become eligible to use registration statement on F-3, or (ii) the expiration of the lock-up period with respect to the subsequent closing, or forty-five (45) calendar days after such lock-up period expiration date if the SEC reviews and comments on the registration statement. We shall maintain the effectiveness of such registration statement for a period ending on the date the registrable securities registered thereon have ceased to be registrable securities.

Demand Registration Rights. Upon written request from the Hillhouse Entities at any time after we have effected two registration statements abovementioned, with respect to the registrable securities then held by the Hillhouse Entities, and in no event later than the forty-five (45) calendar days following the delivery of such request, we shall file a prospectus supplement or a registration statement to register the resale of such registrable securities on a Form F-3 or Form F-3ASR registration statement (or, if Form F-3 or Form F-3ASR is not then available to us, on Form F-1 or such other form of registration statement as is then available to effect a registration for resale of such registrable securities), have such registration statement declared effective, and maintain the effectiveness of such registration statement for a period ending on the date the registrable securities registered thereon have ceased to be registrable securities. If the registrable securities are offered by means of an underwritten offering, and we or the underwriters determine that marketing factors require a limitation of the number of securities to be underwritten, the number of registrable securities that may be included in the underwriting shall be r educed and allocated (i) first, to us and each holder in accordance with the terms of the Shareholders Agreement; (ii) second, to investors in the private placements entered into in September 2020 (including the Hillhouse Entities) requesting inclusion of their registrable securities in such registration statement on a pro rata basis based on the total number of registrable securities then held by each such investor; and (iii) third, to other holders of registrable securities, if any.

Suspension of Registration. We may suspend the use of any registration statement for a period not exceeding thirty (30) consecutive trading days, if we (i) determine that we would be required to make disclosure of material information in the registration statement that we have a bona fide business purpose for preserving as

confidential; (ii) determine that we must amend or supplement the registration statement so that it shall not include an untrue statement of a material fact or omit to state a material fact; or (iii) have experienced or are experiencing some other material non-public event, the disclosure of which at such time would adversely affect us. However, we cannot exercise the suspension right more than once in any twelve (12) month period and may not register any other securities during such suspension period.

Expenses. We will bear all registration expenses, except any (i) portions of fees and disbursements of counsel for the Hillhouse Entities exceeding US$30,000, (ii) underwriting discounts and selling commissions applicable to sale of registrable securities, and (iii) fees payable pursuant to the deposit agreement.

Ranking of Registration Rights. Registration rights granted to the Hillhouse Entities shall not be senior to, or on a parity with, those granted to holders under the Shareholders Agreement.

Board Representation Rights. As long as the Hillhouse Entities continue to jointly beneficially own at least five percent (5.0%) of our total issued and outstanding share capital, it is entitled to nominate and maintain one representative to our board of directors. We shall (i) cause an existing director to duly resign from our board of directors prior to the second closing date; and (ii) cause an individual jointly designated by the Hillhouse Entities to be appointed as the investor director with immediate effect no later than the tenth (10^{th}) business day after the resignation of the departing director.

Lock-up. The Hillhouse Entities shall not dispose of any of the ordinary shares purchased by Hillhouse Entities on the applicable initial or subsequent closing date within a 90-day period following September 11, 2020 or a subsequent closing date set forth in the subscription agreement to any person other than affiliates of the Hillhouse Entities, who shall be bound by the Hillhouse Entities' lock-up obligations for the balance of each applicable lock-up period. Each of the Hillhouse Entities and their affiliates may directly or indirectly, place any charge, mortgage, lien, pledge, restrictions, security interest or other encumbrance in respect of the lock-up securities in connection with such Hillhouse Entity's (or any of its affiliates') margin loans, collars, derivative transactions or other such downside protection transactions to be entered into on or after the date of the subscription agreement.

Anti-dilution rights. We agree not to issue, offer, sell, or grant any option or right to purchase any new securities, without the prior written consent of the Hillhouse Entities, (i) during the 90-day period following each closing date; or (ii) at an effective purchase price per share lower than the purchase price under the Subscription Agreement with Hillhouse Entities during the 90-day period commencing from the expiration of each lock-up period.

Subscription Agreements with Other Investors

In September 2020, we entered into subscription agreements with various investors other than HillHouse Entities. The subscription agreements are of the same form and provide for certain investors' rights, such as registration rights and anti-dilution right. Set forth below is a description of certain rights and restrictions thereof.

Mandatory Registration. We agree to file with the SEC a registration statement to register the resale of such investors' registrable securities, which include ordinary shares issued and issuable upon exercise of Investor Warrants under the Subscription Agreement, on Form F-3 or Form F-1, as applicable. We shall have the relevant registration statement declared effective by the SEC no later than ninety (90) calendar days after the initial closing date, which period could be extended to one hundred and twenty (120) calendar days if the SEC reviews and comments on the registration statement. However, if the SEC prevents inclusion of the registrable securities in the registration statement pursuant to limitations under Rule 415 of the Securities Act, the number of registrable securities to be registered for each selling shareholder named in the registration statement shall be reduced pro rata among all such selling shareholders. We shall maintain the continuous effectiveness of the

registration statement for a period of ninety (90) days after its effectiveness or such shorter period upon which such investors have notified us that their registrable securities have actually been sold.

Piggyback Registration. We agree to notify such investors at least thirty (30) days prior to filing any registration statement for purposes of effecting a public offering of ADSs (excluding registration statements relating to the mandatory registration described above). The Private Placement Investors has 20 days after receiving notice from us to notify us in writing of their desire to include their registrable securities in the registration statement. However, if the registrable securities in such registration statement are offered by means of an underwritten offering, and we or the underwriters determine that marketing factors require a limitation of the number of securities to be underwritten, the number of registrable securities that may be included in the underwriting shall be reduced and allocated (i) first, to us and each holder in accordance with the terms of the Shareholders Agreement; (ii) second, to investors in the private placements entered into in September 2020 requesting inclusion of their registrable securities in such registration statement on a pro rata basis based on the total number of registrable securities then held by each such investor; and (iii) third, to other holders of registrable securities, if any.

Suspension of Registration. We may suspend the use of any registration statement for a period not exceeding thirty (30) consecutive trading days, if we (i) determine that we would be required to make disclosure of material information in the registration statement that we have a bona fide business purpose for preserving as confidential; (ii) determine that we must amend or supplement the registration statement so that it shall not include an untrue statement of a material fact or omit to state a material fact; or (iii) have experienced or are experiencing some other material non-public event, the disclosure of which at such time would adversely affect us. However, we cannot exercise the suspension right more than once in any twelve (12) month period and may not register any other securities during such suspension period.

Expenses. We will bear all registration expenses, except any (i) portions of fees and disbursements of counsel for such investors, and (ii) underwriting discounts and selling commissions applicable to sale of registrable securities.

Ranking of Registration Rights. Registration rights granted to such investors shall not be senior to, or on a parity with, those granted to holders under the Shareholders Agreement.

DESCRIPTION OF AMERICAN DEPOSITARY SHARES

Citibank, N.A. has agreed to act as the depositary for the American Depositary Shares. Citibank's depositary offices are located at 388 Greenwich Street, New York, New York 10013. American Depositary Shares are frequently referred to as "ADSs" and represent ownership interests in securities that are on deposit with the depositary. ADSs may be represented by certificates that are commonly known as "American Depositary Receipts" or "ADRs." The depositary typically appoints a custodian to safekeep the securities on deposit. In this case, the custodian is Citibank, N.A.—Hong Kong, located at 9/F, Citi Tower, One Bay East, 83 Hon Hai Road, Kwun Tong, Kowloon, Hong Kong.

We have appointed Citibank as depositary pursuant to a deposit agreement. A copy of the deposit agreement is on file with the SEC under cover of a Registration Statement on Form F-6. You may obtain a copy of the deposit agreement from the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549 and from the SEC's website (www.sec.gov). Please refer to Registration Number 333-234363 when retrieving such copy.

We are providing you with a summary description of the material terms of the ADSs and of your material rights as an owner of ADSs. Please remember that summaries by their nature lack the precision of the information summarized and that the rights and obligations of an owner of ADSs will be determined by reference to the terms of the deposit agreement and not by this summary. We urge you to review the deposit agreement in its entirety. The portions of this summary description that are italicized describe matters that may be relevant to the ownership of ADSs but that may not be contained in the deposit agreement.

Each ten (10) ADSs represent the right to receive, and to exercise the beneficial ownership interests in, twenty-three (23) ordinary shares that are on deposit with the depositary and/or the custodian. An ADS also represents the right to receive, and to exercise the beneficial interests in, any other property received by the depositary or the custodian on behalf of the owner of the ADS but that has not been distributed to the owners of ADSs because of legal restrictions or practical considerations. We and the depositary may agree to change the ADS-to-ordinary shares ratio by amending the deposit agreement. This amendment may give rise to, or change, the depositary fees payable by ADS owners. The custodian, the depositary and their respective nominees will hold all deposited property for the benefit of the holders and beneficial owners of ADSs. The deposited property does not constitute the proprietary assets of the depositary, the custodian or their nominees. Beneficial ownership in the deposited property will under the terms of the deposit agreement be vested in the beneficial owners of the ADSs. The depositary, the custodian and their respective nominees will be the record holders of the deposited property represented by the ADSs for the benefit of the holders and beneficial owners of the corresponding ADSs. A beneficial owner of ADSs may or may not be the holder of ADSs. Beneficial owners of ADSs will be able to receive, and to exercise beneficial ownership interests in, the deposited property only through the registered holders of the ADSs, the registered holders of the ADSs (on behalf of the applicable ADS owners) only through the depositary, and the depositary (on behalf of the owners of the corresponding ADSs) directly, or indirectly, through the custodian or their respective nominees, in each case upon the terms of the deposit agreement.

If you become an owner of ADSs, you will become a party to the deposit agreement and therefore will be bound to its terms and to the terms of any ADR that represents your ADSs. The deposit agreement and the ADR specify our rights and obligations as well as your rights and obligations as owner of ADSs and those of the depositary. As an ADS holder you appoint the depositary to act on your behalf in certain circumstances. The deposit agreement and the ADRs are governed by New York law. However, our obligations to the holders of ordinary shares will continue to be governed by the laws of the Cayman Islands, which may be different from the laws in the United States.

In addition, applicable laws and regulations may require you to satisfy reporting requirements and obtain regulatory approvals in certain circumstances. You are solely responsible for complying with such

reporting requirements and obtaining such approvals. Neither the depositary, the custodian, us or any of their or our respective agents or affiliates shall be required to take any actions whatsoever on your behalf to satisfy such reporting requirements or obtain such regulatory approvals under applicable laws and regulations.

As an owner of ADSs, we will not treat you as one of our shareholders and you will not have direct shareholder rights. The depositary will hold on your behalf the shareholder rights attached to the ordinary shares underlying your ADSs. As an owner of ADSs you will be able to exercise the shareholders rights for the ordinary shares represented by your ADSs through the depositary only to the extent contemplated in the deposit agreement. To exercise any shareholder rights not contemplated in the deposit agreement you will, as an ADS owner, need to arrange for the cancellation of your ADSs and become a direct shareholder.

The manner in which you own the ADSs (e.g., in a brokerage account vs. as registered holder, or as holder of certificated vs. uncertificated ADSs) may affect your rights and obligations, and the manner in which, and extent to which, the depositary's services are made available to you. As an owner of ADSs, you may hold your ADSs either by means of an ADR registered in your name, through a brokerage or safekeeping account, or through an account established by the depositary in your name reflecting the registration of uncertificated ADSs directly on the books of the depositary (commonly referred to as the "direct registration system" or "DRS"). The direct registration system reflects the uncertificated (book-entry) registration of ownership of ADSs by the depositary. Under the direct registration system, ownership of ADSs is evidenced by periodic statements issued by the depositary to the holders of the ADSs. The direct registration system includes automated transfers between the depositary and The Depository Trust Company ("DTC"), the central book-entry clearing and settlement system for equity securities in the United States. If you decide to hold your ADSs through your brokerage or safekeeping account, you must rely on the procedures of your broker or bank to assert your rights as ADS owner. Banks and brokers typically hold securities such as the ADSs through clearing and settlement systems such as DTC. The procedures of such clearing and settlement systems may limit your ability to exercise your rights as an owner of ADSs. Please consult with your broker or bank if you have any questions concerning these limitations and procedures. All ADSs held through DTC will be registered in the name of a nominee of DTC. This summary description assumes you have opted to own the ADSs directly by means of an ADS registered in your name and, as such, we will refer to you as the "holder." When we refer to "you," we assume the reader owns ADSs and will own ADSs at the relevant time.

The registration of the ordinary shares in the name of the depositary or the custodian shall, to the maximum extent permitted by applicable law, vest in the depositary or the custodian the record ownership in the applicable ordinary shares with the beneficial ownership rights and interests in such ordinary shares being at all times vested with the beneficial owners of the ADSs representing the ordinary shares. The depositary or the custodian shall at all times be entitled to exercise the beneficial ownership rights in all deposited property, in each case only on behalf of the holders and beneficial owners of the ADSs representing the deposited property.

Dividends and Distributions

As a holder of ADSs, you generally have the right to receive the distributions we make on the securities deposited with the custodian. Your receipt of these distributions may be limited, however, by practical considerations and legal limitations. Holders of ADSs will receive such distributions under the terms of the deposit agreement in proportion to the number of ADSs held as of the specified record date, after deduction of the applicable fees, taxes and expenses.

Distributions of Cash

Whenever we make a cash distribution for the securities on deposit with the custodian, we will deposit the funds with the custodian. Upon receipt of confirmation of the deposit of the requisite funds, the depositary will arrange for the funds received in a currency other than U.S. dollars to be converted into U.S. dollars and for the distribution of the U.S. dollars to the holders, subject to the laws and regulations of the Cayman Islands.

The conversion into U.S. dollars will take place only if practicable and if the U.S. dollars are transferable to the United States. The depositary will apply the same method for distributing the proceeds of the sale of any property (such as undistributed rights) held by the custodian in respect of securities on deposit.

The distribution of cash will be made net of the fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. The depositary will hold any cash amounts it is unable to distribute in a non-interest bearing account for the benefit of the applicable holders and beneficial owners of ADSs until the distribution can be effected or the funds that the depositary holds must be escheated as unclaimed property in accordance with the laws of the relevant states of the United States.

Distributions of Shares

Whenever we make a free distribution of ordinary shares for the securities on deposit with the custodian, we will deposit the applicable number of ordinary shares with the custodian. Upon receipt of confirmation of such deposit, the depositary will either distribute to holders new ADSs representing the ordinary shares deposited or modify the ADS-to-ordinary shares ratio, in which case each ADS you hold will represent rights and interests in the additional ordinary shares so deposited. Only whole new ADSs will be distributed. Fractional entitlements will be sold and the proceeds of such sale will be distributed as in the case of a cash distribution.

The distribution of new ADSs or the modification of the ADS-to-ordinary shares ratio upon a distribution of ordinary shares will be made net of the fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. In order to pay such taxes or governmental charges, the depositary may sell all or a portion of the new ordinary shares so distributed.

No such distribution of new ADSs will be made if it would violate a law (*e.g.*, the U.S. securities laws) or if it is not operationally practicable. If the depositary does not distribute new ADSs as described above, it may sell the ordinary shares received upon the terms described in the deposit agreement and will distribute the proceeds of the sale as in the case of a distribution of cash.

Distributions of Rights

Whenever we intend to distribute rights to subscribe for additional ordinary shares, we will give prior notice to the depositary and we will assist the depositary in determining whether it is lawful and reasonably practicable to distribute rights to subscribe for additional ADSs to holders.

The depositary will establish procedures to distribute rights to subscribe for additional ADSs to holders and to enable such holders to exercise such rights if it is lawful and reasonably practicable to make the rights available to holders of ADSs, and if we provide all of the documentation contemplated in the deposit agreement (such as opinions to address the lawfulness of the transaction). You may have to pay fees, expenses, taxes and other governmental charges to subscribe for the new ADSs upon the exercise of your rights. The depositary is not obligated to establish procedures to facilitate the distribution and exercise by holders of rights to subscribe for new ordinary shares other than in the form of ADSs.

The depositary will *not* distribute the rights to you if:

- We do not timely request that the rights be distributed to you or we request that the rights not be distributed to you; or
- We fail to deliver satisfactory documents to the depositary; or
- It is not reasonably practicable to distribute the rights.

The depositary will sell the rights that are not exercised or not distributed if such sale is lawful and reasonably practicable. The proceeds of such sale will be distributed to holders as in the case of a cash distribution. If the depositary is unable to sell the rights, it will allow the rights to lapse.

Elective Distributions

Whenever we intend to distribute a dividend payable at the election of shareholders either in cash or in additional shares, we will give prior notice thereof to the depositary and will indicate whether we wish the elective distribution to be made available to you. In such case, we will assist the depositary in determining whether such distribution is lawful and reasonably practicable.

The depositary will make the election available to you only if it is reasonably practicable and if we have provided all of the documentation contemplated in the deposit agreement. In such case, the depositary will establish procedures to enable you to elect to receive either cash or additional ADSs, in each case as described in the deposit agreement.

If the election is not made available to you, you will receive either cash or additional ADSs, depending on what a shareholder in the Cayman Islands would receive upon failing to make an election, as more fully described in the deposit agreement.

Other Distributions

Whenever we intend to distribute property other than cash, ordinary shares or rights to subscribe for additional ordinary shares, we will notify the depositary in advance and will indicate whether we wish such distribution to be made to you. If so, we will assist the depositary in determining whether such distribution to holders is lawful and reasonably practicable.

If it is reasonably practicable to distribute such property to you and if we provide to the depositary all of the documentation contemplated in the deposit agreement, the depositary will distribute the property to the holders in a manner it deems practicable.

The distribution will be made net of fees, expenses, taxes and governmental charges payable by holders under the terms of the deposit agreement. In order to pay such taxes and governmental charges, the depositary may sell all or a portion of the property received.

The depositary will *not* distribute the property to you and will sell the property if:

- We do not request that the property be distributed to you or if we request that the property not be distributed to you; or
- We do not deliver satisfactory documents to the depositary; or
- The depositary determines that all or a portion of the distribution to you is not reasonably practicable.

The proceeds of such a sale will be distributed to holders as in the case of a cash distribution.

Redemption

Whenever we decide to redeem any of the securities on deposit with the custodian, we will notify the depositary in advance. If it is practicable and if we provide all of the documentation contemplated in the deposit agreement, the depositary will provide notice of the redemption to the holders.

The custodian will be instructed to surrender the shares being redeemed against payment of the applicable redemption price. The depositary will convert into U.S. dollars upon the terms of the deposit agreement the redemption funds received in a currency other than U.S. dollars and will establish procedures to enable holders to receive the net proceeds from the redemption upon surrender of their ADSs to the depositary. You may have to pay fees, expenses, taxes and other governmental charges upon the redemption of your ADSs. If less than all ADSs are being redeemed, the ADSs to be retired will be selected by lot or on a *pro rata* basis, as the depositary may determine.

Changes Affecting Ordinary Shares

The ordinary shares held on deposit for your ADSs may change from time to time. For example, there may be a change in nominal or par value, split-up, cancellation, consolidation or any other reclassification of such ordinary shares or a recapitalization, reorganization, merger, consolidation or sale of assets of our company.

If any such change were to occur, your ADSs would, to the extent permitted by law and the deposit agreement, represent the right to receive the property received or exchanged in respect of the ordinary shares held on deposit. The depositary may in such circumstances deliver new ADSs to you, amend the deposit agreement, the ADRs and the applicable Registration Statement(s) on Form F-6, call for the exchange of your existing ADSs for new ADSs and take any other actions that are appropriate to reflect as to the ADSs the change affecting the ordinary shares. If the depositary may not lawfully distribute such property to you, the depositary may sell such property and distribute the net proceeds to you as in the case of a cash distribution.

Issuance of ADSs upon Deposit of Ordinary Shares

Each time a selling stockholder sells ordinary shares registered by this prospectus, such ordinary shares will be deposited by the selling shareholder with the custodian. Upon receipt of confirmation of such deposit, the depositary will issue ADSs to the purchasers named in this prospectus.

The depositary may create ADSs on your behalf if you or your broker deposit ordinary shares with the custodian. The depositary will deliver these ADSs to the person you indicate only after you pay any applicable issuance fees and any charges and taxes payable for the transfer of the ordinary shares to the custodian. Your ability to deposit ordinary shares and receive ADSs may be limited by U.S. and Cayman Islands legal considerations applicable at the time of deposit.

The issuance of ADSs may be delayed until the depositary or the custodian receives confirmation that all required approvals have been given and that the ordinary shares have been duly transferred to the custodian. The depositary will only issue ADSs in a denomination often (10) ADSs or any whole multiple often (10) ADSs. No fractional ADSs will be issued and no fractional share will be accepted for deposit.

When you make a deposit of ordinary shares, you will be responsible for transferring good and valid title to the depositary. As such, you will be deemed to represent and warrant that:

- The ordinary shares are duly authorized, validly issued, fully paid, non-assessable and legally obtained.
- All preemptive (and similar) rights, if any, with respect to such ordinary shares have been validly waived or exercised.
- You are duly authorized to deposit the ordinary shares.
- The ordinary shares presented for deposit are free and clear of any lien, encumbrance, security interest, charge, mortgage or adverse claim, and are not, and the ADSs issuable upon such deposit will not be, “restricted securities” (as defined in the deposit agreement).
- The ordinary shares presented for deposit have not been stripped of any rights or entitlements.

If any of the representations or warranties are incorrect in any way, we and the depositary may, at your cost and expense, take any and all actions necessary to correct the consequences of the misrepresentations.

Transfer, Combination and Split Up of ADRs

As an ADR holder, you will be entitled to transfer, combine or split up your ADRs and the ADSs evidenced thereby. For transfers of ADRs, you will have to surrender the ADRs to be transferred to the depositary and also must:

- ensure that the surrendered ADR is properly endorsed or otherwise in proper form for transfer;
- provide such proof of identity and genuineness of signatures as the depositary deems appropriate;
- provide any transfer stamps required by the State of New York or the United States; and
- pay all applicable fees, charges, expenses, taxes and other government charges payable by ADR holders pursuant to the terms of the deposit agreement, upon the transfer of ADRs.

To have your ADRs either combined or split up, you must surrender the ADRs in question to the depositary with your request to have them combined or split up, and you must pay all applicable fees, charges and expenses payable by ADR holders, pursuant to the terms of the deposit agreement, upon a combination or split up of ADRs.

Withdrawal of Ordinary Shares Upon Cancellation of ADSs

As a holder, you will be entitled to present your ADSs to the depositary for cancellation and then receive the corresponding number of underlying ordinary shares at the custodian's offices. Your ability to withdraw the ordinary shares held in respect of the ADSs may be limited by U.S. and Cayman Islands law considerations applicable at the time of withdrawal. In order to withdraw the ordinary shares represented by your ADSs, you will be required to pay to the depositary the fees for cancellation of ADSs and any charges and taxes payable upon the transfer of the ordinary shares. You assume the risk for delivery of all funds and securities upon withdrawal. Once canceled, the ADSs will not have any rights under the deposit agreement.

If you hold ADSs registered in your name, the depositary may ask you to provide proof of identity and genuineness of any signature and such other documents as the depositary may deem appropriate before it will cancel your ADSs. The withdrawal of the ordinary shares represented by your ADSs may be delayed until the depositary receives satisfactory evidence of compliance with all applicable laws and regulations. Please keep in mind that the depositary will only accept a number of ADSs for cancellation that represent a whole number of securities on deposit.

You will have the right to withdraw the securities represented by your ADSs at any time except for:

- Temporary delays that may arise because (i) the transfer books for the ordinary shares or ADSs are closed, or (ii) ordinary shares are immobilized on account of a shareholders' meeting or a payment of dividends.
- Obligations to pay fees, taxes and similar charges.
- Restrictions imposed because of laws or regulations applicable to ADSs or the withdrawal of securities on deposit.

The deposit agreement may not be modified to impair your right to withdraw the securities represented by your ADSs except to comply with mandatory provisions of law.

Voting Rights

As a holder, you generally have the right under the deposit agreement to instruct the depositary to exercise the voting rights for the ordinary shares represented by your ADSs. The voting rights of holders of ordinary shares are described in "Description of Share Capital."

At our request, the depositary will distribute to you any notice of shareholders' meeting received from us together with information explaining how to instruct the depositary to exercise the voting rights of the securities represented by ADSs. In lieu of distributing such materials, the depositary may distribute to holders of ADSs instructions on how to retrieve such materials upon request.

If the depositary timely receives voting instructions from a holder of ADSs, it will endeavor to vote the securities (in person or by proxy) represented by the holder's ADSs as follows:

- *In the event of voting by show of hands*, the depositary will vote (or cause the custodian to vote) all ordinary shares held on deposit at that time in accordance with the voting instructions received from a majority of holders of ADSs who provide timely voting instructions.

- *In the event of voting by poll*, the depositary will vote (or cause the Custodian to vote) the ordinary shares held on deposit in accordance with the voting instructions received from the holders of ADSs.

Securities for which no voting instructions have been received will not be voted (except as otherwise contemplated in the deposit agreement). Please note that the ability of the depositary to carry out voting instructions may be limited by practical and legal limitations and the terms of the securities on deposit. We cannot assure you that you will receive voting materials in time to enable you to return voting instructions to the depositary in a timely manner.

Fees and Charges

As an ADS holder, you will be required to pay the following fees under the terms of the deposit agreement:

Service	Fees
Issuance of ADSs (e.g., an issuance of ADS upon a deposit of ordinary shares, upon a change in the ADS(s)-to-ordinary shares ratio, or for any other reason), excluding ADS issuances as a result of distributions of ordinary shares)	Up to U.S. 5¢ per ADS issued
Cancellation of ADSs (e.g., a cancellation of ADSs for delivery of deposited property, upon a change in the ADS(s)-to-ordinary shares ratio, or for any other reason)	Up to U.S. 5¢ per ADS cancelled
Distribution of cash dividends or other cash distributions (e.g., upon a sale of rights and other entitlements)	Up to U.S. 5¢ per ADS held
Distribution of ADSs pursuant to (i) stock dividends or other free stock distributions, or (ii) exercise of rights to purchase additional ADSs	Up to U.S. 5¢ per ADS held
Distribution of securities other than ADSs or rights to purchase additional ADSs (e.g., upon a spin-off)	Up to U.S. 5¢ per ADS held
ADS Services	Up to U.S. 5¢ per ADS held on the applicable record date(s) established by the depositary
Registration of ADS transfers (e.g., upon a registration of the transfer of registered ownership of ADSs, upon a transfer of ADSs into DTC and vice versa, or for any other reason)	Up to U.S. 5¢ per ADS (or fraction thereof) transferred
Conversion of ADSs of one series for ADSs of another series (e.g., upon conversion of Partial Entitlement ADSs for Full Entitlement ADSs, or upon conversion of Restricted ADSs (each as defined in the Deposit Agreement) into freely transferable ADSs, and vice versa).	Up to U.S. 5¢ per ADS (or fraction thereof) converted

As an ADS holder you will also be responsible to pay certain charges such as:

- taxes (including applicable interest and penalties) and other governmental charges;
- the registration fees as may from time to time be in effect for the registration of ordinary shares on the share register and applicable to transfers of ordinary shares to or from the name of the custodian, the depositary or any nominees upon the making of deposits and withdrawals, respectively;
- certain cable, telex and facsimile transmission and delivery expenses;

- the fees, expenses, spreads, taxes and other charges of the depositary and/or service providers (which may be a division, branch or affiliate of the depositary) in the conversion of foreign currency;

- the reasonable and customary out-of-pocket expenses incurred by the depositary in connection with compliance with exchange control regulations and other regulatory requirements applicable to ordinary shares, ADSs and ADRs; and

- the fees, charges, costs and expenses incurred by the depositary, the custodian, or any nominee in connection with the ADR program.

ADS fees and charges for (i) the issuance of ADSs, and (ii) the cancellation of ADSs are charged to the person for whom the ADSs are issued (in the case of ADS issuances) and to the person for whom ADSs are cancelled (in the case of ADS cancellations). In the case of ADSs issued by the depositary into DTC, the ADS issuance and cancellation fees and charges may be deducted from distributions made through DTC, and may be charged to the DTC participant(s) receiving the ADSs being issued or the DTC participant(s) holding the ADSs being cancelled, as the case may be, on behalf of the beneficial owner(s) and will be charged by the DTC participant(s) to the account of the applicable beneficial owner(s) in accordance with the procedures and practices of the DTC participants as in effect at the time. ADS fees and charges in respect of distributions and the ADS service fee are charged to the holders as of the applicable ADS record date. In the case of distributions of cash, the amount of the applicable ADS fees and charges is deducted from the funds being distributed. In the case of (i) distributions other than cash and (ii) the ADS service fee, holders as of the ADS record date will be invoiced for the amount of the ADS fees and charges and such ADS fees and charges may be deducted from distributions made to holders of ADSs. For ADSs held through DTC, the ADS fees and charges for distributions other than cash and the ADS service fee may be deducted from distributions made through DTC, and may be charged to the DTC participants in accordance with the procedures and practices prescribed by DTC and the DTC participants in turn charge the amount of such ADS fees and charges to the beneficial owners for whom they hold ADSs. In the case of (i) registration of ADS transfers, the ADS transfer fee will be payable by the ADS Holder whose ADSs are being transferred or by the person to whom the ADSs are transferred, and (ii) conversion of ADSs of one series for ADSs of another series, the ADS conversion fee will be payable by the Holder whose ADSs are converted or by the person to whom the converted ADSs are delivered.

In the event of refusal to pay the depositary fees, the depositary may, under the terms of the deposit agreement, refuse the requested service until payment is received or may set off the amount of the depositary fees from any distribution to be made to the ADS holder. Certain depositary fees and charges (such as the ADS services fee) may become payable shortly after the closing of the ADS offering. Note that the fees and charges you may be required to pay may vary over time and may be changed by us and by the depositary. You will receive prior notice of such changes. The depositary may reimburse us for certain expenses incurred by us in respect of the ADR program, by making available a portion of the ADS fees charged in respect of the ADR program or otherwise, upon such terms and conditions as we and the depositary agree from time to time.

Amendments and Termination

We may agree with the depositary to modify the deposit agreement at any time without your consent. We undertake to give holders 30 days' prior notice of any modifications that would materially prejudice any of their substantial rights under the deposit agreement. We will not consider to be materially prejudicial to your substantial rights any modifications or supplements that are reasonably necessary for the ADSs to be registered under the Securities Act or to be eligible for book-entry settlement, in each case without imposing or increasing the fees and charges you are required to pay. In addition, we may not be able to provide you with prior notice of any modifications or supplements that are required to accommodate compliance with applicable provisions of law.

You will be bound by the modifications to the deposit agreement if you continue to hold your ADSs after the modifications to the deposit agreement become effective. The deposit agreement cannot be amended to prevent you from withdrawing the ordinary shares represented by your ADSs (except as permitted by law).

We have the right to direct the depositary to terminate the deposit agreement. Similarly, the depositary may in certain circumstances on its own initiative terminate the deposit agreement. In either case, the depositary must give notice to the holders at least 30 days before termination. Until termination, your rights under the deposit agreement will be unaffected.

After termination, the depositary will continue to collect distributions received (but will not distribute any such property until you request the cancellation of your ADSs) and may sell the securities held on deposit. After the sale, the depositary will hold the proceeds from such sale and any other funds then held for the holders of ADSs in a non-interest bearing account. At that point, the depositary will have no further obligations to holders other than to account for the funds then held for the holders of ADSs still outstanding (after deduction of applicable fees, taxes and expenses).

In connection with any termination of the deposit agreement, the depositary may make available to owners of ADSs a means to withdraw the ordinary shares represented by ADSs and to direct the depositary of such ordinary shares into an unsponsored American depositary share program established by the depositary. The ability to receive unsponsored American depositary shares upon termination of the deposit agreement would be subject to satisfaction of certain U.S. regulatory requirements applicable to the creation of unsponsored American depositary shares and the payment of applicable depositary fees.

Books of Depositary

The depositary will maintain ADS holder records at its depositary office. You may inspect such records at such office during regular business hours but solely for the purpose of communicating with other holders in the interest of business matters relating to the ADSs and the deposit agreement.

The depositary will maintain in New York facilities to record and process the issuance, cancellation, combination, split-up and transfer of ADSs. These facilities may be closed from time to time, to the extent not prohibited by law.

Limitations on Obligations and Liabilities

The deposit agreement limits our obligations and the depositary's obligations to you. Please note the following:

- We and the depositary are obligated only to take the actions specifically stated in the deposit agreement without negligence or bad faith.
- The depositary disclaims any liability for any failure to carry out voting instructions, for any manner in which a vote is cast or for the effect of any vote, provided it acts in good faith and in accordance with the terms of the deposit agreement.
- The depositary disclaims any liability for any failure to determine the lawfulness or practicality of any action, for the content of any document forwarded to you on our behalf or for the accuracy of any translation of such a document, for the investment risks associated with investing in ordinary shares, for the validity or worth of the ordinary shares, for any tax consequences that result from the ownership of ADSs, for the credit-worthiness of any third party, for allowing any rights to lapse under the terms of the deposit agreement, for the timeliness of any of our notices or for our failure to give notice.

- We and the depositary will not be obligated to perform any act that is inconsistent with the terms of the deposit agreement.
- We and the depositary disclaim any liability if we or the depositary are prevented or forbidden from or subject to any civil or criminal penalty or restraint on account of, or delayed in, doing or performing any act or thing required by the terms of the deposit agreement, by reason of any provision, present or future of any law or regulation, or by reason of present or future provision of any provision of our current memorandum and articles of association, or any provision of or governing the securities on deposit, or by reason of any act of God or war or other circumstances beyond our control.
- We and the depositary disclaim any liability by reason of any exercise of, or failure to exercise, any discretion provided for in the deposit agreement or in our current memorandum and articles of association or in any provisions of or governing the securities on deposit.
- We and the depositary further disclaim any liability for any action or inaction in reliance on the advice or information received from legal counsel, accountants, any person presenting Shares for deposit, any holder of ADSs or authorized representatives thereof, or any other person believed by either of us in good faith to be competent to give such advice or information.
- We and the depositary also disclaim liability for the inability by a holder to benefit from any distribution, offering, right or other benefit that is made available to holders of ordinary shares but is not, under the terms of the deposit agreement, made available to you.
- We and the depositary may rely without any liability upon any written notice, request or other document believed to be genuine and to have been signed or presented by the proper parties.
- We and the depositary also disclaim liability for any consequential or punitive damages for any breach of the terms of the deposit agreement.
- No disclaimer of any Securities Act liability is intended by any provision of the deposit agreement.
- Nothing in the deposit agreement gives rise to a partnership or joint venture, or establishes a fiduciary relationship, among us, the depositary and you as ADS holder.
- Nothing in the deposit agreement precludes Citibank (or its affiliates) from engaging in transactions in which parties adverse to us or the ADS owners have interests, and nothing in the deposit agreement obligates Citibank to disclose those transactions, or any information obtained in the course of those transactions, to us or to the ADS owners, or to account for any payment received as part of those transactions.

Taxes

You will be responsible for the taxes and other governmental charges payable on the ADSs and the securities represented by the ADSs. We, the depositary and the custodian may deduct from any distribution the taxes and governmental charges payable by holders and may sell any and all property on deposit to pay the taxes and governmental charges payable by holders. You will be liable for any deficiency if the sale proceeds do not cover the taxes that are due.

The depositary may refuse to issue ADSs, to deliver, transfer, split and combine ADRs or to release securities on deposit until all taxes and charges are paid by the applicable holder. The depositary and the custodian may take reasonable administrative actions to obtain tax refunds and reduced tax withholding for any

distributions on your behalf. However, you may be required to provide to the depositary and to the custodian proof of taxpayer status and residence and such other information as the depositary and the custodian may require to fulfill legal obligations. You are required to indemnify us, the depositary and the custodian for any claims with respect to taxes based on any tax benefit obtained for you.

Foreign Currency Conversion

The depositary will arrange for the conversion of all foreign currency received into U.S. dollars if such conversion is practical, and it will distribute the U.S. dollars in accordance with the terms of the deposit agreement. You may have to pay fees and expenses incurred in converting foreign currency, such as fees and expenses incurred in complying with currency exchange controls and other governmental requirements.

If the conversion of foreign currency is not practical or lawful, or if any required approvals are denied or not obtainable at a reasonable cost or within a reasonable period, the depositary may take the following actions in its discretion:

- Convert the foreign currency to the extent practical and lawful and distribute the U.S. dollars to the holders for whom the conversion and distribution is lawful and practical.
- Distribute the foreign currency to holders for whom the distribution is lawful and practical.
- Hold the foreign currency (without liability for interest) for the applicable holders.

Governing Law/Waiver of Jury Trial

The deposit agreement, the ADRs and the ADSs will be interpreted in accordance with the laws of the State of New York. The rights of holders of ordinary shares (including ordinary shares represented by ADSs) are governed by the laws of the Cayman Islands.

AS A PARTY TO THE DEPOSIT AGREEMENT, YOU IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, YOUR RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF THE DEPOSIT AGREEMENT OR THE ADRs AGAINST US AND/OR THE DEPOSITARY.

The deposit agreement provides that, to the extent permitted by law, ADS holders waive the right to a jury trial of any claim they may have against us or the depositary arising out of or relating to our ordinary shares, the ADSs or the deposit agreement, including any claim under U.S. federal securities laws. If we or the depositary opposed a jury trial demand based on the waiver, the court would determine whether the waiver was enforceable in the facts and circumstances of that case in accordance with applicable case law. However, you will not be deemed, by agreeing to the terms of the deposit agreement, to have waived our or the depositary's compliance with U.S. federal securities laws and the rules and regulations promulgated thereunder.

SHARES ELIGIBLE FOR FUTURE SALES

All of the ordinary shares or ADSs sold in this offering will be freely transferable by persons other than by our "affiliates" without restriction or further registration under the Securities Act. Future sales of substantial amounts of our ADSs in the public market could adversely affect prevailing market prices of our ADSs. Although ADSs are listed on the Nasdaq Global Market, we cannot assure you that a regular trading market for our ADSs will sustain or continue to exist. We do not expect that a trading market will develop for our ordinary shares not represented by the ADSs.

Lock-up Agreements

Each of Gaoling Fund, L.P. and YHG Investment, L.P (both controlled by Hillhouse) (collectively "the Hillhouse Entities"), is subject to certain lock-up obligations pursuant to the subscription agreement with us. Each of the Hillhouse Entities shall not dispose of any of the ordinary shares purchased by Hillhouse Entities on September 11, 2020 or a subsequent closing date within a 90-day period following September 11, 2020 or a subsequent closing date set forth in the subscription agreement to any person other than affiliates of the Hillhouse Entities, who shall be bound by the Hillhouse Entities' lock-up obligations for the balance of each applicable lock-up period. Each of the Hillhouse Entities and their affiliates may directly or indirectly, place any charge, mortgage, lien, pledge, restrictions, security interest or other encumbrance in respect of the lock-up securities in connection with such Hillhouse Entity's (or any of its affiliates') margin loans, collars, derivative transactions or other such downside protection transactions to be entered into on or after the date of the subscription agreement. See Exhibit 10.15 to this registration statement on Form F-1 for more information on the related lock-up obligations.

Other than this offering, we are not aware of any plans by any significant shareholders to dispose of significant numbers of our ADSs or ordinary shares. However, one or more existing shareholders or owners of securities convertible or exchangeable into or exercisable for our ADSs or ordinary shares may dispose of significant numbers of our ADSs or ordinary shares in the future. We cannot predict what effect, if any, future sales of our ADSs or ordinary shares, or the availability of ADSs or ordinary shares for future sale, will have on the trading price of our ADSs from time to time. Sales of substantial amounts of our ADSs or ordinary shares in the public market, or the perception that these sales could occur, could adversely affect the trading price of our ADSs.

Rule 144

"Restricted securities" as that term is defined in Rule 144 under the Securities Act, may be sold publicly in the United States only if they are subject to an effective registration statement under the Securities Act or pursuant to an exemption from the registration requirement such as those provided by Rule 144 and Rule 701 promulgated under the Securities Act. In general, under Rule 144 as currently in effect, beginning 90 days after we became a reporting company, a person (or persons whose shares are aggregated) who at the time of a sale is not, and has not been during the three months preceding the sale, an affiliate of ours and has beneficially owned our restricted securities for at least six months will be entitled to sell the restricted securities without registration under the Securities Act, subject only to the availability of current public information about us, and will be entitled to sell restricted securities beneficially owned for at least one year without restriction. Persons who are our affiliates and have beneficially owned our restricted securities for at least six months may sell a number of restricted securities within any three-month period that does not exceed the greater of the following:

- 1% of the then outstanding ordinary shares of the same class, represented by ADSs or otherwise, which immediately after this offering will equal 1,583,469 ordinary shares; or
- the average weekly trading volume of our ordinary shares of the same class, represented by ADSs or otherwise, during the four calendar weeks preceding the date on which notice of the sale is filed with the SEC.

Sales by our affiliates under Rule 144 are also subject to certain requirements relating to manner of sale, notice and the availability of current public information about us.

Rule 701

In general, under Rule 701 of the Securities Act as currently in effect, each of our employees, consultants or advisors who purchases our ordinary shares from us in connection with a compensatory stock or option plan or other written agreement relating to compensation is eligible to resell such ordinary shares 90 days after we became a reporting company under the Exchange Act in reliance on Rule 144, but without compliance with some of the restrictions, including the holding period, contained in Rule 144.

TAXATION

The following summary of the material Cayman Islands, PRC and U.S. federal income tax consequences of an investment in the ADSs or ordinary shares is based upon laws and relevant interpretations thereof in effect as of the date of this prospectus, all of which are subject to change. This summary does not deal with all possible tax consequences relating to an investment in the ADSs or ordinary shares, such as the tax consequences under U.S. state and local tax laws or under the tax laws of jurisdictions other than the Cayman Islands, China and the United States.

Cayman Islands Taxation

The Cayman Islands currently levies no taxes on individuals or corporations based upon profits, income, gains or appreciation and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the government of the Cayman Islands except for stamp duties which may be applicable on instruments executed in, or brought within the jurisdiction of the Cayman Islands. The Cayman Islands are a party to a double tax treaty entered into with the United Kingdom in 2010 but otherwise is not party to any double tax treaties. There are no exchange control regulations or currency restrictions in the Cayman Islands.

Payments of dividends and capital in respect of our shares will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of a dividend or capital to any holder of the shares, nor will gains derived from the disposal of our shares be subject to Cayman Islands income or corporation tax.

No stamp duty is payable in respect of the issue of shares by our Company and no stamp duty is payable on transfers of shares of our Company provided our Company does not hold any interest in land in the Cayman Islands.

PRC Taxation

Under the PRC Enterprise Income Tax Law and its implementation rules, an enterprise established outside China with "de facto management body" within China is considered as a Tax Resident Enterprise for PRC enterprise income tax purposes and is generally subject to a uniform 25% enterprise income tax rate on its worldwide income. The implementation rules define the term "de facto management body" as the body that exercises full and substantial control and overall management over the business, productions, personnel, accounts and properties of an enterprise. In April 2009, the State Administration of Taxation issued Circular 82, which provides certain specific criteria for determining whether the "de facto management body" of a PRC-controlled enterprise that is incorporated offshore is located in China. Although this circular only applies to offshore enterprises controlled by PRC enterprises or PRC enterprise groups, not those controlled by PRC individuals or foreigners, the criteria set forth in the circular may reflect the State Administration of Taxation's general position on how the "de facto management body" text should be applied in determining the tax resident status of all offshore enterprises. According to Circular 82, an offshore incorporated enterprise controlled by a PRC enterprise or a PRC enterprise group will be regarded as a PRC tax resident by virtue of having its "de facto management body" in China if all of the following conditions are met: (i) the primary location of the day-to-day operational management is in China; (ii) decisions relating to the enterprise's financial and human resource matters are made or are subject to approval by organizations or personnel located in China; (iii) the enterprise's primary assets, accounting books and records, company seals, and board and shareholder resolutions, are located or maintained in China; and (iv) at least 50% of voting board members or senior executives habitually reside in China.

Our PRC counsel, JunHe LLP, is of the opinion that, based on its understanding of the current PRC Laws and Regulations, I-Mab should not be considered as a PRC resident enterprise for PRC income tax purposes because I-Mab does not meet all of the above conditions. I-Mab is incorporated outside of China and it

is not controlled by a PRC enterprise or PRC enterprise group. We have structured a clear management guideline in place to segregate the policy set up and business operating execution responsibilities in order to differentiate the effective control from our headquarter office and subsidiaries including record keeping and offshore work location plan. I-Mab is a company incorporated outside the PRC. As a holding company, its key assets are its ownership interests in its subsidiaries, and its key assets are located, and its records (including the resolutions of its board of directors and the resolutions of its shareholders) are maintained, outside China. However, the tax resident status of an enterprise is subject to determination by the PRC tax authorities and uncertainties remain with respect to the interpretation of the term "de facto management body." However, we cannot guarantee you that PRC tax authorities will not take a different view.

If the PRC tax authorities determine that I-Mab is a PRC resident enterprise for enterprise income tax purposes, our worldwide income could be subject to 25% enterprise income tax; and any dividends payable to non-resident enterprise holders of our common shares or ADSs may be treated as income derived from sources within China and therefore, subject to a 10% withholding tax (or 20% in the case of non-resident individual holders) unless an applicable income tax treaty provides otherwise. In addition, capital gains realized by non-resident enterprise shareholders (including our ADS holders) upon the disposition of our common shares or ADSs may be treated as income derived from sources within PRC and therefore, subject to 10% income tax (or 20% in the case of non-resident individual shareholders or ADS holders) unless an applicable income tax treaty provides otherwise. It is unclear whether non-PRC shareholders of our company would be able to claim the benefits of any tax treaties between their country of tax residence and the PRC in the event that we are treated as a PRC resident enterprise. See "Risk Factors—Risks Related to Doing Business in China—If we are classified as a PRC resident enterprise for PRC income tax purposes, such classification could result in unfavorable tax consequences to us and our non-PRC shareholders or ADS holders."

United States Federal Income Tax Considerations

The following discussion is a summary of U.S. federal income tax considerations relating to the ownership and disposition of our ADSs or ordinary shares by a U.S. Holder (as defined below) that acquires our ADSs in this offering and holds our ADSs as "capital assets" (generally, property held for investment) under the U.S. Internal Revenue Code of 1986, as amended, or the Code. This discussion is based upon existing U.S. federal tax law, which is subject to differing interpretations or change, possibly with retroactive effect. No ruling has been sought from the U.S. Internal Revenue Service, or the IRS, with respect to any U.S. federal income tax consequences described below, and there can be no assurance that the IRS or a court will not take a contrary position. This discussion does not address the U.S. federal estate, gift, Medicare, and alternative minimum tax considerations, certain information reporting requirements pursuant to section 1471 through 1474 of the Code, or any state, local, and non-U.S. tax considerations, relating to the ownership or disposition of our ADSs or ordinary shares. This discussion, moreover, does not discuss all aspects of U.S. federal income taxation that may be important to particular investors in light of their individual investment circumstances or to investors subject to special tax situations such as:

- banks and other financial institutions;
- insurance companies;
- pension plans;
- cooperatives;
- regulated investment companies;
- real estate investment trusts;
- broker-dealers;

- traders in securities that elect to use a mark-to-market method of accounting;
- certain former U.S. citizens or long-term residents;
- tax-exempt entities (including private foundations);
- investors who are not U.S. Holders;
- investors who own (directly, indirectly or constructively) 10% or more of our stock (by vote or value);
- investors who acquire their ADSs or ordinary shares pursuant to any employee share option or otherwise as compensation;
- investors that will hold their ADSs or ordinary shares as part of a straddle, hedge, conversion, constructive sale or other integrated transaction for U.S. federal income tax purposes; or
- investors that have a functional currency other than the U.S. dollar;

all of whom may be subject to tax rules that differ significantly from those discussed below. Each U.S. Holder is urged to consult its tax advisor regarding the U.S. federal, state, local and non-U.S. income and other tax considerations of an investment in our ADSs or ordinary shares.

General

For purposes of this discussion, a "U.S. Holder" is a beneficial owner of our ADSs or ordinary shares that is, for U.S. federal income tax purposes, (i) an individual who is a citizen or resident of the United States, (ii) a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) created in, or organized under the law of, the United States or any state thereof or the District of Columbia, (iii) an estate the income of which is includible in gross income for U.S. federal income tax purposes regardless of its source, or (iv) a trust (A) the administration of which is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (B) that has otherwise validly elected to be treated as a U.S. person under the Code.

If a partnership (or other entity treated as a partnership for U.S. federal income tax purposes) is a beneficial owner of our ADSs or ordinary shares, the tax treatment of a partner in the partnership will generally depend upon the status of the partner and the activities of the partner and the partnership. Partnerships holding our ADSs or ordinary shares and their partners are urged to consult their tax advisors regarding an investment in our ADSs or ordinary shares.

For U.S. federal income tax purposes, it is generally expected that a U.S. Holder of ADSs will be treated as the beneficial owner of the underlying shares represented by the ADSs. The remainder of this discussion assumes that a U.S. Holder of our ADSs will be treated as the beneficial owner of the underlying shares represented by the ADSs. Accordingly, deposits or withdrawals of ordinary shares for ADSs will generally not be subject to U.S. federal income tax.

Passive Foreign Investment Company Considerations

A non-U.S. corporation, such as our company, will be classified as a passive foreign investment company, or, or PFIC, for U.S. federal income tax purposes for any taxable year if either (i) 75% or more of its gross income for such year consists of certain types of "passive" income or (ii) 50% or more of the value of its assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that

produce or are held for the production of passive income. For this purpose, cash and assets readily convertible into cash are each categorized as a passive asset and the company's goodwill and other unbooked intangibles are taken into account. Passive income generally includes, among other things, dividends, interest, rents, royalties, and gains from the disposition of passive assets. We will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation in which we own, directly or indirectly, 25% or more (by value) of the stock.

No assurance can be given with respect to our PFIC status for the current taxable year or any future taxable year. The determination of whether we are or will become a PFIC is uncertain, because it is a fact-intensive inquiry made on an annual basis that depends, in part, on the composition of our income and assets. Fluctuations in the market price of our ADSs may cause us to become a PFIC for the current or subsequent taxable years because the value of our assets for the purpose of the asset test may be determined by reference to the market price of our ADSs from time to time (which may be volatile for biopharmaceutical companies, such as ours, that have not yet achieved commercialization with respect to any of their products). The composition of our income and assets may also be affected by how, and how quickly, we use our liquid assets. Under circumstances where our revenue from activities that produce passive income increases relative to our revenue from activities that produce non-passive income, or where we determine not to deploy cash for active purposes, our risk of becoming classified as a PFIC will substantially increase. In addition, because there are uncertainties in the application of the relevant rules, it is possible that the IRS may challenge our classification of certain income and assets as non-passive or our valuation of our tangible and intangible assets, each of which may result in our being or becoming a PFIC for the current or subsequent taxable years.

The discussion below under "—Dividends" and "—Sale or Other Disposition of ADSs or Ordinary Shares" is written on the basis that we will not be classified as a PFIC for U.S. federal income tax purposes. The U.S. federal income tax rules that apply if we are treated as a PFIC are generally discussed below under "—Passive Foreign Investment Company Rules."

Dividends

Subject to the discussion below under "—Passive Foreign Investment Company Rules," any cash distributions (including the amount of any tax withheld) paid on our ADSs or ordinary shares out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles, will generally be includible in the gross income of a U.S. Holder as dividend income on the day actually or constructively received by the U.S. Holder. Because we do not intend to determine our earnings and profits on the basis of U.S. federal income tax principles, any distribution we pay will generally be reported as a "dividend" for U.S. federal income tax purposes. Dividends received on our ADSs or ordinary shares will not be eligible for the dividends received deduction allowed to corporations in respect of dividends received from U.S. corporations.

A non-corporate U.S. Holder will generally be subject to tax on dividend income from a "qualified foreign corporation" at a lower applicable capital gains rate rather than the marginal tax rates generally applicable to ordinary income provided that certain conditions are satisfied, including that (1) our ADSs or ordinary shares on which the dividends are paid are readily tradable on an established securities market in the United States, or in the event that we are deemed to be a PRC resident enterprise under the PRC tax law, we are eligible for the benefits of the United States-PRC income tax treaty (the "Treaty"); (2) we are neither a PFIC nor treated as such with respect to a U.S. Holder for the taxable year in which the dividend is paid and the preceding taxable year, and (3) certain holding period requirements are met. The ADSs are listed on the Nasdaq Global Market. We believe that the ADSs are readily tradable on an established securities market in the United States, and that we will be a qualified foreign corporation with respect to dividends paid on the ADSs. Since we do not expect that our ordinary shares will be listed on an established securities market, we do not believe that dividends that we pay on our ordinary shares that are not represented by ADSs will meet the conditions required for the reduced tax rate. There can be no assurance, however, that our ADSs will continue to be considered readily tradable on an established securities market in later years.

In the event that we are deemed to be a PRC resident enterprise under the PRC Enterprise Income Tax Law, we may be eligible for the benefits of Treaty and in that case we would be treated as a qualified foreign corporation with respect to dividends paid on our ordinary shares or ADSs. Each non-corporate U.S. Holder is advised to consult its tax advisors regarding the availability of the reduced tax rate applicable to qualified dividend income for any dividends we pay with respect to our ADSs or ordinary shares.

Dividends will generally be treated as income from foreign sources for U.S. foreign tax credit purposes and will generally constitute passive category income. In the event that we are deemed to be a PRC resident enterprise under the PRC Enterprise Income Tax Law, a U.S. Holder may be subject to PRC withholding taxes on dividends paid on our ADSs or ordinary shares. See "—PRC Taxation" above. In that case, depending on the U.S. Holder's individual facts and circumstances, a U.S. Holder may be eligible, subject to a number of complex limitations, to claim a foreign tax credit not in excess of any applicable treaty rate in respect of any foreign withholding taxes imposed on dividends received on our ADSs or ordinary shares. A U.S. Holder who does not elect to claim a foreign tax credit for foreign tax withheld may instead claim a deduction, for U.S. federal income tax purposes, in respect of such withholding, but only for a year in which such holder elects to do so for all creditable foreign income taxes. The rules governing the foreign tax credit are complex and their outcome depends in large part on the U.S. Holder's individual facts and circumstances. Accordingly, U.S. Holders are urged to consult their tax advisors regarding the availability of the foreign tax credit under their particular circumstances.

Sale or Other Disposition of ADSs or Ordinary Shares

Subject to the discussion below under "—Passive Foreign Investment Company Rules," a U.S. Holder will generally recognize capital gain or loss upon the sale or other disposition of ADSs or ordinary shares in an amount equal to the difference between the amount realized upon the disposition and the holder's adjusted tax basis in such ADSs or ordinary shares. Any capital gain or loss will be long-term if the ADSs or ordinary shares have been held for more than one year and will generally be U.S. source gain or loss for U.S. foreign tax credit purposes. Long-term capital gain of non-corporate U.S. Holders is generally eligible for a reduced rate of taxation. The deductibility of a capital loss may be subject to limitations. In the event that we are treated as a PRC resident enterprise under the Enterprise Income Tax Law and gain from the disposition of the ADSs or ordinary shares is subject to tax in China, a U.S. Holder that is eligible for the benefits of the Treaty may elect to treat the gain as PRC source income. If a U.S. Holder is not eligible for the benefits of the Treaty or fails to make the election to treat any gain as foreign source, then such U.S. Holder may not be able to use the foreign tax credit arising from any PRC tax imposed on the disposition of the ADSs or ordinary shares unless such credit can be applied (subject to applicable limitations) against U.S. federal income tax due on other income derived from foreign sources in the same income category (generally, the passive category). U.S. Holders are urged to consult their tax advisors regarding the tax consequences if a foreign tax is imposed on a disposition of our ADSs or ordinary shares, including the availability of the foreign tax credit under their particular circumstances and the election to treat any gain as PRC source income.

Passive Foreign Investment Company Rules

If we are classified as a PFIC for any taxable year during which a U.S. Holder holds our ADSs or ordinary shares, and unless the U.S. Holder makes a mark-to-market election (as described below), the U.S. Holder will generally be subject to special tax rules that have a penalizing effect, regardless of whether we remain a PFIC, on (i) any excess distribution that we make to the U.S. Holder (which generally means any distribution paid during a taxable year to a U.S. Holder that is greater than 125 percent of the average annual distributions paid in the three preceding taxable years or, if shorter, the U.S. Holder's holding period for the ADSs or ordinary shares), and (ii) any gain realized on the sale or other disposition (including, under certain circumstances, a pledge) of ADSs or ordinary shares. Under the PFIC rules:

- the excess distribution or gain will be allocated ratably over the U.S. Holder's holding period for the ADSs or ordinary shares;

- the amount allocated to the current taxable year and any taxable years in the U.S. Holder's holding period prior to the first taxable year in which we are classified as a PFIC (each, a "pre-PFIC year"), will be taxable as ordinary income; and

- the amount allocated to each prior taxable year, other than a pre-PFIC year, will be subject to tax at the highest tax rate in effect for individuals or corporations, as appropriate, for that year, increased by an additional tax equal to the interest on the resulting tax deemed deferred with respect to each such taxable year

If we are a PFIC for any taxable year during which a U.S. Holder holds our ADSs or ordinary shares and any of our subsidiaries is also a PFIC, such U.S. Holder would be treated as owning a proportionate amount (by value) of the shares of the lower-tier PFIC for purposes of the application of these rules. U.S. Holders are urged to consult their tax advisors regarding the application of the PFIC rules to any of our subsidiaries.

As an alternative to the foregoing rules, a U.S. Holder of "marketable stock" (as defined below) in a PFIC may make a mark-to-market election with respect to such stock. If a U.S. Holder makes this election, the holder will generally (i) include as ordinary income for each taxable year that we are a PFIC the excess, if any, of the fair market value of ADSs held at the end of the taxable year over the adjusted tax basis of such ADSs and (ii) deduct as an ordinary loss the excess, if any, of the adjusted tax basis of the ADSs over the fair market value of such ADSs held at the end of the taxable year, but such deduction will only be allowed to the extent of the amount previously included in income as a result of the mark-to-market election. The U.S. Holder's adjusted tax basis in the ADSs would be adjusted to reflect any income or loss resulting from the mark-to-market election. If a U.S. Holder makes a mark-to-market election in respect of a corporation classified as a PFIC and such corporation ceases to be classified as a PFIC, the holder will not be required to take into account the gain or loss described above during any period that such corporation is not classified as a PFIC. If a U.S. Holder makes a mark-to-market election, any gain such U.S. Holder recognizes upon the sale or other disposition of our ADSs in a year when we are a PFIC will be treated as ordinary income and any loss will be treated as ordinary loss, but such loss will only be treated as ordinary loss to the extent of the net amount previously included in income as a result of the mark-to-market election. If a U.S. Holder makes a mark-to-market election it will be effective for the taxable year for which the election is made and all subsequent taxable years unless the ADSs are no longer treated as marketable stock or the IRS consents to the revocation of the election.

The mark-to-market election is available only for "marketable stock," which is stock that is regularly traded on a qualified exchange or other market, as defined in applicable United States Treasury Regulations. We believe that the ADSs, but not our ordinary shares, will be treated as marketable stock because the ADSs are listed on the Nasdaq Global Market. However, we cannot guarantee that our ADSs will continue to be listed and traded on the Nasdaq Global Market. Furthermore, while we anticipate that our ADSs should qualify as being regularly traded, but no assurances may be given in this regard. Because a mark-to-market election cannot be made for any lower-tier PFICs that we may own, a U.S. Holder may continue to be subject to the PFIC rules with respect to such U.S. Holder's indirect interest in any investments held by us that are treated as an equity interest in a PFIC for U.S. federal income tax purposes.

We do not intend to provide information necessary for U.S. Holders to make qualified electing fund elections which, if available, would result in tax treatment different from the general tax treatment for PFICs described above.

If a U.S. Holder owns our ADSs or ordinary shares during any taxable year that we are a PFIC, the holder must generally file an annual IRS Form 8621. Each U.S. Holder is urged to consult its tax advisor concerning the U.S. federal income tax consequences of purchasing, holding and disposing ADSs or ordinary shares if we are or become a PFIC, including the possibility of making a mark-to-market election.

PLAN OF DISTRIBUTION

The selling shareholders identified in this prospectus may offer, from time to time, up to 25,123,751 ordinary shares, including ordinary shares represented by ADSs. Each ten (10) ADSs represent twenty-three (23) of our ordinary shares, par value US$0.0001 per share. The selling shareholders identified in this prospectus are party to the subscription agreements we entered into with them in September 2020. Registration of such ordinary shares covered by this prospectus does not mean, however, that such ordinary shares or the ADSs representing such ordinary shares necessarily will be offered or sold.

The selling shareholders and their successors, including their transferees, may sell all or a portion of our ordinary shares or ADSs directly to purchasers or through underwriters, broker-dealers or agents, who may receive compensation in the form of discounts, concessions or commissions from the selling shareholders or the purchasers of our ordinary shares or ADSs. These discounts, concessions or commissions as to any particular underwriter, broker-dealer or agent may be in excess of those customary in the types of transactions involved.

Our ordinary shares or ADSs may be sold in one or more transactions on any national securities exchange or quotation service on which our ordinary shares or ADSs may be listed or quoted at the time of sale, in the over-the-counter market or in transactions otherwise than on these exchanges or systems or in the over-the-counter market and in one or more transactions at fixed prices, at prevailing market prices at the time of sale, at varying prices determined at the time of sale or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions. Additionally, the selling shareholders may enter into derivative transactions with third parties, or sell securities not covered by this prospectus to third parties in privately negotiated transactions. The selling shareholders may use any one or more of the following methods when selling our ordinary shares or ADSs:

- on any national securities exchange or quotation service on which our ordinary shares or ADSs may be listed or quoted at the time of sale, including Nasdaq;
- in the over-the-counter market;
- in transactions otherwise than on these exchanges or services or in the over-the-counter market;
- through the writing or settlement of options or other hedging transactions, whether the options are listed on an options exchange or otherwise;
- ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;
- block trades in which the broker-dealer will attempt to sell our ordinary shares or ADSs as agent but may position and resell a portion of the block as principal to facilitate the transaction;
- purchases by a broker-dealer as principal and resale by the broker-dealer for its account;
- an exchange distribution in accordance with the rules of the applicable exchange;
- a debt-for-equity exchange;
- privately negotiated transactions;
- settlement of short sales entered into after the effective date of the registration statement of which this prospectus forms a part;

- broker-dealers may agree with the selling shareholders to sell a specified number of such ordinary shares or ADSs at a stipulated price per share;
- a combination of any such methods of sale; and
- any other method permitted pursuant to applicable law.

The selling shareholders may offer our ordinary shares or ADSs to the public through underwriting syndicates represented by managing underwriters or through underwriters without an underwriting syndicate. If underwriters are used for the sale of our ordinary shares or ADSs, the securities will be acquired by the underwriters for their own account. The underwriters may resell our ordinary shares or ADSs in one or more transactions, including in negotiated transactions at a fixed public offering price or at varying prices determined at the time of sale. In connection with any such underwritten sale of our ordinary shares or ADSs, underwriters may receive compensation from the selling shareholders, for whom they may act as agents, in the form of discounts, concessions or commissions. Underwriters may sell our ordinary shares or ADSs to or through dealers, and the dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters or commissions from the purchasers for whom they may act as agents. Such compensation may be in excess of customary discounts, concessions or commissions.

If underwriters are used for the sale of our ordinary shares or ADSs, to the extent required by law, the names of the underwriters will be set forth in the prospectus or prospectus supplement used by the underwriters to sell those securities. The selling shareholders may use underwriters with whom we or the selling shareholders have a material relationship. We will describe the nature of such relationship in any applicable prospectus supplement naming the underwriter or underwriters.

If underwriters are used for the sale of our ordinary shares or ADSs, unless otherwise indicated in the prospectus or prospectus supplement relating to a particular offering of our ordinary shares or ADSs, the obligations of any underwriters to purchase the securities will be subject to customary conditions precedent, and the underwriters will be obligated to purchase all of the securities offered if any of the securities are purchased.

If underwriters are used for the sale of our ordinary shares or ADSs, in connection with such offering, the underwriters may advise us that they may engage in stabilizing transactions, which involves making bids for, purchasing and selling our ADSs in the open market for the purpose of preventing or retarding a decline in the market price of our ADSs while this offering is in progress. These stabilizing transactions may include making short sales of our ADSs, which involves the sale by the underwriters of a greater number of ADSs than they are required to purchase in this offering, and purchasing ADSs on the open market to cover positions created by short sales. Short sales may be "covered" shorts, which are short positions in an amount not greater than the underwriters' option to purchase additional ADSs referred to above, or may be "naked" shorts, which are short positions in excess of that amount. The underwriters may close out any covered short position either by exercising their option to purchase additional ADSs, in whole or in part, or by purchasing our ADSs in the open market. In making this determination, the underwriters will consider, among other things, the price of our ADSs available for purchase in the open market compared to the price at which the underwriters may purchase our ADSs through the option to purchase additional ADSs. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our ADSs in the open market that could adversely affect investors who purchase in this offering. To the extent that the underwriters create a naked short position, they will purchase our ADSs in the open market to cover the position.

The anti-manipulation rules of Regulation M under the Exchange Act may apply to sales of our ADSs pursuant to this prospectus and any applicable prospectus supplement and to the activities of the selling shareholders. In addition, we will make copies of this prospectus and any applicable prospectus supplement available to the selling shareholders for the purpose of satisfying the prospectus delivery requirements of the Securities Act. To the extent applicable, Regulation M may also restrict the ability of any person engaged in the

distribution of our ADSs to engage in market-making activities with respect to the common stock. All of the foregoing may affect the marketability of our ADSs and the ability of any person or entity to engage in market-making activities with respect to our ADSs.

In addition, any securities that qualify for sale pursuant to Rule 144 or Regulation S under the Securities Act or under Section 4(1) under the Securities Act may be sold under such rules rather than pursuant to this prospectus or a prospectus supplement. The selling shareholders may enter into hedging transactions with broker-dealers, which may in turn engage in short sales of our ordinary shares or ADSs in the course of hedging the positions they assume. The selling shareholders may also sell short our ordinary shares or ADSs and deliver our ordinary shares or ADSs to close out short positions, or loan or pledge our ordinary shares or ADSs to broker-dealers that in turn may sell these ordinary shares or ADSs. The selling shareholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities that require the delivery to such broker-dealer or other financial institution of our ordinary shares or ADSs offered by this prospectus and any applicable prospectus supplement, which our ordinary shares or ADSs such broker-dealer or other financial institution may resell pursuant to this prospectus and any applicable prospectus supplement. The selling shareholders also may transfer and donate our ordinary shares or ADSs in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be the selling beneficial owners for purposes of this prospectus and any applicable prospectus supplement.

The aggregate proceeds to the selling shareholders from the sale of our ordinary shares or ADSs will be the purchase price of our ordinary shares or ADSs less discounts and commissions, if any.

In offering our ordinary shares or ADSs covered by this prospectus and any applicable prospectus supplement, the selling shareholders and any broker-dealers who execute sales for the selling shareholders may be deemed to be “underwriters” within the meaning of Section 2(a)(11) of the Securities Act in connection with such sales. Any profits realized by the selling shareholders and the compensation of any broker-dealer may be deemed to be underwriting discounts and commissions. Selling shareholders who are “underwriters” within the meaning of Section 2(a)(11) of the Securities Act will be subject to the prospectus delivery requirements of the Securities Act and may be subject to certain statutory and regulatory liabilities, including liabilities imposed pursuant to Sections 11, 12 and 17 of the Securities Act and Rule 10b-5 under the Exchange Act.

In order to comply with the securities laws of certain states, if applicable, our ordinary shares or ADSs must be sold in such jurisdictions only through registered or licensed brokers or dealers. In addition, in certain states our ordinary shares or ADSs may not be sold unless the ordinary shares or ADSs are registered or qualified for sale in the applicable state or an exemption from the registration or qualification requirement is available and is complied with.

There can be no assurance that the selling shareholders will sell any or all of our ordinary shares or ADSs registered pursuant to the registration statement of which this prospectus forms a part.

At the time a particular offering of our ordinary shares or ADSs is made, a prospectus supplement, if required, will be distributed, which will set forth the names of the selling shareholders, the aggregate amount of our ordinary shares or ADSs being offered by the selling shareholders and the terms of the offering, including, to the extent required, (1) the name or names of any underwriters, broker-dealers or agents, (2) any discounts, commissions and other terms constituting compensation from the selling shareholders and (3) any discounts, commissions or concessions allowed or reallowed to be paid to broker-dealers.

Agents and underwriters and their respective affiliates may engage in transactions with, or perform services for us in the ordinary course of business for which they may receive customary fees and reimbursement of expenses.

The estimated offering expenses payable by the selling shareholders, in addition to any underwriting discounts and commissions that will be paid by the selling shareholders, will be described in any applicable prospectus supplement.

EXPENSES RELATED TO THIS OFFERING

Set forth below is an itemization of the total expenses, excluding underwriting discounts and commissions, that we expect to incur in connection with this offering. With the exception of the SEC registration fee, all amounts are estimates.

SEC Registration Fee	US$ 45,375
Legal Fees and Expenses	US$440,364
Accounting Fees and Expenses	US$ 76,000
Miscellaneous	US$ 15,500
Total	**US$577,239**

LEGAL MATTERS

We are being represented by Skadden, Arps, Slate, Meagher & Flom LLP with respect to certain legal matters as to United States federal securities and New York State law. The validity of the ordinary shares represented by the ADSs to be sold in this offering will be passed upon for us by Conyers Dill & Pearman. Certain legal matters as to PRC law will be passed upon for us by JunHe LLP. Skadden, Arps, Slate, Meagher & Flom LLP may rely upon Conyers Dill & Pearman with respect to matters governed by Cayman Islands law and JunHe LLP with respect to matters governed by PRC law.

EXPERTS

The financial statements as of December 31, 2017, 2018 and 2019 and for each of the three years in the period ended December 31, 2019 included in this prospectus have been so included in reliance on the report of PricewaterhouseCoopers Zhong Tian LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

The office of PricewaterhouseCoopers Zhong Tian LLP is located at 11th Floor, PricewaterhouseCoopers Center, Link Square 2, 202 Hu Bin Road, Shanghai, the People's Republic of China.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed a registration statement, including relevant exhibits, with the SEC on Form F-1 under the Securities Act with respect to the underlying ordinary shares represented by the ADSs being registered by this prospectus. We have also filed a related registration statement on Form F-6 with the SEC to register the ADSs. This prospectus, which constitutes a part of the registration statement on Form F-1, does not contain all of the information contained in the registration statement. You should read our registration statements and their exhibits and schedules for further information with respect to us, our ordinary shares and our ADSs.

We are subject to periodic reporting and other informational requirements of the Exchange Act as applicable to foreign private issuers. Accordingly, we are required to file reports, including annual reports on Form 20-F, and other information with the SEC. The SEC maintains an internet site at http://www.sec.gov that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. We maintain our website at http://www.i-mabbiopharma.com/en/.

As a foreign private issuer, we are exempt under the Exchange Act from, among other things, the rules prescribing the furnishing and content of proxy statements, and our executive officers, directors, principal shareholders and selling shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. However, we intend to furnish the depositary with our annual reports, which will include a review of operations and annual audited consolidated financial statements prepared in conformity with U.S. GAAP, and all notices of shareholders' meetings and other reports and communications that are made generally available to our shareholders. The depositary will make such notices, reports and communications available to holders of ADSs and, if we so request, will mail to all record holders of ADSs the information contained in any notice of a shareholders' meeting received by the depositary from us.

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INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Consolidated Financial Statements for the Years Ended December 31, 2018 and 2019

Unaudited Interim Condensed Consolidated Financial Statements for the Six Months Ended June 30, 2019 and 2020

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of I-Mab

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of I-Mab and its subsidiaries (the "Company") as of December 31, 2019 and 2018, and the related consolidated statements of comprehensive loss, of changes in shareholders' deficit and of cash flows for each of the three years in the period ended December 31, 2019, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2019 in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/PricewaterhouseCoopers Zhong Tian LLP
Shanghai, the People's Republic of China
April 29, 2020

We have served as the Company's auditor since 2018.

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Consolidated Balance Sheets
As of December 31, 2018 and 2019
(All amounts in thousands, except for share and per share data, unless otherwise noted)

	Notes	As of December 31, 2018 RMB	As of December 31, 2019 RMB	As of December 31, 2019 US$ (Note 2.5)
Assets				
Current assets				
Cash and cash equivalents		1,588,278	1,137,473	160,999
Restricted cash	9	92,653	55,810	7,899
Contract assets	18	11,000	—	—
Short-term investments	2.8	—	32,000	4,529
Prepayments and other receivables	3	88,972	136,036	19,255
Other financial assets	2.4, 4	255,958	—	—
Total current assets		2,036,861	1,361,319	192,682
Property, equipment and software	5	27,659	30,069	4,256
Operating lease right-of-use assets	6	—	16,435	2,326
Intangible assets	7	148,844	148,844	21,068
Goodwill	8	162,574	162,574	23,011
Other non-current assets		—	18,331	2,594
Total assets		**2,375,938**	**1,737,572**	**245,937**
Liabilities, mezzanine equity and shareholders' equity (deficit)				
Current liabilities				
Short-term borrowings	9	80,000	50,000	7,078
Accruals and other payables	10	67,674	273,553	38,719
Advance from customers	18	14,151	—	—
Operating lease liabilities, current	6	—	6,807	963
Research and development funding received	23	178,715	—	—
Ordinary shares to be issued to Everest	23	—	258,119	36,534
Warrant liabilities	2.4, 15	5,618	—	—
Total current liabilities		346,158	588,479	83,294
Convertible promissory notes	14	67,026	68,199	9,652
Operating lease liabilities, non-current	6	—	7,492	1,060
Deferred subsidy income	2.13	2,500	3,920	555
Total liabilities		**415,684**	**668,090**	**94,561**
Commitments and contingencies	22			

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Consolidated Balance Sheets (Continued)
As of December 31, 2018 and 2019
(All amounts in thousands, except for share and per share data, unless otherwise noted)

	Notes	As of December 31, 2018 RMB	As of December 31, 2019 RMB	As of December 31, 2019 US$ (Note 2.5)
Mezzanine equity				
Series A convertible preferred shares (US$0.0001 par value, 30,227,056 shares authorized, issued and outstanding on an actual basis as of December 31, 2018 and 2019)	13	687,482	687,482	97,307
Series B convertible preferred shares (US$0.0001 par value, 30,305,212 shares authorized, issued and outstanding on an actual basis as of December 31, 2018 and 2019)	13	921,243	921,243	130,393
Series C convertible preferred shares (US$0.0001 par value, 31,046,360 shares authorized, issued and outstanding on an actual basis as of December 31, 2018 and 2019)	13	1,306,633	1,306,633	184,942
Series C-1 convertible preferred shares (US$0.0001 par value, nil and 3,857,143 shares authorized, issued and outstanding on an actual basis as of December 31, 2018 and 2019, respectively)	13	—	188,819	26,726
Total mezzanine equity		**2,915,358**	**3,104,177**	**439,368**
Shareholders' equity (deficit)				
Ordinary shares (US$0.0001 par value, 500,000,000 shares authorized as of December 31, 2018 and 2019; 8,363,719 shares issued and outstanding as of December 31, 2018 and 2019	12	6	6	1
Treasury stock		(1)	—	—
Additional paid-in capital		—	389,379	55,113
Accumulated other comprehensive income		59,380	70,127	9,926
Accumulated deficit		(1,014,489)	(2,494,207)	(353,032)
Total shareholders' equity (deficit)		**(955,104)**	**(2,034,695)**	**(287,992)**
Total liabilities, mezzanine equity and shareholders' equity (deficit)		**2,375,938**	**1,737,572**	**245,937**

The accompanying notes are an integral part of these consolidated financial statements.

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Consolidated Statements of Comprehensive Loss
For the Years Ended December 31, 2017, 2018 and 2019
(All amounts in thousands, except for share and per share data, unless otherwise noted)

		Year Ended December 31,			
		2017	2018	2019	
	Notes	RMB	RMB	RMB	US$ (Note 2.5)
Revenues					
Licensing and collaboration revenue	18	11,556	53,781	30,000	4,246
Expenses					
Research and development expenses	2.16	(267,075)	(426,028)	(840,415)	(118,953)
Administrative expenses		(25,436)	(66,391)	(654,553)	(92,646)
Loss from operations		**(280,955)**	**(438,638)**	**(1,464,968)**	**(207,353)**
Interest income		858	4,597	30,570	4,327
Interest expense		(5,643)	(11,695)	(2,991)	(423)
Other income (expenses), net	19	1,527	(16,780)	(20,205)	(2,860)
Fair value change of warrants	2.4	(14,027)	61,405	5,644	799
Loss before income tax expense		**(298,240)**	**(401,111)**	**(1,451,950)**	**(205,510)**
Income tax expense	11	—	(1,722)	—	—
Net loss attributable to I-MAB		**(298,240)**	**(402,833)**	**(1,451,950)**	**(205,510)**
Deemed dividend to Series C-1 preferred shareholders at extinguishment of Series C-1 Preferred Shares	20	—	—	(5,283)	(748)
Deemed dividend to Series B-1, B-2 and C preferred shareholders at modification of Series B-1, B-2 and C Preferred Shares	20	—	—	(27,768)	(3,930)
Net loss attributable to ordinary shareholders		**(298,240)**	**(402,833)**	**(1,485,001)**	**(210,188)**
Net loss attributable to I-MAB		**(298,240)**	**(402,833)**	**(1,451,950)**	**(205,510)**
Other comprehensive income:					
Foreign currency translation adjustments, net of nil tax		5,918	53,689	10,747	1,521
Total comprehensive loss attributable to I-MAB		**(292,322)**	**(349,144)**	**(1,441,203)**	**(203,989)**
Net loss attributable to ordinary shareholders		**(298,240)**	**(402,833)**	**(1,485,001)**	**(210,188)**
Weighted-average number of ordinary shares used in calculating net loss per share —basic and diluted	20	5,742,669	6,529,092	7,381,230	7,381,230
Net loss per share attributable to ordinary shareholders					
—Basic	20	(51.93)	(61.70)	(201.19)	(28.48)
—Diluted	20	(51.93)	(61.70)	(201.19)	(28.48)

The accompanying notes are an integral part of these consolidated financial statements.

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Consolidated Statements of Changes in Shareholders' Deficit
For the Years Ended December 31, 2017, 2018 and 2019
(All amounts in thousands, except for share and per share data, unless otherwise noted)

	Ordinary share (Note 12) (US$0.001 par value)						
	Number of shares	Amount	Treasury stock	Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Total shareholders' deficit
		RMB	RMB	RMB	RMB	RMB	RMB
Balance as of December 31, 2016	**8,363,719**	**6**	**(2)**	**45,331**	**(227)**	**(59,620)**	**(14,512)**
Foreign currency translation adjustments	—	—	—	—	5,918	—	5,918
Net loss	—	—	—	—	—	(298,240)	(298,240)
Share-based compensation	—	—	1	7,038	—	—	7,039
Balance as of December 31, 2017	**8,363,719**	**6**	**(1)**	**52,369**	**5,691**	**(357,860)**	**(299,795)**
Foreign currency translation adjustments	—	—	—	—	53,689	—	53,689
Net loss	—	—	—	—	—	(402,833)	(402,833)
Share-based compensation	—	—	—	3,520	—	—	3,520
Transaction with redeemable non- controlling interests (Note 16)	—	—	—	(55,889)	—	(253,796)	(309,685)
Balance as of December 31, 2018	**8,363,719**	**6**	**(1)**	**—**	**59,380**	**(1,014,489)**	**(955,104)**
Foreign currency translation adjustments	—	—	—	—	10,747	—	10,747
Net loss	—	—	—	—	—	(1,451,950)	(1,451,950)
Share-based compensation	—	—	1	366,894	—	—	366,895
Deemed dividend to Series C-1 preferred shareholders at extinguishment of Series C-1 Preferred Shares	—	—	—	(5,283)	—	—	(5,283)
Deemed dividend to Series B-1, B-2 and C preferred shareholders at modification of Series B-1, B-2 and C Preferred Shares	—	—	—	27,768	—	(27,768)	—
Balance as of December 31, 2019	**8,363,719**	**6**	**—**	**389,379**	**70,127**	**(2,494,207)**	**(2,034,695)**

The accompanying notes are an integral part of these consolidated financial statements.

I-MAB

Consolidated Statements of Cash Flows
For the Years Ended December 31, 2017, 2018 and 2019
(All amounts in thousands, except for share and per share data, unless otherwise noted)

	Year Ended December 31,			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
Cash flows from operating activities				
Net loss	(298,240)	(402,833)	(1,451,950)	(205,510)
Adjustments to reconcile net loss to net cash used in operating activities				
Depreciation of property, equipment and software	1,634	6,740	9,831	1,391
Loss on disposal of property, equipment and software	79	—	—	—
Interest expenses of convertible promissory notes and onshore convertible loans	3,835	6,963	—	—
Fair value change of warrants	14,027	(61,405)	(5,644)	(799)
Fair value change of other financial assets	—	—	(42)	(6)
Income from other financial assets	(5,572)	(13,622)	—	—
Share-based compensation	7,039	3,520	366,895	51,931
Loss from conversion of 2017 Notes	—	18,375	—	—
Loss from conversion of onshore convertible loans	—	8,548	—	—
Loss from issuance of 2018 Notes	—	5,081	—	—
Loss on termination agreement with Everest	—	—	23,039	3,261
Amortization of right-of use assets and interest of lease liabilities	—	—	5,803	821
Fair value change of short-term investments	—	—	(703)	(100)
Changes in operating assets and liabilities				
Contract assets	—	(11,000)	11,000	1,557
Prepayments and other receivables	8,830	(76,276)	(48,831)	(6,912)
Accruals and other payables	408	55,641	188,375	26,664
Contract liabilities	15,803	(15,803)	—	—
Advance from customers	—	14,151	(14,151)	(2,003)
Research and development funding received	—	178,715	53,148	7,523
Deferred subsidy income	—	2,500	1,420	201
Lease liabilities	—	—	(6,172)	(874)
Net cash used in operating activities	**(252,157)**	**(280,705)**	**(867,982)**	**(122,855)**
Cash flows from investing activities				
Cash acquired from acquisition of a subsidiary	93,335	—	—	—
Purchase of property, equipment and software	(20,327)	(14,409)	(12,241)	(1,733)
Proceeds from disposal of short-term investments	—	—	102,000	14,437
Purchase of short-term investments	—	—	(134,000)	(18,966)
Cash paid for investments in other financial assets	(369,000)	(30,000)	—	—
Cash received from disposal of other financial assets	133,000	40,000	256,000	36,234
Cash received on income from short-term investments	—	—	703	100
Cash received on income from other financial assets	5,327	13,909	—	—
Net cash (used in) generated from investing activities	**(157,665)**	**9,500**	**212,462**	**30,072**

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Consolidated Statements of Cash Flows (Continued)
For the Years Ended December 31, 2017, 2018 and 2019
(All amounts in thousands, except for share and per share data, unless otherwise noted)

	Year Ended December 31,			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
Cash flows from financing activities				
Proceeds from issuance of convertible preferred shares, net of issuance cost	346,515	1,306,633	183,536	25,978
Proceeds from issuance of redeemable non-controlling interest	161,196	—	—	—
Proceeds from issuance of convertible promissory notes	75,970	59,704	—	—
Proceeds from issuance of onshore convertible loans	35,341	—	—	—
Proceeds from issuance of warrants	40,563	—	—	—
Proceeds from exercise of warrants	—	132,332	—	—
Proceeds from bank borrowings	99,000	80,000	50,000	7,077
Repayment of bank borrowings	—	(99,000)	(80,000)	(11,323)
Payment of initial public offering costs	—	—	(827)	(117)
Net cash generated from financing activities	**758,585**	**1,479,669**	**152,709**	**21,615**
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(132)	59,754	15,163	2,146
Net increase (decrease) in cash and cash equivalents and restricted cash	348,631	1,268,218	(487,648)	(69,022)
Cash, cash equivalents, and restricted cash, beginning of year	64,082	412,713	1,680,931	237,920
Cash, cash equivalents, and restricted cash, end of the year	**412,713**	**1,680,931**	**1,193,283**	**168,898**
Additional ASC 842 supplemental disclosures				
Cash paid for fixed operating lease costs included in the measurement of lease obligations in operating activities	—	—	6,172	874
Right-of-use assets obtained in exchange for operating lease obligations	—	—	8,595	1,217
Other supplemental cash flow disclosures				
Interest paid	1,677	4,862	2,991	423
Non-cash activities				
Exercise of warrants	—	1,314	—	—
Payables for purchase of property, equipment and software	2,346	—	—	—
Payables for in-licensed patent rights	—	5,970	—	—
Convertible preferred shares issued for business combination	289,024	—	—	—
Accrued initial public offering costs payable	—	—	17,504	2,478
Deemed dividend to Series C-1 preferred shareholders at extinguishment of Series C-1 Preferred Shares	—	—	5,283	748
Deemed dividend to Series B-1, B-2 and C preferred shareholders at modification of Series B-1, B-2 and C Preferred Shares	—	—	27,768	3,930

The accompanying notes are an integral part of these consolidated financial statements.

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

1. Principal Activities and Organization

I-Mab (the "Company") was incorporated in the Cayman Islands on June 30, 2016 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The Company and its subsidiaries (together the "Group") are principally engaged in discovering and developing transformational biologics in the fields of immuno-oncology and immuno-inflammation diseases in the People's Republic of China (the "PRC") and other countries and regions.

Prior to the incorporation of the Company, the Group carried out its operation in the PRC since November 2014 mainly through Third Venture Biopharma (Nanjing) Co., Ltd. ("Third Venture"), which was incorporated on November 17, 2014 in the PRC. For the purpose of introduction of overseas investors and in preparation for a listing of the Company's shares on the overseas capital markets, the Group underwent a reorganization (the "Reorganization") in 2016. The Reorganization was approved by the Board of Directors and a restructuring framework agreement was entered into by Third Venture, the Company, and the shareholders of the Company based on Reorganization framework agreement, pursuant to which on July 7, 2016, Third Venture transferred all of its assets and operations to the Company's wholly owned subsidiary, I-Mab Biopharma Co., Ltd. ("I-Mab Shanghai"), which was a transaction in which shareholders had identical ownership interests before and after the transaction and was accounted for in a manner similar to a common control transaction.

The Reorganization, as described above has been accounted for at historical cost. That Reorganization was reverse merger of Third Venture and Third Venture is the predecessor of the Company. As such, the assets and liabilities of Third Venture are consolidated in the Company's financial statements at historical cost.

As of December 31, 2019, the Company's principal subsidiaries are as follows:

Subsidiaries	Place of incorporation	Date of incorporation or acquisition	Percentage of direct or indirect ownership by the Company	Principal activities
I-Mab Biopharma Hong Kong Limited	Hong Kong	July 8, 2016	100%	Investment holding
I-Mab Shanghai	PRC	August 24, 2016	100%	Research and development of innovative medicines
I-Mab Bio-tech (Tianjin) Co., Ltd. ("I-Mab Tianjin")	PRC	July 15, 2017	100%	Research and development of innovative medicines
I-Mab Biopharma US Ltd.	U.S.	February 28, 2018	100%	Research and development of innovative medicines

On January 17, 2020, the Company completed its Initial Public Offering and became listed on the Nasdaq Global Market (see Note 25 for details).

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies

2.1 Basis of presentation

The accompanying consolidated financial statements of the Group have been prepared in accordance with the accounting principles generally accepted in the United States of America ("U.S. GAAP").

Significant accounting policies followed by the Group in the preparation of the accompanying consolidated financial statements are summarized below.

2.2 Basis of consolidation

The accompanying consolidated financial statements reflect the accounts of the Company and all of its subsidiaries in which a controlling interest is maintained. All inter-company balances and transactions have been eliminated in consolidation.

2.3 Use of estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for amounts recorded in connection with acquisitions, including initial fair value determinations of assets and liabilities and other intangible assets as well as subsequent fair value measurements. Additionally, estimates are used in determining items such as useful lives of property, equipment and software, impairment of contract assets and other receivables, impairment of long-lived assets and goodwill, share-based compensation, leases, tax valuation allowances and revenues from licensing and collaboration arrangements. Management bases the estimates on historical experience, known trends and various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates.

2.4 Fair value measurements

Financial assets and liabilities of the Group primarily comprise of cash and cash equivalents, restricted cash, short-term investments, other financial assets, contract assets, other receivables, short-term borrowings, accruals and other payables and warrants liabilities. As of December 31, 2018 and 2019, except for short-term investments, other financial assets and warrant liabilities, the carrying values of these financial assets and liabilities approximated their fair values because of their generally short maturities. The Group reports short-term investments, other financial assets and warrant liabilities at fair value at each balance sheet date and changes in fair value are reflected in the consolidated statements of comprehensive loss.

The Group measures its financial assets and liabilities using inputs from the following three levels of the fair value hierarchy. The three levels are as follows:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets that the management has the ability to access at the measurement date.

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.4 Fair value measurements (Continued)

Level 2 inputs include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset (i.e., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 includes unobservable inputs that reflect the management's assumptions about the assumptions that market participants would use in pricing the asset. The management develops these inputs based on the best information available, including the own data.

Assets and liabilities measured at fair value on a recurring basis

The Group measured its short-term investments, other financial assets and warrant liabilities at fair value on a recurring basis. As the Group's short-term investments, other financial assets and warrants liabilities are not traded in an active market with readily observable prices, the Group uses significant unobservable inputs to measure the fair value of short-term investments, other financial assets and warrant liabilities. These instruments are categorized in the Level 3 valuation hierarchy based on the significance of unobservable factors in the overall fair value measurement.

The following table summarizes the Group's financial assets and liabilities measured and recorded at fair value on a recurring basis as of December 31, 2018 and 2019:

	As of December 31, 2018			
	Active market (Level 1) RMB	Observable input (Level 2) RMB	Non-observable input (Level 3) RMB	Total RMB
Assets:				
Other financial assets	—	—	255,958	255,958
Liabilities:				
Warrant liabilities	—	—	5,618	5,618

	As of December 31, 2019			
	Active market (Level 1) RMB	Observable input (Level 2) RMB	Non-observable input (Level 3) RMB	Total RMB
Assets:				
Short-term investments	—	—	32,000	32,000

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.4 Fair value measurements (Continued)

The roll forward of major Level 3 financial assets and financial liability are as follows:

	Short-term investments	Other financial assets	Warrant liabilities
Fair value of Level 3 financial asset and liability as of December 31, 2017	—	266,245	(65,832)
Investment in other financial assets	—	30,000	—
Disposal of other financial assets	—	(40,000)	—
Fair value change	—	13,622	61,405
Exercise of warrants	—	—	1,314
Income received from other financial assets	—	(13,909)	—
Currency translation differences	—	—	(2,505)
Fair value of Level 3 financial asset and liability as of December 31, 2018	—	255,958	(5,618)
Purchase of short-term investments	134,000	—	—
Disposal of short-term investments	(102,703)	—	—
Disposal of other financial assets due to Termination Agreement (Note 4)	—	(256,000)	—
Fair value changes	703	42	5,644
Currency translation differences	—	—	(26)
Fair value of Level 3 financial assets and liability as of December 31, 2019	**32,000**	—	—

Refer to Note 15 for additional information about Level 3 warrant liabilities measured at fair value on a recurring basis for the year ended December 31, 2018.

2.5 Foreign currency translation

The Group uses Chinese Renminbi ("RMB") as its reporting currency. The United States Dollar ("US$") is the functional currency of the Group's entities incorporated in the Cayman Islands, the United States of America ("U.S.") and Hong Kong, the Australia Dollar ("AUD") is the functional currency of the Group's entity incorporated in Australia and the RMB is the functional currency of the Company's PRC subsidiaries.

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.5 Foreign currency translation (Continued)

Transactions denominated in other than the functional currencies are translated into the functional currency of the entity at the exchange rates prevailing on the transaction dates. Assets and liabilities denominated in other than the functional currencies are translated at the balance sheet date exchange rate. The resulting exchange differences are recorded in the consolidated statements of comprehensive loss.

The consolidated financial statements of the Group are translated from the functional currency to the reporting currency, RMB. Assets and liabilities of the subsidiaries are translated into RMB using the exchange rate in effect at each balance sheet date. Income and expenses are translated at the average exchange rates prevailing for the year. Foreign currency translation adjustments arising from these are reflected in the accumulated other comprehensive income. The exchange rates used for translation on December 31, 2018 and 2019 were US$1.00 = RMB6.8632 and RMB6.9762 respectively, representing the index rates stipulated by the People's Bank of China.

Translations of balances in the consolidated balance sheets, consolidated statements of comprehensive loss, consolidated statements of changes in shareholders' equity (deficit) and consolidated statements of cash flows from RMB into US$ as of and for the year ended December 31, 2019 are solely for the convenience of the readers and were calculated at the rate of US$1.00=RMB7.0651, representing the noon buying rate in The City of New York for cable transfers of RMB as certified for customs purposes by the Federal Reserve Bank of New York on June 30, 2020. No representation is made that the RMB amounts could have been, or could be, converted, realized or settled into US$ at that rate on June 30, 2020, or at any other rate. The US$ convenience translation is not required under U.S. GAAP and all US$ convenience translation amounts in the accompanying consolidated financial statements are unaudited.

2.6 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and bank deposits, which are unrestricted as to withdrawal and use. The Company considers all highly liquid investments with an original maturity date of three months or less at the date of purchase to be cash equivalents.

2.7 Restricted cash

Restricted cash consists of the guarantee deposits held in a designated bank account as security deposits under bank borrowing agreements. Such restricted cash will be released when the Group repays the related bank borrowings.

2.8 Short-term investments

Short-term investments represent the investments issued by commercial banks or other financial institutions with a variable interest rate indexed to the performance of underlying assets within one year. These investments are stated at fair value. Changes in the fair value are reflected in the consolidated statements of comprehensive loss.

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.9 Property, equipment and software

Property, equipment and software are stated at cost less accumulated depreciation and amortization. Depreciation and amortization is computed using the straight-line method over the following estimated useful lives, taking into account any estimated residual value:

Laboratory equipment	3 to 5 years
Software	2 to 5 years
Office furniture and equipment	5 years
Leasehold improvements	Lesser of useful life or lease term

The Group recognized the gain or loss on the disposal of property, equipment and software in the consolidated statements of comprehensive loss.

2.10 Intangible assets

Intangible assets with definite useful lives are amortized to their estimated residual values over their estimated useful lives and reviewed for impairment if certain events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Amortization is initiated for in-process research and development (IPR&D) intangible assets that are acquired from business combination when their useful lives have been determined. IPR&D intangible assets which are determined to have an impairment in their fair value are adjusted downward and an expense recognized in research and development in the consolidated statements of comprehensive loss. These IPR&D intangible assets are tested at least an annual basis on December 31 or when a triggering event occurs that could indicate a potential impairment. (see Note 7).

2.11 Impairment of long-lived assets

Long-lived assets are reviewed for impairment in accordance with authoritative guidance for impairment or disposal of long-lived assets. Long-lived assets are reviewed for events or changes in circumstances, which indicate that their carrying value may not be recoverable. Long-lived assets are reported at the lower of carrying amount or fair value less cost to sell. For the years ended December 31, 2018 and 2019, there was no impairment of the value of the Group’s long-lived assets.

2.12 Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. The Group allocates the cost of an acquired entity to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. The excess of the purchase price for acquisitions over the fair value of the net assets acquired, including other intangible assets, is recorded as goodwill. Goodwill is not amortized, but impairment of goodwill assessment is performed on at least an annual basis on December 31 or whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable.

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.12 Goodwill (Continued)

The Group has elected to first assess qualitative factors to determine whether it is more likely than not that the fair value of the Group's reporting unit is less than its carrying amount, including goodwill. The qualitative assessment includes the Group's evaluation of relevant events and circumstances affecting the Group's single reporting unit, including macroeconomic, industry, market conditions and the Group's overall financial performance. If qualitative factors indicate that it is more likely than not that the Group's reporting unit's fair value is less than its carrying amount, then the Group will perform the quantitative impairment test by comparing the reporting unit's carrying amount, including goodwill, to its fair value. If the carrying amount of the reporting unit exceeds its fair value, an impairment loss will be recognized in an amount equal to that excess. For the years ended December 31, 2018 and 2019, the Group determined that there were no indicators of impairment of the goodwill.

2.13 Deferred subsidy income

Deferred subsidy income consists of deferred income from government grants. Government grants consist of cash subsidies received by the Group's subsidiaries in the PRC from local governments as support on expenses relating to certain projects. Grants received with government specified performance obligations are recognized when all the obligations have been fulfilled. If such obligations are not satisfied, the Group may be required to refund the subsidy. Cash grants of RMB3,920 was recorded in deferred subsidy income as of December 31, 2019, which will be recognized when the government specified performance obligation is satisfied, which is expected to be more than 12 months after December 31, 2019.

2.14 Revenue recognition

The Group adopted Accounting Standard Codification ("ASC") 606, *Revenue from Contracts with Customers* (Topic 606) ("ASC 606") for all periods presented. Consistent with the criteria of Topic 606, the Group recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to receive in exchange for those goods or services.

Under ASC 606, an entity recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration that the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the entity performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price, including variable consideration, if any; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. The Group only applies the five-step model to contracts when it is probable that the entity will collect the consideration to which it is entitled in exchange for the goods or services it transfers to the customer.

Once a contract is determined to be within the scope of ASC 606 at contract inception, the Group audits the contract to determine which performance obligations it must deliver and which of these performance obligations are distinct. The Group recognizes as revenue the amount of the transaction price that is allocated to each performance obligation when that performance obligation is satisfied or as it is satisfied.

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.14 Revenue recognition (Continued)

Collaboration revenue

At contract inception, the Group analyzes its collaboration arrangements to assess whether they are within the scope of ASC 808, *Collaborative Arrangements* ("ASC 808") to determine whether such arrangements involve joint operating activities performed by parties that are both active participants in the activities and exposed to significant risks and rewards dependent on the commercial success of such activities. For collaboration arrangements within the scope of ASC 808 that contain multiple elements, the Group first determines if the collaboration is deemed to be within the scope of ASC 808 and those that are more reflective of a vendor-customer relationship and therefore within the scope of ASC 606. For the collaboration arrangements that are accounted for pursuant to ASC 808, an appropriate recognition method is determined and applied consistently.

The Group's collaborative arrangements may contain more than one unit of account, or performance obligation, including grants of licenses to intellectual property rights, agreement to provide research and development services and other deliverables. The collaborative arrangements do not include a right of return for any deliverable. As part of the accounting for these arrangements, the Group must develop assumptions that require judgment to determine the stand-alone selling price for each performance obligation identified in the contract. In developing the stand-alone selling price for a performance obligation, the Group considers competitor pricing for a similar or identical product, market awareness of and perception of the product, expected product life and current market trends. In general, the consideration allocated to each performance obligation is recognized when the respective obligation is satisfied either by delivering a good or providing a service, limited to the consideration that is not constrained.

When the timing of the delivery of product is different from the timing of payments made by the customers, the Group recognizes either a contract asset (performance precedes the contractual due date) or a contract liability (customer payment precedes performance). The Group's contractual payment terms are typically due in no more than 30 days from invoicing. In limited situations, certain customer contractual payment terms require the Group to bill in arrears; thus, the Group satisfies some or all of the performance obligations before the Group is contractually entitled to bill the customer. In these situations, billing occurs subsequent to revenue recognition, which results in a contract asset. For example, certain of the contractual arrangements do not permit the Group to bill until the completion of the production of the samples. In other limited situations, certain customer contractual payment terms allow the Group to bill in advance; thus, the Group receives customer cash payment before satisfying some or all of its performance obligations. In these situations, billing occurs in advance of revenue recognition, which results in contract liabilities.

Licenses of Intellectual Property: Upfront non-refundable payments for licensing the Group's intellectual property are evaluated to determine if the license is distinct from the other performance obligations identified in the arrangement. For licenses determined to be distinct, the Group recognizes revenues from non-refundable, up-front fees allocated to the license at a point in time, when the license is transferred to the licensee and the licensee is able to use and benefit from the license.

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.14 Revenue recognition (Continued)

Research and Development Services: The portion of the transaction price allocated to research and development services performance obligations is deferred and recognized as collaboration revenue over time as delivery or performance of such services occurs.

Milestone Payments: At the inception of each arrangement that includes development, commercialization, and regulatory milestone payments, the Group evaluates whether the milestones are considered probable of being reached and to the extent that a significant reversal of cumulative revenue would not occur in future periods, estimates the amount to be included in the transaction price using the most likely amount method. The transaction price is then allocated to each performance obligation on a relative stand-alone selling price basis, for which the Group recognizes revenue as or when the performance obligations under the contract are satisfied. At the end of each subsequent reporting period, the Group re-evaluates the probability of achieving such development milestones and any related constraint, and if necessary, adjust the estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis, which would affect revenues and earnings in the period of adjustment.

Royalties: For arrangements that include sales-based royalties, including milestone payments based on the level of sales, and the license is deemed to be the predominant item to which the royalties relate, the Group recognizes revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied).

2.15 Value-added-tax ("VAT") recoverable and surcharges

Value added tax recoverable represent amounts paid by the Group for purchases. The surcharges (i.e., Urban construction and maintenance tax, educational surtax, local educational surtax), vary from 6% to 17% of the value-added-tax depending on the tax-payer's location.

2.16 Research and development expenses

Elements of research and development expenses primarily include (1) payroll and other related expenses of personnel engaged in research and development activities, (2) in-licensed patent rights fee of exclusive development rights of drugs granted to the Group, (3) expenses related to preclinical testing of the Group's technologies under development and clinical trials such as payments to contract research organizations ("CRO"), investigators and clinical trial sites that conduct the clinical studies (4) expenses to develop the product candidates, including raw materials and supplies, product testing, depreciation, and facility related expenses, (5) other research and development expenses. Research and development expenses are charged to expense as incurred when these expenditures relate to the Group's research and development services and have no alternative future uses.

The Group has acquired rights to develop and commercialize product candidates. Upfront payments that relate to the acquisition of a new drug compound, as well as pre-commercial milestone payments, are immediately expensed as acquired in-process research and development in the period in which they are incurred,

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.16 Research and development expenses (Continued)

provided that the new drug compound did not also include processes or activities that would constitute a "business" as defined under U.S. GAAP, the drug has not achieved regulatory approval for marketing and, absent obtaining such approval, has no established alternative future use. Milestone payments made to third parties subsequent to regulatory approval would be capitalized as intangible assets and amortized over the estimated remaining useful life of the related product. The conditions enabling capitalization of development expenses as an asset have not yet been met and, therefore, all development expenditures are recognized in profit or loss when incurred.

2.17 Leases

Prior to the adoption of ASC 842 on January 1, 2019:

Leases, mainly leases of offices, where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Payments made under operating leases are recognized as an expense on a straight-line basis over the lease term. The Group had no capital leases for any of the years stated herein.

Upon and hereafter the adoption of ASC 842 on January 1, 2019:

The Group determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets, operating lease liability, and operating lease liability, non-current in the Group's consolidated balance sheets.

ROU assets represent the Group's right to use an underlying asset for the lease term and lease liabilities represent the Group's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. When determining the lease term, the Group includes options to extend or terminate the lease when it is reasonably certain that it will exercise that option, if any. As the Group's leases do not provide an implicit rate, the Group uses its incremental borrowing rate, which it calculates based on the credit quality of the Group and by comparing interest rates available in the market for similar borrowings, and adjusting this amount based on the impact of collateral over the term of each lease.

The Group has elected to adopt the following lease policies in conjunction with the adoption of ASU 2016-02: (i) elect for each lease not to separate non-lease components from lease components and instead to account for each separate lease component and the non-lease components associated with that lease component as a single lease component; (ii) for leases that have lease terms of 12 months or less and does not include a purchase option that is reasonably certain to exercise, the Group elected not to apply ASC 842 recognition requirements; and (iii) the Group elected to apply the package of practical expedients for existing arrangements entered into prior to January 1, 2019 to not reassess (a) whether an arrangement is or contains a lease, (b) the lease classification applied to existing leases, and(c) initial direct costs.

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.17 Leases (Continued)

In connection with the adoption of ASC 842, on January 1, 2019, the Company recorded an impact of RMB13,100 on its assets and RMB11,333 on its liabilities for the recognition of operating lease right-of-use-assets and operating lease liabilities, respectively, which are primarily related to the lease of the Group's offices and warehouses. The adoption of ASC 842 did not have a material impact on the Company's results of operations or cash flows.

2.18 Comprehensive loss

Comprehensive loss is defined as the changes in equity of the Group during a period from transactions and other events and circumstances excluding transactions resulting from investments by owners and distributions to owners. Among other disclosures, ASC 220, Comprehensive Income, requires that all items that are required to be recognized under current accounting standards as components of comprehensive loss be reported in a financial statement that is displayed with the same prominence as other financial statements. For each of the periods presented, the Group's comprehensive loss includes net loss and foreign currency translation adjustments, which are presented in the consolidated statements of comprehensive loss.

2.19 Share-based compensation

The Company grants restricted shares and stock options to eligible employees and accounts for share-based compensation in accordance with ASC 718, Compensation—Stock Compensation.

Employees' share-based compensation awards are measured at the grant date fair value of the awards and recognized as expenses a) immediately at the grant date if no vesting conditions are required; or b) for share based awards granted with only service conditions, using the graded vesting method net of estimated forfeitures over the vesting period; or c) for share-based awards granted with service conditions and the occurrence of an initial public offering ("IPO") as performance condition cumulative share-based compensation expenses for the options that have satisfied the service condition should be recorded upon the completion of the IPO using the graded vesting method.

A change in any of the terms or conditions of share-based awards is accounted for as a modification of the awards. The Group calculates incremental compensation expense of a modification as the excess of the fair value of the modified awards over the fair value of the original awards immediately before its terms are modified at the modification date. For vested awards, the Group recognizes incremental compensation cost in the period when the modification occurs. For awards not being fully vested, the Group recognizes the sum of the incremental compensation expense and the remaining unrecognized compensation expense for the original awards over the remaining requisite service period after modification.

Share-based compensation in relation to the restricted shares is measured based on the fair market value of the Group's ordinary shares at the grant date of the award. Prior to the listing, estimation of the fair value of the Group's ordinary shares involves significant assumptions that might not be observable in the market, and a number of complex and subjective variables, including discount rate, and subjective judgments regarding the

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Notes to the Consolidated Financial Statements
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2. Principal Accounting Policies (Continued)

2.19 Share-based compensation (Continued)

Group's projected financial and operating results, its unique business risks, the liquidity of its ordinary shares and its operating history and prospects at the time the grants are made. Share-based compensation in relation to the share options is estimated using the Binominal Option Pricing Model. The determination of the fair value of share options is affected by the share price of the Group's ordinary shares as well as the assumptions regarding a number of complex and subjective variables, including the expected share price volatility, risk-free interest rate, exercise multiple and expected dividend yield. The fair value of these awards was determined with the assistance from an independent valuation firm.

2.20 Income taxes

The Group accounts for income taxes under the liability method. Under the liability method, deferred income tax assets and liabilities are determined based on the differences between the financial reporting and income tax bases of assets and liabilities and are measured using the tax income rates that will be in effect when the differences are expected to reverse. A valuation allowance is recorded if it is more likely than not that some portion or all of the deferred income tax assets will not be utilized in the foreseeable future.

The Group evaluates its uncertain tax positions using the provisions of ASC 740-10, Income Taxes, which prescribes a recognition threshold that a tax position is required to meet before being recognized in the financial statements. The Group recognizes in the financial statements the benefit of a tax position which is ''more likely than not'' to be sustained under examination based solely on the technical merits of the position assuming a review by tax authorities having all relevant information. Tax positions that meet the recognition threshold are measured using a cumulative probability approach, at the largest amount of tax benefit that has a greater than fifty percent likelihood of being realized upon settlement. It is the Group's policy to recognize interest and penalties related to unrecognized tax benefits, if any, as a component of income tax expense.

2.21 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statements of comprehensive loss over the period of the borrowings using the effective interest method.

2.22 Business combination

The Group accounts for its business combinations using the acquisition method of accounting in accordance with ASC topic 805, Business Combinations ("ASC 805"). The acquisition method of accounting requires all of the following steps: (i) identifying the acquirer, (ii) determining the acquisition date, (iii) recognizing and measuring the identifiable assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree, and (iv) recognizing and measuring goodwill or a gain from a bargain purchase. The consideration transferred in a business combination is measured as the aggregate of the fair values at the date of exchange of the assets given, liabilities incurred, and equity instruments issued as well as the contingent considerations and all contractual contingencies as of the acquisition date.

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(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.22 Business combination (Continued)

The Group allocates the fair value of purchase consideration to the tangible assets acquired, liabilities assumed and intangible assets acquired based on their estimated fair values. The excess of the fair value of purchase consideration over the fair values of these identifiable assets and liabilities is recorded as goodwill. Such valuations require management to make significant estimates and assumptions, especially with respect to intangible assets. Significant estimates in valuing certain intangible assets may include, but are not limited to, future expected cash flows from acquired assets, timing and probability of success of clinical events and regulatory approvals, and assumptions on useful lives of the patents and discount rates. Management's estimates of fair value are based upon assumptions believed to be reasonable, but which are inherently uncertain and unpredictable and, as a result, actual results may differ from estimates. Additional information, such as that related to income tax and other contingencies, existing as of the acquisition date but unknown to us may become known during the remainder of the measurement period, not to exceed one year from the acquisition date, which may result in changes to the amounts and allocations recorded.

Acquisitions that do not meet the accounting definition of a business combination are accounted for as asset acquisitions. For transactions determined to be asset acquisitions, the Group allocates the total cost of the acquisition, including transaction costs, to the net assets acquired based on their relative fair values.

2.23 Segment information

In accordance with ASC 280, Segment Reporting, the Group's chief operating decision maker, the Chief Executive Officer, reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one reportable segment. The Group does not distinguish between markets or segments for the purpose of internal reporting. As the Group's long-lived assets are substantially located in and derived from the PRC, no geographical segments are presented.

2.24 Loss per share

Basic loss per share is computed by dividing net loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period using the two-class method. Under the two-class method, the net loss is allocated between ordinary shares and other participating securities based on their participating rights. Net loss is not allocated to other participating securities if based on their contractual terms they are not obligated to share in the loss. Diluted loss per share is calculated by dividing net loss attributable to ordinary shareholders by the weighted average number of ordinary and dilutive ordinary equivalent shares outstanding during the period. Ordinary equivalent shares consist of shares issuable upon the conversion of the preferred shares using the if-converted method, shares issuable upon the exercise of share options using the treasury stock method, shares issuable upon the conversion of the convertible promissory notes using the if-converted method, and shares issuable upon the exercise of warrants using the treasury stock method. Ordinary equivalent shares are not included in the denominator of the diluted loss per share calculation when inclusion of such shares would be anti-dilutive.

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2. Principal Accounting Policies (Continued)

2.25 Adopted accounting pronouncements

In 2016, the FASB issued ASU 2016-02, Leases (Topic 842). This ASU requires lessees to recognize lease assets and lease liabilities on the balance sheet for the rights and obligations created by all leases with terms greater than 12 months. As we are not a lessor, other changes in the guidance applicable to lessors do not apply. Additionally, in 2018, the FASB issued codification and targeted improvements to this guidance effective for fiscal years and interim periods within those years beginning after December 15, 2018, with early adoption permitted. The Group adopted the new guidance on January 1, 2019, using the alternative transition approach. For additional information, see Note 6—"Leases."

In November 2016, the FASB issued ASU 2016-18, Statement of Cash Flows (Topic 230) ("ASU 2016-18"). This ASU affects all entities that have restricted cash or restricted cash equivalents and are required to present a statement of cash flows under Topic 230. ASU 2016-18 requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. This update was required to be adopted for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019, and early adoption is permitted in any interim or annual period. The Group elected to early adopt this ASU and applied this guidance retrospectively to all periods presented.

2.26 Recent accounting pronouncements

In June 2016, the FASB issued ASU 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments ("ASU 2016-13"). This guidance requires that financial assets measured at amortized cost be presented at the net amount expected to be collected. The measurement of expected credit losses is based on historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability. In November 2018, the FASB issued ASU 2018-19, Codification Improvements to Topic 326, Financial Instruments-Credit Losses ("ASU 2018-19"), which clarifies certain topics included within ASU 2016-13. ASU 2016-13 and ASU 2018-19 are effective for the annual reporting period beginning after December 15, 2019, including interim periods within that reporting period. The impact of this ASU to the consolidated financial statements is immaterial.

In August 2018 the FASB issued ASU No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement. This standard modifies certain disclosure requirements on fair value measurements. This standard became effective for us on January 1, 2020. The impact of this ASU to the consolidated financial statements is immaterial.

In November 2018 the FASB issued ASU No. 2018-18, Collaborative Arrangements (Topic 808): Clarifying the Interaction between Topic 808 and Topic 606. This standard makes targeted improvements for collaborative arrangements as follows:

- Clarifies that certain transactions between collaborative arrangement participants should be accounted for as revenue under ASC 606, Revenue from Contracts with Customers, when the collaborative arrangement participant is a customer in the context of a unit of account. In those

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2. Principal Accounting Policies (Continued)

2.26 Recent accounting pronouncements (Continued)

situations, all the guidance in ASC 606 should be applied, including recognition, measurement, presentation and disclosure requirements;

- Adds unit-of-account guidance to ASC 808, Collaborative Arrangements, to align with the guidance in ASC 606 (that is, a distinct good or service) when an entity is assessing whether the collaborative arrangement or a part of the arrangement is within the scope of ASC 606; and

- Precludes a company from presenting transactions with collaborative arrangement participants that are not directly related to sales to third parties with revenue recognized under ASC 606 if the collaborative arrangement participant is not a customer.

This standard became effective for us on January 1, 2020. A retrospective transition approach is required for either all contracts or only for contracts that are not completed at the date of initial application of ASC 606, with a cumulative adjustment to opening retained earnings, as of January 1, 2018. The impact of this ASU to the consolidated financial statements is immaterial.

3. Prepayments and Other Receivables

	As of December 31,		
	2018	2019	
	RMB	RMB	US$ (Note 2.5)
Prepayments:			
—Prepayments to CRO vendors	71,894	78,740	11,145
—Prepayments for other services	3,160	880	125
Receivables due from employees (Note)	—	16,201	2,293
Value-added tax recoverable	4,235	12,517	1,772
Rental deposits	1,012	546	77
Interest receivables	1,502	764	108
Others	7,169	26,388	3,735
	88,972	136,036	19,255

Note: The balance mainly represented the receivables due from employees, which were arising from the Group's obligation to pay the withholding individual income tax ("IIT") for those employees' stock option activities and was collected by the Group in January 2020.

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4. Other Financial Assets

	As of December 31,		
	2018	2019	
	RMB	RMB	US$ (Note 2.5)
Financial asset at fair value through profit or loss	215,571	—	—
Note receivables	40,387	—	—
	255,958	—	—

The Group placed the principal amount for investments through a contractual arrangement with a third party for the period from June 30, 2017 to June 30, 2020 ("Principal Amount"). The Principal Amount can be redeemed from the third party at the discretion of the Group from time to time whereby the Group is expecting to earn an income on the Principal Amount with an average yield in the range from 4.50% to 5.25% per annum. The Group initially records these assets at cost, which approximates its fair value at inception and subsequently records these assets at fair value. Changes in the fair value are reflected in the consolidated statements of comprehensive loss.

On June 22, 2019, the Group entered into an agreement with the relevant party involved for early termination of the contractual arrangement ("Termination Agreement"). Pursuant to the Termination Agreement, the Group shall receive cash with an amount of RMB95,056 and commercial bills with a total face value of RMB160,944 (including those commercial bills redeemed during the year ended December 31, 2018 with a face value of RMB40,387). No material gain or loss was arising from such termination. As of December 31, 2019, cash of RMB95,056 was received and all commercial bills have been collected upon maturity.

5. Property, Equipment and Software

Property, equipment and software consist of the following:

	As of December 31, 2018	As of December 31, 2019	
	RMB	RMB	US$ (Note 2.5)
Cost			
Laboratory equipment	20,796	24,265	3,434
Leasehold improvement	10,271	11,856	1,678
Software	3,632	10,220	1,447
Office furniture and equipment	1,350	1,526	216
Total property, equipment and software	36,049	47,867	6,775
Less: accumulated depreciation and amortization	(8,390)	(18,221)	(2,579)
Net book value	27,659	29,646	4,196
Construction in process	—	423	60
Total net book value of property, equipment and software	27,659	30,069	4,256

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5. Property, Equipment and Software (Continued)

The total amounts charged to the consolidated statements of comprehensive loss for depreciation and amortization expenses amounted to approximately RMB1.6 million, RMB6.7 million and RMB9.8 million for the years ended December 31, 2017, 2018 and 2019, respectively.

6. Leases

As of December 31, 2019, the Company has operating leases recorded on its balance sheet for certain office spaces and facilities that expire on various dates through 2027. The Group does not plan to cancel the existing lease agreements for its existing facilities prior to their respective expiration dates. When determining the lease term, the Group includes options to extend or terminate the lease when it is reasonably certain that it will exercise that option, if any. All of the Group's leases qualify as operating leases.

Information related to operating leases as of December 31, 2019 is as follows (in thousands, except for percentages and years).

	As of December 31, 2019	
	RMB	US$ (Note 2.5)
Assets		
Operating lease right-of-use assets	16,435	2,326
Liabilities		
Operating lease liabilities, current	6,807	963
Operating lease liabilities, non-current	7,492	1,060
Weighted average remaining lease term (years)	2.4	2.4
Weighted average discount rate	5%	5%

Information related to operating lease activity during the year ended December 31, 2019 is as follows:

	For the Year Ended December 31, 2019	
	RMB	US$ (Note 2.5)
Operating lease rental expense		
Amortization of right-of-use assets	5,260	745
Expense for short-term leases within 12 months	592	84
Interest of lease liabilities	543	76
	6,395	905

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6. Leases (Continued)

Future annual minimum lease payments for operating leases as of December 31, 2018 under ASC 840 were as follows:

	Operating Leases RMB
2019	5,754
2020	5,274
2021	3,511
2022	60
2023	60
Thereafter	276
Total	**14,935**

Maturities of lease liabilities were as follows:

	As of December 31, 2019	
	RMB	US$ (Note 2.5)
2020	7,634	1,081
2021	5,617	795
2022	1,885	267
2023	60	8
2024	60	8
Thereafter	181	26
Total undiscounted lease payments	15,437	2,185
Less: imputed interest	(1,138)	(161)
Total lease liabilities	**14,299**	**2,024**

7. Intangible Assets

Intangible assets as of December 31, 2018 and 2019 are summarized as follows:

	As of December 31,		
	2018	2019	
	RMB	RMB	US$ (Note 2.5)
Cost			
IPR&D	148,844	148,844	21,068
Less: accumulated amortization	—	—	—
Net book value	148,844	148,844	21,068

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7. Intangible Assets (Continued)

IPR&D represents the fair value assigned to research and development assets that the Group acquired from business combination of I-Mab Tianjin and its subsidiaries including Chengdu Tasgen Bio-Tech Co., Ltd. and Shanghai Tianyunjian Bio-Tech Co., Ltd. (together the "Tasgen Group") in 2017 and had not reached technological feasibility at the date of acquisition. Upon commercialization, the Group will determine the estimated useful life and amortize these amounts based upon an economic consumption method. As of December 31, 2018 and 2019, there was no impairment of the value of the Group's intangible assets.

8. Goodwill

On July 15, 2017, the Group acquired 66.67% of the equity interests in the Tasgen Group by issuing convertible preferred shares, and controlled the board of directors and business of I-Mab Tianjin since then. Tasgen Group is principally engaged in the research and development of innovative medicines and the Group acquired Tasgen Group for its research team, technical experience, and IPR&D pipeline assets (see Note 7). As of December 31, 2018 and 2019, the goodwill of RMB162,574 (US$23,011) represented the goodwill generated from the aforementioned acquisition of Tasgen Group and the business of Tasgen Group was fully integrated into the Company after the acquisition.

As of December 31, 2018 and 2019, the Group performed a qualitative assessment by evaluating relevant events and circumstances that would affect the Group's single reporting unit and did not note any indicator that it is more likely than not that the fair value of the Group's reporting unit is less than its carrying amount and therefore the Group's goodwill was not impaired.

9. Short-term Borrowings

In July 2018, I-Mab Bio-tech (Tianjin) Co., Ltd. borrowed a loan of RMB80,000 from China Merchant Bank Co., Ltd. for a term of one year and at the interest rate of 4.20% per annum. To facilitate this borrowing, another subsidiary of the Company in Hong Kong placed cash deposits of US$13,500 (equivalent to approximately RMB92,653) with the bank. The use of such cash deposits and the interest earned thereon are restricted by the bank during the period of the borrowing. The deposits have a one-year term and bear interest at 3.26% per annum. The borrowing was fully repaid during the year ended December 31, 2019.

In June 2019, I-Mab Bio-tech (Tianjin) Co., Ltd. borrowed a loan of RMB50,000 from China Merchant Bank Co., Ltd. for a term of one year and at the interest rate of 4.15% per annum. To facilitate this borrowing, another subsidiary of the Company in Hong Kong placed cash deposits of US$8,000 (equivalent to approximately RMB55,810) with the bank. The use of such cash deposits and the interest earned thereon are restricted by the bank during the period of the borrowing. The deposits have a one-year term and bear interest at 2.63% per annum. The borrowing will be due for repayment in June 2020.

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10. Accruals and Other Payables

	As of December 31,		
	2018	2019	
	RMB	RMB	US$ (Note 2.5)
Staff salaries and welfare payables	18,869	30,166	4,270
Accrued external research and development activities related expenses	39,068	144,000	20,382
Accrued initial public offering costs payable	—	17,504	2,478
Withholding IIT payable related to stock options	—	16,201	2,293
Accrued traveling expenses, office expenses and others	9,737	65,682	9,296
	67,674	273,553	38,719

11. Income Taxes

Cayman Islands

I-Mab is incorporated in the Cayman Islands. Under the current laws of the Cayman Islands, I-Mab is not subject to tax on income or capital gain. Additionally, the Cayman Islands does not impose a withholding tax on payments of dividends to shareholders.

Hong Kong

I-Mab Biopharma Hong Kong Limited is incorporated in Hong Kong. Companies registered in Hong Kong are subject to Hong Kong profits tax on the taxable income as reported in their respective statutory financial statements adjusted in accordance with the relevant Hong Kong tax laws. The applicable tax rate in Hong Kong is 16.5%. For the years ended December 31, 2017, 2018 and 2019, I-Mab Biopharma Hong Kong Limited did not make any provisions for Hong Kong profit tax as there were no assessable profits derived from or earnings in Hong Kong for any of the periods presented. Under the Hong Kong tax law, I-Mab Biopharma Hong Kong Limited is exempted from income tax on its foreign-derived income and there are no withholding taxes in Hong Kong on remittance of dividends.

Australia

Mab Biopharma Australia Pty Ltd is incorporated in Australia. Companies registered in Australia are subject to Australia profits tax on the taxable income as reported in their respective statutory financial statements adjusted in accordance with the relevant Australia tax laws. The applicable tax rate in Australia is 30%. I-Mab Biopharma Australia Pty Ltd has no taxable income for all periods presented, therefore, no provision for income taxes is required.

United States

I-Mab Biopharma US Ltd. is incorporated in U.S. and is subject to U.S. federal corporate income tax at a rate of 21%. I-Mab Biopharma US Ltd. is also subject to state income tax in Maryland of 8.25%. I-Mab Biopharma US Ltd. has no taxable income for all periods presented, therefore, no provision for income taxes is required.

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11. Income Taxes (Continued)

China

On March 16, 2007, the National People's Congress of PRC enacted a new Enterprise Income Tax Law ("new EIT law"), under which Foreign Investment Enterprises ("FIEs") and domestic companies would be subject to corporate income tax at a uniform rate of 25%. The new EIT law became effective on January 1, 2008. Under the new EIT law, preferential tax treatments will continue to be granted to entities which conduct businesses in certain encouraged sectors and to entities otherwise classified as "High and New Technology Enterprises".

I-Mab Shanghai has been qualified as "High and New Technology Enterprise" and enjoys a preferential income tax rate of 15% from 2018 to 2020.

The Company's other PRC subsidiaries are subject to the statutory income tax rate of 25%.

No provision for income taxes has been made because the Group are in cumulative loss positions for all the periods presented.

Reconciliations of the differences between the PRC statutory income tax rate and the Group's effective income tax rate for the years ended December 31, 2017, 2018 and 2019 are as follows:

	Year Ended December 31,			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
Loss before income tax	(298,240)	(401,111)	(1,451,950)	(205,510)
Income tax computed at respective applicable tax rate	(37,672)	(56,093)	(148,871)	(21,071)
Non-deductible expenses	3,889	2,548	87,021	12,317
Research and development expenses plus deduction	(2,846)	(6,762)	(9,254)	(1,310)
Changes in valuation allowance	36,629	62,029	71,104	10,064
	—	1,722	—	—
Effect of tax holidays entitled by the PRC subsidiaries on basic loss per share	—	3.07	9.55	1.35

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11. Income Taxes (Continued)

China (Continued)

The principal components of the deferred tax assets and liabilities are as follows:

	Year Ended December 31,			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
Deferred tax assets:				
Net operating loss carryforward	73,105	92,185	136,443	19,312
Depreciation and amortization of property, equipment, software and intangible asset, net	—	18,405	44,398	6,285
Accrual expense	13,647	21,132	21,867	3,095
Less: valuation allowance	(49,541)	(94,511)	(165,497)	(23,425)
Total deferred tax assets	37,211	37,211	37,211	5,267
Deferred tax liabilities:				
Acquired intangible assets	37,211	37,211	37,211	5,267
Total deferred tax liabilities	37,211	37,211	37,211	5,267
Deferred tax assets, net	—	—	—	—

Movement of the valuation allowance is as follows:

	Year Ended December 31			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
Balance as of January 1	(6,472)	(49,541)	(94,511)	(13,377)
Business combination	(6,440)	—	—	—
Additions	(36,629)	(62,029)	(71,104)	(10,065)
Decrease due to the change of tax rate	—	17,059	118	17
Balance as of December 31	(49,541)	(94,511)	(165,497)	(23,425)

As of December 31, 2019, the Group had a majority of net operating losses of approximately RMB715,156 which arose from the subsidiaries established in the PRC. The tax losses carried forward various in the PRC will expire during the period beginning from 2021 to 2029 based on entity's preferential tax status.

A valuation allowance is provided to reduce the amount of deferred tax assets if it is considered as more likely than not that some portion or all of the deferred tax assets will not be realized in the foreseeable future. In making such determination, the Group evaluates a variety of positive and negative factors including the Group's operating history, accumulated deficit, the existence of taxable temporary differences and reversal periods.

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11. Income Taxes (Continued)

China (Continued)

The Group has incurred net accumulated operating losses for income tax purposes since its inception. The Group believes that it is more likely than not that these net accumulated operating losses together with other deferred tax assets will not be utilized in the foreseeable future. Therefore, the Group has provided full valuation allowances for the deferred tax assets as of December 31, 2018 and 2019.

The Group evaluates each uncertain tax position (including the potential application of interest and penalties) based on the technical merits, and measure the unrecognized benefits associated with the tax positions. As of December 31, 2018 and 2019, the Group did not have any significant unrecognized uncertain tax positions.

12. Ordinary Shares

As of December 31, 2018 and 2019, 500,000,000 ordinary shares had been authorized by the Company. Each ordinary share is entitled to one vote. The holders of ordinary shares are also entitled to receive dividends whenever funds are legally available and when declared by the Board of Directors of the Company.

On October 29, 2019, the Company's shareholders and board of directors approved that immediately prior to the completion of initial public offering, the Company's authorized share capital will be changed into US$80,000 divided into 800,000,000 ordinary shares of a par value of US$0.0001 each.

13. Convertible Preferred Shares

On October 18, 2016, the Company issued 5,141,587 shares of Series A-1 and A-2 Preferred Shares with a consideration of US$11,282 (equivalent to approximately RMB74,742). In connection with the Series A-1 and A-2 Preferred Shares issuance, the Company also issued 2,246,744 warrant to purchase its Series A-3 Preferred Shares ("Series A-3 Warrants" and see Note 15).

On September 6, 2017, in connection with the Group's acquisition of Tasgen Group, the Company issued 16,723,646 shares of Series A-3 Preferred Shares at a price of US$2.55 per share with a total consideration of US$42,645 (equivalent to approximately RMB289,024).

Series A-1 Preferred Shares, Series A-2 Preferred Shares and Series A-3 Preferred Shares are also referred to as Series A Preferred Shares.

On September 22, 2017, the Company issued 15,894,594 shares of Series B Preferred Shares with a consideration of US$52,546 (equivalent to approximately RMB346,515). In connection with the Series B Preferred Shares issuance, the Company also issued convertible promissory notes that are convertible into Series B-1 Preferred Shares ("2017 Notes" and see Notes 14) and 5,633,780 warrants to purchase its Series B-2 Preferred Shares ("Series B Warrant" and see Note 15).

Concurrently with the Company's issuance of Series B Preferred Shares, the Company also completed a round of onshore financing with respect to the Group's subsidiary I-MAB Tianjin ("Series B Onshore

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13. Convertible Preferred Shares (Continued)

Financing"). Series B Onshore Financing comprised 1) capital injection to I-Mab Tianjin by a number of investors ("Series B Onshore Investors") (see Note 14), 2) I-Mab Tianjin's issuance of convertible loans ("Onshore Convertible Loans" and see Note 14), and 3) the Company's issuance of 2,620,842 warrants to purchase its Series B-2 Preferred Shares ("Series B Warrants" and see Note 15).

On June 29, 2018, the Company issued total 8,361,823 shares of Series A-3 Preferred Shares upon exercise of Series A-3 Option held by its holder.

On June 29, 2018, the Company issued 2,535,201 shares of Series B-1 Preferred Shares upon conversion of 2017 Notes and issued 2,253,512 shares of Series B-2 Preferred Shares upon exercise of Series B Warrant by Series B preferred shareholders.

On June 29, 2018, the Company issued 5,938,640 shares of Series B Preferred Shares upon exercise of the Series B Option held by a Series B Onshore Investor and issued 947,218 shares of Series B-1 Preferred Shares upon conversion of Onshore Convertible Loans by a Series B Onshore Investor (see Note 14), respectively.

On July 6, 2018, the Company issued 1,455,549 shares of Series B Preferred Shares upon exercise of the Series B Option held by a Series B Onshore Investor, issued 232,161 shares of Series B-1 Preferred Shares upon conversion of Onshore Convertible Loans by a Series B Onshore Investor (see Note 14) and issued 1,048,337 shares of Series B-2 Preferred Shares upon exercise of Series B Warrant by Series B Onshore Investors, respectively.

Series B Preferred Shares, Series B-1 Preferred Shares and Series B-2 Preferred Shares are also referred to as Series B Preferred Shares.

On July 6, 2018, the Company issued 31,046,360 shares of Series C Preferred Shares at a price of US$6.4419 per share with a total consideration of US$200,000 (equivalent to approximately RMB1,323,363). In connection with the offering of the Series C Preferred Shares, the Company incurred issuance costs of RMB16,730.

On July 25, 2019, the Group entered into a share purchase agreement with certain third party investors, under which these investors will subscribe for an aggregate of 3,857,143 Series C-1 convertible preferred shares of the Company for an aggregate purchase price of US$27.0 million. Out of the aforementioned subscription of 3,857,143 Series C-1 convertible preferred shares by certain third party investors, 1,428,571 Series C-1 convertible preferred shares were issued to an investor on October 17, 2019, and the Group also received the cash consideration of US$10,000 (equivalent to approximately RMB70,036). On November 6, 2019, the Group received cash consideration of US$17,000 (equivalent to approximately RMB119,387) for the remaining 2,428,572 Series C-1 convertible preferred shares from the investors and the issuance of such 2,428,572 Series C-1 convertible preferred shares was consummated on that day. In connection with the offering of the Series C-1 convertible preferred shares, the Company incurred issuance costs of approximately US$840 (equivalent to approximately RMB5,887).

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13. Convertible Preferred Shares (Continued)

Series A Preferred Shares, Series B Preferred Shares, Series C Preferred Shares and Series C-1 Preferred Shares are collectively referred to as Preferred Shares.

Key terms of the Preferred Shares are summarized as follows:

Dividends

The holders of Preferred Shares are entitled to receive dividends, out of any assets legally available therefore, prior and in preference to any declaration or payment of any dividend on the ordinary shares or any other class or series of shares of the Group at the rate of eight percent (8%) of the original issue price per share per annum on each Preferred Share, payable in US$ and annually when, as and if declared by the Board of Directors. Such distributions shall not be cumulative. No dividend, whether in cash, in property or in shares of the capital of the Group, shall be paid on or declared and set aside for any ordinary shares or any other class or series of shares of the Group unless and until all dividends have been paid in full on the Preferred Shares (on an as-converted basis).

Conversion

Each Preferred Share may be converted at any time into ordinary shares at the option of the preferred shares holders at the then applicable conversion price. The initial conversion ratio is 1:1, subject to adjustment in the event of (i) share splits, share combinations, share dividends or distribution, other dividends, recapitalizations and similar events, or (ii) issuance of ordinary shares (excluding certain events such as issuance of ordinary shares pursuant to a public offering) at a price per share less than the conversion price in effect on the date of or immediately prior to such issuance.

The Preferred Shares shall be automatically converted into ordinary shares immediately upon the closing of a public offering of the Company's shares with an offering price (exclusive of underwriting commissions and expenses) that reflects a market capitalization (immediately prior to the public offering) of not less than US$1,000,000,000 or otherwise approved by all directors and certain preferred shareholders as specified in the Company's memorandum and articles of association (the "Qualified Public Offering").

The Group determined that there were no beneficial conversion features ("BCF") identified for any of the Preferred Shares during any of the periods. In making this determination, the Company compared the fair value of the ordinary shares into which the Preferred Shares are convertible with the respective effective conversion price at the issuance date. In all instances, the effective conversion price was greater than the fair value of the ordinary shares. To the extent a conversion price adjustment occurs, as described above, the Group will reevaluate whether or not a beneficial conversion feature should be recognized.

Liquidation

In the event of any liquidation (unless waived by the preferred shareholders) including deemed liquidation, dissolution or winding up of the Company, holders of the Preferred Shares shall be entitled to receive a per share amount equal to one hundred percent (100%) of the original issue price on each Preferred Share, plus

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13. Convertible Preferred Shares (Continued)

Liquidation (Continued)

an amount representing an internal rate of return of twelve percent (12%) per annum on the original issue price as adjusted for share dividends, share splits, combinations, recapitalizations or similar events, plus all accrued and declared but unpaid dividends thereon, in the sequence of Series C Preferred Shares, Series B Preferred Shares and Series A Preferred Shares. After such liquidation amounts have been paid in full, any remaining funds or assets of the Company legally available for distribution to shareholders shall be distributed on a pro rata basis among the holders of the Preferred Shares, on an as-converted basis, together with the holders of the ordinary shares.

Accounting of preferred shares

The Preferred Shares are redeemable by the holders upon a liquidation event, including a deemed liquidation event (e.g., change in control), and as such are presented as mezzanine equity on the consolidated balance sheets. In accordance with ASC 480-10-S99, each issuance of the convertible preferred shares should be recognized at the date of issuance after deducting fair value allocated to the detachable warrants and issuance costs.

Modification of preferred shares

The Company assesses whether an amendment to the terms of its convertible preferred shares is an extinguishment or a modification using the fair value model.

When convertible redeemable preferred shares are extinguished, the difference between the fair value of the consideration transferred to the convertible redeemable Preferred Shareholders and the carrying amount of such preferred shares (net of issuance costs) is treated as a deemed dividend to the Preferred Shareholders. When convertible redeemable preferred shares are modified and such modification results in value transfer between Preferred Shareholders and ordinary shareholders, the change in fair value resulted from the amendment is treated as a deemed dividend to or from the Preferred Shareholders.

On December 25, 2019, the Company's shareholders and board of directors approved that, where the final offering price of a Qualified Public Offering is no less than US$4.176 per ordinary share, the agreed provisions related to the number of shares to be converted into the Company's ordinary shares shall apply with respect to the Series C-1 Preferred Shares, Series C Preferred Shares, Series B-2 Preferred Shares and Series B-1 Preferred Shares, which will generally give rise to a one to multiple conversion of the such rounds of Preferred Shares, provided that unanimous consent of the directors on the final offering price needs to be obtained in the event that the final offering price per ordinary share of such IPO is fixed at a price equal to or higher than US$4.176 per ordinary share but lower than US$5.22 per ordinary share.

The Company evaluated the aforementioned modifications and concluded that they represented modifications, rather than extinguishment, to Series B-1, B-2 and C Preferred Shares, which resulted in a transfer of value from ordinary shareholders to preferred shareholders. The combined change in fair value of Series B-1, B-2 and C Preferred Shares immediately before and after the modification was US$4.0 million (equivalent to

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13. Convertible Preferred Shares (Continued)

Liquidation (Continued)

approximately RMB27.8 million) on December 25, 2019. This decrease in fair value of the ordinary shares of US$4.0 million (equivalent to approximately RMB27.8 million) on December 25, 2019 was, in substance, a transfer of wealth mostly from ordinary shareholders to preferred shareholders, and therefore was recorded as a deemed dividend to the preferred shareholders**.**

The Company evaluated the aforementioned modifications and concluded that they represented extinguishment to Series C-1 Preferred Shares. The difference between the fair value of the modified Series C-1 Preferred Shares and the carrying value of the original Series C-1 Preferred Shares was amounting US$0.8 million on December 25, 2019 and represented the fair value of the consideration transferred, and therefore was recognized as a deemed dividend to the preferred shareholders and adjustment to the carrying amount of Series C-1 Preferred Shares**.**

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13. Convertible Preferred Shares (Continued)

Liquidation (Continued)

The Company's convertible preferred shares activities for the years ended December 31, 2018 and 2019 are summarized below:

	Series A Preferred Shares			Series B Preferred Shares			Series C Preferred Shares			Series C-1 Preferred Shares		
	Number of shares	Amount US$	Amount RMB	Number of shares	Amount US$	Amount RMB	Number of shares	Amount US$	Amount RMB	Number of shares	Amount US$	Amount RMB
Balance as of January 1, 2018	21,865,233	53,927	363,766	15,894,594	52,546	346,515	—	—	—	—	—	—
Issuance of Series A Preferred Shares upon exercise of Series A-3 Option	8,361,823	48,925	323,716	—	—	—	—	—	—	—	—	—
Issuance of Series B Preferred Shares upon exercise of Series-B Option	—	—	—	7,394,189	44,083	291,677	—	—	—	—	—	—
Issuance of Series B Preferred Shares upon conversion of 2017 Notes	—	—	—	2,535,201	15,401	101,906	—	—	—	—	—	—
Issuance of Series B Preferred Shares upon conversion of Onshore Convertible Loans	—	—	—	1,179,379	7,165	47,407	—	—	—	—	—	—
Issuance of Series B Preferred Shares upon exercise of Tranche I of Series B Warrants	—	—	—	3,301,849	20,212	133,738	—	—	—	—	—	—
Issuance of Series C Preferred Shares, net of issuance costs	—	—	—	—	—	—	31,046,360	197,478	1,306,633	—	—	—
Balance as of December 31, 2018	30,227,056	102,852	687,482	30,305,212	139,407	921,243	31,046,360	197,478	1,306,633	—	—	—
Balance as of January 1, 2019	30,227,056	102,852	687,482	30,305,212	139,407	921,243	31,046,360	197,478	1,306,633	—	—	—
Issuance of Series C-1 Preferred Shares, net of issuance costs	—	—	—	—	—	—	—	—	—	3,857,143	26,160	183,536
Adjustment at extinguishment of Series C-1 Preferred Shares	—	—	—	—	—	—	—	—	—	—	754	5,283
Balance as of December 31, 2019	30,227,056	102,852	687,482	30,305,212	139,407	921,243	31,046,360	197,478	1,306,633	3,857,143	26,914	188,819

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14. Convertible Promissory Notes and Onshore Convertible Loans

2017 Notes

On September 25, 2017, the Company issued US$11,520 convertible promissory notes ("2017 Notes") to investors of Series B Preferred Shares (see Note 13) at a compound interest rate of 8% per annum, maturing on 36 months after the issuance date. Under the agreement, the holder of the 2017 Notes may convert the outstanding principal amount into Series B-1 Preferred Shares at the conversion price of US$5.38 per share or a lower price as may be agreed by the investors and the Company at any time from six months prior to the maturity date and prior to the repayment in full of the 2017 Note. No interest shall be accrued if the 2017 Notes have been converted into Series B-1 Preferred Shares.

As the fair value of the Company's ordinary shares on September 25, 2017 was lower than the effective conversion price of US$5.38, the Company did not record a BCF.

On June 29, 2018, the Company's 2017 Notes were converted into the Company's 2,535,201 Series B-1 Preferred Shares at the nominal conversion price of US$5.38 per share.

2018 Notes

On February 3, 2018, the Company issued US$9,000 (equivalent to approximately RMB59,704) convertible promissory notes ("2018 Notes") to an investor of Series A-3 Preferred Shares at an annual interest rate of 0%, maturing on 36 months after the issuance date. Under the agreement, the holder of the 2018 Notes may convert the 2018 Notes outstanding principal amount into Series B-1 Preferred Shares at the conversion price being lower of US$10 per share and fair market value at any time prior to the maturity date. Alternatively, the 2018 Notes shall be automatically converted into the Company's Series B Preferred Shares upon the maturity. As the fair value of the Company's ordinary shares on February 3, 2018 of US$3.96 was equal to the effective conversion price (being lower of US$10 per share and fair market value), the Company did not record a BCF.

Onshore Convertible Loans

On September 25, 2017, I-Mab Tianjin issued a US$5,359 convertible loan to Series B Onshore Investors at a compound interest rate of 8% per annum, maturing on 36 months after the issuance date. Under the agreement, the holder of the Onshore Convertible Loans may convert the outstanding principal amount into I-Mab Tianjin's equity interest a stipulated conversion price at any time from six months prior to the maturity date and prior to the repayment in full of the Onshore Convertible Loans. No interest shall be accrued if the Onshore Convertible Loans have been converted into I-Mab Tianjin's equity interest. As the fair value of the I-Mab Tianjin's ordinary shares on September 25, 2017 was lower than the effective conversion price of US$4.31, the Company did not record a BCF.

In June and July 2018, the Company reached agreements with holders of Onshore Convertible Loans and the principal amount of Onshore Convertible Loans were then effectively converted into 1,179,379 Series B-1 Preferred Shares of the Company and the accrued interests were waived, resulting in an extinguishment loss of RMB8,548.

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15. Warrants

In connection with the issuance of the Series A-1 and A-2 Preferred Shares on October 18, 2016, 2,246,744 Series A-3 Warrants were issued to Series A-1 and A-2 preferred shareholders, which provided the holder the right to purchase Series A-3 Preferred Shares. The Series A-3 Warrants were later terminated on September 6, 2017 without being exercised.

In connection with the issuance of the Series B Preferred Shares on September 22, 2017, 5,633,780 Series B Warrants were issued to Series B preferred shareholders, which provided the holders the right to purchase Series B-2 Preferred Shares.

In connection with the Company's Series B Onshore Financing that took place on September 25, 2017, 2,620,842 Series B Warrants were issued to Series B Onshore Investors, which provided the holders the right to purchase Series B-2 Preferred Shares.

During the period from June 29, 2018 to July 6, 2018, 3,301,849 Series B Warrants (representing Tranche I of Series B Warrants) were exercised to purchase 3,301,849 Series B-2 Preferred Shares with proceeds of US$20,000 (equivalent to approximately RMB132,332).

On July 6, 2018, the Series B Warrants holders agreed that the Series B Warrants shall be divided into two tranches and exercisable in accordance with different time schedules, such that: (i) the holders have exercised part of the Series B Warrants in the total consideration of US$20,000 ("Tranche I of Series B Warrants") and 3,301,849 Series B-2 Preferred Shares of the Company in aggregate have been newly issued to such holders on a pro rata basis; (ii) only when the Company fails to submit a Qualified Public Offering application at an internationally recognized securities exchange by March 31, 2019, the Warrant Holders may exercise the remaining part of Series B Warrants, in the total consideration of US$30,000 ("Tranche II of Series B Warrants") and 4,952,773 Series B-2 Preferred Shares of the Company in aggregate will be issued to such holders on a pro rata basis; (iii) provided that the Company successfully submits a Qualified Public Offering application at an internationally recognized securities exchange by March 31, 2019, the holders shall unconditionally and irrevocably waive and cancel Tranche II of Series B Warrants; and (iv) the Tranche II of Series B Warrants may only be concurrently exercised by all the Warrant Holders in one lump. This is considered to be a modification to Series B Warrants.

According to the confirmations issued by the Company's Series B Warrants holders in July 2019, the holders of Series B Warrants has unconditionally and irrevocably waived and cancelled the Tranche II of Series B Warrants. The fair value gain of warrants for the year ended December 31, 2019 was amounting to RMB5,644.

Accounting of Warrants

The warrant is a freestanding instrument and is recorded as liability in accordance with ASC 480, *Distinguishing Liabilities from Equity*.

As the Company's issuance of warrants were bundled with other instruments (such as convertible preferred shares, convertible promissory notes, etc.), out of total considerations, the warrants are initially recognized at fair value and the remaining were allocated to other instruments on a relative fair value basis (if

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15. Warrants (Continued)

Accounting of Warrants (Continued)

applicable). The fair value changes of the warrants (including the fair value changes arising from modification of warrants) up to the time of exercise or termination were recognized in earnings. Upon exercise, the total carrying value of the associated warrant liabilities was reclassified into the carrying value of the Preferred Shares into which it was converted.

The Company determined the fair value of the warrants with the assistance of an independent third party valuation firm.

The Group has measured the warrant liabilities at fair values on a recurring basis using significant unobservable inputs (Level 3) for the years ended December 31, 2018. The Group used the binomial model to estimate the fair value of warrant liabilities using the following assumptions:

	As of December 31, 2018	
Risk-free rate of return		2.49%
Maturity date		September 25, 2019
Estimated volatility rate		50.9%
Exercise price	US$	6.06
Fair value of underlying convertible preferred shares	US$	6.91

The model requires the input of highly subjective assumptions including the risk-free rate of return, maturity date, estimated volatility rate and fair value of underlying preferred shares. The risk-free rate for periods within the contractual life is based on the US treasury strip bond with maturity similar to the maturity of the warrants as of valuation dates plus a China country risk premium. For expected volatilities, the Group has made reference to the historical daily stock prices volatilities of ordinary shares of several comparable companies in the same industry as the Group. The estimated fair value of the preferred shares was determined with assistance from an independent third party valuation firm. The Group's management is ultimately responsible for the determination of the estimated fair value of its preferred shares.

The significant unobservable inputs used in the fair value measurement of the warrant liabilities include risk-free rate of return, interval between valuation date and maturity date, estimated volatility rate and fair value of underlying preferred shares. Significant decreases in interval between valuation date and maturity date, estimated volatility rate and fair value of underlying preferred shares would result in a significantly lower fair value measurement. Significant increases in risk-free rate of return would result in a significantly lower fair value measurement.

16. Redeemable Non-Controlling Interests

In connection with the Company's acquisition of Tasgen Group on September 6, 2017, the Company also entered into an option agreement with the third party investor of I-Mab Tianjin, pursuant to which the

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16. Redeemable Non-Controlling Interests (Continued)

Company granted the third party investor an option to subscribe for certain number of Series A-3 Preferred Shares of the Company at a price that stipulated in the agreement, and at the same time, the third party investor transferred its equity interests in I-Mab Tianjin to the Company at the same price ("Series A-3 Option"). This Series A-3 can be exercised at any time at the holder's own discretion or upon the request of the Company if the shareholders of the Company approves an initial public offering. In addition, in the event that the exercise of Series A-3 Option has not been completed within 6 months after the option holder delivers the share purchase option notice, the Company shall purchase the third party investor's equity interest in I-Mab Tianjin and the Series A-3 Option at a price that stipulated in the agreement.

Concurrently with the Company's issuance of Series B Preferred Shares (see Note 13), on September 25, 2017, the Group's subsidiary I-MAB Tianjin entered into a capital increase subscription agreement with Series B Onshore Investors, pursuant to which Series B Onshore Investors subscribed for additional equity in I-MAB Tianjin of US$24,444 (equivalent to approximately RMB161,196). On September 25, 2017 and in tandem with the aforementioned I-Mab Tianjin's capital increase subscription agreement, the Company also entered into option agreements with Series B Onshore Investors, pursuant to which the Company granted Series B Onshore Investors options to subscribe for certain numbers of Series B-1 Preferred Shares of the Company at a price that stipulated in the agreements, and at the same time, the Series B Onshore Investors shall transfer their equity interests in I-Mab Tianjin to the Company at the same price ("Series B Option"). The Series B Option can be exercised at any time at the holders' own discretion or upon the request of the Company if the shareholders of the Company approve an initial public offering. In addition, in the event that the exercise of Series B Option has not been completed within 6 months after the option holders deliver the share purchase option notice, the Company shall purchase the third party investor's equity interest in I-Mab Tianjin and the Series B Option at a price that stipulated in the agreements.

Based on the accounting assessments, the Company considers that the aforementioned Series A-3 and Series B Options are embedded features of the non-controlling interests that are not required to be bifurcated. Since the aforementioned non-controlling interests in I-Mab Tianjin are redeemable at a determinable price, upon occurrence of an event that is not solely within the control of I-Mab Tianjin, the aforementioned non-controlling interests in I-Mab Tianjin are accounted for as redeemable non-controlling interests in the Group's consolidated balance sheets. Subsequently, the redeemable non-controlling interests should be carried at the higher of (1) the carrying amount after the attribution of net income of the Company and (2) the expected redemption value.

The Series A-3 Option and Series B Option were exercised by respective holders on June 29, 2018 and July 6, 2018 to acquire 8,361,823 Series A-3 Preferred Shares and 7,394,189 Series B Preferred Shares, respectively. The transactions were accounted for as equity transactions, and the differences between the carrying amount of redeemable non-controlling interests of RMB305,708 and the fair value of convertible preferred shares of RMB615,393 that issued was recognized in additional paid-in capital.

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16. Redeemable Non-Controlling Interests (Continued)

The Group's redeemable non-controlling interest activities for the years ended December 31, 2017, 2018 and 2019 is summarized as follows:

	Year Ended December 31,			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
Beginning balance	—	305,708	—	—
Capital injection by Series B Onshore Investors	161,196	—	—	—
Redeemable non-controlling interests arising from business combination	144,512	—	—	—
Exercise of Series A-3 Option	—	(144,512)	—	—
Exercise of Series B Option	—	(161,196)	—	—
Ending balance	305,708	—	—	—

17. Share-Based Compensation

(a) Restricted Shares

During the year ended December 31, 2016, the Company issued 4,019,554 ordinary shares to Mr. Zang Jingwu Zhang, Ms. Qian Lili, Mr. Wang Zhengyi and Mr. Fang Lei (collectively the "Founders"), including the 369,301 shares which represented the equity interests of Third Venture held by the Founders, and the Company recorded share-based compensation expense of RMB18.7 million for issuance and grant of 3,650,253 ordinary shares to the Founders in June 2016.

In October 2016, the Founders entered into an arrangement with other investors of the Company, and the 87,441 ordinary shares issued to the Founders in June 2016 were canceled and out of the remaining 3,932,113 ordinary shares held by the Founders, 70% became restricted and subject to service vesting conditions, that should vest 20%, 20% and 30% over the next three years, respectively. There shall be no acceleration of the vesting schedule except that, in case of a change of control of the Company or a Qualified Public Offering, or the termination of the Founder's employment with the Group without cause.

Deferred share-based compensation was measured for the restricted shares using the estimated fair value of the Company's ordinary shares of US$0.77 at the date of imposition of the restriction in October 2016, and was amortized to the consolidated statements of comprehensive loss by using graded vesting method over the vesting term of 3 years.

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17. Share-Based Compensation (Continued)

(a) Restricted Shares (Continued)

The following table summarizes the Group's Founders' restricted shares activities:

	Numbers of shares	Weighted-average grant date fair value
Outstanding at December 31, 2016	2,752,479	0.77
Vested	(786,423)	
Outstanding at December 31, 2017	1,966,056	0.77
Vested	(786,423)	
Outstanding at December 31, 2018	1,179,633	0.77
Vested	(1,179,633)	
Outstanding at December 31, 2019	—	—

The amounts of shared-based compensation expense in relation to the restricted shares recognized in the years ended December 31, 2017, 2018 and 2019 were RMB7,039, RMB3,520 and RMB1,566, respectively.

Share-based compensation expenses related to restricted shares were included in:

	Year Ended December 31,			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
Research and development expenses	2,112	1,056	470	67
Administrative expenses	4,927	2,464	1,096	155
	7,039	3,520	1,566	222

(b) 2017 Employee Stock Option Plan ("2017 Plan")

In October 2017, the Company adopted the 2017 Plan. Under the 2017 Plan, a maximum aggregate number of 13,376,865 shares that may be issued pursuant to all awards granted was approved. Stock options granted to an employee under the 2017 Plan will be exercisable upon the Company completes a listing and the employee renders service to the Company in accordance with a stipulated service schedule starting from the employee's date of employment. Employees are generally subject to a three-year service schedule, under which an employee earns an entitlement to vest in 50% of the option grants on the second anniversary of the grant date, a vesting of the remaining 50% on the third anniversary of the applicable grant date. The stock option under 2017 Plan, to the extent then vested, shall become exercisable only upon the earlier of (i) a listing, and (ii) occurrence of a change in control.

On December 25, 2019, the Second Amended and Restated 2017 Plan was approved by the shareholders and board of directors of the Company, pursuant to which, in connection with the Company's IPO, the maximum

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17. Share-Based Compensation (Continued)

(b) 2017 Employee Stock Option Plan ("2017 Plan") (Continued)

aggregate number of shares that may be granted pursuant to all awards under 2017 Plan shall be adjusted in accordance with a formula pre-approved by the shareholders. In connection with above amendments to 2017 Plan, each of the Company's founders, namely Zheru Zhang, Lili Qian, Zhengyi Wang and Lei Fang, is willing to irrevocably surrender by him or her, for no consideration, a portion of the unvested options granted to him or her, which, if vested, would entitle him or her to acquire up to 130,000 ordinary shares of the Company, par value US$0.0001 per share, at an exercise price of US$1.0, respectively, under the Second Amended and Restated 2017 Plan (in respect of each individual, the "Founder's Surrendered Options"). On December 25, 2019, the board of directors of the Company approved that the Company accepts all Founder's Surrendered Options from each of the founders, Zheru Zhang, Lili Qian, Zhengyi Wang and Lei Fang, for no consideration, with effect immediately prior to the completion of the IPO and such surrendered options be cancelled with effect immediately prior to the completion of the IPO.

Prior to the Company completes a listing, all stock options granted to an employee shall be forfeited at the time the employee terminates his employment with the Group. After the Company completes a listing, vested options not exercised by an employee shall be exercised until later of: (i) 90 days after the date when the options become exercisable, or (ii) 30 days after the date of cessation of employment or directorship, or such longer period as the Board of Directors may otherwise determine.

For the years ended December 31, 2017, 2018 and 2019, the Group granted 11,051,230 stock options, 1,470,000 stock options and 640,000 stock options, respectively, to its employees (all with an exercise price of US$1). No options are exercisable as of December 31, 2017, 2018, and 2019 and prior to the Group completes a listing.

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17. Share-Based Compensation (Continued)

(b) 2017 Employee Stock Option Plan ("2017 Plan") (Continued)

The following table sets forth the stock options activities of 2017 Plan for the periods presented:

	Number of shares	Weighted average exercise price US$	Weighted average remaining contractual term	Aggregate intrinsic value US$
Outstanding as of December 31, 2016	—	—	—	—
Granted	11,051,230	1.00	—	—
Other addition (note)	710,366	0.06	—	—
Outstanding as of December 31, 2017	11,761,596	0.94	9.50	24,890
Granted	1,470,000	1.00	—	—
Forfeited	(226,000)	1.00	—	—
Outstanding as of December 31, 2018	13,005,596	0.95	8.61	70,129
Granted	640,000	1.00	—	—
Forfeited	(397,500)	1.00	—	—
Repurchased (Note 17(d))	(3,435,215)	1.00	—	—
Outstanding as of December 31 ,2019	9,812,881	0.93	7.76	47,671
Exercisable as of December 31, 2019	—	—	—	—

Note: Other addition represented the modified share options that originally granted to two senior management employees in October 2016 (see (f) other share-based compensation).

Stock options granted to the employees were measured at fair value on the dates of grant using the Binomial Option Pricing Model with the following assumptions:

	Year ended December 31,		
	2017	2018	2019
Expected volatility	62.34%	61.32%-62.13%	54.64%
Risk-free interest rate (per annum)	2.32%	2.81%-3.06%	2.15%
Exercise multiple	2.80	2.80	2.80
Expected dividend yield	—	—	—
Contractual term (in years)	10	10	10

The expected volatility was estimated based on the historical volatility of comparable peer public companies with a time horizon close to the expected term of the Group's options. The risk-free interest rate was estimated based on the yield to maturity of U.S. treasury bonds denominated in US$ for a term consistent with the expected term of the Group's options in effect at the option valuation date. The expected exercise multiple was estimated as the average ratio of the stock price to the exercise price when employees would decide to voluntarily exercise their vested options. As the Group did not have sufficient information of past employee exercise history, it was estimated by referencing to a widely-accepted academic research publication. Expected

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17. Share-Based Compensation (Continued)

(b) 2017 Employee Stock Option Plan ("2017 Plan") (Continued)

dividend yield is zero as the Group has never declared or paid any cash dividends on its shares, and the Group does not anticipate any dividend payments in the foreseeable future. Expected term is the contract life of the option.

There were 640,000 stock options granted to employees under 2017 Plan for the year ended December 31, 2019. Since the exercisability is dependent upon the listing, and it is not probable that this performance condition can be achieved until a listing, no share-based compensation expense relating to the 2017 Plan was recorded for the years ended December 31, 2017, 2018 and 2019. The Group will recognize compensation expenses relating to options vested cumulatively upon the completion of the Company's listing.

(c) 2018 Employee Stock Option Plan ("2018 Plan")

On February 22, 2019, the Group adopted the 2018 Plan, which was subsequently amended on July 22, 2019. Under the amended and restated 2018 Plan, the maximum aggregate number of ordinary shares which may be issued pursuant to all awards is 14,005,745, and if the Group successfully lists on an internationally recognized securities exchange for a Qualified Public Offering by December 31, 2019, the maximum aggregate number of ordinary shares which may be issued shall be 15,452,620.

On December 25, 2019, the Second Amended and Restated 2018 Plan were approved by the shareholders and board of directors of the Company, pursuant to which, in connection with the Company's IPO, the maximum aggregate number of shares that may be granted pursuant to all awards under 2018 Plan shall be adjusted in accordance with a formula pre-approved by the shareholders. In connection with above amendments to 2018 Plan, the director of the Company, Dr. Jingwu Zhang Zang is willing to irrevocably surrender by him, for no consideration, of the right to acquire a certain amount of ordinary shares of the Company, par value US$0.0001 per share, at an exercise price of US$1.0 pursuant to the options granted to him under the Second Amended and Restated 2018 Plan (the "Dr. Zang's Surrendered Options"). On December 25, 2019, the board of directors of the Company approved that the Company accepts the irrevocable surrender of Dr. Zang's Surrendered Options for no consideration, with effect immediately prior to the completion of the IPO and such surrendered options be cancelled with effect immediately prior to the completion of the IPO.

Stock options granted to an employee under the 2018 Plan will be generally exercisable when the Company completes a listing and the employee renders service to the Company in accordance with a stipulated service schedule starting from the employee's date of employment. The vesting schedule shall generally be a two-year vesting schedule consisting of a cliff vesting 50% on the first anniversary of the applicable vesting commencement date, and a vesting of the remaining 50% on the second anniversary of the applicable vesting commencement date. If a listing occurs at anytime prior to any option granted under the 2018 Plan becoming full vested, and to the extent such option has been granted and outstanding, any such option shall vest in full with immediate effect upon the listing. Except as otherwise approved by the board of directors, vested portion of option shall become exercisable upon the earlier of six months after a listing or the occurrence of a change in control; provided, however that in each case, no option of an employee shall become exercisable until the third anniversary of such employee's employment commencement date.

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17. Share-Based Compensation (Continued)

(c) 2018 Employee Stock Option Plan ("2018 Plan") (Continued)

Pursuant to the Board of Director's approval of 2018 Plan on February 22, 2019, the 10,893,028 stock options granted to a director of the Group under 2018 Plan were fully vested and exercisable upon the adoption of 2018 Plan. Out of aforementioned total 10,893,028 stock options, 454,940 stock options were repurchased by the Group (see Note 17 (d) for further details).

The amounts of shared-based compensation expense in relation to the aforementioned grant of stock options to a director of the Group (except for those repurchased by the Group as described in Note 17(d)) recognized in the year ended December 31, 2019 was RMB365,329, included in administrative expenses.

The following table sets forth the stock options activities of 2018 Plan for the year ended December 31, 2019:

	Number of shares	Weighted average exercise price US$	Weighted average remaining contractual term	Aggregate intrinsic value US$
Outstanding as of January 1, 2019	—	—	—	—
Granted	13,991,528	1.00	—	—
Repurchased (Note 17 (d))	(454,940)	1.00	—	—
Outstanding as of December 31, 2019	13,536,588	1.00	8.86	64,840
Exercisable as of December 31 , 2019	10,438,088	1.00	9.15	49,998

Stock options granted to certain directors and employees of the Group were measured at fair value on the dates of grant using the Binomial Option Pricing Model with the following assumptions:

	Year ended December 31, 2019
Expected volatility	54.64%-56.31%
Risk-free interest rate (per annum)	2.15%-2.75%
Exercise multiple	2.80
Expected dividend yield	—
Contractual term (in years)	10

The expected volatility was estimated based on the historical volatility of comparable peer public companies with a time horizon close to the expected term of the Group's options. The risk-free interest rate was estimated based on the yield to maturity of U.S. treasury bonds denominated in US$ for a term consistent with the expected term of the Group's options in effect at the option valuation date. The expected exercise multiple was estimated as the average ratio of the stock price to the exercise price when employees would decide to voluntarily exercise their vested options. As the Group did not have sufficient information of past employee exercise history, it was estimated by referencing to a widely-accepted academic research publication. Expected dividend yield is zero as the Group has never declared or paid any cash dividends on its shares, and the Group does not anticipate any dividend payments in the foreseeable future. Expected term is the contract life of the option.

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17. Share-Based Compensation (Continued)

(c) 2018 Employee Stock Option Plan ("2018 Plan") (Continued)

Except for the aforementioned grant of stock options to a director of the Group under 2018 Plan, since the exercisability is dependent upon the listing, and it is not probable that this performance condition can be achieved until a listing, no share-based compensation expense related to the 2018 Plan was recorded for the year ended December 31, 2019. The Group will recognize compensation expenses relating to options vested cumulatively upon the completion of the Company's listing.

(d) Repurchase of Share Awards held by a Director

On February 22, 2019, the amendment and restated 2017 equity incentive plan was approved by the Board of Directors of the Group, pursuant to which only the 3,435,215 stock options held by the director (see Note 17(c)) under the 2017 equity incentive plan became fully vested and exercisable on February 22, 2019. As a result of the performance condition being waived, the stock options held by the director of the Group were accounted for as a Type III modification where a condition that the Group expects will not be satisfied is changed to a condition that the Group expects will be satisfied.

Additionally, on the same day, the Group repurchased such 3,435,215 stock options under the amendment and restated 2017 equity incentive plan that was held by the director of the Group along with 454,940 of his stock options under the 2018 equity incentive plan for which the share awards also became fully vested and exercisable, at a total consideration of US$21,902 (equivalent to approximately RMB148,308) at an average share price of US$5.63 per share.

For the year ended December 31, 2019, the Group recorded the total payment of US$21,902 (equivalent to approximately RMB148,308) as share-based compensation costs (included in administrative expenses) in the consolidated statement of comprehensive loss. There was no impact to the overall stockholder's equity balance as the amended shares vested immediately and were repurchased.

(e) 2019 Share Incentive Plan ("2019 Plan")

On October 29, 2019, the Group adopted 2019 Share Incentive Plan (the "2019 Plan"), which will become effective immediately prior to the completion of the Company's initial public offering. Under the 2019 Plan, the maximum aggregate number of ordinary shares available for issuance shall initially be 100,000.

(f) Other Share-Based Compensation

In October 2017, in connection with the adoption of 2017 Plan, the Group amended the stock option agreement with the two aforementioned employees, under which the stock options would become exercisable only upon the earlier of (i) a listing, and (ii) occurrence of a change in control that defined in the stock option agreements. As the modification of terms and conditions of share-based compensation were not beneficial to its employees, no further accounting impact was resulting from it.

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17. Share-Based Compensation (Continued)

(g) Establishment of Biomaster Trust

Biomaster Trust was established under the trust deed dated October 23, 2019, between the Company and TMF Trust (HK) Limited, or TMF Trust, as the trustee of the Biomaster Trust. Through the Biomaster Trust, the Company's ordinary shares and other rights and interests under awards granted pursuant to 2017 Plan and 2018 Plan may be provided to certain recipients of equity awards. Upon satisfaction of vesting conditions, TMF Trust will exercise the equity awards and transfer the relevant ordinary shares and other rights and interests under the equity awards to the relevant grant recipients with the consent of the advisory committee of Biomaster Trust. TMF Trust shall not exercise the voting rights attached to such ordinary shares unless otherwise directed by the advisory committee, whose members shall be appointed by I-Mab. The Company has the power to direct the relevant activities of Biomaster Trust and it has the ability to use its power over the Biomaster Trust to affect its exposure to returns. Therefore, the assets and liabilities of the Biomaster Trust are included in the Group's consolidated statement of financial position.

18. Licensing and Collaboration Arrangements

The following is a description of the Group's significant licensing and collaboration agreements entered into from January 1, 2017 to December 31, 2019.

A. In-Licensing Arrangements

Licensing Agreement with MorphoSys AG ("MorphoSys")

In November 2017, the Group entered into a license and collaboration agreement with MorphoSys, with respect to the development and commercialization of MOR202/TJ202, MorphoSys´s proprietary investigational antibody against CD38 (the "CD38 product").

Under this agreement, MorphoSys granted to the Group an exclusive, royalty-bearing, sublicensable license to exploit MOR202/TJ202 for any human therapeutic or diagnostic purpose in the licensed territory, namely mainland China, Hong Kong, Macau and Taiwan (collectively "Greater China").

Pursuant to this agreement, the Group granted to MorphoSys an exclusive license to its rights in any inventions that the Group make while exploiting the CD38 product under this agreement, solely to exploit the CD38 product outside of Greater China.

Pursuant to this agreement, the Group paid to MorphoSys an upfront license fee of US$20.0 million (equivalent to approximately RMB132.7 million). The Group also agreed to make milestone payments to MorphoSys, conditioned upon the achievement of certain development, regulatory and commercial milestones, in the aggregate amount of US$98.5 million (equivalent to approximately RMB653.5 million). Such milestones include first patient dosed in human clinical trials, marketing approval, and first annual net sales of CD38 products covered by the agreement in excess of a certain amount.

In addition, the Group is required to pay tiered low-double-digit royalties to MorphoSys on a country-by-country and product-by-product basis during the term, commencing with the first commercial sale of

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18. Licensing and Collaboration Arrangements (Continued)

A. In-Licensing Arrangements (Continued)

a relevant licensed product in Greater China. Unless terminated earlier in accordance with the terms thereof, this agreement will remain in effect until the expiration of the Group's last payment obligation under the agreement.

In 2017, the Group paid US$20.0 million (equivalent to approximately RMB132.7 million) upfront fee to MorphoSys, which was recorded as research and development expense in the consolidated statement of comprehensive loss for the year ended December 31, 2017. No additional payments were made in 2018. Due to the uncertainty involved in meeting these development and commercialization based targets, the Group evaluated and concluded that the remaining milestones are still not probable as of December 31, 2018. In March and April 2019, the project achieved the first and second milestone and the Group paid US$8.0 million (equivalent to approximately RMB55.7 million) of milestone fees to MorphoSys, which was recorded as research and development expense in the consolidated statement of comprehensive loss for the year ended December 31, 2019.

Summarized financial information related to the above agreement is presented below:

	Year ended December 31, Research and Development Expense				As of December 31,
	Upfront Fees	Milestones	Extension/Termination of agreements	Amortization of prepaid research and development	Intangible asset balance
2019	—	US$8,000	—	—	—
2018	—	—	—	—	—
2017	US$20,000	—	—	—	—

Licensing Agreement with Genexine, Inc. ("Genexine")

In December 2017, the Group entered into an intellectual property license agreement with Genexine with respect to GX-I7/TJ107, a long-acting IL-7 cytokine. Under this agreement, the Group obtained an exclusive, sublicensable and transferable license to use and otherwise exploit certain intellectual property in connection with the pre-clinical and clinical development, manufacturing, sale and distribution of GX-I7 to treat cancer in Greater China.

Under the terms of the agreement, the Group made an upfront payment of US$12.0 million (equivalent to approximately RMB79.6 million) to Genexine which was recorded as a research and development expense in January 2018. The Group also agreed to make milestone payments in the aggregate amount of US$23.0 million (equivalent to approximately RMB152.6 million), conditioned upon the achievement of certain development milestones, including completion of Phase 2 and Phase 3 clinical studies and new drug application ("NDA") or biologic license application ("BLA") approval in Greater China.

Further, the Group agreed to make milestone payments in the aggregate amount of US$525.0 million (equivalent to approximately RMB3,482.7 million), conditioned upon the achievement of certain cumulative net

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18. Licensing and Collaboration Arrangements (Continued)

A. In-Licensing Arrangements (Continued)

sales of GX-*I7* up to US$2,000 million. The Group also is required to pay Genexine a low-single-digit percentage royalty in respect of the total annual net sales of GX-I7. The aforesaid milestones and royalties (other than the upfront payment) will be reduced by 50% following the entry of a generic version of GX-I7 in China, Hong Kong, Macau and Taiwan without the consent or authorization of the Group or any of the Group's sublicensees.

Unless terminated earlier in accordance with the terms thereof, this agreement will remain in effect until the later of (i) the expiry of the last to expire patent of the licensed intellectual property that includes a valid claim for Greater China and that covers the composition of GX-I7; and (ii) 15 years from the date of the first commercial sale of GX-I7.

No additional payments to Genexine were made in the year ended December 31, 2019. Due to the uncertainty involved in meeting these development and commercialization based targets, the Group evaluated and concluded that the remaining milestones are still not probable as of December 31, 2018 and 2019.

Summarized financial information related to the above agreement is presented below:

	Year ended December 31, Research and Development Expense				As of December 31,
	Upfront Fees	Milestones	Extension/Termination of agreements	Amortization of prepaid research and development	Intangible asset balance
2019	—	—	—	—	—
2018	US$12,000	—	—	—	—

Licensing Agreement with MorphoSys

In November 2018, the Group entered into a license and collaboration agreement with MorphoSys for MorphoSys´s proprietary antibody (MOR210/TJ210) directed against C5aR (the "C5aR Agreement"). Under this agreement, the Group obtained an exclusive, royalty-bearing license to explore, develop and commercialize certain anti-C5aR antibodies in Greater China and South Korea.

The Group will perform and fund all global development activities related to the development of MOR210/TJ210 in Greater China and South Korea, including all relevant clinical trials (including in the U.S. and China) and all development activities required for IND filing in the US as well as CMC development of manufacturing processes. MorphoSys retains rights in respect of development and commercialization of MOR210/TJ210 in the rest of the world.

Under the terms of the agreement, the Group also agreed to make milestone payments conditional upon the achievement of certain development milestones and certain annual net sales of anti-C5aR antibodies. The Group is also required to pay to MorphoSys tiered mid-single-digit royalties on annual net sales of anti-C5aR antibody products within the licensed territory.

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18. Licensing and Collaboration Arrangements (Continued)

A. In-Licensing Arrangements (Continued)

In 2018, the Group paid US$3.5 million (equivalent to approximately RMB23.2 million) upfront fee to MorphoSys, which was recorded as research and development expense in the consolidated statement of comprehensive loss for the year ended December 31, 2018. No additional payments were made in the year ended December 31, 2019. Due to the uncertainty involved in meeting these development and commercialization based targets, the Group evaluated and concluded that the remaining milestones are still not probable as of December 31, 2018 and 2019.

Summarized financial information related to the above agreement is presented below:

	Years Ended December 31, Research and Development Expense				As of December 31,
	Upfront Fees	Milestones	Extension/Termination of agreements	Amortization of prepaid research and development	Intangible asset balance
2019	—	—	—	—	—
2018	US$ 3,500	—	—	—	—

Licensing Agreement with MacroGenics

In July 2019, the Group entered into a license and collaboration agreement with MacroGenics, Inc. for development and commercialization of an Fc-optimized antibody known as enoblituzumab that targets B7-H3, including in combination with other agents, such as the anti-PD-1 antibody known as MGA012, in the People's Republic of China, Hong Kong, Macau and Taiwan("Greater China"). Under this agreement, the Group obtained an exclusive, sublicenseable, royalty-bearing license to MacroGenics' patents and know-how to develop and commercialize the enoblituzumab product, and a combination regimen of enoblituzumab and MGA012, in Greater China during the term of the agreement.

In exchange for these rights, in addition to certain financial consideration, the Group will grant to MacroGenics a royalty-free, sublicenseable, license outside of Greater China, to our patents and know-how that are related to the enoblituzumab product or useful or necessary for MacroGenics to develop or commercialize the enoblituzumab product or a product containing MGA012, and combinations thereof. The license is (i) non-exclusive with respect to the enoblituzumab product, and (ii) exclusive with regard to MGA012.

Pursuant to the agreement, the Group paid an upfront fee of US$15.0 million (equivalent to approximately RMB104.4 million) to MacroGenics, which was recorded as research and development expense in the consolidated statement of comprehensive loss for the year ended December 31, 2019. Under the terms of the agreement, the Group also agreed to pay MacroGenics development milestone fees of up to US$75.0 million and regulatory milestones fees of up to US$60.0 million, respectively, and tiered double-digit royalties (ranging from mid-teens to twenty percent) based on annual net sales in the territories.

The Group is responsible for all development costs in Greater China. MacroGenics is responsible for all development costs in the rest of the world, except that the Group is responsible for 20% of the costs incurred in

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18. Licensing and Collaboration Arrangements (Continued)

A. In-Licensing Arrangements (Continued)

(i) activities supporting global clinical trials in which we participate, (ii) certain CMC activities for material intended to be used in clinical trials in Greater China, and (iii) companion diagnostic development and validation for indications being studied in Greater China.

Due to the uncertainty involved in meeting these development and commercialization based targets, the Group evaluated and concluded that no milestones are probable as of December 31, 2019.

	Year ended December 31, Research and Development Expense				As of December 31,
	Upfront Fees	Milestones	Extension/Termination of agreements	Amortization of prepaid research and development	Intangible asset balance
2019	US$15,000	—	—	—	—

Other In-Licensing Arrangements

In addition to the above arrangements, the Group has entered into other various in-licensing and collaboration agreements with third party licensors to develop and commercialize drug candidates. Based on the terms of these agreements the Group is contingently obligated to make additional material payments upon the achievement of certain contractually defined milestones. The Group recorded US$0.6 million (equivalent to approximately RMB4.0 million) upfront fee and US$0.3 million (equivalent to approximately RMB2.0 million) milestone payment under these agreements for the year ended December 31, 2018. The Group recorded US$1.2 million (equivalent to approximately RMB8.4 million) milestone payment during the year ended December 31, 2019. Under the terms of the agreements, the licensors are eligible to receive from the Group up to an aggregate of approximately US$164.4 million (equivalent to approximately RMB1,144.5 million) in milestone payments upon the achievement of contractually specified development milestones and sales milestones, such as regulatory approval for the drug candidates, which may be before the Group has commercialized the drug or received any revenue from sales of such drug candidate, which may never occur.

B. Out-Licensing and Collaboration Arrangements

Licensing Agreement among HDYM, I-Mab and Hangzhou HealSun Biopharm Co., Ltd. (“HealSun”)

In April 2017, one of the Company’s subsidiaries, I-Mab Shanghai, entered into a technology transfer agreement with HDYM and HealSun with respect to anti-PD-L1 humanized monoclonal antibodies. Under the agreement, I-Mab Shanghai agreed to grant to HDYM exclusive, worldwide and sublicensable rights to develop, manufacture, have manufactured, use, sell, have sold, import, or otherwise exploit certain PD-L1 related patents, patent applications, know-hows, data and information of I-Mab Shanghai, relevant cell lines as well as any anti-PD-L1 monoclonal antibody arising from such cell lines for the treatment of diseases. Further, I-Mab Shanghai and its cooperative party, HealSun agreed to provide subsequent research and development services on such intellectual property to HDYM, including the selection and examination of innovative anti-PD-L1

18. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and Collaboration Arrangements (Continued)

humanized monoclonal antibodies, cultivation and selection of stable cell lines, establishment of cell bank, research and development of manufacturing processes and preparation of samples, toxicological and pharmacological testing, pre-clinical pharmaceutical experiment report drafting, and application for and registration of clinical trials. HDYM agreed to make milestone payments conditioned upon achieving certain contractually defined milestones.

The Group determined that this collaboration is more reflective of a vendor-customer relationship and therefore within the scope of ASC 606. Under this agreement, due to the early stage nature of the development, the Group determined the license to the intellectual property and research and development services are not distinct and thus were accounted for as a single performance obligation that is satisfied over time. The Group would receive RMB51.0 million (inclusive of VAT) milestone payments under this agreement, and considered that the achievements of milestone II, III, IV are constrained such that the transaction price shall initially only include the milestones payment which have been achieved (that means when uncertainty associated with the variable consideration is subsequently resolved), the additional milestone payment shall be included in the total transaction price when it is no longer probable that a significant reversal of cumulative revenue would occur in future periods.

The Group used a cost-to-cost input method to measure progress as that method best depicts its performance under the agreement. For the year ended December 31, 2017, the Group achieved milestones I and II and received milestone payments totaling of RMB29.0 million (inclusive of VAT). The cumulative percentage complete in the cost-to-cost input method related to this agreement as of December 31, 2017 is estimated to approximate 42%, the Group recognized RMB11.6 million (exclusive of VAT of RMB0.7 million) of revenue in the consolidated statement of comprehensive loss, and RMB15.8 million (exclusive of VAT of RMB0.9 million) were deferred as contract liability related to this arrangement.

During the year ended December 31, 2018, the Group achieved milestones III and IV and received milestone III payment of RMB11.0 million (inclusive of VAT), milestone IV payment of RMB 11.0 million(inclusive of VAT) was recognized as contract assets as of December 31, 2018. As of December 31, 2018, the cumulative percentage complete in the cost-to cost input method related to this arrangement is estimated to approximate 100%. The Group recognized RMB36.5 million (exclusive of VAT of RMB1.3 million) of revenue in the consolidated statement of comprehensive loss for the year ended December 31, 2018. All of the milestone payments were received by the Group as of December 31, 2019.

Collaboration Agreement with Everest ("Everest")

In January 2018, the Group entered into a collaboration agreement with Everest, which is controlled by the ultimate controlling party of a principal shareholder of the Group. Under the agreement, both parties agreed to collaborate on programs to co-develop MorphoSys' proprietary anti-CD38 antibody for all indications in hematologic oncology and commercialize of MOR202/TJ202 in Greater China.

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18. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and Collaboration Arrangements (Continued)

A joint steering committee with equal representation from each party was established to coordinate and oversee the development and commercialization of the CD38 product. All decisions of the joint steering committee shall be made by unanimous vote.

Under the agreement, the Group is primarily responsible for carrying out the development, manufacture and supply of the CD38 product, as well as seeking regulatory approval of the CD38 product. Everest is primarily responsible for sharing the development costs of the CD38 product, including payments due to MorphoSys under the Licensing Agreement, dated November 30, 2017, in the proportion of 75% by Everest and 25% by the Group.

The joint steering committee will decide which party shall be responsible for conducting the commercialization of the CD38 product pursuant to the commercialization plan approved by the committee. If Everest is selected to be responsible for commercialization, the Group shall grant an exclusive royalty-free license to Everest to commercialize the CD38 product for all indications in hematologic oncology in Greater China.

The Group and Everest will share the profit and loss and out-licensing revenue derived from the CD 38 product in proportion to the costs that each party incur in developing the product. The parties will also split out-license revenue according to the proportion of development costs incurred, with the Group getting an additional five percent (5%) share and Everest receiving five percent (5%) less. Everest cannot share in any profit from the commercialization of CD38 product until it has fulfilled its payment obligations under this agreement.

Upon any termination of this arrangement, the terminating party has the right to continue the development and commercialization of CD38 product. If Everest is the rightful terminating party, the Group shall reasonably cooperate with Everest to facilitate the following: (i) assign the MorphoSys license to Everest (subject to the terms and conditions of such license); (ii) grant to Everest an exclusive license to all intellectual property rights that the Group owns or controls to further develop, manufacture, and commercialize the CD38 product; (iii) transfer the development, manufacture and commercialization of the CD38 product to Everest. The terminating party shall be solely responsible for the cost and expense of such development and commercialization after termination. In the event that such continuing party successfully develops and commercializes the CD38 product, it shall pay to the other party a percentage of the product profit and out-license revenue generated therefrom in accordance with the terms of this agreement.

During the year ended December 31, 2018, the US$26.0 million in aggregate proceeds from Everest under the agreement represented the funding available under the agreement, and was recorded as a research and development funding received liability (equivalent to approximately RMB178.7 million) on the consolidated balance sheet as of December 31, 2018, in accordance with ASC 730, Research and Development. Because there is a significant related party relationship between the Group and Everest, the Group is treating its obligation to make payments under the commercialization stage as an implicit obligation to repay the funds advanced by Everest (see Note 23). During the year ended December 31, 2019, an additional US$7.6million (equivalent to

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18. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and Collaboration Arrangements (Continued)

approximately RMB53.1 million) of funding was received and recorded as a research and development funding received liability. No additional milestone has been achieved in the year ended December 31, 2019.

Termination Agreement with Everest

On November 4, 2019, the Group and Everest have terminated the collaboration agreement with respect to the co-development and commercialization of TJ202 in Greater China. Upon the termination, Everest will not retain any rights or entitlements to develop or commercialize TJ202 or any economic interest in its commercialization. All intellectual property rights in respect of TJ202 arising from its development under the collaboration agreement are vested and owned by I-Mab, and the Group holds all intellectual property rights and have maximum flexibility to further develop, manufacture and commercialize TJ202 in Greater China. In consideration of the above arrangements, the board of directors of the Group has approved the issuance of a total value of US$37.0 million of ordinary shares (the "CPP Shares") to Everest, representing Everest's historical contribution to the collaboration and the associated time cost. The CPP Shares will be issued concurrently with, and subject to, the completion of the Company's initial public offering within 180 days from termination of the collaboration agreement. The total value of US$37.0 million was calculated based on the sum of (1) US$33.7 million, which equals cumulative paid-in contributions historically made by Everest under the collaboration agreement; and (2) a negotiated US$3.3 million time cost of the foregoing historical contribution in light of I-Mab's exclusive rights over the commercialization of TJ202 after this termination. The issuance of the CPP Shares was approved by I-Mab's existing shareholders on December 25, 2019. In the event that the initial public offering has not been completed within 180 days from the termination of the collaboration agreement, the Company will issue 4,762,751 ordinary shares (the "Subject Shares") to Everest on the 181st day. As a result of the aforementioned termination of the collaboration agreement with Everest, the Group derecognized the research and development funding received from Everest and recognized a liability that represented the ordinary shares to be issued to Everest, which was measured at fair value in accordance with ASC 480, and the difference of US$3.3 million (equivalent to approximately RMB23.0 million) between the initial fair value of the liability and the carrying amount of research and development funding received was recognized as other expenses in the consolidated statements of comprehensive loss.

Licensing Agreement with ABL Bio

In July 2018, the Group entered into a license and collaboration agreement with ABL Bio, under which the Group granted to ABL Bio exclusive, worldwide (excluding Greater China), royalty-bearing rights to develop and commercialize a bispecific antibody ("BsAb").

The Group agreed to share costs fifty-fifty (50:50) with ABL Bio through the completion of in vivo studies, with ABL Bio responsible for all costs and activities following that time. For the year ended December 31, 2019, US$0.2 million (equivalent to approximately RMB1.4 million) expenses were incurred by ABL Bio. Accordingly, the Group recorded US$0.1 million (equivalent to approximately RMB0.7 million) (50% cost sharing) of expenses in the Group's consolidated statement of comprehensive loss for the year ended December 31, 2019.

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18. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and Collaboration Arrangements (Continued)

In consideration of the license and a memorandum of understanding signed with ABL Bio in January 2020, ABL Bio agreed to pay the Group an upfront fee of US$2.5 million (equivalent to approximately RMB17.2 million), and milestone payments in the aggregate amount of US$97.5 million (equivalent to approximately RMB646.8 million) conditioned upon achieving certain research, clinical development and sales milestones. These include clinical milestones of up to US$32.5 million (equivalent to approximately RMB215.6 million) and sales milestones of up to US$65 million (equivalent to approximately RMB431.2 million). Further, ABL Bio agreed to pay the Group royalties at mid-single-digit percentages in respect of the total annual net sales of the licensed BsAb product.

In addition, ABL Bio granted to the Group an exclusive, royalty-free, sublicensable license to use the BsAb technology solely to exploit the licensed BsAb product for all indications in Greater China.

The Group determined that this collaboration is more reflective of a vendor-customer relationship and therefore within the scope of ASC 606. Under this agreement, the only one performance obligation was to grant the BsAb license to ABL Bio, considering that the achievements of milestones are constrained such that the transaction price shall initially only include upfront payment and subsequently, once another milestone was achieved (that means when uncertainty associated with the variable consideration is subsequently resolved), the additional milestone payment shall be included in the total transaction price when it is no longer probable that a significant reversal of cumulative revenue would occur in future periods.

As of December 31, 2018 and 2019, no milestone has been achieved, and the Group recognized revenue of US$2.5 million (equivalent to RMB17.2 million) of revenue in the consolidated statements of comprehensive loss for the year ended December 31, 2018, which was the upfront fee related to the grant of the rights of BsAb to ABL Bio as mentioned above.

Collaboration Agreement with ABL Bio

In July 2018, the Group and ABL Bio entered into a collaboration agreement (the “ABL Bio Collaboration”) whereby both parties agreed to collaborate to develop three PD-L1 based bispecific antibodies by using ABL Bio’s proprietary BsAb technology and commercialize them in their respective territories, which, collectively, include Greater China and South Korea, and other territories throughout the rest of the world if both parties agree to do so in such other territories during the performance of the agreement.

At contract inception, as both I-Mab and ABL Bio participate actively in the research and development activity. Also, the parties share the risk of failure of the BsAb products and share the income of licensing, so this contract meet the criteria of the definition of a collaborative arrangement, the Group categorized this agreement within the scope ASC 808. Prior to commercialization, the Group recorded the share of the expenses incurred by the collaboration for the development of three PD-L1 based bispecific antibodies products in research and development expense in the consolidated statements of comprehensive loss. As of December 31, 2018, RMB1.0 million expenses were incurred by the Group and ABL Bio did not incur any expense. According to the terms set out in the agreement, the Group recorded RMB0.5 million (50% cost sharing) of expense in the

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18. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and Collaboration Arrangements (Continued)

Group's consolidated statement of comprehensive loss for the year ended December 31, 2018. For the year ended December 31, 2019, RMB11.2 million expenses were incurred by the Group and RMB8.0 million expenses were incurred by ABL Bio. Accordingly, the Group recorded RMB9.6 million (50% cost sharing) of expenses in the Group's consolidated statement of comprehensive loss for the year ended December 31, 2019.

Collaboration Agreements with Tracon Pharmaceuticals, Inc. ("Tracon")

In November 2018, the Group entered into collaboration agreements with Tracon, under which both parties agreed to co-develop the Group's proprietary CD73 antibody, TJD5 (the "TJD5 Agreement") and co-develop up to five BsAbs (the "BsAbs Agreement"). Both agreements may be terminated by either party for the other party's uncured material breach, bankruptcy or insolvency or for safety reasons. In addition, the agreement in respect of TJD5 may be terminated by the Group: (i) for convenience within a certain period upon completing different clinical stages subject to certain payments and royalties, based on the clinical stage, that would be owed to Tracon upon the exercise of such termination for convenience; (ii) in the event that Tracon causes the Phase 1 study timeline to be delayed beyond the agreed extension periods; or (iii) if the Group decides to end the development of the collaborative product prior to its first commercial sale. Further, prior to the first commercial sale, Tracon may deem this agreement to be terminated by the Group if it reasonably believes that the Group has discontinued all meaningful development of the collaborative product for at least 12 months and certain other conditions are met. As of December 31, 2019, no payments or royalties are due under this agreement. As of December 31, 2019, the Group has recorded US$4.0 million (equivalent to approximately RMB27.8 million) of research and development costs in the consolidated statement of comprehensive loss for the year ended December 31, 2019. Additionally, in March 2019, the Group agreed with Tracon and F. Hoffmann-La Roche Ltd ("Roche") on a clinical supply agreement for Roche to supply atezolizumab for use in clinical studies under the collaboration agreement with Tracon.

Licensing Agreement with CSPC Pharmaceutical Group Limited ("CSPC")

In December 2018, the Group entered into a product development agreement with CSPC. The Group granted to CSPC exclusive, non-transferable, non-irrevocable and sublicensable rights in the PRC (excluding Hong Kong, Macau and Taiwan) to develop and commercialize TJ103 for treating type 2 diabetes.

CSPC is responsible for developing, obtaining market approval and commercializing the licensed products. The Group is responsible for transferring the manufacturing technology of the licensed products to CSPC and assisting CSPC in the continued optimization of such manufacturing technology thereafter.

In consideration of the license, CSPC agreed to pay the Group an upfront fee of RMB15.0 million and milestone payments in an aggregate amount of RMB135.0 million conditioned upon achieving certain clinical development and regulatory approval milestones. In addition, the Group is also entitled to royalties of up to low-double-digit percentages in respect of the total annual net sales of the products after its commercialization in the PRC.

18. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and Collaboration Arrangements (Continued)

The Group determined that this collaboration is more reflective of a vendor-customer relationship and therefore within the scope of ASC 606. Under this agreement, the only one performance obligation was to grant TJ103 license to CSPC. considering that the achievements of milestones are constrained such that the transaction price shall initially only include upfront payment and subsequently, once another milestone was achieved (that means when uncertainty associated with the variable consideration is subsequently resolved), the additional milestone payment shall be included in the total transaction price when it is no longer probable that a significant reversal of cumulative revenue would occur in future periods. As of December 31, 2018, the amount received of RMB14.2 million (net of VAT) was recorded as advance from customers in the consolidated balance sheet. In February 2019, an additional amount of RMB0.8 million (net of VAT) was received, and the license was also approved by China intellectual property office in May 2019. The first milestone was achieved in September 2019 and the amount of RMB15.0 million (net of VAT) was received according to the terms of the agreement. Accordingly, RMB30.0 million was recognized as revenue in the consolidated statements of comprehensive loss for the year ended December 31, 2019.

19. Other Income (expenses), Net

The following table summarizes other income (expenses), net recognized for the years ended December 31, 2017, 2018 and 2019:

		Year Ended December 31			
		2017	2018	2019	
	Notes	RMB	RMB	RMB	US$ (Note 2.5)
Loss from conversion of 2017 Notes	14	—	(18,375)	—	—
Loss from conversion of Onshore Convertible Loans	14	—	(8,548)	—	—
Loss from issuance of 2018 Notes	14	—	(5,081)	—	—
Loss on termination agreement with Everest	18	—	—	(23,039)	(3,261)
Fair value change of short-term investments		—	—	703	100
Income from other financial assets		5,572	13,622	—	—
Net foreign exchange gains (losses)		(3,873)	742	1,619	229
Subsidy income		—	750	568	80
Fair value change of other financial assets		—	—	42	6
Others		(172)	110	(98)	(14)
		1,527	(16,780)	(20,205)	(2,860)

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

20. Net Loss Per Share

Basic and diluted net loss per share for each of the periods presented are calculated as follows:

	Year Ended December 31			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
		(in thousands, except for loss per shares)		
Numerator:				
Net loss attributable to I-Mab	(298,240)	(402,833)	(1,451,950)	(205,510)
Deemed dividend to Series C-1 preferred shareholders at extinguishment of Series C-1 Preferred Shares	—	—	(5,283)	(748)
Deemed dividend to Series B-1, B-2 and C preferred shareholders at modification of Series B-1, B-2 and C Preferred Shares	—	—	(27,768)	(3,930)
Net loss attributable to ordinary shareholders	(298,240)	(402,833)	(1,485,001)	(210,188)
Denominator:				
Weighted average number of ordinary shares outstanding—basic and diluted	5,742,669	6,529,092	7,381,230	7,381,230
Net loss per share—basic and diluted	(51.93)	(61.70)	(201.19)	(28.48)

For the years ended December 31, 2017, 2018 and 2019, the effects of all outstanding convertible preferred shares, restricted shares, warrants and certain stock options have been excluded from the computation of diluted loss per share for the years ended December 31, 2017, 2018 and 2019 as their effects would be anti-dilutive.

For the years ended December 31, 2017, 2018 and 2019, the Company also has certain dilutive potential stock options. These stock options which cannot be exercised until the Company completes its listing are not included in the computation of diluted earnings per shares as such contingent event had not taken place.

The potentially dilutive securities that have not been included in the calculation of diluted net loss per share as their inclusion would be anti-dilutive are as follows:

	Year Ended December 31		
	2017	2018	2019
Convertible preferred shares	14,811,182	64,389,968	92,238,119
Convertible promissory notes	673,738	—	—
Restricted shares	1,623,553	1,134,058	—
Stock options	not applicable	not applicable	11,388,776

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(All amounts in thousands, except for share and per share data, unless otherwise noted)

21. Employee Benefits

Full time employees of the Group in the PRC participate in a government mandated defined contribution plan, pursuant to which certain pension benefits, medical care, employee housing fund and other welfare benefits are provided to the employees. Chinese labor regulations require that the PRC subsidiaries of the Group make contributions to the government for these benefits based on certain percentage of the employees' salaries, up to a maximum amount specified by the government. The Group has no legal obligation for the benefits beyond the contribution made. The total amounts charged to the consolidated statements of comprehensive loss for such employee benefits amounted to approximately RMB5,120, RMB9,294 and RMB14,152 for the years ended December 31, 2017, 2018 and 2019, respectively.

22. Commitments and Contingencies

Contingencies

The Group is a party to or an assignee of license and collaboration agreements that may require it to make future payments relating to milestone fees and royalties on future sales of licensed products (Note 18).

The Group did not have significant capital and other commitments, long-term obligations, or guarantees as of December 31, 2018 and 2019.

23. Related Party Balances and Transactions

The table below sets forth the major related parties and their relationships with the Group as of December 31, 2018 and 2019:

Name of related parties	Relationship with the Group
Everest	Controlled by the ultimate controlling party of a principal shareholder of the Group
CMAB Biopharma (Suzhou) Inc.	Controlled by the ultimate controlling party of a principal shareholder of the Group
Tasly Pharmaceutical Group Co., Ltd.	Controlled by the ultimate controlling party of a principal shareholder of the Group

Details of related party balance as of December 31, 2018 and 2019 are as follows:

Research and development funding received*

	As of December 31,		
	2018	2019	
	RMB	RMB	US$ (Note 2.5)
Everest	178,715	—	—

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

23. Related Party Balances and Transactions (Continued)

Ordinary Shares to be issued to Everest*

	As of December 31,		
	2018	2019	
	RMB	RMB	US$ (Note 2.5)
Everest	—	258,119	36,534

*Note: Please refer to Note 18 for further details.

Details of related party transactions for the years ended December 31, 2017, 2018 and 2019 are as follows:

Receipt of CRO services—recognized in research and development expenses

	For the year ended December 31,			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
CMAB Biopharma (Suzhou) Inc.	—	2,786	—	—
Tasly Pharmaceutical Group Co., Ltd.	752	—	5,590	791

Receipt of research and development funding

	For the year ended December 31,			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
Everest (Note 18)	—	178,715	53,148	7,523

24. Concentration of Credit Risk

Financial instruments that are potentially subject to significant concentration of credit risk consist of cash and cash equivalents, restricted cash, short-term investments, other financial assets, contract assets, and other receivables. The carrying amounts of cash and cash equivalents, restricted cash, short-term investments, contract assets, and other financial assets represent the maximum amount of loss due to credit risk. As of December 31, 2018 and 2019, all of the Group's cash and cash equivalents, restricted cash and short-term investments were held by major financial institutions located in the PRC and international financial institutions outside of the PRC which management believes are of high credit quality and continually monitors the credit worthiness of these financial institutions. With respect to the contract assets, other receivables and other financial assets, the Group performs on-going credit evaluations of the financial condition of its customers and counterparties.

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(All amounts in thousands, except for share and per share data, unless otherwise noted)

25. Subsequent Events

The Group evaluated subsequent events through April 29, 2020.

(a) i) On January 17, 2020, the Company completed its IPO and became listed on the Nasdaq Global Market by issuing 7,407,400 American Depositary Shares ("ADSs") at the price of US$14.00 per ADS for a total gross proceeds of US$103.7 million. On February 10, 2020, the underwriters of the IPO have exercised their over-allotment option to purchase an additional 768,350 ADSs of the Company at the IPO price of US$14.00 per ADS. After giving effect to the exercise of the over-allotment option, the Company has issued and sold a total of 8,175,750 ADSs in the IPO, for total gross proceeds of US$114,460,500. Each ten ADSs represent twenty-three ordinary shares of the Company.

ii) On January 17, 2020, the Company also issued 6,078,571 ordinary shares to Everest (see Note 18 for details).

iii) Upon the completion of the IPO, the Company's then outstanding 30,227,056 Series A Preferred Shares, 23,288,783 Series B Preferred Shares, 3,714,580 Series B-1 Preferred Shares, 3,301,849 Series B-2 Preferred Shares, 31,046,360 Series C Preferred Shares and 3,857,143 Series C-1 Preferred Shares were converted into 30,227,056, 23,288,783, 3,714,580, 3,571,427, 34,420,469 and 4,537,814 ordinary shares, respectively.

iv) Upon the completion of the IPO and according to the amendments to 2017 Plan, the maximum aggregate number of shares which may be granted pursuant to all awards under 2017 Plan was changed to 9,609,084. Each of the Company's founders, namely Zheru Zhang, Lili Qian, Zhengyi Wang and Lei Fang surrendered 83,142 unvested stock options that granted to him or her under 2017 Plan before, totally 332,566 unvested options, for no consideration, and these stock options were cancelled immediately. Upon the completion of the IPO and according to the amendments to 2018 Plan, the maximum aggregate number of shares which may be granted pursuant to all awards under 2018 Plan was changed to 11,005,888. The director of the Company, Dr. Jingwu Zhang Zang surrendered 2,544,917 unvested options that granted to him under 2018 Plan, for no consideration, and these stock options were cancelled immediately.

(b) As of the date of these consolidated financial statements, I-Mab has not identified any significant impact on the Group's financial performance as a result of the COVID-19 outbreak. I-Mab will continue to assess potential impact of COVID-19 on its business. Currently, I-Mab expects the COVID-19 worldwide health crisis to have immaterial impact on its business as its operations in China are in conjunction with hospitals located in regions that were relatively less affected by COVID-19. However, as research hospitals and government agencies focus clinical resources on the pandemic, I-Mab believes there could be some delays in regulatory interactions and inspections, and patient recruitment and participation, particularly in the first quarter of 2020. Similarly, the worsening situation of COVID-19 in the U.S. may cause some delays in the on-going clinical trials in the U.S. On the other hand, I-Mab clinical trials in both the U.S. and China involve many clinical sites and hospitals located in many different regions. While the full scope and duration of the crisis is far from clear at this time, I-Mab is actively and diligently working to minimize

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(All amounts in thousands, except for share and per share data, unless otherwise noted)

25. Subsequent Events (Continued)

delays and disruptions to its clinical trials. At the present time, the COVID-19 situation has improved in China, and I-Mab will continue to execute on its regulatory and clinical development goals in China and the U.S.

(c) In March 2020, I-Mab signed a strategic partnership with Kalbe Genexine Biologics for first right of negotiation for an exclusive license to potentially commercialize I-Mab's CD73 antibody, in ASEAN, MENA and Sri Lanka. The deal package is valued up to approximately US$340 million.

Stock Repurchase Program (Unaudited)

On July 15, 2020, the Group announced that its Board of Directors has authorized a stock repurchase program under which the Group may repurchase up to US$20 million of its ordinary shares in the form of American depositary shares.

2020 Share Incentive Plan (Unaudited)

On July 15, 2020, the Group adopted 2020 Share Incentive Plan (the "2020 Plan"). Under the 2020 Plan, the maximum aggregate number of shares which may be issued pursuant to all awards shall be 10,760,513 ordinary shares, provided that the maximum number of shares may be issued pursuant to awards in the form of restricted share units under this plan shall not exceed 7,686,081 ordinary shares. From August 2020 through September 2020, the Group granted 1,068,733 stock options and 4,892,918 restricted share units under 2020 Plan to its employees, respectively.

Global Strategic Partnership with AbbVie (Unaudited)

On September 3, 2020, the Group, through I-Mab Biopharma (Shanghai) Co., Ltd. and I-Mab Biopharma US Limited, each a wholly-owned subsidiary of the Group, entered into a broad global strategic partnership with AbbVie Ireland Unlimited Group ("AbbVie").

Pursuant to this collaboration, the Group will grant AbbVie a global license, excluding Mainland China, Macau, and Hong Kong, to develop and commercialize lemzoparlimab (also known as TJC4), an innovative anti-CD47 monoclonal antibody internally discovered and developed by I-Mab for the treatment of multiple cancers. The Group will retain all rights to develop and commercialize lemzoparlimab (as well as certain other compounds directed against CD47) in Mainland China, Macau, and Hong Kong. AbbVie will conduct further global clinical trials (which the Group may elect to co-fund) to evaluate lemzoparlimab in multiple cancers. This deal also allows for potential collaboration on future CD47-related therapeutic agents, including CD47-based bispecific antibodies and combination therapies with lemzoparlimab and AbbVie's venetoclax (Venclexta®). Each party will have the opportunity subject to rights of first negotiation to further licenses, to explore certain of each other's related CD47-antibody programs in their respective territories. In addition, the Group and AbbVie will share manufacturing responsibilities, with AbbVie being the primary manufacturer supply outside of Mainland China, Hong Kong and Macau and the Group being the primary manufacturer for supply for Mainland China, Hong Kong and Macau. The Group believes that this collaboration will accelerate its establishment of commercial production operations in China.

AbbVie will pay the Group an upfront payment of US$180 million. Additionally, in connection with the recently released clinical data from the Phase 1 trial of lemzoparlimab in the United States, the Group expects to

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

25. Subsequent Events (Continued)

be paid a first milestone payment of US$20 million. The Group will also be eligible to receive up to US$1.74 billion in further success-based development, regulatory and sales milestone payments for lemzoparlimab, of which US$840 million are based on clinical development and regulatory approval milestones, with the remainder based on commercial milestones. Upon commercialization of lemzoparlimab, AbbVie will also pay tiered royalties from low double-digit percentages on global net sales outside of Mainland China, Macau, and Hong Kong. In addition, AbbVie has a license and right of first negotiation to further develop and commercialize two additional lemzoparlimab-based bispecific antibodies discovered and currently being developed by the Group and the Group cannot commercialize products containing these two additional lemzoparlimab-based bispecific antibodies outside of Mainland China, Macau and Hong Kong even if AbbVie does not exercise its right of first negotiation or the both parties are unable to come to financial terms on such products. The potential value of each such license is minimum US$500 million in upfront and milestone payments, for a combined total of no less than US$1 billion.

Private Placement (Unaudited)

On September 4, 2020, the Group announced that it has entered into definitive subscription agreements with a consortium of institutional investors (the "Investors") to raise approximately US$418 million through a private placement. The consortium is led by Hillhouse Capital Group ("Hillhouse"), with significant participation by GIC, and also includes certain other leading Asian and U.S. biotech investment funds, such as Avidity Partners, OrbiMed, Octagon Capital Advisors, Invus, Lake Bleu Capital, Perceptive Advisors, Cormorant Asset Management, Sphera Healthcare and Alyeska Investment Group, L.P. Hillhouse is entitled to nominate one representative to I-Mab's Board of Directors.

The private placement comprises (1) the sale to the Investors of approximately US$418 million of the Group's 29,133,502 ordinary shares (the "Ordinary Shares") (equivalent to 12,666,740 ADSs) at a purchase price equivalent to US$33 per ADS; and (2) warrants (the "Warrants") to subscribe for an aggregate of 5,341,267 Ordinary Shares (equivalent to 2,322,290 ADSs) at an exercise price equivalent to US$45 per ADS, which may further increase the proceeds of approximately US$104.5 million if the Warrants are fully exercised. The Warrants will remain exercisable at the election of the Investors within 12 months after the closing of the private placement.

Transfer of Equity Interest of I-Mab Hangzhou (Unaudited)

On September 15, 2020, I-Mab Biopharma Hong Kong Limited entered into an equity transfer and investment agreement with a group of domestic investors in China, to transfer 40% equity interest of I-Mab Biopharma (Hangzhou) Limited ("I-Mab Hangzhou") to these investors at the consideration of US$120 million in cash and transfer 10% equity interest to the management team shareholding platform that holds the share awards that granted I-Mab Hangzhou's management team and 5% equity interest to the equity incentive shareholding platform that holds the shares for the purpose of future share awards grants respectively with no consideration.

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(All amounts in thousands, except for share and per share data, unless otherwise noted)

26. Restricted Net Assets

The Group's ability to pay dividends may depend on the Group receiving distributions of funds from its PRC subsidiary. Relevant PRC statutory laws and regulations permit payments of dividends by the Group's PRC subsidiary only out of its retained earnings, if any, as determined in accordance with PRC accounting standards and regulations. The results of operations reflected in the consolidated financial statements prepared in accordance with U.S. GAAP differ from those reflected in the statutory financial statements of the Group's PRC subsidiary.

In accordance with the Company law of the PRC, a domestic enterprise is required to provide statutory reserves of at least 10% of its annual after-tax profit until such reserve has reached 50% of its respective registered capital based on the enterprise's PRC statutory accounts. A domestic enterprise is also required to provide discretionary surplus reserve, at the discretion of the Board of Directors, from the profits determined in accordance with the enterprise's PRC statutory accounts. The aforementioned reserves can only be used for specific purposes and are not distributable as cash dividends. The Group's PRC subsidiary was established as domestic invested enterprise and therefore is subject to the above mentioned restrictions on distributable profits.

For the years ended December 31, 2017, 2018 and 2019, no appropriation to statutory reserves was made because the PRC subsidiary had substantial losses during such periods.

As a result of these PRC laws and regulations subject to the limit discussed above that require annual appropriations of 10% of after-tax income to be set aside, prior to payment of dividends, as general reserve fund, the Group's PRC subsidiary is restricted in their ability to transfer a portion of their net assets to the Group.

Foreign exchange and other regulations in the PRC further restrict the Company's PRC subsidiaries from transferring funds to the Company in the form of dividends, loans and advances.

Since the Group has a consolidated shareholders' deficit, its net asset base for purposes of calculating the proportionate share of restricted net assets of consolidated subsidiaries should be zero. Therefore, the restrictions placed on the net assets of the Company's PRC subsidiaries with positive equity would result in the 25 percent threshold being exceeded and a corresponding requirement to provide parent company financial information (Note 27).

27. Condensed Financial Information of the Parent Company

The Company performed a test on the restricted net assets of consolidated subsidiaries in accordance with Securities and Exchange Commission Regulation S-X Rule4-08 (e)(3), "General Notes to Financial Statements" and concluded that it was applicable for the Company to disclose the financial statements for the parent company.

The subsidiaries did not pay any dividends to the Company for the years presented. For the purpose of presenting parent company only financial information, the Company records its investments in its subsidiaries under the equity method of accounting. Such investments are presented on the separate condensed balance sheets of the Company as "Investments (deficit) in subsidiaries" and the loss of the subsidiaries is presented as "share of losses of subsidiaries". Certain information and footnote disclosures generally included in financial statements

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

27. Condensed Financial Information of the Parent Company (Continued)

prepared in accordance with U.S. GAAP have been condensed and omitted. The footnote disclosures contain supplemental information relating to the operations of the Company, as such, these statements should be read in conjunction with the notes to the consolidated financial statements of the Company.

The Company did not have significant capital and other commitments, long-term obligations, other long-term debt, or guarantees as of December 31, 2018 and 2019.

The Company did not have significant capital and other commitments, long-term obligations, other long-term debt, or guarantees as of December 31, 2018 and 2019.

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

27. Condensed Financial Information of the Parent Company (Continued)

Balance sheets

	As of December 31,		
	2018	2019	
	RMB	RMB	US$ (Note 2.5)
Assets			
Current assets			
Cash and cash equivalents	603,234	719,269	101,806
Total current assets	603,234	719,269	101,806
Receivables due from subsidiaries	1,455,048	939,832	133,024
Other non-current assets	—	18,331	2,595
Total assets	**2,058,282**	**1,677,432**	**237,425**
Liabilities, mezzanine equity and shareholders' deficit			
Current liabilities			
Accruals and other payables	—	117,977	16,699
Ordinary shares to be issued to Everest	—	258,119	36,534
Warrant liabilities	5,618	—	—
Total current liabilities	5,618	376,096	53,233
Convertible promissory notes	67,026	68,199	9,653
Deficit in subsidiaries	25,384	163,655	23,163
Total liabilities	**98,028**	**607,950**	**86,049**
Mezzanine equity			
Series A convertible preferred shares (US$0.0001 par value, 30,227,056 shares authorized, issued and outstanding as of December 31, 2018 and 2019)	687,482	687,482	97,037
Series B convertible preferred shares (US$0.0001 par value, 30,305,212 shares authorized, issued and outstanding as of December 31, 2018 and 2019)	921,243	921,243	130,393
Series C convertible preferred shares (US$0.0001 par value, 31,046,360 shares authorized, issued and outstanding as of December 31, 2018 and 2019, respectively)	1,306,633	1,306,633	184,942
Series C-1 convertible preferred shares (US$0.0001 par value, nil and 3,857,143 shares authorized, issued and outstanding as of December 31, 2018 and 2019, respectively)	—	188,819	26,726
Total mezzanine equity	**2,915,358**	**3,104,177**	**439,368**
Shareholders' deficit			
Ordinary shares (US$0.0001 par value, 500,000,000 shares authorized as of December 31, 2018 and 2019, 8,363,719 shares authorized, issued and outstanding as of December 31, 2018 and 2019, respectively)	6	6	1
Treasury stock	(1)	—	—
Additional paid-in capital	—	389,379	55,113
Accumulated other comprehensive income	59,380	70,127	9,926
Accumulated deficit	(1,014,489)	(2,494,207)	(353,032)
Total shareholders' deficit	**(955,104)**	**(2,034,695)**	**(287,992)**
Total liabilities, mezzanine equity and shareholders' deficit	**2,058,282**	**1,677,432**	**237,425**

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

27. Condensed Financial Information of the Parent Company (Continued)

Statements of comprehensive loss

	Year Ended December 31,			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
Operating expenses				
Research and development expenses	(128,721)	(121,734)	(380,143)	(53,806)
Administrative expenses	—	(15,373)	(204,874)	(28,998)
Total operating expenses	**(128,721)**	**(137,107)**	**(585,017)**	**(82,804)**
Interest income (expenses), net	(3,892)	(7,467)	16,995	2,405
Other expenses	—	—	(23,492)	(3,325)
Share of losses of subsidiaries	(151,600)	(319,664)	(866,080)	(122,585)
Fair value change of warrants	(14,027)	61,405	5,644	799
Loss before income tax expense	**(298,240)**	**(402,833)**	**(1,451,950)**	**(205,510)**
Net loss attributable to I-MAB	**(298,240)**	**(402,833)**	**(1,451,950)**	**(205,510)**
Deemed dividend to Series C-1 preferred shareholders at extinguishment of Series C-1 Preferred Shares	—	—	(5,283)	(748)
Deemed dividend to Series B-1, B-2 and C preferred shareholders at modification of Series B-1, B-2 and C Preferred Shares	—	—	(27,768)	(3,930)
Net loss attributable to ordinary shareholders	**(298,240)**	**(402,833)**	**(1,485,001)**	**(210,188)**
Net loss attributable to I-MAB	**(298,240)**	**(402,833)**	**(1,451,950)**	**(205,510)**
Other comprehensive income:				
Foreign currency translation adjustments, net of nil tax	5,918	53,689	10,747	1,521
Total comprehensive loss	**(292,322)**	**(349,144)**	**(1,441,203)**	**(203,989)**

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Notes to the Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

27. Condensed Financial Information of the Parent Company (Continued)

Statements of cash flows

	Year Ended December 31,			
	2017	2018	2019	
	RMB	RMB	RMB	US$ (Note 2.5)
Net cash (used in) generated from operating activities	(132,732)	40,232	(528,322)	(74,779)
Net cash (used in) generated from investing activities	(356,635)	(1,032,483)	449,592	63,636
Net cash generated from financing activities	475,224	1,498,669	183,536	25,978
Effect of exchange rate changes on cash and cash equivalents	4,697	62,587	11,229	1,589
Net (decrease) increase in cash and cash equivalents	(9,446)	569,005	116,035	16,424
Cash and cash equivalents at beginning of the year	43,675	34,229	603,234	85,382
Cash and cash equivalents at end of the year	34,229	603,234	719,269	101,806

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Consolidated Balance Sheet as of December 31, 2019 and
Unaudited Interim Condensed Consolidated Balance Sheet
as of June 30, 2020
(All amounts in thousands, except for share and per share data, unless otherwise noted)

	Notes	As of December 31, 2019	As of June 30, 2020	
		RMB	RMB	US$ (Note 2.5)
Assets				
Current assets				
Cash and cash equivalents	2.6	1,137,473	1,560,031	220,808
Restricted cash	2.7	55,810	—	—
Short-term investments	2.8	32,000	1,926	273
Prepayments and other receivables	3	136,036	131,130	18,560
Total current assets		1,361,319	1,693,087	239,641
Property, equipment and software	4	30,069	26,625	3,769
Operating lease right-of-use assets		16,435	17,592	2,490
Intangible assets	5	148,844	148,844	21,068
Goodwill	6	162,574	162,574	23,011
Other non-current assets		18,331	—	—
Total assets		**1,737,572**	**2,048,722**	**289,979**
Liabilities, mezzanine equity and shareholders' equity (deficit)				
Current liabilities				
Short-term borrowings	7	50,000	—	—
Accruals and other payables	8	273,553	243,068	34,404
Operating lease liabilities, current		6,807	8,202	1,161
Ordinary shares to be issued to Everest	20	258,119	—	—
Total current liabilities		588,479	251,270	35,565
Convertible promissory notes	12	68,199	69,138	9,787
Operating lease liabilities, non-current		7,492	7,254	1,027
Deferred subsidy income	2.13	3,920	7,760	1,098
Other non-current liabilities	8	—	9,424	1,334
Total liabilities		**668,090**	**344,846**	**48,811**
Commitments and contingencies	19			

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Consolidated Balance Sheet as of December 31, 2019 and
Unaudited Interim Condensed Consolidated Balance Sheet
as of June 30, 2020 (Continued)
(All amounts in thousands, except for share and per share data, unless otherwise noted)

	Notes	As of December 31, 2019	As of June 30, 2020	
		RMB	RMB	US$ (Note 2.5)
Mezzanine equity				
Series A convertible preferred shares (US$0.0001 par value, 30,227,056 shares authorized, issued and outstanding as of December 31, 2019, and nil authorized, issued and outstanding as of June 30, 2020)	11	687,482	—	—
Series B convertible preferred shares (US$0.0001 par value, 30,305,212 shares authorized, issued and outstanding as of December 31, 2019, and nil authorized, issued and outstanding as of June 30, 2020)	11	921,243	—	—
Series C convertible preferred shares (US$0.0001 par value, 31,046,360 shares authorized, issued and outstanding as of December 31, 2019, and nil authorized, issued and outstanding as of June 30, 2020)	11	1,306,633	—	—
Series C-1 convertible preferred shares (US$0.0001 par value, 3,857,143 shares authorized, issued and outstanding as of December 31, 2019, and nil authorized, issued and outstanding as of June 30, 2020)	11	188,819	—	—
Total mezzanine equity		**3,104,177**	—	—
Shareholders' equity (deficit)				
Ordinary shares (US$0.0001 par value, 500,000,000 and 800,000,000 shares authorized as of December 31, 2019 and June 30, 2020, respectively; 8,363,719 and 133,006,644 shares issued and outstanding as of December 31, 2019 and June 30, 2020, respectively)	10	6	92	13
Additional paid-in capital		389,379	4,675,991	661,844
Accumulated other comprehensive income		70,127	104,853	14,841
Accumulated deficit		(2,494,207)	(3,077,060)	(435,530)
Total shareholders' equity (deficit)		**(2,034,695)**	**1,703,876**	**241,168**
Total liabilities, mezzanine equity and shareholders' equity (deficit)		**1,737,572**	**2,048,722**	**289,979**

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

I-MAB

Unaudited Interim Condensed Consolidated Statements of Comprehensive Loss
For the Six Months Ended June 30, 2019 and 2020
(All amounts in thousands, except for share and per share data, unless otherwise noted)

		Six Months Ended June 30,		
		2019	2020	
	Notes	RMB	RMB	US$ (Note 2.5)
Revenues				
Licensing and collaboration revenue	15	15,000	—	—
Expenses				
Research and development expenses	2.16	(265,084)	(442,291)	(62,602)
Administrative expenses		(574,584)	(171,384)	(24,258)
Loss from operations		**(824,668)**	**(613,675)**	**(86,860)**
Interest income		12,818	18,955	2,683
Interest expense		(1,936)	(957)	(135)
Other income, net	16	303	12,824	1,815
Fair value change of warrants	13	(43,854)	—	—
Loss before income tax expense		**(857,337)**	**(582,853)**	**(82,497)**
Income tax expense	9	—	—	—
Net loss attributable to I-MAB		**(857,337)**	**(582,853)**	**(82,497)**
Net loss attributable to ordinary shareholders		**(857,337)**	**(582,853)**	**(82,497)**
Net loss attributable to I-MAB		**(857,337)**	**(582,853)**	**(82,497)**
Other comprehensive income (loss):				
Foreign currency translation adjustments, net of nil tax		(4,972)	34,726	4,915
Total comprehensive loss attributable to I-MAB		**(862,309)**	**(548,127)**	**(77,582)**
Net loss attributable to ordinary shareholders		**(857,337)**	**(582,853)**	**(82,497)**
Weighted-average number of ordinary shares used in calculating net loss per share—basic and diluted	17	7,184,086	121,815,986	121,815,986
Net loss per share attributable to ordinary shareholders				
—Basic	17	(119.34)	(4.78)	(0.68)
—Diluted	17	(119.34)	(4.78)	(0.68)

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

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Unaudited Interim Condensed Consolidated Statements of Changes in Shareholders' Equity (Deficit)
For the Six Months Ended June 30, 2019 and 2020
(All amounts in thousands, except for share and per share data, unless otherwise noted)

	Ordinary shares (Note 10) (US$0.001 par value)		Treasury stock	Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Total shareholders' deficit
	Number of shares	Amount					
		RMB	RMB	RMB	RMB	RMB	RMB
Balance as of December 31, 2018	**8,363,719**	**6**	**(1)**	**—**	**59,380**	**(1,014,489)**	**(955,104)**
Foreign currency translation adjustments	—	—	—	—	(4,972)	—	(4,972)
Net loss	—	—	—	—		(857,337)	(857,337)
Share-based compensation	—	—	—	366,356	—	—	366,356
Balance as of June 30, 2019	**8,363,719**	**6**	**(1)**	**366,356**	**54,408**	**(1,871,826)**	**(1,451,057)**
Balance as of December 31, 2019	**8,363,719**	**6**	**—**	**389,379**	**70,127**	**(2,494,207)**	**(2,034,695)**
Foreign currency translation adjustments	—	—	—	—	34,726	—	34,726
Net loss	—	—	—	—	—	(582,853)	(582,853)
Share-based compensation	—	—	—	138,744	—	—	138,744
Capital contribution from stock option surrender (Note 14 (h))	—	—	—	91,051	—	—	91,051
Conversion of preferred shares to ordinary shares upon the completion of initial public offering ("IPO")	99,760,129	69	—	3,104,108	—	—	3,104,177
Issuance of ordinary shares to Everest	6,078,571	4	—	254,844	—	—	254,848
Issuance of ordinary shares upon IPO and over-allotment, net of issuance cost	18,804,225	13	—	697,865	—	—	697,878
Balance as of June 30, 2020	**133,006,644**	**92**	**—**	**4,675,991**	**104,853**	**(3,077,060)**	**1,703,876**

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

I-MAB

Unaudited Interim Condensed Consolidated Statements of Cash Flows
For the Six Months Ended June 30, 2019 and 2020
(All amounts in thousands, except for share and per share data, unless otherwise noted)

	Six Months Ended June 30,		
	2019	2020	
	RMB	RMB	US$ (Note 2.5)
Cash flows from operating activities			
Net loss	(857,337)	(582,853)	(82,497)
Adjustments to reconcile net loss to net cash used in operating activities			
Depreciation of property, equipment and software	4,458	5,092	721
Loss on disposal of property, equipment and software	—	8	1
Fair value change of short-term investments	—	(415)	(59)
Fair value change of warrants	43,854	—	—
Fair value change of other financial assets	508	—	—
Share-based compensation	366,356	229,795	32,525
Amortization of right-of use assets and interest of lease liabilities	2,788	4,063	575
Changes in operating assets and liabilities			
Prepayments and other receivables	6,122	4,906	694
Accruals and other payables	8,696	(19,590)	(2,773)
Advance from customers	(14,151)	—	—
Research and development funding received	51,588	—	—
Deferred subsidy income	1,420	3,840	544
Other non-current liabilities	—	9,424	1,334
Lease liabilities	(3,336)	(4,063)	(575)
Net cash used in operating activities	**(389,034)**	**(349,793)**	**(49,510)**
Cash flows from investing activities			
Purchase of property, equipment and software	(1,930)	(135)	(19)
Proceeds from disposal of short-term investments	12	143,511	20,314
Purchase of short-term investments	—	(113,022)	(15,997)
Cash received from disposal of other financial assets	159,974	—	—
Net cash generated from investing activities	**158,056**	**30,354**	**4,298**

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Unaudited Interim Condensed Consolidated Statements of Cash Flows (Continued)
For the Six Months Ended June 30, 2019 and 2020
(All amounts in thousands, except for share and per share data, unless otherwise noted)

	Six Months Ended June 30,		
	2019	2020	
	RMB	RMB	US$ (Note 2.5)
Cash flows from financing activities			
Proceeds from IPO and over-allotment, net of payment of issuance cost	—	703,798	99,616
Proceeds from bank borrowings	50,000	—	—
Repayment of bank borrowings	(80,000)	(50,000)	(7,077)
Net cash (used in) generated from financing activities	**(30,000)**	**653,798**	**92,539**
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(3,093)	32,389	4,584
Net (decrease) increase in cash and cash equivalents and restricted cash	**(264,071)**	**366,748**	**51,911**
Cash, cash equivalents, and restricted cash, beginning of period	1,680,931	1,193,283	168,897
Cash, cash equivalents, and restricted cash, end of the period	**1,416,860**	**1,560,031**	**220,808**
Additional ASC 842 supplemental disclosures			
Cash paid for fixed operating lease costs included in the measurement of lease obligations in operating activities	3,336	4,462	632
Right-of-use assets obtained in exchange for operating lease obligations	2,952	5,261	745
Other supplemental cash flow disclosures			
Interest paid	1,936	957	135
Non-cash activities			
Payables for purchase of property, equipment and software	—	1,521	215
Accrued initial public offering costs payable	—	5,094	721
Ordinary shares issued to Everest	—	254,848	36,071
Conversion of preferred shares to ordinary shares	—	3,104,177	439,368

The accompanying notes are an integral part of these unaudited interim condensed consolidated financial statements.

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

1. Principal Activities and Organization

I-Mab (the "Company") was incorporated in the Cayman Islands on June 30, 2016 as an exempted company with limited liability under the Companies Law of the Cayman Islands. The Company and its subsidiaries (together the "Group") are principally engaged in discovering and developing transformational biologics in the fields of immuno-oncology and immuno-inflammation diseases in the People's Republic of China (the "PRC") and other countries and regions.

Prior to the incorporation of the Company, the Group carried out its operation in the PRC since November 2014 mainly through Third Venture Biopharma (Nanjing) Co., Ltd. ("Third Venture"), which was incorporated on November 17, 2014 in the PRC. For the purpose of introduction of overseas investors and in preparation for a listing of the Company's shares on the overseas capital markets, the Group underwent a reorganization (the "Reorganization") in 2016. The Reorganization was approved by the Board of Directors and a restructuring framework agreement was entered into by Third Venture, the Company, and the shareholders of the Company based on Reorganization framework agreement, pursuant to which on July 7, 2016, Third Venture transferred all of its assets and operations to the Company's wholly owned subsidiary, I-Mab Biopharma Co., Ltd. ("I-Mab Shanghai"), which was a transaction in which shareholders had identical ownership interests before and after the transaction and was accounted for in a manner similar to a common control transaction.

The Reorganization, as described above has been accounted for at historical cost. That Reorganization was reverse merger of Third Venture and Third Venture is the predecessor of the Company. As such, the assets and liabilities of Third Venture are consolidated in the Company's financial statements at historical cost.

On January 17, 2020, the Company consummated its IPO on the Nasdaq Global Market, where 7,407,400 American Depositary Shares ("ADSs") were issued at the price of US$14.00 per ADS for total gross proceeds of US$104.0 million. On February 10, 2020, the underwriters of the IPO have exercised their over-allotment option to purchase an additional 768,350 ADSs of the Company at the IPO price of US$14.00 per ADS. After giving effect to the exercise of the over-allotment option, the Company has issued and sold a total of 8,175,750 ADSs in the IPO, for total gross proceeds of US$114.5 million. Each ten ADSs represents twenty-three ordinary shares of the Company.

As of June 30, 2020, the Company's principal subsidiaries are as follows:

Subsidiaries	Place of incorporation	Date of incorporation or acquisition	Percentage of direct or indirect ownership by the Company	Principal activities
I-Mab Biopharma Hong Kong Limited	Hong Kong	July 8, 2016	100%	Investment holding
I-Mab Shanghai	PRC	August 24, 2016	100%	Research and development of innovative medicines
I-Mab Bio-tech (Tianjin) Co., Ltd. ("I-Mab Tianjin")	PRC	July 15, 2017	100%	Research and development of innovative medicines
I-Mab Biopharma US Ltd.	U.S.	February 28, 2018	100%	Research and development of innovative medicines

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies

2.1 Basis of presentation

The accompanying unaudited interim condensed consolidated financial statements of the Group have been prepared in accordance with the accounting principles generally accepted in the United States of America ("U.S. GAAP") for interim financial information. Accordingly, they do not include all of the information and footnotes normally included in the annual financial statements prepared in accordance with U.S. GAAP. Certain information and footnote disclosures normally included in the annual financial statements prepared in accordance with U.S. GAAP have been condensed or omitted consistent with Article 10 of Regulation S-X. In the opinion of management, the Group's unaudited interim condensed consolidated financial statements and accompanying notes include all adjustments (consisting of normal recurring adjustments) considered necessary for the fair statement of the Group's financial position as of June 30, 2020, and results of operations and cash flows for the six months ended June 30, 2019 and 2020. Interim results of operations are not necessarily indicative of the results for the full year or for any future period. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements as of and for the year ended December 31, 2019, and related notes included in the Group's audited consolidated financial statements. The financial information as of December 31, 2019 presented in the unaudited interim condensed consolidated financial statements is derived from the audited consolidated financial statements as of December 31, 2019.

Significant accounting policies followed by the Group in the preparation of the accompanying consolidated financial statements are summarized below.

2.2 Basis of consolidation

The accompanying consolidated financial statements reflect the accounts of the Company and all of its subsidiaries in which a controlling interest is maintained. All inter-company balances and transactions have been eliminated in consolidation.

2.3 Use of estimates

The preparation of the consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Estimates are used when accounting for amounts recorded in connection with acquisitions, including initial fair value determinations of assets and liabilities and other intangible assets as well as subsequent fair value measurements. Additionally, estimates are used in determining items such as fair value measurements of wealth management products, impairment of other receivables, long-lived assets, intangible assets and goodwill, useful lives of property, equipment and software, recognition of right-of-use assets and lease liabilities, fair value measurements of warrant liabilities, variable consideration in collaboration revenue arrangements, determination of the standalone selling price of each performance obligation in the Company's revenue arrangements, valuation of share-based compensation arrangements, deferred tax assets valuation allowances. Management bases the estimates on historical experience, known trends and various other assumptions that are believed to be reasonable, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results could differ from those estimates.

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.4 Fair value measurements

Financial assets and liabilities of the Group primarily comprise of cash and cash equivalents, restricted cash, short-term investments, other financial assets, contract assets, other receivables, short-term borrowings, accruals and other payables and warrants liabilities. As of December 31, 2019, and June 30, 2020, except for short-term investments, other financial assets and warrant liabilities, the carrying values of these financial assets and liabilities approximated their fair values because of their generally short maturities. The Group reports short-term investments, other financial assets and warrant liabilities at fair value at each balance sheet date and changes in fair value are reflected in the consolidated statements of comprehensive loss.

The Group measures its financial assets and liabilities using inputs from the following three levels of the fair value hierarchy. The three levels are as follows:

Level 1 inputs are unadjusted quoted prices in active markets for identical assets that the management has the ability to access at the measurement date.

Level 2 inputs include quoted prices for similar assets in active markets, quoted prices for identical or similar assets in markets that are not active, inputs other than quoted prices that are observable for the asset (i.e., interest rates, yield curves, etc.), and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market corroborated inputs).

Level 3 includes unobservable inputs that reflect the management's assumptions about the assumptions that market participants would use in pricing the asset. The management develops these inputs based on the best information available, including the own data.

Assets and liabilities measured at fair value on a recurring basis

The Group measured its short-term investments at fair value on a recurring basis. As the Group's short-term investments are not traded in an active market with readily observable prices, the Group uses significant unobservable inputs to measure the fair value of short-term investments. These instruments are categorized in the Level 3 valuation hierarchy based on the significance of unobservable factors in the overall fair value measurement.

The following table summarizes the Group's financial assets measured and recorded at fair value on a recurring basis as of December 31, 2019 and June 30, 2020:

	As of December 31, 2019			
	Active market (Level 1) RMB	Observable input (Level 2) RMB	Non-observable input (Level 3) RMB	Total RMB
Assets:				
Short-term investments	—	—	32,000	32,000

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.4 Fair value measurements (Continued)

	As of June 30, 2020			
	Active market (Level 1) RMB	Observable input (Level 2) RMB	Non-observable input (Level 3) RMB	Total RMB
Assets:				
Short-term investments	—	—	1,926	1,926

The roll forward of major Level 3 financial assets are as follows:

	Short-term investments
Fair value of Level 3 financial asset as of December 31, 2019	32,000
Purchase of short-term investments	113,022
Disposal of short-term investments	(143,511)
Fair value changes	415
Fair value of Level 3 financial asset as of June 30, 2020	1,926

2.5 Foreign currency translation

The Group uses Chinese Renminbi ("RMB") as its reporting currency. The United States Dollar ("US$") is the functional currency of the Group's entities incorporated in the Cayman Islands, the United States of America ("U.S.") and Hong Kong, the Australia Dollar ("AUD") is the functional currency of the Group's entity incorporated in Australia and the RMB is the functional currency of the Company's PRC subsidiaries.

Transactions denominated in other than the functional currencies are translated into the functional currency of the entity at the exchange rates prevailing on the transaction dates. Assets and liabilities denominated in other than the functional currencies are translated at the balance sheet date exchange rate. The resulting exchange differences are recorded in the consolidated statements of comprehensive loss.

The unaudited interim condensed consolidated financial statements of the Group are translated from the functional currency to the reporting currency, RMB. Assets and liabilities of the subsidiaries are translated into RMB using the exchange rate in effect at each balance sheet date. Income and expenses are translated at the average exchange rates prevailing for the year. Foreign currency translation adjustments arising from these are reflected in the accumulated other comprehensive income. The exchange rates used for translation on December 31, 2019 and June 30, 2020 were US$1.00 = RMB6.9762 and RMB7.0795 respectively, representing the index rates stipulated by the People's Bank of China.

Translations of balances in the consolidated balance sheets, consolidated statements of comprehensive loss, consolidated statements of changes in shareholders' equity (deficit) and consolidated statements of cash flows from RMB into US$ as of and for the six months ended June 30, 2020 are solely for the convenience of the readers and were calculated at the rate of US$1.00=RMB7.0651, representing the noon buying rate in The City of New York for cable transfers of RMB as certified for customs purposes by the Federal Reserve Bank of New

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.5 Foreign currency translation (Continued)

York on June 30, 2020. No representation is made that the RMB amounts could have been, or could be, converted, realized or settled into US$ at that rate on June 30, 2020, or at any other rate. The US$ convenience translation is not required under U.S. GAAP and all US$ convenience translation amounts in the accompanying consolidated financial statements are unaudited.

2.6 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and bank deposits, which are unrestricted as to withdrawal and use. The Company considers all highly liquid investments with an original maturity date of three months or less at the date of purchase to be cash equivalents.

2.7 Restricted cash

Restricted cash consists of the guarantee deposits held in a designated bank account as security deposits under bank borrowing agreements. Such restricted cash was released when the Group repaid the related bank borrowings.

2.8 Short-term investments

Short-term investments represent the investments issued by commercial banks or other financial institutions with a variable interest rate indexed to the performance of underlying assets within one year. These investments are stated at fair value. Changes in the fair value are reflected in the consolidated statements of comprehensive loss.

2.9 Property, equipment and software

Property, equipment and software are stated at cost less accumulated depreciation and amortization. Depreciation and amortization is computed using the straight-line method over the following estimated useful lives, taking into account any estimated residual value:

Laboratory equipment	3 to 5 years
Software	2 to 5 years
Office furniture and equipment	5 years
Leasehold improvements	Lesser of useful life or lease term

The Group recognized the gain or loss on the disposal of property, equipment and software in the consolidated statements of comprehensive loss.

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.10 Intangible assets

Intangible assets with definite useful lives are amortized to their estimated residual values over their estimated useful lives and reviewed for impairment if certain events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Amortization is initiated for in-process research and development (IPR&D) intangible assets that are acquired from business combination when their useful lives have been determined. IPR&D intangible assets which are determined to have an impairment in their fair value are adjusted downward and an expense recognized in research and development in the consolidated statements of comprehensive loss. These IPR&D intangible assets are tested at least on an annual basis on December 31 or when a triggering event occurs that could indicate a potential impairment (see Note 5).

2.11 Impairment of long-lived assets

Long-lived assets are reviewed for impairment in accordance with authoritative guidance for impairment or disposal of long-lived assets. Long-lived assets are reviewed for events or changes in circumstances, which indicate that their carrying value may not be recoverable. Long-lived assets are reported at the lower of carrying amount or fair value less cost to sell. For the year ended December 31, 2019 and six months ended June 30, 2020, there was no impairment of the value of the Group's long-lived assets.

2.12 Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. The Group allocates the cost of an acquired entity to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition. The excess of the purchase price for acquisitions over the fair value of the net assets acquired, including other intangible assets, is recorded as goodwill. Goodwill is not amortized, but impairment of goodwill assessment is performed on at least an annual basis on December 31 or whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable.

The Group has elected to first assess qualitative factors to determine whether it is more likely than not that the fair value of the Group's reporting unit is less than its carrying amount, including goodwill. The qualitative assessment includes the Group's evaluation of relevant events and circumstances affecting the Group's single reporting unit, including macroeconomic, industry, market conditions and the Group's overall financial performance. If qualitative factors indicate that it is more likely than not that the Group's reporting unit's fair value is less than its carrying amount, then the Group will perform the quantitative impairment test by comparing the reporting unit's carrying amount, including goodwill, to its fair value. If the carrying amount of the reporting unit exceeds its fair value, an impairment loss will be recognized in an amount equal to that excess. For the year ended December 31, 2019 and six months ended June 30, 2020, the Group determined that there were no indicators of impairment of the goodwill.

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.13 Deferred subsidy income

Deferred subsidy income consists of deferred income from government grants. Government grants mainly consist of cash subsidies received by the Group's subsidiaries in the PRC from local governments as support on expenses relating to certain projects. Grants received with government specified performance obligations are recognized when all the obligations have been fulfilled. If such obligations are not satisfied, the Group may be required to refund the subsidy. Cash grants of RMB3,920 was recorded in deferred subsidy income as of December 31, 2019. As of June 30, 2020, cash grants of RMB7,760 was recorded in deferred subsidy income, which will be recognized when the government specified performance obligation is satisfied, which is expected to be more than 12 months after June 30, 2020.

2.14 Revenue recognition

The Group adopted Accounting Standard Codification ("ASC") 606, *Revenue from Contracts with Customers* (Topic 606) ("ASC 606") for all periods presented. Consistent with the criteria of Topic 606, the Group recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to receive in exchange for those goods or services.

Under ASC 606, an entity recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration that the entity expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the entity performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price, including variable consideration, if any; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation. The Group only applies the five-step model to contracts when it is probable that the entity will collect substantially all the consideration to which it is entitled in exchange for the goods or services it transfers to the customer.

Once a contract is determined to be within the scope of ASC 606 at contract inception, the Group audits the contract to determine which performance obligations it must deliver and which of these performance obligations are distinct. The Group recognizes as revenue the amount of the transaction price that is allocated to each performance obligation when that performance obligation is satisfied or as it is satisfied.

Collaboration revenue

At contract inception, the Group analyzes its collaboration arrangements to assess whether they are within the scope of ASC 808, *Collaborative Arrangements* ("ASC 808") to determine whether such arrangements involve joint operating activities performed by parties that are both active participants in the activities and exposed to significant risks and rewards dependent on the commercial success of such activities. For collaboration arrangements within the scope of ASC 808 that contain multiple elements, the Group first determines if the collaboration is deemed to be within the scope of ASC 808. For any units of account that are reflective of a vendor-customer relationship those units of account are accounted for within the scope of ASC 606. For any units of account that are not accounted for under ASC 606 and therefore accounted for pursuant to ASC 808, an appropriate recognition method is determined and applied consistently.

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

2. Principal Accounting Policies (Continued)

2.14 Revenue recognition (Continued)

The Group's collaborative arrangements may contain more than one unit of account, or performance obligation, including grants of licenses to intellectual property rights, agreement to provide research and development services and other deliverables. The collaborative arrangements do not include a right of return for any deliverable. As part of the accounting for these arrangements, the Group must develop assumptions that require judgment to determine the stand-alone selling price for each performance obligation identified in the contract. In developing the stand-alone selling price for a performance obligation, the Group considers competitor pricing for a similar or identical product, market awareness of and perception of the product, expected product life and current market trends. In general, the consideration allocated to each performance obligation is recognized when the respective obligation is satisfied either by delivering a good or providing a service, limited to the consideration that is not constrained.

When the timing of the delivery of product is different from the timing of payments made by the customers, the Group recognizes either a contract asset (performance precedes the contractual due date) or a contract liability (customer payment precedes performance). The Group's contractual payment terms are typically due in no more than 30 days from invoicing. In limited situations, certain customer contractual payment terms require the Group to bill in arrears; thus, the Group satisfies some or all of the performance obligations before the Group is contractually entitled to bill the customer. In these situations, billing occurs subsequent to revenue recognition, which results in a contract asset. A receivable is recorded when the Group has an unconditional right to consideration. A right to consideration is unconditional if only the passage of the time is required before payment of the consideration is due. A contract asset is recorded when the Group has transferred products or services to the customer before payment is received or is due, and the Group's right to consideration is conditional on future performance or other factors in the contract. For example, certain of the contractual arrangements do not permit the Group to bill until the completion of the production of the samples. In other limited situations, certain customer contractual payment terms allow the Group to bill in advance; thus, the Group receives customer cash payment before satisfying some or all of its performance obligations. In these situations, billing occurs in advance of revenue recognition, which results in contract liabilities.

Licenses of Intellectual Property: Upfront non-refundable payments for licensing the Group's intellectual property are evaluated to determine if the license is distinct from the other performance obligations identified in the arrangement. For licenses determined to be distinct, the Group recognizes revenues from non-refundable, up-front fees allocated to the license at a point in time, when the license is transferred to the licensee and the licensee is able to use and benefit from the license.

Research and Development Services: The portion of the transaction price allocated to research and development services performance obligations is deferred and recognized as revenue over time as delivery or performance of such services provided to the Group's customers occurs.

Milestone Payments: At the inception of each arrangement that includes development, commercialization, and regulatory milestone payments, the Group evaluates whether the milestones are considered probable of being reached and to the extent that a significant reversal of cumulative revenue would not occur in future periods, estimates the amount to be included in the transaction price using the most likely

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2. Principal Accounting Policies (Continued)

2.14 Revenue recognition (Continued)

amount method. The transaction price is then allocated to each performance obligation on a relative stand-alone selling price basis, for which the Group recognizes revenue as or when the performance obligations under the contract are satisfied. At the end of each subsequent reporting period, the Group re-evaluates the probability of achieving such development milestones and any related constraint, and if necessary, adjust the estimate of the overall transaction price. Any such adjustments are recorded on a cumulative catch-up basis, which would affect revenues and earnings in the period of adjustment.

Royalties: For arrangements that include sales-based royalties, including milestone payments based on the level of sales, and the license is deemed to be the predominant item to which the royalties or milestone payments based on the level of sales relate, the Group recognizes revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied).

2.15 Value-added-tax ("VAT") recoverable and surcharges

Value added tax recoverable represent amounts paid by the Group for purchases. The surcharges (i.e., Urban construction and maintenance tax, educational surtax, local educational surtax), vary from 6% to 17% of the value-added-tax depending on the tax-payer's location. The deductible input VAT balance is reflected in the prepayments and other receivables, and VAT payable balance is recorded in the accruals and other payables.

2.16 Research and development expenses

Elements of research and development expenses primarily include (1) payroll and other related expenses of personnel engaged in research and development activities, (2) in-licensed patent rights fee of exclusive development rights of drugs granted to the Group, (3) expenses related to preclinical testing of the Group's technologies under development and clinical trials such as payments to contract research organizations ("CRO"), investigators and clinical trial sites that conduct the clinical studies (4) expenses to develop the product candidates, including raw materials and supplies, product testing, depreciation, and facility related expenses, (5) other research and development expenses. Research and development expenses are charged to expense as incurred when these expenditures relate to the Group's research and development services and have no alternative future uses.

The Group has acquired rights to develop and commercialize product candidates. Upfront payments that relate to the acquisition of a new drug compound, as well as pre-commercial milestone payments, are immediately expensed as acquired in-process research and development in the period in which they are incurred, provided that the new drug compound did not also include processes or activities that would constitute a "business" as defined under U.S. GAAP, the drug has not achieved regulatory approval for marketing and, absent obtaining such approval, has no established alternative future use. Milestone payments made to third parties subsequent to regulatory approval would be capitalized as intangible assets and amortized over the estimated remaining useful life of the related product. The conditions enabling capitalization of development expenses as an asset have not yet been met and, therefore, all development expenditures are recognized in profit or loss when incurred.

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2. Principal Accounting Policies (Continued)

2.17 Leases

In accordance with ASC 842 adopted on January 1, 2019, the Group determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use ("ROU") assets, operating lease liability, and operating lease liability, non-current in the Group's consolidated balance sheets. The Group does not have any finance leases since the adoption date.

ROU assets represent the Group's right to use an underlying asset for the lease term and lease liabilities represent the Group's obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. When determining the lease term, the Group includes options to extend or terminate the lease when it is reasonably certain that it will exercise that option, if any. As the Group's leases do not provide an implicit rate, the Group uses its incremental borrowing rate, which it calculates based on the credit quality of the Group and by comparing interest rates available in the market for similar borrowings, and adjusting this amount based on the impact of collateral over the term of each lease.

The Group has elected to adopt the following lease policies in conjunction with the adoption of ASU 2016-02: (i) elect for each lease not to separate non-lease components from lease components and instead to account for each separate lease component and the non-lease components associated with that lease component as a single lease component; (ii) for leases that have lease terms of 12 months or less and does not include a purchase option that is reasonably certain to exercise, the Group elected not to apply ASC 842 recognition requirements; and (iii) the Group elected to apply the package of practical expedients for existing arrangements entered into prior to January 1, 2019 to not reassess (a) whether an arrangement is or contains a lease, (b) the lease classification applied to existing leases, and (c) initial direct costs.

In connection with the adoption of ASC 842, on January 1, 2019, the Company recorded an impact of RMB13,100 on its assets and RMB11,333 on its liabilities for the recognition of operating lease right-of-use-assets and operating lease liabilities, respectively, which are primarily related to the lease of the Group's offices and warehouses. The adoption of ASC 842 did not have a material impact on the Company's results of operations or cash flows.

2.18 Comprehensive loss

Comprehensive loss is defined as the changes in equity of the Group during a period from transactions and other events and circumstances excluding transactions resulting from investments by owners and distributions to owners. Among other disclosures, ASC 220, Comprehensive Income, requires that all items that are required to be recognized under current accounting standards as components of comprehensive loss be reported in a financial statement that is displayed with the same prominence as other financial statements. For each of the periods presented, the Group's comprehensive loss includes net loss and foreign currency translation adjustments, which are presented in the consolidated statements of comprehensive loss.

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2. Principal Accounting Policies (Continued)

2.19 Share-based compensation

The Company grants restricted shares and stock options to eligible employees and accounts for share-based compensation in accordance with ASC 718, Compensation—Stock Compensation.

Employees' share-based compensation awards are measured at the grant date fair value of the awards and recognized as expenses a) immediately at the grant date if no vesting conditions are required; or b) for share based awards granted with only service conditions, using the graded vesting method net of estimated forfeitures over the vesting period; or c) for share-based awards granted with service conditions and the occurrence of an initial public offering ("IPO") as performance condition cumulative share-based compensation expenses for the options that have satisfied the service condition should be recorded upon the completion of the IPO using the graded vesting method.

A change in any of the terms or conditions of share-based awards is accounted for as a modification of the awards. The Group calculates incremental compensation expense of a modification as the excess of the fair value of the modified awards over the fair value of the original awards immediately before its terms are modified at the modification date. For vested awards, the Group recognizes incremental compensation cost in the period when the modification occurs. For awards not being fully vested, the Group recognizes the sum of the incremental compensation expense and the remaining unrecognized compensation expense for the original awards over the remaining requisite service period after modification.

Share-based compensation in relation to the restricted shares is measured based on the fair market value of the Group's ordinary shares at the grant date of the award. Prior to the listing, estimation of the fair value of the Group's ordinary shares involves significant assumptions that might not be observable in the market, and a number of complex and subjective variables, including discount rate, and subjective judgments regarding the Group's projected financial and operating results, its unique business risks, the liquidity of its ordinary shares and its operating history and prospects at the time the grants are made. Share-based compensation in relation to the share options is estimated using the Binominal Option Pricing Model. The determination of the fair value of share options is affected by the share price of the Group's ordinary shares as well as the assumptions regarding a number of complex and subjective variables, including the expected share price volatility, risk-free interest rate, exercise multiple and expected dividend yield. The fair value of these awards was determined with the assistance from an independent valuation firm.

2.20 Income taxes

The Group accounts for income taxes under the liability method. Under the liability method, deferred income tax assets and liabilities are determined based on the differences between the financial reporting and income tax bases of assets and liabilities and are measured using the tax income rates that will be in effect when the differences are expected to reverse. A valuation allowance is recorded if it is more likely than not that some portion or all of the deferred income tax assets will not be utilized in the foreseeable future.

The Group evaluates its uncertain tax positions using the provisions of ASC 740-10, Income Taxes, which prescribes a recognition threshold that a tax position is required to meet before being recognized in the

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2. Principal Accounting Policies (Continued)

2.20 Income taxes (Continued)

financial statements. The Group recognizes in the financial statements the benefit of a tax position which is ‘‘more likely than not’’ to be sustained under examination based solely on the technical merits of the position assuming a review by tax authorities having all relevant information. Tax positions that meet the recognition threshold are measured using a cumulative probability approach, at the largest amount of tax benefit that has a greater than fifty percent likelihood of being realized upon settlement. It is the Group’s policy to recognize interest and penalties related to unrecognized tax benefits, if any, as a component of income tax expense.

2.21 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortized cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognized in the consolidated statements of comprehensive loss over the period of the borrowings using the effective interest method.

2.22 Segment information

In accordance with ASC 280, Segment Reporting, the Group’s chief operating decision maker, the Chief Executive Officer, reviews the consolidated results when making decisions about allocating resources and assessing performance of the Group as a whole and hence, the Group has only one reportable segment. The Group does not distinguish between markets or segments for the purpose of internal reporting. As the Group’s long-lived assets are substantially located in and derived from the PRC, no geographical segments are presented.

2.23 Loss per share

Basic loss per share is computed by dividing net loss attributable to ordinary shareholders by the weighted average number of ordinary shares outstanding during the period using the two-class method. Under the two-class method, the net loss is allocated between ordinary shares and other participating securities based on their participating rights. Net loss is not allocated to other participating securities if based on their contractual terms they are not obligated to share in the loss. Diluted loss per share is calculated by dividing net loss attributable to ordinary shareholders by the weighted average number of ordinary and dilutive ordinary equivalent shares outstanding during the period. Ordinary equivalent shares consist of shares issuable upon the conversion of the preferred shares using the if-converted method, shares issuable upon the exercise of share options using the treasury stock method, shares issuable upon the conversion of the convertible promissory notes using the if-converted method, and shares issuable upon the exercise of warrants using the treasury stock method. Ordinary equivalent shares are not included in the denominator of the diluted loss per share calculation when inclusion of such shares would be anti-dilutive.

2.24 Adopted accounting pronouncements

In June 2016, the FASB issued ASU 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (“ASU 2016-13”). This guidance requires that financial

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2. Principal Accounting Policies (Continued)

2.24 Adopted accounting pronouncements (Continued)

assets measured at amortized cost be presented at the net amount expected to be collected. The measurement of expected credit losses is based on historical experience, current conditions, and reasonable and supportable forecasts that affect the collectability. In November 2018, the FASB issued ASU 2018-19, Codification Improvements to Topic 326, Financial Instruments-Credit Losses ("ASU 2018-19"), which clarifies certain topics included within ASU 2016-13. ASU 2016-13 and ASU 2018-19 are effective for the annual reporting period beginning after December 15, 2019, including interim periods within that reporting period. The impact of this ASU to the consolidated financial statements is immaterial. The Group elected to adopt this ASU and applied this guidance retrospectively to all periods presented.

In January 2017, the FASB issued ASU 2017-04, Intangibles—Goodwill and Other (Topic 350), which simplifies the subsequent measurement of goodwill by removing the second step of the two-step impairment test. The amendment requires an entity to perform its annual or interim goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount. A goodwill impairment will be the amount by which a reporting unit's carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. The Group adopted this ASU on January 1, 2020 and the adoption of this ASU does not have a material impact to its consolidated financial statements.

In August 2018 the FASB issued ASU No. 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement. This standard modifies certain disclosure requirements on fair value measurements. This standard became effective for us on January 1, 2020.

In November 2018 the FASB issued ASU No. 2018-18, Collaborative Arrangements (Topic 808): Clarifying the Interaction between Topic 808 and Topic 606. This standard makes targeted improvements for collaborative arrangements as follows:

- Clarifies that certain transactions between collaborative arrangement participants should be accounted for as revenue under ASC 606, Revenue from Contracts with Customers, when the collaborative arrangement participant is a customer in the context of a unit of account. In those situations, all the guidance in ASC 606 should be applied, including recognition, measurement, presentation and disclosure requirements;

- Adds unit-of-account guidance to ASC 808, Collaborative Arrangements, to align with the guidance in ASC 606 (that is, a distinct good or service) when an entity is assessing whether the collaborative arrangement or a part of the arrangement is within the scope of ASC 606; and

- Precludes a company from presenting transactions with collaborative arrangement participants that are not directly related to sales to third parties with revenue recognized under ASC 606 if the collaborative arrangement participant is not a customer.

This standard became effective for the Group on January 1, 2020. A retrospective transition approach is required for either all contracts or only for contracts that are not completed at the date of initial application of

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2. Principal Accounting Policies (Continued)

2.24 Adopted accounting pronouncements (Continued)

ASC 606, with a cumulative adjustment to opening retained earnings. Since the Group's all relevant units of accounts were accounted for under ASC 606, the adoption of this ASU does not have a material impact to the Group's consolidated financial statements, with no adjustment to its opening retained earnings.

2.25 Recent accounting pronouncements

In December 2019, the FASB issued ASU 2019-12-Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes. The amendments in ASU 2019-12 simplify the accounting for income taxes by removing certain exceptions to the general principles in Topic 740. The amendments also improve consistent application of and simplify GAAP for other areas of Topic 740 by clarifying and amending existing guidance. ASU 2019-12 is effective for the Company beginning on January 1, 2022. Early adoption of the amendments is permitted. The Company is currently evaluating the impact of ASU 2019-12 on its consolidated financial statements.

3. Prepayments and Other Receivables

	As of December 31, 2019	As of June 30, 2020	
	RMB	RMB	US$ (Note 2.5)
Prepayments:			
—Prepayments to CRO vendors	78,740	82,742	11,711
—Prepayments for other services	880	1,153	163
Receivables due from employees (Note)	16,201	—	—
Value-added tax recoverable	12,517	15,856	2,244
Rental deposits	546	1,478	209
Interest receivables	764	2,987	423
Others	26,388	26,914	3,810
	136,036	131,130	18,560

Note: The balance mainly represented the receivables due from employees, which were arising from the Group's obligation to pay the withholding individual income tax ("IIT") for those employees' stock option activities and was collected by the Group in January 2020.

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4. Property, Equipment and Software

Property, equipment and software consist of the following:

	As of December 31, 2019	As of June 30, 2020	
	RMB	RMB	US$ (Note 2.5)
Cost			
Laboratory equipment	24,265	24,634	3,487
Leasehold improvement	11,856	12,222	1,730
Software	10,220	10,230	1,448
Office furniture and equipment	1,526	1,526	216
Total property, equipment and software	47,867	48,612	6,881
Less: accumulated depreciation and amortization	(18,221)	(23,312)	(3,300)
Net book value	29,646	25,300	3,581
Construction in progress	423	1,325	188
Total net book value of property, equipment and software	30,069	26,625	3,769

The total amounts charged to the interim condensed consolidated statements of comprehensive loss for depreciation and amortization expenses amounted to approximately RMB4.5 million and RMB5.1 million for the six months ended June 30, 2019 and 2020, respectively.

5. Intangible Assets

Intangible assets as of December 31, 2019 and June 30, 2020 are summarized as follows:

	As of December 31, 2019	As of June 30, 2020	
	RMB	RMB	US$ (Note 2.5)
Cost			
IPR&D	148,844	148,844	21,068
Less: accumulated amortization	—	—	—
Net book value	148,844	148,844	21,068

IPR&D represents the fair value assigned to research and development assets that the Group acquired from business combination of I-Mab Tianjin and its subsidiaries including Chengdu Tasgen Bio-Tech Co., Ltd. and Shanghai Tianyunjian Bio-Tech Co., Ltd. (together the "Tasgen Group") in 2017 and had not reached

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5. Intangible Assets (Continued)

technological feasibility at the date of acquisition. Upon commercialization, the Group will determine the estimated useful life and amortize these amounts based upon an economic consumption method. As of December 31, 2019, and June 30, 2020, there was no impairment of the value of the Group's intangible assets.

6. Goodwill

On July 15, 2017, the Group acquired 66.67% of the equity interests in the Tasgen Group by issuing convertible preferred shares and controlled the board of directors and business of I-Mab Tianjin since then. Tasgen Group is principally engaged in the research and development of innovative medicines and the Group acquired Tasgen Group for its research team, technical experience, and IPR&D pipeline assets (see Note 5). As of December 31, 2019 and June 30, 2020, the goodwill of RMB162,574 (US$23,011) represented the goodwill generated from the aforementioned acquisition of Tasgen Group and the business of Tasgen Group was fully integrated into the Company after the acquisition. There was no impairment of the value of the Group's goodwill.

As of December 31, 2019 and June 30, 2020, the Group performed a qualitative assessment by evaluating relevant events and circumstances that would affect the Group's single reporting unit and did not note any indicator that it is more likely than not that the fair value of the Group's reporting unit is less than its carrying amount and therefore the Group's goodwill was not impaired.

7. Short-term Borrowings

In June 2019, I-Mab Bio-tech (Tianjin) Co., Ltd. borrowed a loan of RMB50,000 from China Merchant Bank Co., Ltd. for a term of one year and at the interest rate of 4.15% per annum. To facilitate this borrowing, another subsidiary of the Company in Hong Kong placed cash deposits of US$8,000 (equivalent to approximately RMB55,810) with the bank. The use of such cash deposits and the interest earned thereon are restricted by the bank during the period of the borrowing. The deposits have a one-year term and bear interest at 2.63% per annum. The borrowing was repaid in June 2020.

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8. Accruals and Other Payables

	As of December 31, 2019	As of June 30, 2020	
	RMB	RMB	US$ (Note 2.5)
Current:			
Staff salaries and welfare payables	30,166	18,875	2,672
Accrued external research and development activities related expenses	144,000	155,973	22,077
Accrued initial public offering costs payable	17,504	5,094	721
Withholding IIT payable related to stock options	16,201	—	—
Non-refundable incentive payment from depositary bank (Note)	—	2,630	372
Accrued traveling expenses, office expenses and others	65,682	60,496	8,562
	273,553	243,068	34,404
Non-current:			
Non-refundable incentive payment from depositary bank (Note)	—	9,424	1,334

Note: The Group received a non-refundable incentive payment of US$1,857 (equivalent to approximately RMB13,150) from depositary bank in April 2020. The amount will be recorded ratably as other gains over a five-year arrangement period. For the six months ended June 30, 2020, the Group has recorded RMB1,090 as other income in the interim condensed consolidated financial statements.

9. Income Taxes

The Group has incurred net accumulated operating losses for income tax purposes since its inception. The Group believes that it is more likely than not that these net accumulated operating losses will not be utilized in the future. Therefore, the Group has provided full valuation allowances for the deferred tax assets as of December 31, 2019 and June 30, 2020.

10. Ordinary Shares

As of December 31, 2019 and June 30, 2020, 500,000,000 ordinary shares had been authorized by the Company. Each ordinary share is entitled to one vote. The holders of ordinary shares are also entitled to receive dividends whenever funds are legally available and when declared by the Board of Directors of the Company.

On October 29, 2019, the Company's shareholders and board of directors approved that immediately prior to the completion of initial public offering, the Company's authorized share capital will be changed into US$80,000 divided into 800,000,000 ordinary shares of a par value of US$0.0001 each.

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10. Ordinary Shares (Continued)

On January 17, 2020, the Company completed its IPO and became listed on the Nasdaq Global Market by issuing 7,407,400 American Depositary Shares ("ADSs") at the price of US$14.00 per ADS for total gross proceeds of US$103.7 million. On February 10, 2020, the underwriters of the IPO have exercised their over-allotment option to purchase an additional 768,350 ADSs of the Company at the IPO price of US$14.00 per ADS. After giving effect to the exercise of the over-allotment option, the Company has issued and sold a total of 8,175,750 ADSs in the IPO, for total net proceeds of US$101.3 million(equivalent to RMB697,788), netting of issuance cost from total gross proceeds of US$114.5 million. Each ten ADSs represent twenty-three ordinary shares of the Company.

On January 17, 2020, the Company also issued 6,078,571 ordinary shares to Everest (see Note 15 for details).

Upon the completion of the IPO, the Company's then outstanding 30,227,056 Series A Preferred Shares, 23,288,783 Series B Preferred Shares, 3,714,580 Series B-1 Preferred Shares, 3,301,849 Series B-2 Preferred Shares, 31,046,360 Series C Preferred Shares and 3,857,143 Series C-1 Preferred Shares were converted into 30,227,056, 23,288,783, 3,714,580, 3,571,427, 34,420,469 and 4,537,814 ordinary shares, respectively.

11. Convertible Preferred Shares

On January 17, 2020, immediately prior to the completion of the Company's IPO, all of the convertible redeemable preferred shares were converted to ordinary shares. Prior to their conversion, the convertible redeemable preferred shares were entitled to certain privileges over ordinary shares with respect to dividends, conversion, and liquidation. The transactions and impact are disclosed as below.

On October 18, 2016, the Company issued 5,141,587 shares of Series A-1 and A-2 Preferred Shares with a consideration of US$11,282 (equivalent to approximately RMB74,742). In connection with the Series A-1 and A-2 Preferred Shares issuance, the Company also issued 2,246,744 warrant to purchase its Series A-3 Preferred Shares ("Series A-3 Warrants" and see Note 13).

On September 6, 2017, in connection with the Group's acquisition of Tasgen Group, the Company issued 16,723,646 shares of Series A-3 Preferred Shares at a price of US$2.55 per share with a total consideration of US$42,645 (equivalent to approximately RMB289,024).

Series A-1 Preferred Shares, Series A-2 Preferred Shares and Series A-3 Preferred Shares are also referred to as Series A Preferred Shares.

On September 22, 2017, the Company issued 15,894,594 shares of Series B Preferred Shares with a consideration of US$52,546 (equivalent to approximately RMB346,515). In connection with the Series B Preferred Shares issuance, the Company also issued convertible promissory notes that are convertible into Series B-1 Preferred Shares ("2017 Notes" and see Notes 12) and 5,633,780 warrants to purchase its Series B-2 Preferred Shares ("Series B Warrant" and see Note 13).

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11. Convertible Preferred Shares (Continued)

Concurrently with the Company's issuance of Series B Preferred Shares, the Company also completed a round of onshore financing with respect to the Group's subsidiary I-MAB Tianjin ("Series B Onshore Financing"). Series B Onshore Financing comprised 1) capital injection to I-Mab Tianjin by a number of investors ("Series B Onshore Investors") (see Note 12), 2) I-Mab Tianjin's issuance of convertible loans ("Onshore Convertible Loans" and see Note 12), and 3) the Company's issuance of 2,620,842 warrants to purchase its Series B-2 Preferred Shares ("Series B Warrants" and see Note 13).

On June 29, 2018, the Company issued total 8,361,823 shares of Series A-3 Preferred Shares upon exercise of Series A-3 Option held by its holder.

On June 29, 2018, the Company issued 2,535,201 shares of Series B-1 Preferred Shares upon conversion of 2017 Notes and issued 2,253,512 shares of Series B-2 Preferred Shares upon exercise of Series B Warrant by Series B preferred shareholders.

On June 29, 2018, the Company issued 5,938,640 shares of Series B Preferred Shares upon exercise of the Series B Option held by a Series B Onshore Investor and issued 947,218 shares of Series B-1 Preferred Shares upon conversion of Onshore Convertible Loans by a Series B Onshore Investor (see Note 12), respectively.

On July 6, 2018, the Company issued 1,455,549 shares of Series B Preferred Shares upon exercise of the Series B Option held by a Series B Onshore Investor, issued 232,161 shares of Series B-1 Preferred Shares upon conversion of Onshore Convertible Loans by a Series B Onshore Investor (see Note 12) and issued 1,048,337 shares of Series B-2 Preferred Shares upon exercise of Series B Warrant by Series B Onshore Investors, respectively.

Series B Preferred Shares, Series B-1 Preferred Shares and Series B-2 Preferred Shares are also referred to as Series B Preferred Shares.

On July 6, 2018, the Company issued 31,046,360 shares of Series C Preferred Shares at a price of US$6.4419 per share with a total consideration of US$200,000 (equivalent to approximately RMB1,323,363). In connection with the offering of the Series C Preferred Shares, the Company incurred issuance costs of RMB16,730.

On July 25, 2019, the Group entered into a share purchase agreement with certain third party investors, under which these investors will subscribe for an aggregate of 3,857,143 Series C-1 convertible preferred shares of the Company for an aggregate purchase price of US$27.0 million. Out of the aforementioned subscription of 3,857,143 Series C-1 convertible preferred shares by certain third party investors, 1,428,571 Series C-1 convertible preferred shares were issued to an investor on October 17, 2019, and the Group also received the cash consideration of US$10,000 (equivalent to approximately RMB70,036). On November 6, 2019, the Group received cash consideration of US$17,000 (equivalent to approximately RMB119,387) for the remaining 2,428,572 Series C-1 convertible preferred shares from the investors and the issuance of such 2,428,572 Series C-1 convertible preferred shares were consummated on that day. In connection with the offering of the Series C-1 convertible preferred shares, the Company incurred issuance costs of approximately US$840 (equivalent to approximately RMB5,887).

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11. Convertible Preferred Shares (Continued)

Upon the completion of the IPO on January 17, 2020, all outstanding 30,227,056 Series A Preferred Shares, 23,288,783 Series B Preferred Shares, 3,714,580 Series B-1 Preferred Shares, 3,301,849 Series B-2 Preferred Shares, 31,046,360 Series C Preferred Shares and 3,857,143 Series C-1 Preferred Shares were converted into 30,227,056, 23,288,783, 3,714,580, 3,571,427, 34,420,469 and 4,537,814 ordinary shares, respectively.

Series A Preferred Shares, Series B Preferred Shares, Series C Preferred Shares and Series C-1 Preferred Shares are collectively referred to as Preferred Shares.

Key terms of the Preferred Shares are summarized as follows:

Dividends

The holders of Preferred Shares are entitled to receive dividends, out of any assets legally available therefore, prior and in preference to any declaration or payment of any dividend on the ordinary shares or any other class or series of shares of the Group at the rate of eight percent (8%) of the original issue price per share per annum on each Preferred Share, payable in US$ and annually when, as and if declared by the Board of Directors. Such distributions shall not be cumulative. No dividend, whether in cash, in property or in shares of the capital of the Group, shall be paid on or declared and set aside for any ordinary shares or any other class or series of shares of the Group unless and until all dividends have been paid in full on the Preferred Shares (on an as-converted basis).

Conversion

Each Preferred Share may be converted at any time into ordinary shares at the option of the preferred shares holders at the then applicable conversion price. The initial conversion ratio is 1:1, subject to adjustment in the event of (i) share splits, share combinations, share dividends or distribution, other dividends, recapitalizations and similar events, or (ii) issuance of ordinary shares (excluding certain events such as issuance of ordinary shares pursuant to a public offering) at a price per share less than the conversion price in effect on the date of or immediately prior to such issuance.

The Preferred Shares shall be automatically converted into ordinary shares immediately upon the closing of a public offering of the Company's shares with an offering price (exclusive of underwriting commissions and expenses) that reflects a market capitalization (immediately prior to the public offering) of not less than US$1,000,000,000 or otherwise approved by all directors and certain preferred shareholders as specified in the Company's memorandum and articles of association (the "Qualified Public Offering").

The Group determined that there were no beneficial conversion features ("BCF") identified for any of the Preferred Shares during any of the periods. In making this determination, the Company compared the fair value of the ordinary shares into which the Preferred Shares are convertible with the respective effective conversion price at the issuance date. In all instances, the effective conversion price was greater than the fair value of the ordinary shares. To the extent a conversion price adjustment occurs, as described above, the Group will reevaluate whether or not a beneficial conversion feature should be recognized.

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11. Convertible Preferred Shares (Continued)

Liquidation

In the event of any liquidation (unless waived by the preferred shareholders) including deemed liquidation, dissolution or winding up of the Company, holders of the Preferred Shares shall be entitled to receive a per share amount equal to one hundred percent (100%) of the original issue price on each Preferred Share, plus an amount representing an internal rate of return of twelve percent (12%) per annum on the original issue price as adjusted for share dividends, share splits, combinations, recapitalizations or similar events, plus all accrued and declared but unpaid dividends thereon, in the sequence of Series C Preferred Shares, Series B Preferred Shares and Series A Preferred Shares. After such liquidation amounts have been paid in full, any remaining funds or assets of the Company legally available for distribution to shareholders shall be distributed on a pro rata basis among the holders of the Preferred Shares, on an as-converted basis, together with the holders of the ordinary shares.

Accounting of preferred shares

The Preferred Shares are redeemable by the holders upon a liquidation event, including a deemed liquidation event (e.g., change in control), and as such are presented as mezzanine equity on the consolidated balance sheets. In accordance with ASC 480-10-S99, each issuance of the convertible preferred shares should be recognized at the date of issuance after deducting fair value allocated to the detachable warrants and issuance costs.

Modification of preferred shares

The Company assesses whether an amendment to the terms of its convertible preferred shares is an extinguishment or a modification using the fair value model.

When convertible redeemable preferred shares are extinguished, the difference between the fair value of the consideration transferred to the convertible redeemable Preferred Shareholders and the carrying amount of such preferred shares (net of issuance costs) is treated as a deemed dividend to the Preferred Shareholders. When convertible redeemable preferred shares are modified and such modification results in value transfer between Preferred Shareholders and ordinary shareholders, the change in fair value resulted from the amendment is treated as a deemed dividend to or from the Preferred Shareholders.

On December 25, 2019, the Company's shareholders and board of directors approved that, where the final offering price of a Qualified Public Offering is no less than US$4.176 per ordinary share, the agreed provisions related to the number of shares to be converted into the Company's ordinary shares shall apply with respect to the Series C-1 Preferred Shares, Series C Preferred Shares, Series B-2 Preferred Shares and Series B-1 Preferred Shares, which will generally give rise to a one to multiple conversion of the such rounds of Preferred Shares, provided that unanimous consent of the directors on the final offering price needs to be obtained in the event that the final offering price per ordinary share of such IPO is fixed at a price equal to or higher than US$4.176 per ordinary share but lower than US$5.22 per ordinary share.

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11. Convertible Preferred Shares (Continued)

The Company evaluated the aforementioned modifications and concluded that they represented modifications, rather than extinguishment, to Series B-1, B-2 and C Preferred Shares, which resulted in a transfer of value from ordinary shareholders to preferred shareholders. The combined change in fair value of Series B-1, B-2 and C Preferred Shares immediately before and after the modification was US$4.0 million (equivalent to approximately RMB27.8 million) on December 25, 2019. This decrease in fair value of the ordinary shares of US$4.0 million (equivalent to approximately RMB27.8 million) on December 25, 2019 was, in substance, a transfer of wealth mostly from ordinary shareholders to preferred shareholders, and therefore was recorded as a deemed dividend to the preferred shareholders.

The Company evaluated the aforementioned modifications and concluded that they represented extinguishment to Series C-1 Preferred Shares. The difference between the fair value of the modified Series C-1 Preferred Shares and the carrying value of the original Series C-1 Preferred Shares was amounting US$0.8 million on December 25, 2019 and represented the fair value of the consideration transferred, and therefore was recognized as a deemed dividend to the preferred shareholders and adjustment to the carrying amount of Series C-1 Preferred Shares.

The Company's convertible preferred shares activities for the six months ended June 30, 2019 and 2020 are summarized below:

	Series A Preferred Shares			Series B Preferred Shares			Series C Preferred Shares			Series C-1 Preferred Shares		
	Number of shares	Amount US$	Amount RMB	Number of shares	Amount US$	Amount RMB	Number of shares	Amount US$	Amount RMB	Number of shares	Amount US$	Amount RMB
Balance as of January 1, 2019 and June 30, 2019	30,227,056	102,852	687,482	30,305,212	139,407	921,243	31,046,360	197,478	1,306,633	—	—	—
Balance as of January 1, 2020	30,227,056	102,852	687,482	30,305,212	139,407	921,243	31,046,360	197,478	1,306,633	3,857,143	26,914	188,819
Conversion to ordinary shares upon IPO	(30,227,056)	(102,852)	(687,482)	(30,305,212)	(139,407)	(921,243)	(31,046,360)	(197,478)	(1,306,633)	(3,857,143)	(26,914)	(188,819)
Balance as of June 30, 2020	—	—	—	—	—	—	—	—	—	—	—	—

12. Convertible Promissory Notes

On February 3, 2018, the Company issued US$9,000 (equivalent to approximately RMB59,704) convertible promissory notes ("2018 Notes") to an investor of Series A-3 Preferred Shares at an annual interest rate of 0%, maturing on 36 months after the issuance date. Under the agreement, the holder of the 2018 Notes may convert the 2018 Notes outstanding principal amount into Series B-1 Preferred Shares at the conversion price being lower of US$10 per share and fair market value at any time prior to the maturity date. Alternatively, the 2018 Notes shall be automatically converted into the Company's Series B Preferred Shares upon the maturity.

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12. Convertible Promissory Notes (Continued)

As the fair value of the Company's ordinary shares on February 3, 2018 of US$3.96 was equal to the effective conversion price (being lower of US$10 per share and fair market value), the Company did not record a BCF.

13. Warrants

In connection with the issuance of the Series B Preferred Shares on September 22, 2017, 5,633,780 Series B Warrants were issued to Series B preferred shareholders, which provided the holders the right to purchase Series B-2 Preferred Shares.

In connection with the Company's Series B Onshore Financing that took place on September 25, 2017, 2,620,842 Series B Warrants were issued to Series B Onshore Investors, which provided the holders the right to purchase Series B-2 Preferred Shares.

During the period from June 29, 2018 to July 6, 2018, 3,301,849 Series B Warrants (representing Tranche I of Series B Warrants) were exercised to purchase 3,301,849 Series B-2 Preferred Shares with proceeds of US$20,000 (equivalent to approximately RMB132,332).

On July 6, 2018, the Series B Warrants holders agreed that the Series B Warrants shall be divided into two tranches and exercisable in accordance with different time schedules, such that: (i) the holders have exercised part of the Series B Warrants in the total consideration of US$20,000 ("Tranche I of Series B Warrants") and 3,301,849 Series B-2 Preferred Shares of the Company in aggregate have been newly issued to such holders on a pro rata basis; (ii) only when the Company fails to submit a Qualified Public Offering application at an internationally recognized securities exchange by March 31, 2019, the Warrant Holders may exercise the remaining part of Series B Warrants, in the total consideration of US$30,000 ("Tranche II of Series B Warrants") and 4,952,773 Series B-2 Preferred Shares of the Company in aggregate will be issued to such holders on a pro rata basis; (iii) provided that the Company successfully submits a Qualified Public Offering application at an internationally recognized securities exchange by March 31, 2019, the holders shall unconditionally and irrevocably waive and cancel Tranche II of Series B Warrants; and (iv) the Tranche II of Series B Warrants may only be concurrently exercised by all the Warrant Holders in one lump. This is considered to be a modification to Series B Warrants.

According to the confirmations issued by the Company's Series B Warrants holders in July 2019, the holders of Series B Warrants has unconditionally and irrevocably waived and cancelled the Tranche II of Series B Warrants. The fair value gain of warrants for the six months ended June 30, 2019 and 2020 was amounting to RMB43,854 and nil, respectively.

Accounting of warrants

The warrant is a freestanding instrument and is recorded as liability in accordance with ASC 480, *Distinguishing Liabilities from Equity*.

As the Company's issuance of warrants were bundled with other instruments (such as convertible preferred shares, convertible promissory notes, etc.), out of total considerations, the warrants are initially

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13. Warrants (Continued)

Accounting of warrants (Continued)

recognized at fair value and the remaining were allocated to other instruments on a relative fair value basis (if applicable). The fair value changes of the warrants (including the fair value changes arising from modification of warrants) up to the time of exercise or termination were recognized in earnings. Upon exercise, the total carrying value of the associated warrant liabilities was reclassified into the carrying value of the Preferred Shares into which it was converted.

The Company determined the fair value of the warrants with the assistance of an independent third-party valuation firm.

14. Share-based Compensation

(a) Restricted shares

During the year ended December 31, 2016, the Company issued 4,019,554 ordinary shares to Mr. Zang Jingwu Zhang, Ms. Qian Lili, Mr. Wang Zhengyi and Mr. Fang Lei (collectively the "Founders"), including the 369,301 shares which represented the equity interests of Third Venture held by the Founders, and the Company recorded share-based compensation expense of RMB18.7 million for issuance and grant of 3,650,253 ordinary shares to the Founders in June 2016.

In October 2016, the Founders entered into an arrangement with other investors of the Company, and the 87,441 ordinary shares issued to the Founders in June 2016 were canceled and out of the remaining 3,932,113 ordinary shares held by the Founders, 70% became restricted and subject to service vesting conditions, that should vest 20%, 20% and 30% over the next three years, respectively. There shall be no acceleration of the vesting schedule except that, in case of a change of control of the Company or a Qualified Public Offering, or the termination of the Founder's employment with the Group without cause.

Deferred share-based compensation was measured for the restricted shares using the estimated fair value of the Company's ordinary shares of US$0.77 at the date of imposition of the restriction in October 2016, and was amortized to the interim condensed consolidated statements of comprehensive loss by using graded vesting method over the vesting term of 3 years. As of December 31, 2019, all the restricted shares were fully vested.

The amounts of shared-based compensation expense in relation to the restricted shares recognized in the year ended December 31, 2019 was RMB1,566, of which RMB1,026 was recognized in the six months ended June 30, 2019. No share-based compensation expense was recognized in the six months ended June 30, 2020.

Share-based compensation expenses related to restricted shares are included in:

	Year Ended December 31,	Six Months Ended June 30,		
	2019	2019	2020	
	RMB	RMB	RMB	US$ (Note 2.5)
Research and development expenses	470	308	—	—
Administrative expenses	1,096	718	—	—
	1,566	1,026	—	—

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14. Share-based Compensation (Continued)

(b) 2017 Employee Stock Option Plan ("2017 Plan")

In October 2017, the Company adopted the 2017 Plan. Under the 2017 Plan, a maximum aggregate number of 13,376,865 shares that may be issued pursuant to all awards granted was approved. Stock options granted to an employee under the 2017 Plan will be exercisable upon the Company completes a listing and the employee renders service to the Company in accordance with a stipulated service schedule starting from the employee's date of employment. Employees are generally subject to a three-year service schedule, under which an employee earns an entitlement to vest in 50% of the option grants on the second anniversary of the grant date, a vesting of the remaining 50% on the third anniversary of the applicable grant date. The stock option under 2017 Plan, to the extent then vested, shall become exercisable only upon the earlier of (i) a listing, and (ii) occurrence of a change in control.

On December 25, 2019, the Second Amended and Restated 2017 Plan was approved by the shareholders and board of directors of the Company, pursuant to which, in connection with the Company's IPO, the maximum aggregate number of shares that may be granted pursuant to all awards under 2017 Plan shall be adjusted in accordance with a formula pre-approved by the shareholders. In connection with above amendments to 2017 Plan, each of the Company's founders, namely Zheru Zhang, Lili Qian, Zhengyi Wang and Lei Fang, is willing to irrevocably surrender by him or her, for no consideration, a portion of the unvested options granted to him or her, which, if vested, would entitle him or her to acquire up to 130,000 ordinary shares of the Company, par value US$0.0001 per share, at an exercise price of US$1.0, respectively, under the Second Amended and Restated 2017 Plan (in respect of each individual, the "Founder's Surrendered Options"). On December 25, 2019, the board of directors of the Company approved that the Company accepts all Founder's Surrendered Options from each of the founders, Zheru Zhang, Lili Qian, Zhengyi Wang and Lei Fang, for no consideration, with effect immediately prior to the completion of the IPO and such surrendered options be cancelled with effect immediately prior to the completion of the IPO.

Prior to the Company completes a listing, all stock options granted to an employee shall be forfeited at the time the employee terminates his employment with the Group. After the Company completes a listing, vested options not exercised by an employee shall be exercised until later of: (i) 90 days after the date when the options become exercisable, or (ii) 30 days after the date of cessation of employment or directorship, or such longer period as the Board of Directors may otherwise determine.

The Group did not grant any stock options to employees for the year ended December 31, 2019 and the six months ended June 30, 2020. No options are exercisable as of December 31, 2019 and 4,061,176 stock options are exercisable as of June 30, 2020.

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14. Share-based Compensation (Continued)

(b) 2017 Employee Stock Option Plan ("2017 Plan") (Continued)

The following table sets forth the stock options activities of 2017 Plan for the six months ended June 30, 2020 is presented below:

	Number of shares	Weighted average exercise price US$	Weighted average remaining contractual term	Aggregate intrinsic value US$
Outstanding as of December 31, 2019	9,812,881	0.93	7.76	47,671
Forfeited	(329,377)	1.00	—	—
Surrendered (Note 14 (h))	(332,566)	1.00	—	—
Outstanding as of June 30,2020	9,150,938	0.93	7.26	110,598
Exercisable as of June 30, 2020	4,061,176	1.00	7.26	48,787

A summary of non-vested stock option activities for the six months ended June 30, 2020 is presented below:

	Number of shares	Weighted average Grant date fair value US$
Non-vested at December 31, 2019	9,812,881	2.10
Vested	(4,061,176)	1.62
Forfeited	(329,377)	2.21
Surrendered	(332,566)	1.47
Non-vested at June 30, 2020	5,089,762	2.53

Since the exercisability is dependent upon the listing, and it is not probable that this performance condition can be achieved until a listing, no share-based compensation expense relating to the 2017 Plan was recorded for the year ended December 31, 2019.

On January 17, 2020, the Group completed its IPO. After achieving this performance condition, the options continue to vest based only on service period completed according to the graded vesting schedule. The Group has begun recognizing share-based compensation expense for the options granted using the graded vesting method with a cumulative catch-up for the service period completed to date during the six months ended June 30, 2020 and recognized RMB53,362 and RMB66,837 share-based compensation expenses in administrative expenses and research and development expenses respectively relating to options vested cumulatively. According to the amendments to 2017 Plan, the maximum aggregate number of shares which may be granted pursuant to all awards under 2017 Plan was changed to 9,609,084. Each of the Group's founders, namely Zheru Zhang, Lili Qian, Zhengyi Wang and Lei Fang surrendered 83,142 unvested stock options that were granted to him or her under 2017 Plan before, totally 332,566 unvested options, for no consideration, and these stock options were cancelled immediately.

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14. Share-based Compensation (Continued)

(c) 2018 Employee Stock Option Plan ("2018 Plan")

On February 22, 2019, the Group adopted the 2018 Plan, which was subsequently amended on July 22, 2019.Under the amended and restated 2018 Plan, the maximum aggregate number of ordinary shares which may be issued pursuant to all awards is 14,005,745, and if the Group successfully lists on an internationally recognized securities exchange for a Qualified Public Offering by December 31, 2019, the maximum aggregate number of ordinary shares which may be issued shall be 15,452,620.

On December 25, 2019, the Second Amended and Restated 2018 Plan were approved by the shareholders and board of directors of the Company, pursuant to which, in connection with the Company's IPO, the maximum aggregate number of shares that may be granted pursuant to all awards under 2018 Plan shall be adjusted in accordance with a formula pre-approved by the shareholders. In connection with above amendments to 2018 Plan, the director of the Company, Dr. Jingwu Zhang Zang is willing to irrevocably surrender by him, for no consideration, of the right to acquire a certain amount of ordinary shares of the Company, par value US$0.0001 per share, at an exercise price of US$1.0 pursuant to the options granted to him under the Second Amended and Restated 2018 Plan (the "Dr. Zang's Surrendered Options"). On December 25, 2019, the board of directors of the Company approved that the Company accepts the irrevocable surrender of Dr. Zang's Surrendered Options for no consideration, with effect immediately prior to the completion of the IPO and such surrendered options be cancelled with effect immediately prior to the completion of the IPO.

Stock options granted to an employee under the 2018 Plan will be generally exercisable when the Company completes a listing and the employee renders service to the Company in accordance with a stipulated service schedule starting from the employee's date of employment. The vesting schedule shall generally be a two-year vesting schedule consisting of a cliff vesting 50% on the first anniversary of the applicable vesting commencement date, and a vesting of the remaining 50% on the second anniversary of the applicable vesting commencement date. If a listing occurs at anytime prior to any option granted under the 2018 Plan becoming full vested, and to the extent such option has been granted and outstanding, any such option shall vest in full with immediate effect upon the listing. Except as otherwise approved by the board of directors, vested portion of option shall become exercisable upon the earlier of six months after a listing or the occurrence of a change in control; provided, however that in each case, no option of an employee shall become exercisable until the third anniversary of such employee's employment commencement date.

Pursuant to the Board of Director's approval of 2018 Plan on February 22, 2019, the 10,893,028 stock options granted to a director of the Group under 2018 Plan were fully vested and exercisable upon the adoption of 2018 Plan. Out of aforementioned total 10,893,028 stock options, 454,940 stock options were repurchased by the Group (see Note14(d) for further details).

The amounts of shared-based compensation expense in relation to the aforementioned grant of stock options to a director of the Group (except for those repurchased by the Group as described in Note 14(d)) recognized in the six months ended June 30, 2019 and in the year ended December 31, 2019 was RMB365,330, included in administrative expenses.

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14. Share-based Compensation (Continued)

(c) 2018 Employee Stock Option Plan ("2018 Plan") (Continued)

The following table sets forth the stock options activities of 2018 Plan for the six months ended June 30, 2020:

	Number of shares	Weighted average exercise price US$	Weighted average remaining contractual term	Aggregate intrinsic value US$
Outstanding as of December 31, 2019	13,536,588	1.00	9.15	64,840
Surrendered (Note 14 (h))	(2,544,917)	1.00	—	—
Outstanding as of June 30, 2020	10,991,671	1.00	8.65	132.043
Exercisable as of June 30, 2020	9,565,171	1.00	8.65	114,907

A summary of non-vested stock option activities for the six months ended June 30, 2020 is presented below:

	Number of shares	Weighted average grant-date fair value US$
Non-vested at December 31, 2019	3,098,500	5.57
Vested	(1,672,000)	5.57
Non-vested at June 30, 2020	1,426,500	5.57

Except for the aforementioned grant of stock options to a director of the Group under 2018 Plan, since the exercisability is dependent upon the listing, and it is not probable that this performance condition can be achieved until a listing, no share-based compensation expense related to the 2018 Plan was recorded for the year ended December 31, 2019.

On January 17, 2020, the Group completed its IPO. After achieving this performance condition, the options continue to vest based only on service period completed according to the graded vesting schedule. The Group has begun recognizing share-based compensation expense for the options granted using the graded vesting method with a cumulative catch-up for the service period completed to date during the six months ended June 30, 2020 and recognized RMB43,410 and RMB65,887 share-based compensation expense in administrative expenses and research and development expenses, respectively relating to options vested cumulatively. According to the amendments to 2018 Plan, the maximum aggregate number of shares which may be granted pursuant to all awards under 2018 Plan was changed to 11,005,888. The director of the Company, Dr. Jingwu Zhang Zang surrendered 2,544,917 unvested options that were granted to him under 2018 Plan, for no consideration, and these stock options were cancelled immediately.

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14. Share-based Compensation (Continued)

(d) Repurchase of share awards held by a director

On February 22, 2019, the amendment and restated 2017 equity incentive plan was approved by the Board of Directors of the Group, pursuant to which only the 3,435,215 stock options held by the director under the 2017 equity incentive plan became fully vested and exercisable on February 22, 2019. As a result of the performance condition being waived, the stock options held by the director of the Group were accounted for as a Type III modification where a condition that the Group expects will not be satisfied is changed to a condition that the Group expects will be satisfied.

Additionally, on the same day, the Group repurchased such 3,435,215 stock options under the amendment and restated 2017 equity incentive plan that was held by the director of the Group along with 454,940 of his stock options under the 2018 equity incentive plan for which the share awards also became fully vested and exercisable, at a total consideration of US$21,902 (equivalent to approximately RMB148,308) at an average share price of US$5.63 per share.

For the six months ended June 30, 2019, the Group recorded the total payment of US$21,902 (equivalent to approximately RMB148,308) as share-based compensation costs (included in administrative expenses) in the condensed consolidated statement of comprehensive loss. There was no impact to the overall stockholder's equity balance as the amended shares vested immediately and were repurchased.

(e) 2019 Share Incentive Plan ("2019 Plan")

On October 29, 2019, the Group adopted 2019 Share Incentive Plan (the "2019 Plan"), which will become effective immediately prior to the completion of the Group's initial public offering. Under the 2019 Plan, the maximum aggregate number of ordinary shares available for issuance shall initially be 100,000.

The options shall vest when the Group completes a listing and the employee renders service to the Group in accordance with a stipulated service schedule starting from the employee's date of employment. Stock options granted to 3 independence directors under the 2019 Plan will be generally exercisable under the following terms:(a) a cliff vesting of 1/3 of the option on the first anniversary of the vesting commencement date(January 17, 2020);(b) a cliff vesting of 1/3 of the option on the second anniversary of the vesting commencement date(January 17, 2020);(c) a vesting of the remaining 1/3 of the option on the third anniversary of the vesting commencement date. In the last year of the grantee's service, the options shall vest on a prorated basis to reflect the portion of the year during which the grantee provided services to the Group.

For the six months ended June 30, 2020, the Group granted 72,000 stock options to 3 independent directors (all with an exercise price of US$6.09) and recognized RMB299 share-based compensation expenses relating to the options vested. No options were exercisable as of June 30, 2020.

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14. Share-based Compensation (Continued)

(e) 2019 Share Incentive Plan ("2019 Plan") (Continued)

The following table sets forth the stock options activities of 2019 Plan for the periods presented:

	Number of shares	Weighted average exercise price US$	Weighted average remaining contractual term	Aggregate intrinsic value US$
Outstanding as of December 31, 2019	—	—	—	—
Granted	72,000	6.09	—	—
Outstanding as of June 30, 2020	72,000	6.09	9.84	498
Exercisable as of June 30, 2020	—	—	—	—

A summary of non-vested share option activity for the six months ended June 30, 2020 is presented below:

	Number of shares	Weighted average grant-date fair value US$
Non-vested at December 31, 2019	—	—
Granted	72,000	6.09
Non-vested at June 30, 2020	72,000	6.09

Stock options granted to the employees were measured at fair value on the dates of grant using the Binomial Option Pricing Model with the following assumptions:

	Six Months Ended June 30, 2020
Expected volatility	54.88%
Risk-free interest rate (per annum)	0.79%
Exercise multiple	2.80
Expected dividend yield	—
Contractual term (in years)	10

The expected volatility was estimated based on the historical volatility of comparable peer public companies with a time horizon close to the expected term of the Group's options. The risk-free interest rate was estimated based on the yield to maturity of U.S. treasury bonds denominated in US$ for a term consistent with the expected term of the Group's options in effect at the option valuation date. The expected exercise multiple was estimated as the average ratio of the stock price to the exercise price when employees would decide to voluntarily exercise their vested options. As the Group did not have sufficient information of past employee exercise history, it was estimated by referencing to a widely-accepted academic research publication. Expected dividend yield is zero as the Group has never declared or paid any cash dividends on its shares, and the Group does not anticipate any dividend payments in the foreseeable future. Expected term is the contract life of the option.

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14. Share-based Compensation (Continued)

(f) Establishment of Biomaster Trust

Biomaster Trust was established under the trust deed dated October 23, 2019, between the Company and TMF Trust (HK) Limited, or TMF Trust, as the trustee of the Biomaster Trust. Through the Biomaster Trust, the Company's ordinary shares and other rights and interests under awards granted pursuant to 2017 Plan and 2018 Plan may be provided to certain recipients of equity awards. Upon satisfaction of vesting conditions, TMF Trust will exercise the equity awards and transfer the relevant ordinary shares and other rights and interests under the equity awards to the relevant grant recipients with the consent of the advisory committee of Biomaster Trust. TMF Trust shall not exercise the voting rights attached to such ordinary shares unless otherwise directed by the advisory committee, whose members shall be appointed by I-Mab. The Company has the power to direct the relevant activities of Biomaster Trust and it has the ability to use its power over the Biomaster Trust to affect its exposure to returns. Therefore, the assets and liabilities of the Biomaster Trust are included in the Group's consolidated statement of financial position.

(g) Surrender of stock options

On January 17, 2020, the Group completed its IPO. According to the amendments to 2017 Plan, the maximum aggregate number of shares which may be granted pursuant to all awards under 2017 Plan was changed to 9,609,084. Each of the Company's founders, namely Zheru Zhang, Lili Qian, Zhengyi Wang and Lei Fang surrendered 83,142 unvested stock options that were granted to him or her under 2017 Plan before, totally 332,566 unvested options, for no consideration, and these stock options were cancelled immediately. According to the amendments to 2018 Plan, the maximum aggregate number of shares which may be granted pursuant to all awards under 2018 Plan was changed to 11,005,888. The director of the Company, Dr. Jingwu Zhang Zang surrendered 2,544,917 unvested options that were granted to him under 2018 Plan, for no consideration, and these stock options were cancelled immediately. Upon the completion of the Company's IPO in January 2020, the Group has recorded RMB91,051 share-based compensation expense related to these surrendered options.

The stock options surrendered by the founders should be accounted for as capital contribution. As the founders did not get the title of the options to be surrendered and the number of share options would not be determined until listing, the capital contribution was not accounted for during the year ended December 31, 2019. For the six months ended June 30, 2020, the Group has reclassified RMB91,051 from additional paid-in capital—share-based compensation to additional paid-in capital—capital contribution relating to the options surrendered in the condensed consolidated financial statement of comprehensive loss.

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14. Share-based Compensation (Continued)

Share-Based Compensation Expense

The allocation of share-based compensation expense was as follows:

	Year Ended December 31,	Six Months Ended June 30,		
	2019	2019	2020	
	RMB	RMB	RMB	US$ (Note 2.5)
Research and development expenses	470	308	132,724	18,786
Administrative expenses	514,733	514,356	97,071	13,739
	515,203	**514,664**	**229,795**	**32,525**

15. Licensing and Collaboration Arrangements

The following is a description of the Group's significant licensing and collaboration agreements entered into from January 1, 2017 to June 30, 2020.

A. In-Licensing Arrangements

Licensing Agreement with MorphoSys AG ("MorphoSys")

In November 2017, the Group entered into a license and collaboration agreement with MorphoSys, with respect to the development and commercialization of MOR202/TJ202, MorphoSys´s proprietary investigational antibody against CD38 (the "CD38 product").

Under this agreement, MorphoSys granted to the Group an exclusive, royalty-bearing, sublicensable license to exploit MOR202/TJ202 for any human therapeutic or diagnostic purpose in the licensed territory, namely mainland China, Hong Kong, Macau and Taiwan (collectively "Greater China").

Pursuant to this agreement, the Group granted to MorphoSys an exclusive license to its rights in any inventions that the Group make while exploiting the CD38 product under this agreement, solely to exploit the CD38 product outside of Greater China.

Pursuant to this agreement, the Group paid to MorphoSys an upfront license fee of US$20.0 million (equivalent to approximately RMB132.7 million). The Group also agreed to make milestone payments to MorphoSys, conditioned upon the achievement of certain development, regulatory and commercial milestones, in the aggregate amount of US$98.5 million (equivalent to approximately RMB653.5 million). Such milestones include first patient dosed in human clinical trials, marketing approval, and first annual net sales of CD38 products covered by the agreement in excess of a certain amount.

In addition, the Group is required to pay tiered low-double-digit royalties to MorphoSys on a country-by-country and product-by-product basis during the term, commencing with the first commercial sale of

15. Licensing and Collaboration Arrangements (Continued)

A. In-Licensing Arrangements (Continued)

a relevant licensed product in Greater China. Unless terminated earlier in accordance with the terms thereof, this agreement will remain in effect until the expiration of the Group's last payment obligation under the agreement.

In 2017, the Group paid US$20.0 million (equivalent to approximately RMB132.7 million) upfront fee to MorphoSys, which was recorded as research and development expense. No additional payments were made in 2018. Due to the uncertainty involved in meeting these developments and commercialization based targets, the Group evaluated and concluded that the remaining milestones are still not probable as of December 31, 2018. In March and April 2019, the project achieved the first and second milestone and the Group paid US$8.0 million (equivalent to approximately RMB55.7 million) of milestone fees to MorphoSys, which was recorded as research and development expense in the interim condensed consolidated statement of comprehensive loss for the six months ended June 30, 2019 and for the year ended December 31, 2019. No additional payments were made for the six months ended June 30, 2020 as no milestone has been achieved.

Licensing Agreement with Genexine, Inc. ("Genexine")

In December 2017, the Group entered into an intellectual property license agreement with Genexine with respect to GX-I7/TJ107, a long-acting IL-7 cytokine. Under this agreement, the Group obtained an exclusive, sublicensable and transferable license to use and otherwise exploit certain intellectual property in connection with the pre-clinical and clinical development, manufacturing, sale and distribution of GX-I7 to treat cancer in Greater China.

Under the terms of the agreement, the Group made an upfront payment of US$12.0 million (equivalent to approximately RMB79.6 million) to Genexine which was recorded as a research and development expense in January 2018. The Group also agreed to make milestone payments in the aggregate amount of US$23.0 million (equivalent to approximately RMB152.6 million), conditioned upon the achievement of certain development milestones, including completion of Phase 2 and Phase 3 clinical studies and new drug application ("NDA") or biologic license application ("BLA") approval in Greater China.

Further, the Group agreed to make milestone payments in the aggregate amount of US$525.0 million (equivalent to approximately RMB3,482.7 million), conditioned upon the achievement of certain cumulative net sales of GX-*I7* up to US$2,000 million. The Group also is required to pay Genexine a low-single-digit percentage royalty in respect of the total annual net sales of GX-I7. The aforesaid milestones and royalties (other than the upfront payment) will be reduced by 50% following the entry of a generic version of GX-I7 in China, Hong Kong, Macau and Taiwan without the consent or authorization of the Group or any of the Group's sublicensees.

Unless terminated earlier in accordance with the terms thereof, this agreement will remain in effect until the later of (i) the expiry of the last to expire patent of the licensed intellectual property that includes a valid claim for Greater China and that covers the composition of GX-I7; and (ii) 15 years from the date of the first commercial sale of GX-I7.

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15. Licensing and Collaboration Arrangements (Continued)

A. In-Licensing Arrangements (Continued)

No additional payments to Genexine were made in the six months ended June 30, 2019 and 2020. Due to the uncertainty involved in meeting these developments and commercialization based targets, the Group evaluated and concluded that the remaining milestones are still not probable as of December 31, 2019 and June 30, 2020.

In May 2020, the Group and Genexine entered into an amendment to this agreement whereby both parties desire to establish collaboration on TJ107 GBM Study in Greater China. Under the terms of the expanded collaboration, the Group will be mainly responsible for using commercially reasonable efforts to conduct the Phase 2 GBM clinical trial in Greater China, and Genexine will share the development strategies, data and costs for success of this clinical trial. The Group shall undertake to bear two-thirds (2/3) proportion of the clinical development costs and Genexine shall undertake to bear one-third (1/3) proportion of these costs. As of June 30, 2020, the costs incurred for the development of this new indication was immaterial and thus no material impact to the unaudited interim condensed consolidated financial statements for the first six months ended June 30, 2020.

Licensing Agreement with MorphoSys

In November 2018, the Group entered into a license and collaboration agreement with MorphoSys for MorphoSys´s proprietary antibody (MOR210/TJ210) directed against C5aR (the "C5aR Agreement"). Under this agreement, the Group obtained an exclusive, royalty-bearing license to explore, develop and commercialize certain anti-C5aR antibodies in Greater China and South Korea.

The Group will perform and fund all global development activities related to the development of MOR210/TJ210 in Greater China and South Korea, including all relevant clinical trials (including in the U.S. and China) and all development activities required for IND filing in the US as well as CMC development of manufacturing processes. MorphoSys retains rights in respect of development and commercialization of MOR210/TJ210 in the rest of the world.

Under the terms of the agreement, the Group also agreed to make milestone payments conditional upon the achievement of certain development milestones and certain annual net sales of anti-C5aR antibodies. The Group is also required to pay to MorphoSys tiered mid-single-digit royalties on annual net sales of anti-C5aR antibody products within the licensed territory.

In 2018, the Group paid US$3.5 million (equivalent to approximately RMB23.2 million) upfront fee to MorphoSys, which was recorded as research and development expense. No additional payments were made in the year ended December 31, 2019 and in the six months ended June 30, 2020. Due to the uncertainty involved in meeting these development and commercialization based targets, the Group evaluated and concluded that the remaining milestones are still not probable as of December 31, 2019 and June 30, 2020.

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15. Licensing and Collaboration Arrangements (Continued)

A. In-Licensing Arrangements (Continued)

Licensing Agreement with MacroGenics

In July 2019, the Group entered into a license and collaboration agreement with MacroGenics, Inc. for development and commercialization of an Fc-optimized antibody known as enoblituzumab that targets B7-H3, including in combination with other agents, such as the anti-PD-1 antibody known as MGA012, in the People's Republic of China, Hong Kong, Macau and Taiwan("Greater China"). Under this agreement, the Group obtained an exclusive, sublicenseable, royalty-bearing license to MacroGenics' patents and know-how to develop and commercialize the enoblituzumab product, and a combination regimen of enoblituzumab and MGA012, in Greater China during the term of the agreement.

In exchange for these rights, in addition to certain financial consideration, the Group will grant to MacroGenics a royalty-free, sublicenseable, license outside of Greater China, to the patents and know-how that are related to the enoblituzumab product or useful or necessary for MacroGenics to develop or commercialize the enoblituzumab product or a product containing MGA012, and combinations thereof. The license is (i) non-exclusive with respect to the enoblituzumab product, and (ii) exclusive with regard to MGA012.

Pursuant to the agreement, the Group paid an upfront fee of US$15.0 million (equivalent to approximately RMB104.4 million) to MacroGenics, which was recorded as research and development expense in the consolidated statement of comprehensive loss for the year ended December 31, 2019. No additional payments were made in the six months ended June 30, 2020. Under the terms of the agreement, the Group also agreed to pay MacroGenics development milestone fees of up to US$75.0 million and regulatory milestones fees of up to US$60.0 million, respectively, and tiered double-digit royalties (ranging from mid-teens to twenty percent) based on annual net sales in the territories.

The Group is responsible for all development costs in Greater China. MacroGenics is responsible for all development costs in the rest of the world, except that the Group is responsible for 20% of the costs incurred in (i) activities supporting global clinical trials in which the Group participates, (ii) certain CMC activities for material intended to be used in clinical trials in Greater China, and (iii) companion diagnostic development and validation for indications being studied in Greater China.

Due to the uncertainty involved in meeting these developments and commercialization based targets, the Group evaluated and concluded that no milestones are probable as of December 31, 2019 and June 30, 2020.

Other In-Licensing Arrangements

In addition to the above arrangements, the Group has entered into other various in-licensing and collaboration agreements with third party licensors to develop and commercialize drug candidates. Based on the terms of these agreements the Group is contingently obligated to make additional material payments upon the achievement of certain contractually defined milestones. The Group recorded US$1.2 million (equivalent to approximately RMB8.4 million) milestone payment under these agreements during the year ended December 31, 2019 and made in total US$1.5 million (equivalent to approximately RMB10.5 million) milestone payment as of

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15. Licensing and Collaboration Arrangements (Continued)

A. In-Licensing Arrangements (Continued)

December 31, 2019, of which US$0.2 million (equivalent to approximately RMB1.4 million) milestone payment was recorded during the six months ended June 30, 2019. The Group additionally recorded US$0.2 million (equivalent to approximately RMB1.4 million) milestone payment during the six months ended June 30, 2020. Under the terms of the agreements, the licensors are eligible to receive from the Group up to an aggregate of approximately US$164.4 million (equivalent to approximately RMB1,144.5 million) in milestone payments upon the achievement of contractually specified development milestones and sales milestones, such as regulatory approval for the drug candidates, which may be before the Group has commercialized the drug or received any revenue from sales of such drug candidate, which may never occur.

B. Out-Licensing and collaboration Arrangements

Licensing Agreement among HDYM, I-Mab and Hangzhou HealSun Biopharm Co., Ltd. ("HealSun")

In April 2017, one of the Company's subsidiaries, I-Mab Shanghai, entered into a technology transfer agreement with HDYM and HealSun with respect to anti-PD-L1 humanized monoclonal antibodies. Under the agreement, I-Mab Shanghai agreed to grant to HDYM exclusive, worldwide and sublicensable rights to develop, manufacture, have manufactured, use, sell, have sold, import, or otherwise exploit certain PD-L1 related patents, patent applications, know-hows, data and information of I-Mab Shanghai, relevant cell lines as well as any anti-PD-L1 monoclonal antibody arising from such cell lines for the treatment of diseases. Further, I-Mab Shanghai and its cooperative party, HealSun agreed to provide subsequent research and development services on such intellectual property to HDYM, including the selection and examination of innovative anti-PD-L1 humanized monoclonal antibodies, cultivation and selection of stable cell lines, establishment of cell bank, research and development of manufacturing processes and preparation of samples, toxicological and pharmacological testing, pre-clinical pharmaceutical experiment report drafting, and application for and registration of clinical trials. HDYM agreed to make milestone payments conditioned upon achieving certain contractually defined milestones.

The Group determined that this collaboration is reflective of a vendor-customer relationship and therefore within the scope of ASC 606. Under this agreement, due to the early stage nature of the development, in which the underlying intellectual property is significantly modified by the development activities being performed, the Group determined the license to the intellectual property and research and development services are not distinct and thus were accounted for as a single performance obligation that is satisfied over time. The Group would receive RMB51.0 million (inclusive of VAT) milestone payments under this agreement, and considered that the achievements of milestone II, III, IV are constrained such that the transaction price shall initially only include the milestones payment which have been achieved (that means when uncertainty associated with the variable consideration is subsequently resolved), the additional milestone payment shall be included in the total transaction price when it is no longer probable that a significant reversal of cumulative revenue would occur in future periods.

All the revenue has been recognized before the year ended December 31, 2019 and all the milestone payments were received by the Group as of December 31, 2019.

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15. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and collaboration Arrangements (Continued)

Collaboration Agreement with Everest ("Everest")

In January 2018, the Group entered into a collaboration agreement with Everest, which is controlled by the ultimate controlling party of a principal shareholder of the Group. Under the agreement, both parties agreed to collaborate on programs to co-develop MorphoSys' proprietary anti-CD38 antibody for all indications in hematologic oncology and commercialize of MOR202/TJ202 in Greater China.

A joint steering committee with equal representation from each party was established to coordinate and oversee the development and commercialization of the CD38 product. All decisions of the joint steering committee shall be made by unanimous vote.

Under the agreement, the Group is primarily responsible for carrying out the development, manufacture and supply of the CD38 product, as well as seeking regulatory approval of the CD38 product. Everest is primarily responsible for sharing the development costs of the CD38 product, including payments due to MorphoSys under the Licensing Agreement, dated November 30, 2017, in the proportion of 75% by Everest and 25% by the Group.

The joint steering committee will decide which party shall be responsible for conducting the commercialization of the CD38 product pursuant to the commercialization plan approved by the committee. If Everest is selected to be responsible for commercialization, the Group shall grant an exclusive royalty-free license to Everest to commercialize the CD38 product for all indications in hematologic oncology in Greater China.

The Group and Everest will share the profit and loss and out-licensing revenue derived from the CD 38 product in proportion to the costs that each party incur in developing the product. The parties will also split out-license revenue according to the proportion of development costs incurred, with the Group getting an additional five percent (5%) share and Everest receiving five percent (5%) less. Everest cannot share in any profit from the commercialization of CD38 product until it has fulfilled its payment obligations under this agreement.

Upon any termination of this arrangement, the terminating party has the right to continue the development and commercialization of CD38 product. If Everest is the rightful terminating party, the Group shall reasonably cooperate with Everest to facilitate the following: (i) assign the MorphoSys license to Everest (subject to the terms and conditions of such license); (ii) grant to Everest an exclusive license to all intellectual property rights that the Group owns or controls to further develop, manufacture, and commercialize the CD38 product; (iii) transfer the development, manufacture and commercialization of the CD38 product to Everest. The terminating party shall be solely responsible for the cost and expense of such development and commercialization after termination. In the event that such continuing party successfully develops and commercializes the CD38 product, it shall pay to the other party a percentage of the product profit and out-license revenue generated therefrom in accordance with the terms of this agreement.

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15. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and collaboration Arrangements (Continued)

During the year ended December 31, 2018, the US$26.0 million in aggregate proceeds from Everest under the agreement represented the funding available under the agreement and was recorded as a research and development funding received liability (equivalent to approximately RMB178.7 million) on the consolidated balance sheet as of December 31, 2018, in accordance with ASC 730, Research and Development. Because there is a significant related party relationship between the Group and Everest, the Group is treating its obligation to make payments under the commercialization stage as an implicit obligation to repay the funds advanced by Everest (see Note 20). During the six months ended June 30, 2019, an additional US$7.6 million (equivalent to approximately RMB51.6 million) of funding was received and recorded as a research and development funding received liability, no further funding received from July 1, 2019 to the date of termination agreement entered into with Everest. No additional milestone has been achieved in the year ended December 31, 2019.

Termination Agreement with Everest

On November 4, 2019, the Group and Everest have terminated the collaboration agreement with respect to the co-development and commercialization of TJ202 in Greater China. Upon the termination, Everest will not retain any rights or entitlements to develop or commercialize TJ202 or any economic interest in its commercialization. All intellectual property rights in respect of TJ202 arising from its development under the collaboration agreement are vested and owned by I-Mab, and the Group holds all intellectual property rights and have maximum flexibility to further develop, manufacture and commercialize TJ202 in Greater China. In consideration of the above arrangements, the board of directors of the Group has approved the issuance of a total value of US$37.0 million (equivalent to approximately RMB258.1 million) of ordinary shares (the “CPP Shares”) to Everest, representing Everest’s historical contribution to the collaboration and the associated time cost. The CPP Shares will be issued concurrently with, and subject to, the completion of the Company’s initial public offering within 180 days from termination of the collaboration agreement. The total value of US$37.0 million was calculated based on the sum of (1) US$33.7 million, which equals cumulative paid-in contributions historically made by Everest under the collaboration agreement; and (2) a negotiated US$3.3 million time cost of the foregoing historical contribution in light of I-Mab’s exclusive rights over the commercialization of TJ202 after this termination. The issuance of the CPP Shares was approved by I-Mab’s existing shareholders on December 25, 2019. In the event that the initial public offering has not been completed within 180 days from the termination of the collaboration agreement, the Company will issue 4,762,751 ordinary shares (the “Subject Shares”) to Everest on the 181st day. As a result of the aforementioned termination of the collaboration agreement with Everest, the Group derecognized the research and development funding received from Everest and recognized a liability that represented the ordinary shares to be issued to Everest, which was measured at fair value in accordance with ASC 480, and the difference of US$3.3 million (equivalent to approximately RMB23.0 million) between the initial fair value of the liability and the carrying amount of research and development funding received was recognized as other expenses in the consolidated statements of comprehensive loss for the year ended December 31, 2019. Upon the completion of the IPO in January 2020, the Group issued 6,078,571 ordinary shares to Everest.

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15. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and collaboration Arrangements (Continued)

Licensing Agreement with ABL Bio

In July 2018, the Group entered into a license and collaboration agreement with ABL Bio, under which the Group granted to ABL Bio exclusive, worldwide (excluding Greater China), royalty-bearing rights to develop and commercialize a bispecific antibody ("BsAb").

The Group agreed to share costs fifty-fifty (50:50) with ABL Bio through the completion of in vivo studies, with ABL Bio responsible for all costs and activities following that time. As of December 31, 2019, in total US$0.2 million (equivalent to approximately RMB1.4 million) expenses were incurred by ABL Bio, of which US$0.06 million (equivalent to approximately RMB0.4 million) were incurred for the six months ended June 30, 2019. In the six months ended June 30, 2020, US$0.04 million (equivalent to approximately RMB0.3 million) expenses were incurred by ABL Bio. Accordingly, the Group recorded US$0.02 million (equivalent to approximately RMB0.15 million) (50% cost sharing) of expenses in the Group's consolidated statement of comprehensive loss for the year six months ended June 30, 2020.

Pursuant to the license and collaboration agreement that signed in July 2018 and memorandum of understanding that subsequently entered into with ABL Bio in January 2020, ABL Bio agreed to pay the Group an upfront fee of US$2.5 million (equivalent to approximately RMB17.2 million), and milestone payments in the aggregate amount of US$97.5 million (equivalent to approximately RMB690.3 million) conditioned upon achieving certain research, clinical development and sales milestones. These include clinical milestones of up to US$32.5 million (equivalent to approximately RMB230.1 million) and sales milestones of up to US$65 million (equivalent to approximately RMB460.2 million). Further, ABL Bio agreed to pay the Group royalties at mid-single-digit percentages in respect of the total annual net sales of the licensed BsAb product.

In addition, ABL Bio granted to the Group an exclusive, royalty-free, sublicensable license to use the BsAb technology solely to exploit the licensed BsAb product for all indications in Greater China.

The Group determined that this collaboration is reflective of a vendor-customer relationship and therefore within the scope of ASC 606. Under this agreement, the only one performance obligation was to grant the BsAb license to ABL Bio. If it is probable that a significant revenue reversal would not occur, the associated milestone value is included in the transaction price. Achievement of milestones that are not within the control of the Group or the licensee, such as regulatory approvals, are not considered probable until the approvals are achieved.

The Group recognized revenue of US$2.5 million (equivalent to RMB17.2 million) of revenue in the consolidated statements of comprehensive loss for the year ended December 31, 2018, which was the upfront fee related to the grant of the rights of BsAb to ABL Bio as mentioned above. As of December 31, 2019 and June 30, 2020, no other milestone has been achieved. No revenue was recognized for the six months ended June 30, 2020 and 2019.

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15. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and collaboration Arrangements (Continued)

Collaboration Agreement with ABL Bio

In July 2018, the Group and ABL Bio entered into a collaboration agreement (the "ABL Bio Collaboration") whereby both parties agreed to collaborate to develop three PD-L1 based bispecific antibodies by using ABL Bio's proprietary BsAb technology and commercialize them in their respective territories, which, collectively, include Greater China and South Korea, and other territories throughout the rest of the world if both parties agree to do so in such other territories during the performance of the agreement.

At contract inception, as both I-Mab and ABL Bio participate actively in the research and development activity. Also, the parties share the risk of failure of the BsAb products and share the income of licensing, so this contract meet the criteria of the definition of a collaborative arrangement, the Group categorized this agreement within the scope ASC 808. Prior to commercialization, the Group recorded the share of the expenses incurred by the collaboration for the development of three PD-L1 based bispecific antibodies products in research and development expense in the interim condensed consolidated statements of comprehensive loss. As of December 31, 2019, in total RMB12.2 million expenses were incurred by the Group and RMB8.0 million expenses were incurred by ABL, of which, RMB3.49 million expenses were incurred by the Group and RMB3.41 million expenses were incurred by ABL for the six months ended June 30, 2019. According to the terms set out in the agreement, the Group recorded RMB3.45 million (50% cost sharing) of expenses in the Group's interim condensed consolidated statements of comprehensive loss for the six months ended June 30, 2019. For the six months ended June 30, 2020, RMB11.1 million expenses were incurred by the Group and RMB33.4 million expenses were incurred by ABL. According to the terms set out in the agreement, the Group recorded RMB22.3 million (50% cost sharing) of expenses in the Group's interim condensed consolidated statements of comprehensive loss for the six months ended June 30, 2020.

Collaboration Agreements with Tracon Pharmaceuticals, Inc. ("Tracon")

In November 2018, the Group entered into collaboration agreements with Tracon, under which both parties agreed to co-develop the Group's proprietary CD73 antibody, TJD5 (the "TJD5 Agreement") and co-develop up to five BsAbs (the "BsAbs Agreement"). Both agreements may be terminated by either party for the other party's uncured material breach, bankruptcy or insolvency or for safety reasons. In addition, the agreement in respect of TJD5 may be terminated by the Group: (i) for convenience within a certain period upon completing different clinical stages subject to certain payments and royalties, based on the clinical stage, that would be owed to Tracon upon the exercise of such termination for convenience; (ii) in the event that Tracon causes the Phase 1 study timeline to be delayed beyond the agreed extension periods; or (iii) if the Group decides to end the development of the collaborative product prior to its first commercial sale. Further, prior to the first commercial sale, Tracon may deem this agreement to be terminated by the Group if it reasonably believes that the Group has discontinued all meaningful development of the collaborative product for at least 12 months and certain other conditions are met. Additionally, in March 2019, the Group agreed with Tracon and F. Hoffmann-La Roche Ltd ("Roche") on a clinical supply agreement for Roche to supply atezolizumab for use in clinical studies under the collaboration agreement with Tracon. As of December 31, 2019, the Group has recorded US$4.0 million (equivalent to approximately RMB27.8 million) of research and development costs in

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15. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and collaboration Arrangements (Continued)

the consolidated statement of comprehensive loss for the year ended December 31, 2019, of which US$0.6 million (equivalent to approximately RMB4.4 million) was recorded in the six months ended June 30, 2019. As of June 30, 2020, no payments or royalties are due under this agreement. For the six months ended June 30, 2020, the Group has recorded US$0.02 million (equivalent to approximately RMB0.1 million) of research and development costs in the interim condensed consolidated statements of comprehensive loss.

Licensing Agreement with CSPC Pharmaceutical Group Limited ("CSPC")

In December 2018, the Group entered into a product development agreement with CSPC. The Group granted to CSPC exclusive, non-transferable, non-irrevocable and sublicensable rights in the PRC (excluding Hong Kong, Macau and Taiwan) to develop and commercialize TJ103 for treating type 2 diabetes.

CSPC is responsible for developing, obtaining market approval and commercializing the licensed products. The Group is responsible for transferring the manufacturing technology of the licensed products to CSPC and assisting CSPC in the continued optimization of such manufacturing technology thereafter.

In consideration of the license, CSPC agreed to pay the Group an upfront fee of RMB15.0 million and milestone payments in an aggregate amount of RMB135.0 million conditioned upon achieving certain clinical development and regulatory approval milestones. In addition, the Group is also entitled to royalties of up to low-double-digit percentages in respect of the total annual net sales of the products after its commercialization in the PRC.

The Group determined that this collaboration is reflective of a vendor-customer relationship and therefore within the scope of ASC 606. Under this agreement, the only one performance obligation was to grant TJ103 license to CSPC. considering that the achievements of milestones are constrained such that the transaction price shall initially only include upfront payment and subsequently, once another milestone was achieved (that means when uncertainty associated with the variable consideration is subsequently resolved), the additional milestone payment shall be included in the total transaction price when it is no longer probable that a significant reversal of cumulative revenue would occur in future periods. As of December 31, 2018, the amount received of RMB14.2 million (net of VAT) was recorded as advance from customers in the consolidated balance sheet. In February 2019, an additional amount of RMB0.8 million (net of VAT) was received, and the license was also approved by China intellectual property office in May 2019. The first milestone was achieved in September 2019 and the amount of RMB15.0 million (net of VAT) was received according to the terms of the agreement. Accordingly, RMB30.0 million was recognized as revenue in the consolidated statements of comprehensive loss for the year ended December 31, 2019, of which RMB15.0 million of upfront payment was recognized for the six months ended June 30, 2019. No additional revenue was recognized in the six months ended June 30, 2020 as no further milestone has been achieved.

Strategic Alliance Agreement with PT Kalbe Genexine Biologics ("KG Bio")

In March 2020, the Group entered into a strategic partnership with Kalbe Genexine Biologics ("KG Bio") to grant a right of first negotiation for an exclusive license for the development and commercialization of

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15. Licensing and Collaboration Arrangements (Continued)

B. Out-Licensing and collaboration Arrangements (Continued)

two I-Mab-discovered product candidates: uliledlimab, a highly differentiated anti-CD73 antibody in Phase 1 development for advanced solid tumors ("First Program"), and an I-Mab product candidate ("Second Program") to be agreed upon by both parties in certain regions. Through this agreement, both parties intend to negotiate the terms that will be reflected in definitive agreements for each prospective program covered under this agreement.

If and when the Group and KG Bio enter into the definitive licensing agreement, the Group will be eligible to receive from KG Bio an aggregate amount of up to approximately US$340 million, including an upfront payment and subsequent payments conditional upon achieving certain development and commercial milestones. KG Bio will pay the Group tiered royalties in the low to mid-teen percentages on net sales from certain regions. As the right of first negotiation has not been exercised and the definitive agreement has not been entered into as of June 30, 2020, no revenue was recognized during the six months ended June 30, 2020.

16. Other Income, Net

The following table summarizes other income and expenses, recognized for the six months ended June 30, 2019 and 2020:

	Six Months Ended June 30,		
	2019	2020	
	RMB	RMB	US$ (Note 2.5)
Fair value change of short-term investments	—	415	59
Income of incentive payment from depository bank (Note 7)	—	1,090	154
Net foreign exchange gains	140	947	134
Subsidy income (Note (i))	100	10,408	1,473
Fair value change of other financial assets	(508)	—	—
Others	571	(36)	(5)
	303	12,824	1,815

Note:
(i) For the six months ended June 30, 2020, subsidy income consists primarily of RMB10 million. The government grant was granted from the project management office of Shanghai Zhangjiang Science City to support the research and development activities in the local region.

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

17. Net Loss Per Share

Basic and diluted net loss per share for each of the periods presented are calculated as follows:

	Six Months Ended June 30,		
	2019	2020	
	RMB	RMB	US$ (Note 2.5)
Numerator:			
Net loss attributable to I-Mab	(857,337)	(582,853)	(82,497)
Net loss attributable to ordinary shareholders	(857,337)	(582,853)	(82,497)
Denominator:			
Weighted average number of ordinary shares outstanding—basic and diluted	7,184,086	121,815,986	121,815,986
Net loss per share—basic and diluted	(119.34)	(4.78)	(0.68)

For the six months ended June 30, 2019 and 2020, the effects of all outstanding convertible preferred shares, restricted shares, convertible promissory notes and certain stock options have been excluded from the computation of diluted loss per share for the six months ended June 30, 2019 and 2020 as their effects would be anti-dilutive.

For the six months ended June 30, 2019 and 2020, the Company also has certain dilutive potential stock options. These stock options which cannot be exercised until the Company completes its listing are not included in the computation of diluted earnings per shares as such contingent event had not taken place.

The potentially dilutive securities that have not been included in the calculation of diluted net loss per share as their inclusion would be anti-dilutive are as follows:

	Six Months Ended June 30,	
	2019	2020
Convertible preferred shares	91,578,628	—
Convertible promissory notes	1,167,779	—
Restricted shares	252,099	—
Stock options	8,803,305	27,019,861

18. Employee Benefits

Full time employees of the Group in the PRC participate in a government mandated defined contribution plan, pursuant to which certain pension benefits, medical care, employee housing fund and other welfare benefits are provided to the employees. Chinese labor regulations require that the PRC subsidiaries of the Group make contributions to the government for these benefits based on certain percentage of the employees' salaries, up to a maximum amount specified by the government. The Group has no legal obligation for the benefits beyond the contribution made. The total amounts charged to the interim condensed consolidated statements of comprehensive loss for such employee benefits amounted to approximately RMB5,204 and RMB5,411 for the six months ended June 30, 2019 and 2020, respectively.

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

19. Commitments and Contingencies

Contingencies

The Group is a party to or an assignee of license and collaboration agreements that may require it to make future payments relating to milestone fees and royalties on future sales of licensed products (Note 15).

The Group did not have significant capital and other commitments, long-term obligations, or guarantees as of December 31, 2019 and June 30, 2020.

20. Related Party Balances and Transactions

The table below sets forth the major related parties and their relationships with the Group as of December 31, 2019 and June 30, 2020:

Name of related parties	Relationship with the Group
Everest	Controlled by the ultimate controlling party of a principal shareholder of the Group
Tasly Pharmaceutical Group Co., Ltd.	Controlled by the ultimate controlling party of a principal shareholder of the Group
CMAB Biopharma (Suzhou) Inc.	Controlled by the ultimate controlling party of a principal shareholder of the Group

Details of related party balance as of December 31, 2019 and June 30, 2020 are as follows:

*Ordinary Shares to be issued to Everest**

	As of December 31, 2019	As of June 30, 2020	
	RMB	RMB	US$ (Note 2.5)
Everest	258,119	—	—

* Note: Please refer to Note 15 for further details.

Details of related party transactions for the six months ended June 30, 2019 and 2020 are as follows:

Receipt of CRO services—recognized in research and development expenses

	Six Months Ended June 30,		
	2019	2020	
	RMB	RMB	US$ (Note 2.5)
Tasly Pharmaceutical Group Co., Ltd.	5,590	—	—

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

20. Related Party Balances and Transactions (Continued)

Receipt of research and development funding

	Six Months Ended June 30,		
	2019	2020	
	RMB	RMB	US$ (Note 2.5)
Everest (Note 15)	51,588	—	—

Project development fee—recognized in research and development expenses

	Six Months Ended June 30,		
	2019	2020	
	RMB	RMB	US$ (Note 2.5)
CMAB Biopharma (Suzhou) Inc.	—	695	98

21. Concentration of Credit Risk

Financial instruments that are potentially subject to significant concentration of credit risk consist of cash and cash equivalents, restricted cash, short-term investments and other receivables. The carrying amounts of cash and cash equivalents, restricted cash, and short-term investments represent the maximum amount of loss due to credit risk. As of December 31, 2019 and June 30, 2020, all of the Group's cash and cash equivalents, restricted cash and short-term investments were held by major financial institutions located in the PRC and international financial institutions outside of the PRC which management believes are of high credit quality and continually monitors the credit worthiness of these financial institutions. With respect to the contract assets, other receivables and other financial assets, the Group performs on-going credit evaluations of the financial condition of its customers and counterparties.

22. Subsequent Events

The Group evaluated subsequent events through October 21, 2020.

(a) On July 15, 2020, the Group announced that its Board of Directors has authorized a stock repurchase program under which the Group may repurchase up to US$20 million of its ordinary shares in the form of American depositary shares.

(b) On July 15, 2020, the Group adopted 2020 Share Incentive Plan (the "2020 Plan"). Under the 2020 Plan, the maximum aggregate number of shares which may be issued pursuant to all awards shall be 10,760,513 ordinary shares, provided that the maximum number of shares may be issued pursuant to awards in the form of restricted share units under this plan shall not exceed 7,686,081 ordinary shares. From August 2020 through September 2020, the Group granted 1,068,733 stock options and 4,892,918 restricted share units under 2020 Plan to its employees, respectively.

(c) On September 3, 2020, the Group, through I-Mab Biopharma (Shanghai) Co., Ltd. and I-Mab Biopharma US Limited, each a wholly-owned subsidiary of the Group, entered into a broad global strategic partnership with AbbVie Ireland Unlimited Group ("AbbVie").

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

22. Subsequent Events (Continued)

Pursuant to this collaboration, the Group will grant AbbVie a global license, excluding Mainland China, Macau, and Hong Kong, to develop and commercialize lemzoparlimab (also known as TJC4), an innovative anti-CD47 monoclonal antibody internally discovered and developed by I-Mab for the treatment of multiple cancers. The Group will retain all rights to develop and commercialize lemzoparlimab (as well as certain other compounds directed against CD47) in Mainland China, Macau, and Hong Kong. AbbVie will conduct further global clinical trials (which the Group may elect to co-fund) to evaluate lemzoparlimab in multiple cancers. This deal also allows for potential collaboration on future CD47-related therapeutic agents, including CD47-based bispecific antibodies and combination therapies with lemzoparlimab and AbbVie's venetoclax (Venclexta®). Each party will have the opportunity subject to rights of first negotiation to further licenses, to explore certain of each other's related CD47-antibody programs in their respective territories. In addition, the Group and AbbVie will share manufacturing responsibilities, with AbbVie being the primary manufacturer supply outside of Mainland China, Hong Kong and Macau and the Group being the primary manufacturer for supply for Mainland China, Hong Kong and Macau. The Group believes that this collaboration will accelerate its establishment of commercial production operations in China.

AbbVie will pay the Group an upfront payment of US$180 million. Additionally, in connection with the recently released clinical data from the Phase 1 trial of lemzoparlimab in the United States, the Group expects to be paid a first milestone payment of US$20 million. The Group will also be eligible to receive up to US$1.74 billion in further success-based development, regulatory and sales milestone payments for lemzoparlimab, of which US$840 million are based on clinical development and regulatory approval milestones, with the remainder based on commercial milestones. Upon commercialization of lemzoparlimab, AbbVie will also pay tiered royalties from low double-digit percentages on global net sales outside of Mainland China, Macau, and Hong Kong. In addition, AbbVie has a license and right of first negotiation to further develop and commercialize two additional lemzoparlimab-based bispecific antibodies discovered and currently being developed by the Group and the Group cannot commercialize products containing these two additional lemzoparlimab-based bispecific antibodies outside of Mainland China, Macau and Hong Kong even if AbbVie does not exercise its right of first negotiation or the both parties are unable to come to financial terms on such products. The potential value of each such license is minimum US$500 million in upfront and milestone payments, for a combined total of no less than US$1 billion.

(d) On September 4, 2020, the Group announced that it has entered into definitive subscription agreements with a consortium of institutional investors (the "Investors") to raise approximately US$418 million through a private placement. The consortium is led by Hillhouse Capital Group ("Hillhouse"), with significant participation by GIC Private Limited, and also includes certain other leading Asian and U.S. biotech investment funds. Hillhouse is entitled to nominate one representative to I-Mab's Board of Directors.

The private placement comprises (1) the sale to the Investors of approximately US$418 million of the Group's 29,133,502 ordinary shares (the "Ordinary Shares") (equivalent to 12,666,740 ADSs) at a purchase price equivalent to US$33 per ADS; and (2) warrants (the "Warrants") to subscribe for an aggregate of 5,341,267 Ordinary Shares (equivalent to 2,322,290 ADSs) at an exercise price

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Notes to the Unaudited Interim Condensed Consolidated Financial Statements
(All amounts in thousands, except for share and per share data, unless otherwise noted)

22. Subsequent Events (Continued)

equivalent to US$45 per ADS, which may further increase the proceeds of approximately US$104.5 million if the Warrants are fully exercised. The Warrants will remain exercisable at the election of the Investors within 12 months after the closing of the private placement.

(e) On September 15, 2020, I-Mab Biopharma Hong Kong Limited entered into an equity transfer and investment agreement with a group of domestic investors in China, to transfer 40% equity interest of I-Mab Biopharma (Hangzhou) Limited ("I-Mab Hangzhou") to these investors at the consideration of US$120 million in cash and transfer 10% equity interest to the management team shareholding platform that holds the share awards which are granted to I-Mab Hangzhou's management team and 5% equity interest to the equity incentive shareholding platform that holds the shares for the purpose of future share awards grants respectively with no consideration.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS.

Cayman Islands law does not limit the extent to which a company's articles of association may provide for indemnification of officers and directors, except to the extent any such provision may be held by the Cayman Islands courts to be contrary to public policy, such as to provide indemnification against civil fraud or the consequences of committing a crime.

Our sixth amended and restated offering memorandum and articles of association provides that we shall indemnify our directors and officers (each, an indemnified person) against all actions, proceedings, costs, charges, expenses, losses, damages or liabilities incurred or sustained by such indemnified person, other than by reason of such person's own dishonesty, willful default or fraud, in or about the conduct of our company's business or affairs (including as a result of any mistake of judgment) or in the execution or discharge of his or her duties, powers, authorities or discretions, including, without prejudice to the generality of the foregoing, any costs, expenses, losses or liabilities incurred by such indemnified person in defending (whether successfully or otherwise) any civil proceedings concerning our company or its affairs in any court whether in the Cayman Islands or elsewhere.

Pursuant to the indemnification agreements the form of which is filed as Exhibit 10.3 to this registration statement, we agree to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being such a director or officer.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers or persons controlling us pursuant to the foregoing provisions, we have been informed that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is therefore unenforceable.

Item 7. RECENT SALES OF UNREGISTERED SECURITIES.

During the past three years, we have issued the following securities. We believe that each of the following issuances was exempt from registration under the Securities Act pursuant to Section 4(a)(2) of the Securities Act regarding transactions not involving a public offering or in reliance on Regulation S under the Securities Act regarding sales by an issuer in offshore transactions. No underwriters were involved in these issuances of securities.

Securities/Purchaser	Date of Sale or Issuance	Number of Securities	Consideration
Ordinary shares			
Gaoling Fund, L.P.	September 11, 2020	5,030,744	US$72,180,240
YHG Investment, L.P.	September 11, 2020	196,535	US$2,819,850
GIC Private Limited	September 11, 2020	4,878,806	US$70,000,260
Lake Bleu Prime Healthcare Master Fund Limited	September 11, 2020	696,992	US$10,000,320
Aranda Investments Pte. Ltd.	September 11, 2020	1,393,961	US$20,000,310
Avidity Master Fund LP	September 11, 2020	2,341,837	US$33,600,270
Avidity Capital Fund II LP	September 11, 2020	271,814	US$3,899,940
OrbiMed Partners Master Fund Limited	September 11, 2020	696,992	US$10,000,320

Securities/Purchaser	Date of Sale or Issuance	Number of Securities	Consideration
The Biotech Growth Trust plc	September 11, 2020	383,341	US$5,500,110
OrbiMed Genesis Master Fund, L.P	September 11, 2020	174,248	US$2,500,080
OrbiMed New Horizons Master Fund, L.P	September 11, 2020	139,380	US$1,999,800
Octagon Investments Master Fund LP	September 11, 2020	1,045,465	US$15,000,150
Invus Public Equities, L.P.	September 11, 2020	906,062	US$13,000,020
Perceptive Life Sciences Master Fund, Ltd.	September 11, 2020	627,279	US$9,000,090
Cormorant Global Healthcare Master Fund, LP	September 11, 2020	522,744	US$7,500,240
Sphera Global Healthcare Master Fund	September 11, 2020	313,651	US$4,500,210
Sphera Biotech Master Fund L.P.	September 11, 2020	104,535	US$1,499,850
Alyeska Master Fund, L.P.	September 11, 2020	345,713	US$4,960,230
Alyeska Master Fund 3, L.P.	September 11, 2020	2,783	US$39,930
CVI Investments, Inc.	September 11, 2020	348,496	US$5,000,160
Biomaster Holding Limited	November 9, 2020	100,000	US$100,000
Biomaster Holding Limited	November 19, 2020	200,000	US$200,000
Biomaster Holding Limited	November 30, 2020	582,076	US$452,020 for 452,020 ordinary shares and RMB56,028 for 130,056 ordinary shares
Convertible promissory notes			
CBC Investment I-Mab Limited	September 25, 2017	1	US$12,100,000
C-Bridge II Investment Ten Limited	February 9, 2018	1	US$1,550,000
Qianhai Ark (Cayman) Investment Co. Limited	July 6, 2018	1	US$1,250,000 US$9,000,000
Genexine Inc.	February 5, 2018	1	(due February 2021)
Series A-3 preferred shares			
CBC SPVII LIMITED	September 6, 2017	8,361,823	US$15,000,000
Genexine, Inc.	September 6, 2017	8,361,823	US$15,000,000 Tasly Biopharm Limited's equity interest in I-Mab
Tasly Biopharm Limited	June 29, 2018	8,361,823	Hong Kong
Series B preferred shares CBC Investment I-Mab Limited	September 22, 2017	14,089,714	US$48,400,000
C-Bridge II Investment Ten Limited	February 9, 2018	1,804,880	US$6,200,000
Tasly Biopharm Limited	June 29, 2018	5,938,640	Tasly Biopharm Limited's equity interest in I-Mab Hong Kong
Qianhai Ark (Cayman) Investment Co. Limited	July 6, 2018	1,455,549	US$2,035,667

Securities/Purchaser	Date of Sale or Issuance	Number of Securities	Consideration
Series B-1 preferred shares CBC Investment I-Mab Limited	June 29, 2018	2,247,321	Conversion of US$12,100,000 convertible promissory note
C-Bridge II Investment Ten Limited	June 29, 2018	287,880	Conversion of US$1,550,000 convertible promissory note Tasly Biopharm Limited's equity interest in I-Mab Hong Kong
Tasly Biopharm Limited	June 29, 2018	947,218	Conversion of US$1,250,000 convertible promissory note
Qianhai Ark (Cayman)Investment Co. Limited	July 6, 2018	232,161	
Series B-2 preferred shares			
CBC Investment I-Mab Limited	June 29, 2018	1,997,618	US$12,100,000
C-Bridge II Investment Ten Limited	June 29, 2018	255,894	US$1,550,000
Rainbow Horizon Limited	July 6, 2018	841,971	US$5,100,000
Qianhai Ark (Cayman) Investment Co. Limited	July 6, 2018	206,366	US$1,250,000
Series C preferred shares			
Fortune Eight Jogging Limited	July 6, 2018	8,537,749	US$55,000,000
C-Bridge II Investment Seven Limited	July 6, 2018	6,209,272	US$40,000,000
HH IMB Holdings Limited	July 6, 2018	3,104,636	US$20,000,000
Ally Bridge LB Precision Limited	July 6, 2018	3,104,636	US$20,000,000
Marvey Investment Company Limited	July 6, 2018	3,104,636	US$20,000,000
Mab Health Limited	July 6, 2018	1,862,782	US$12,000,000
Casiority H Limited	July 6, 2018	1,241,854	US$8,000,000
Southern Creation Limited (formerly known as Ally Bridge LB-Sunshine Limited)	July 6, 2018	1,552,318	US$10,000,000
Tasly International Capital Limited	July 6, 2018	1,552,318	US$10,000,000
Parkway Limited	July 6, 2018	776,159	US$5,000,000
Series C-1 preferred shares Wuxi Biologics HealthCare Venture (Cayman)	October 17, 2019	1,428,571	US$10,000,000
Hongkong Tigermed Co., Limited	November 6, 2019	714,286	US$5,000,000
Caesar Pro Holdings Limited	November 6, 2019	1,714,286	US$12,000,000
IBC Investment Seven Limited	October 18, 2016	Warrant to purchase up to 2,246,744 Series A-3 preferred shares*	N/A

Securities/Purchaser	Date of Sale or Issuance	Number of Securities	Consideration
Shaghai Tasly Pharmaceutical Co.	September 6, 2017	Option to purchase up to 8,361,823 Series A-3 preferred shares	N/A
Shanghai Tasly Pharmaceutical Co., Ltd.	September 25, 2017	Option to purchase up to 5,938,640 Series B preferred shares and 947,218 Series B-1 preferred shares	N/A
Qinhai Equity Investment Fund (Limited Partnership)	September 25, 2017	Option to purchase up to 1,455,549 Series B preferred shares and up to 232,161 Series B-1 preferred shares	N/A
Tianjin Kangshijing Biopharmaceutical Technology Partnership (Limited Partnership)	September 25, 2017	Option to purchase up to 1,804,880 Series B preferred shares and up to 287,880 additional Series B-1 preferred Shares*	N/A
CBC Investment I-Mab Limited	September 25, 2017	Warrant to purchase up to 4,94,046 Series B-2	N/A
Shanghai Tasly Pharmaceutical Co., Ltd.	September 25, 2017	Warrant to purchase up to 2,104,928 Series B-2 preferred shares	N/A
Qianhai Equity Investment Fund (Limited Partnership)	September 25, 2017	Warrant to purchase up to 515,914 Series B-2 preferred shares	N/A
C-Bridge II Investment Ten Limited	September 25, 2017	Warrant to purchase up to 639,734 Series B-2 preferred shares	N/A
Gaoling Fund, L.P.	September 11, 2020	Warrant to purchase up to 922,300 ordinary shares	N/A
YHG Investment, L.P.	September 11, 2020	Warrant to purchase up to 36,041 ordinary shares	N/A
GIC Private Limited	September 11, 2020	Warrant to purchase up to 894,447 ordinary shares	N/A
Lake Bleu Prime Healthcare Master Fund Limited	September 11,2020	Warrant to purchase up to 127,788 ordinary shares	N/A
ARANDA INVESTMENTS PTE. LTD.	September 11, 2020	Warrant to purchase up to 255,576 ordinary shares	N/A
Avidity Master Fund LP	September 11, 2020	Warrant to purchase up to 429,364 ordinary shares	N/A

Securities/Purchaser	Date of Sale or Issuance	Number of Securities	Consideration
AVIDITY CAPITAL FUND II LP	September 11, 2020	Warrant to purchase up to 49,818 ordinary shares	N/A
ORBIMED PARTNERS MASTER FUND LIMITED	September 11, 2020	Warrant to purchase up to 127,788 ordinary shares	N/A
THE BIOTECH GROWTH TRUST PLC	September 11, 2020	Warrant to purchase up to 70,288 ordinary shares	N/A
ORBIMED GENESIS MASTER FUND, L.P.	September 11, 2020	Warrant to purchase up to 31,947 ordinary shares	N/A
ORBIMED NEW HORIZONS MASTER FUND L.P.	September 11, 2020	Warrant to purchase up to25,553 ordinary shares	N/A
Octagon Investments Master Fund LP	September 11, 2020	Warrant to purchase up to 191,682 ordinary shares	N/A
Invus Public Equities, L.P.	September 11, 2020	Warrant to purchase up to 166,129 ordinary shares	N/A
Perceptive Life Sciences Master Fund, Ltd.	September 11, 2020	Warrant to purchase up to 115,000 ordinary shares	N/A
Cormorant Global Healthcare Master Fund, LP	September 11, 2020	Warrant to purchase up to 95,841 ordinary shares	N/A
Sphera Biotech Master Fund L.P.	September 11, 2020	Warrant to purchase up to 19,182 ordinary shares	N/A
Alyeska Master Fund, L.P.	September 11, 2020	Warrant to purchase up to 63,388 ordinary shares	N/A
Alyeska Master Fund 3, L.P.	September 11, 2020	Warrant to purchase up to 506 ordinary shares	N/A
CVI Investments, Inc.	September 11, 2020	Warrant to purchase up to 63,894 ordinary shares	N/A
Certain directors, officers and employees and consultants	October 2017 to September 2020	Options to purchase 29,003,857 ordinary shares and restricted share units to receive 4,892,918 ordinary shares	Past and future services to us

* This warrant was cancelled on September 6, 2017.
** This option was terminated on February 9, 2018.

Item 8. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES.

(a) Exhibits

See Exhibit Index beginning on page II-4 of this registration statement.

The agreements included as exhibits to this registration statement contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties were made solely for the benefit of the other parties to the applicable agreement and (i)were not intended to be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate; (ii)may have been qualified in such agreement by disclosure that was made to the other party in connection with the negotiation of the applicable agreement; (iii)may apply contract standards of "materiality" that are different from "materiality" under the applicable securities laws; and (iv)were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement.

We acknowledge that, notwithstanding the inclusion of the foregoing cautionary statements, we are responsible for considering whether additional specific disclosure of material information regarding material contractual provisions is required to make the statements in this registration statement not misleading.

(b) Financial Statement Schedules

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the Consolidated Financial Statements or the Notes thereto.

Item 9. UNDERTAKINGS.

The undersigned registrant hereby undertakes to provide to the underwriter at the closing specified in the underwriting agreements, certificates in such denominations and registered in such names as required by the underwriter to permit prompt delivery to each purchaser.

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described in Item 6, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned registrant hereby undertakes that:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

a. To include any prospectus required by section 10(a)(3) of the Securities Act;

b. To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant

to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement.

c. To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement;

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act to any purchaser:

a. Each prospectus filed pursuant to Rule 424(b) as part of a registration statement relating to an offering, other than registration statements relying on Rule 430B or other than prospectuses filed in reliance on Rule 430A, shall be deemed to be part of and included in the registration statement as of the date it is first used after effectiveness. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such first use, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such date of first use.

(5) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities:

a. The undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

i. Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

ii. Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

iii. The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and

iv. Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

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Exhibit Index

Exhibit Number	Description of Document
1.1*	Form of Underwriting Agreement
3.1	Sixth Amended and Restated Memorandum and Articles of Association of the Registrant (incorporated herein by reference to Exhibit 3.2 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
4.1	Registrant's Specimen American Depositary Receipt (included in Exhibit 4.3)
4.2	Registrant's Specimen Certificate for Ordinary Shares (incorporated herein by reference to Exhibit 4.2 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
4.3	Deposit Agreement, dated January 22, 2020, among the Registrant, the depositary and holder of the American Depositary Receipt (incorporated herein by reference to Exhibit 4.3 to the registration statement on Form S-8 (File No. 333-239871), as amended, initially filed with the SEC on July 15, 2020)
4.4	Fourth Amended and Restated Shareholders Agreement, dated as of July 25, 2019, between the Registrant and other parties thereto (incorporated herein by reference to Exhibit 4.4 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
5.1**	Opinion of Conyers Dill & Pearman regarding the validity of the ordinary shares being registered and certain Cayman Islands tax matters
8.1**	Opinion of Conyers Dill & Pearman regarding certain Cayman Islands tax matters (included in Exhibit 5.1)
8.2**	Opinion of JunHe LLP regarding certain PRC tax matters (included in Exhibit 99.2)
10.1	Second Amended and Restated 2017 Employee Stock Option Plan (incorporated herein by reference to Exhibit 10.1 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
10.2	Second Amended and Restated 2018 Employee Stock Option Plan (incorporated herein by reference to Exhibit 10.2 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
10.3	2019 Share Incentive Plan (incorporated herein by reference to Exhibit 10.22 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
10.4	2020 Share Incentive Plan (incorporated herein by reference to Exhibit 10.4 to the registration statement on Form S-8 (File No. 333-239871), as amended, initially filed with the SEC on July 15, 2020)
10.5	Form of Indemnification Agreement, between the Registrant and its directors and executive officers (incorporated herein by reference to Exhibit 10.3 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
10.6	Form of Employment Agreement, between the Registrant and its executive officers (incorporated herein by reference to Exhibit 10.4 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)

Exhibit Number	Description of Document
10.7	Framework Agreement, dated as of May 26, 2017, among the Registrant and the other parties thereto (incorporated herein by reference to Exhibit 10.8 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
10.8†	License and Collaboration Agreement, dated as of November 30, 2017, between the Registrant and MorphoSys AG (incorporated herein by reference to Exhibit 10.13 to the registration statement on Form F-1(File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
10.9	Intellectual Property Assignment and License Agreement, dated as of October 16, 2015, between Tasgen Bio-tech (Tianjin) Co., Ltd. and Genexine, Inc. (incorporated herein by reference to Exhibit 10.14 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
10.10	Intellectual Property License Agreement, dated as of December 22, 2017, between the Registrant and Genexine, Inc. (incorporated herein by reference to Exhibit 10.15 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
10.11	License and Sublicense Agreement, dated as of November 4, 2016, between the Registrant and Ferring International Center SA (incorporated herein by reference to Exhibit 10.16 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
10.12†	Collaboration Agreement, dated as of July 9, 2019, between I-Mab US and MacroGenics, Inc. (incorporated herein by reference to Exhibit 10.17 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
10.13†	License and Collaboration Agreement, dated as of July 26, 2018, between the Registrant and ABL Bio (incorporated herein by reference to Exhibit 4.12 to the annual report on Form 20-F (File No. 001-39173), as amended, initially filed with the SEC on April 29, 2020)
10.14	English translation of Product Development Agreement, dated as of December 10, 2018, between I-Mab Shanghai and CSPC Baike (Shandong) Biopharmaceutical Co., Ltd. (incorporated herein by reference to Exhibit 10.19 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
10.15	Subscription Agreement, dated as of September 3, 2020, among the Registrant and certain affiliates of Hillhouse (incorporated herein by reference to Exhibit 2 of the Schedule 13D (File No. 005-91674) jointly filed by Hillhouse Capital Advisors, Ltd. and Hillhouse Capital Management, Ltd. with the SEC on September 14, 2020)
10.16	Form of Call Option granted to affiliates of Hillhouse (incorporated herein by reference to Exhibit 4 of the Schedule 13D (File No. 005-91674) jointly filed by Hillhouse Capital Advisors, Ltd. and Hillhouse Capital Management, Ltd. with the SEC on September 14, 2020)
10.17**	Form of Subscription Agreement, dated as of September 3, 2020, between the Registrant and certain investors (other than Hillhouse)
10.18**	Form of Warrants to Purchase Ordinary Shares of the Registrant, between the Registrant and certain investors
10.19**†	License and Collaboration Agreement, dated as of September 3, 2020, among I-Mab Shanghai, I-Mab US and AbbVie Ireland Unlimited Company

Exhibit Number	Description of Document
10.20**†	English translation of Equity Transfer and Investment Agreement, dated as of September 15, 2020, among I-Mab Biopharma (Hangzhou) Co., Ltd. and the other parties thereto
10.21**†	English translation of Shareholders Agreement, dated as of September 15, 2020, among I-Mab Biopharma (Hangzhou) Co., Ltd. and other parties thereto
21.1**	Principal Subsidiaries of the Registrant
23.1**	Consent of PricewaterhouseCoopers, an independent registered public accounting firm
23.2**	Consent of Conyers Dill & Pearman (included in Exhibit 5.1)
23.3**	Consent of JunHe LLP (included in Exhibit 99.2)
24.1**	Powers of Attorney (included on signature page)
99.1	Code of Business Conduct and Ethics of the Registrant (incorporated herein by reference to Exhibit 99.1 to the registration statement on Form F-1 (File No. 333-234363), as amended, initially filed with the SEC on October 29, 2019)
99.2**	Opinion of JunHe LLP regarding certain PRC law matters
101.INS**	XBRL Instance Document
101.SCH**	XBRL Taxonomy Extension Schema Document
101.CAL**	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF**	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB**	XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	XBRL Taxonomy Extension Presentation Linkbase Document

* If applicable, to be filed as an exhibit to a document to be incorporated by reference herein or by a post-effective amendment to this registration statement in connection with a specific offering of securities.
** Filed with this registration statement.
† Portions of this exhibit have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form F-1 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Shanghai, China, on December 1, 2020.

I-MAB

By: /s/ Jielun Zhu
Name: Jielun Zhu
Title: Director and Chief Financial Officer

POWER OF ATTORNEY

Each person whose signature appears below constitutes and appoints each of Joan Huaqiong Shen and Jielun Zhu as attorneys-in-fact with full power of substitution for him or her in any and all capacities to do any and all acts and all things and to execute any and all instruments which said attorney and agent may deem necessary or desirable to enable the registrant to comply with the Securities Act of 1933, as amended (the "Securities Act"), and any rules, regulations and requirements of the Securities and Exchange Commission thereunder, in connection with the registration under the Securities Act of ordinary shares of the registrant (the "Shares"), including, without limitation, the power and authority to sign the name of each of the undersigned in the capacities indicated below to the Registration Statement on Form F-1 (the "Registration Statement") to be filed with the Securities and Exchange Commission with respect to such Shares, to any and all amendments or supplements to such Registration Statement, whether such amendments or supplements are filed before or after the effective date of such Registration Statement, to any related Registration Statement filed pursuant to Rule 462(b) under the Securities Act, and to any and all instruments or documents filed as part of or in connection with such Registration Statement or any and all amendments thereto, whether such amendments are filed before or after the effective date of such Registration Statement; and each of the undersigned hereby ratifies and confirms all that such attorney and agent shall do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Jingwu Zhang Zang Jingwu Zhang Zang	Director	December 1, 2020
/s/ Joan Huaqiong Shen Joan Huaqiong Shen	Director and Chief Executive Officer (Principal Executive Officer)	December 1, 2020
/s/ Zheru Zhang Zheru Zhang	Director	December 1, 2020
/s/ Jielun Zhu Jielun Zhu	Director and Chief Financial Officer (Principal Financial and Accounting Officer)	December 1, 2020
/s/ Wei Fu Wei Fu	Director	December 1, 2020
/s/ Mengjiao Jiang Mengjiao Jiang	Director	December 1, 2020
/s/ Jie Yu Jie Yu	Director	December 1, 2020
/s/ Bing Yuan Bing Yuan	Director	December 1, 2020
/s/ Chun Kwok Alan Au Chun Kwok Alan Au	Director	December 1, 2020
/s/ Conor Chia-hung Yang Conor Chia-hung Yang	Director	December 1, 2020
/s/ Pamela M. Klein Pamela M. Klein	Director	December 1, 2020

SIGNATURE OF AUTHORIZED REPRESENTATIVE IN THE UNITED STATES

Pursuant to the Securities Act of 1933, as amended, the undersigned, the duly authorized representative in the United States of I-MAB has signed this registration statement or amendment thereto in New York, on December 1, 2020.

Authorized U.S. Representative
Cogency Global Inc.

By: /s/ Colleen A. De Vries
Name: Colleen A. De Vries
Title: Senior Vice President

Exhibit 5.1

1 December 2020

Matter No.832612
Doc Ref: 106660477
852 2842 9530
852 2842 9549
Richard.Hall@conyers.com
Angie.Chu@conyers.com

I-MAB

Vistra (Cayman) Limited
P.O. Box 31119
Grand Pavilion, Hibiscus Way
802 West Bay Road
Grand Cayman, KY1-1205
Cayman Islands

Dear Sirs,

Re: **I-Mab (the "Company")**

We have acted as special legal counsel in the Cayman Islands to the Company in connection with a shelf registration statement on form F-1, including all amendments or supplements thereto (the "**Registration Statement**" which term does not include any other document or agreement whether or not specifically referred to therein or attached as an exhibit or schedule thereto), filed with the U.S. Securities and Exchange Commission (the "**Commission**") on or about the date hereof relating to the registration under the U.S. Securities Act of 1933, (the "**Securities Act**"), as amended to date relating to the offer and sale, in one of more offerings, by certain shareholders of the Company identified therein (the "**Selling Shareholders**") of ordinary shares of the Company, par value US$0.0001 per share (the "**Ordinary Shares**"), including the Ordinary Shares represented by American depositary shares. The Ordinary Shares registered under the Registration Statement include (i) 20,421,378 Ordinary Shares currently registered in the names of the Selling Shareholders (the "**Issued Ordinary Shares**"); (ii) 3,744,032 Ordinary Shares (the "**Warrant Ordinary Shares**") that certain Selling Shareholders identified in the Prospectus have the right to purchase from the Company through the exercise of warrants (the "**Warrants**"); and (iii) 958,341 Ordinary Shares (the "**Call Option Ordinary Shares**") that certain Selling Shareholders identified in the Prospectus have the right to purchase pursuant to a call option agreement with certain members of the Company's management team (the "**Call Options**").

For the purposes of giving this opinion, we have examined a copy of the Registration Statement and a draft of the prospectus (the "**Prospectus**") contained in the Registration Statement, which is in final form. We have also reviewed copies of (1) the duly adopted and effective amended and restated memorandum and articles of association of the Company (the "**Memorandum & Articles**"), (2) unanimous written resolutions of the directors of the Company dated 26 August 2020, 4 September 2020 and 1 December 2020 (collectively, the "**Resolutions**"), (3) a Certificate of Good Standing issued by the Registrar of Companies in relation to the Company on 27 November 2020 (the "**Certificate Date**"), (4) the register of members of the Company certified by the secretary of the Company dated 30 November 2020 (the "**Register of Members**"), and (5) such other documents and made such enquiries as to questions of law as we have deemed necessary in order to render the opinion set forth below.

We have assumed (a) the genuineness and authenticity of all signatures and the conformity to the originals of all copies (whether or not certified) examined by us and the authenticity and completeness of the originals from which such copies were taken, (b) that where a document has been examined by us in draft form, it will be or has been executed and/or filed in the form of that draft, and where a number of drafts of a document have been examined by us all changes thereto have been marked or otherwise drawn to our attention, (c) the accuracy and completeness of all factual representations made in the Registration Statement, the Prospectus and other documents reviewed by us, (d) that the Resolutions have been passed at one or more duly convened, constituted and quorate meetings or by unanimous written resolutions, will remain in full force and effect and will not be rescinded or amended, (e) that any conditions to which the Resolutions are subject will have been satisfied and/or waived, (f) that there is no provision of the law of any jurisdiction, other than the Cayman Islands, which would have any implication in relation to the opinions expressed herein, (g) that upon issue of any Ordinary Shares by the Company, the Company will receive consideration for the full issue price thereof which shall be equal to at least the par value thereof, (h) the validity and binding effect under the laws of the United States of America of the Registration Statement and that the Registration Statement will be duly filed with the Commission; (i) the validity and binding effect under the laws of the United States of America of the Registration Statement and the Prospectus and that the Registration Statement will be duly filed with or declared effective by the Commission; (j) that the Prospectus, when published, will be in substantially the same form as that examined by us for purposes of this opinion; (k) that the Memorandum & Articles, the Warrants and the Call Options will not be amended in any manner that would affect the opinions expressed herein; (l) that the Company will have sufficient authorised capital to effect the issue of the Warrant Ordinary Shares upon exercise by the Selling Shareholders of their rights under the Warrants (m) that the issue and sale of and payment for any Warrant Ordinary Shares will be in accordance with the Warrants, the Memorandum & Articles and the Registration Statement (including the prospectus set forth therein and any applicable supplement thereto); and (n) the Company is and after the allotment (where applicable) and issuance of any Warrant Ordinary Shares able to pay its liabilities as they fall due.

We have made no investigation of and express no opinion in relation to the laws of any jurisdiction other than the Cayman Islands. This opinion is to be governed by and construed in accordance with the laws of the Cayman Islands and is limited to and is given on the basis of the current law and practice in the Cayman Islands.

On the basis of and subject to the foregoing, we are of the opinion that:

1. The Company is duly incorporated and validly existing as an exempted company with limited liability under the law of the Cayman Islands and, based on the Certificate of Good Standing, is in good standing as at the Certificate Date. Pursuant to the Companies Law (the "**Law**"), a company is deemed to be in good standing if all fees and penalties under the Law have been paid and the Registrar of Companies has no knowledge that the Company is in default under the Law.

2. The authorised share capital of the Company is US$80,000 divided into 800,000,000 Ordinary Shares of a par value of US$0.0001 each.

3. Based on our review of the Register of Members, the Issued Ordinary Shares have been duly authorized and are validly issued, fully paid and non-assessable (which term means when used herein that no further sums are required to be paid by the holders thereof in connection with the issue of such shares).

4. When allotted, issued and paid for as contemplated in the Registration Statement, the Warrant Ordinary Shares and the Call Option Ordinary Shares will be duly authorized, validly issued, fully paid and non-assessable (which term means when used herein that no further sums are required to be paid by the holders thereof in connection with the issue of such shares).

5. The statements under the caption "**Taxation — Cayman Islands Taxation**" in the Prospectus forming part of the Registration Statement, to the extent that they constitute statements of Cayman Islands law, are accurate in all material respects and that such statements constitute our opinion.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the references to our firm under the captions "Enforceability of Civil Liabilities" and "Legal Matters" in the prospectus forming a part of the Registration Statement. In giving this consent, we do not hereby admit that we are within the category of persons whose consent is required under Section 7 of the Securities Act or the Rules and Regulations of the Commission promulgated thereunder.

Yours faithfully,

/s/ Conyers Dill & Pearman
Conyers Dill & Pearman

SUBSCRIPTION AGREEMENT

dated as of September 3, 2020

by and between

[NAME OF INVESTOR]

and

I-MAB

TABLE OF CONTENTS

SUBSCRIPTION AGREEMENT

THIS SUBSCRIPTION AGREEMENT (this "Agreement"), dated as of September 3, 2020, by and between I-Mab, an exempted company incorporated with limited liability under the laws of the Cayman Islands (the "Company"), and [Name of Investor] (the "Purchaser").

RECITALS

A. WHEREAS, the Company desires to issue, sell and deliver to the Purchaser, and the Purchaser desires to purchase and acquire from the Company, upon the terms and conditions set forth in this Agreement, the Purchased Shares (as defined below); and

B. WHEREAS, the Company desires to issue, sell and deliver to the Purchaser, and the Purchaser desires to purchase and acquire from the Company, upon the terms and conditions set forth in this Agreement, the Warrant (as defined below). The Purchased Shares and the Warrant are collectively referred to herein as the "Purchased Securities".

NOW, THEREFORE, in consideration of the premises set forth above, the mutual promises and covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Purchaser hereby agree as follows:

ARTICLE I
DEFINITIONS AND INTERPRETATION

Section 1.1 Definitions. In this Agreement, except to the extent otherwise provided or that the context otherwise requires:

"ADS" means American depositary shares, ten (10) of which represent twenty-three (23) Ordinary Shares, of the Company;

"Affiliate" means, with respect to any specified Person, any other Person that directly, or indirectly through one or more intermediaries, Controls, is Controlled by, or is under common Control with, such specified Person, including, without limitation, any general partner, managing member, officer, director or trustee of such Person, or any venture capital fund or registered investment company now or hereafter existing that is controlled by one or more general partners, managing members or investment advisers of, or shares the same management company or investment adviser with, such Person;

"Board" means the board of directors of the Company;

"Business Day" means any day that is not a Saturday, a Sunday or other day on which banks are required or authorized by Law to be closed in Beijing, Cayman Islands, Hong Kong or New York;

"Company Share Plans" mean (a) the Company's Second Amended and Restated 2017 Employee Stock Option Plan, as amended; (b) the Company's Second Amended and Restated 2018 Employee Stock Option Plan, as amended; (c) the Company's 2019 Share Incentive Plan, as amended; and (d) the Company's 2020 Share Incentive Plan, as amended;

"Contract" means any agreement, contract, lease, indenture, instrument, note, debenture, bond, mortgage or deed of trust or other agreement, commitment, arrangement or understanding;

"Control" (including the terms "Controlled by" and "under common Control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, as trustee or executor, by contract or otherwise, including the ownership, directly or indirectly, of securities having the power to elect a majority of the board of directors or similar body governing the affairs of such Person or securities that represent a majority of the outstanding voting securities of such Person;

"Encumbrance" means any security interest, pledge, mortgage, lien, charge, claim, hypothecation, title defect, right of first option or refusal, right of pre-emption, third-party right or interests, put or call right, lien, adverse claim of ownership or use, or other encumbrance of any kind;

"Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder;

"GAAP" means the United States generally accepted accounting principles and applied consistently throughout the Financial Statements;

"Governmental Authority" means any federal, national, foreign, supranational, state, provincial, local, municipal or other political subdivision or other government, governmental, regulatory or administrative authority, agency, board, bureau, department, instrumentality or commission or any court, tribunal, judicial or arbitral body of competent jurisdiction or stock exchange;

"knowledge" means, with respect to any party, the actual knowledge of such party's executive officers (as defined in Rule 405 under the Securities Act) after making such due inquiry and exercising such due diligence as a prudent business person would have made or exercised in the management of his or her business, including inquiry of other officers or employees of such party;

"Law" means any federal, national, foreign, supranational, state, provincial or local statute, law, ordinance, regulation, rule, code, order, requirement or rule of law (including common law), official policy, rule or interpretation of any Governmental Authority with jurisdiction over any of the Company or the Purchaser;

"Lead Investors" means Gaoling Fund, L.P. and/or YHG Investment, L.P., including their respective Affiliates.

"Material Adverse Effect" means any event, circumstance, development, change or effect that, individually or in the aggregate, has or would reasonably be expected to have a material adverse effect on (a) the business, properties, assets, liabilities, operations, results of operations or financial condition of the Company and its Subsidiaries, taken as a whole, or (b) the authority or ability of the Company to perform its obligations under the Transaction Documents; *provided*, however, that for purposes of clause (a) above, in no event shall any of the following exceptions, alone or in combination with the other enumerated exceptions below, be deemed to constitute, nor shall be taken into account in determining whether there has been or will be, a Material Adverse Effect: (i) any effect resulting from compliance with the terms and conditions of, or from the announcement of the transactions contemplated by this Agreement and/or any other Transaction Document, (ii) any effect that results from changes affecting any of the industries in which the Company or its Subsidiaries operate generally or the economy generally, (iii) any effect that results from changes affecting general worldwide economic or capital market conditions, (iv) any pandemic, earthquake, typhoon, tornado or other natural disaster, or similar event, (v) any event, circumstance, change or effect caused by embargoes, insurrections, riots, civil commotions, strikes, lockouts or other labor disturbances, acts of terrorism or war (whether or not declared), including any escalation or worsening thereof; (vi) mandatorily applicable changes or modifications in the applicable general accepted accounting principles or applicable Law or the interpretation or enforcement thereof; (vii) any failure to meet any internal or public projections, forecasts, or guidance, or (viii) any change in the Company's stock price or trading volume, in and of itself; *provided*, *further*, that any event, circumstance, development, change or effect referred to in the foregoing clauses (ii) through (vi) shall be taken into account in determining whether a Material Adverse Effect has occurred or could reasonably be expected to occur to the extent that such event, circumstance, development, change or effect has a disproportionate effect on the Company and its Subsidiaries compared to other participants in the industries in which the Company and its Subsidiaries conduct their businesses; *provided*, *further* that the underlying causes giving rise or contributing to any such failure or change in the foregoing clauses (vii) and (viii) shall not be excluded in determining whether a Material Adverse Effect has occurred.

"Memorandum and Articles" means the Sixth Amended and Restated Memorandum and Articles of Association of the Company in effect from time to time;

"Nasdaq" means the Nasdaq Stock Market LLC;

"Ordinary Shares" means the ordinary shares of the Company, par value of US$0.0001 per share;

"Ordinary Share Equivalents" means any Securities which would entitle the holder thereof to acquire at any time Ordinary Shares or ADSs, including, without limitation, any debt, preferred shares, rights, options, warrants or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Ordinary Shares or ADSs;

"Person" means any individual, partnership, corporation, association, joint stock company, trust, joint venture, limited liability company, organization, entity or Governmental Authority;

"PRC" means the People's Republic of China;

"Private Placements" means the contemporaneous private placements of, and warrants to purchase, no more than 34,500,000 Ordinary Shares (without giving effect to the adjustment mechanism in the warrants) to investors (including the Purchaser) with aggregate gross proceeds of up to US$523.0 million, for which the transaction documents are entered into between the Company and the relevant investors on or about the date hereof.

"Prohibited Person" means any Person that is (1) a national or resident of any U.S. embargoed or restricted country, (2) included on, or Affiliated with any Person on, the United States Commerce Department's Denied Parties List, Entities and Unverified Lists; the U.S. Department of Treasury's Specially Designated Nationals, Specially Designated Narcotics Traffickers or Specially Designated Terrorists, or the Annex to Executive Order No. 13224; the Department of State's Debarred List; UN Sanctions, (3) a member of any PRC military organization, or (4) a Person with whom business transactions, including exports and re-exports, are restricted by a U.S. Governmental Authority, including, in each clause above, any updates or revisions to the foregoing and any newly published rules;

"Public Official" means any executive, official, or employee of a Governmental Authority, political party or member of a political party, political candidate; executive, employee or officer of a public international organization; or director, officer or employee or agent of a wholly owned or partially state-owned or controlled enterprise, including a PRC state-owned or controlled enterprise;

"SEC" means the U.S. Securities and Exchange Commission;

"Securities" means any Ordinary Shares, ADSs or any equity interest of, or shares of any class in the share capital (ordinary, preferred or otherwise) of, the Company and any convertible securities, options, warrants and any other type of equity or equity-linked securities convertible, exercisable or exchangeable for any such equity interest or shares of any class in the share capital of the Company;

"Securities Act" means the U.S. Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder;

"Subsidiary" of any Person means any corporation, partnership, limited liability company, joint stock company, joint venture or other organization or entity, whether incorporated or unincorporated, which is Controlled by such Person. For all purposes of this Agreement and other Transaction Documents, "Subsidiary" shall, with respect to the Company, as of the date hereof, include each of the entities set out in Schedule A to this Agreement;

"Transaction Documents" mean this Agreement, the Warrant and each of the other agreements and documents entered into or delivered by the parties hereto or their respective Affiliates in connection with the transactions contemplated by this Agreement;

"U.S." or "United States" means the United States of America;

"Warrant" means the Ordinary Share subscription warrant in the form of Annex C attached hereto; and

"Warrant Shares" means the Ordinary Shares issuable upon exercise of the Warrant.

Section 1.2 Other Defined Terms. The following terms shall have the meanings defined for such terms in the Sections set forth below:

Agent	Section 5.7
Aggregate Purchase Price	Section 2.2(b)
Agreement	Preamble
Allowed Delay	Annex A
Bankruptcy and Equity Exception	Section 3.2;
Balance Sheet	Section 4.11
Closing	Section 2.1
Closing Date	Section 2.3(a)
Company	Preamble
Company Closing Certificate	Section 7.8
Compliance Laws	Section 4.20(a)
Effectiveness Deadline	Annex A
Financial Statements	Section 4.10
HKIAC	Section 9.5(a)
Indemnified Liabilities	Section 9.2
Indemnitees	Section 9.2
Indemnitor	Section 9.2
Intellectual Property Rights	Section 4.16
Judgment	Section 4.13
License Agreement	Section 4.21
Permits	Section 4.14(a)
Placement Agent	Section 3.5(c)
Proceedings	Section 4.13
Prohibited Purchaser	Section 3.6
Public Documents	Section 4.9
Purchaser	Preamble
Purchaser Closing Certificate	Section 6.5
Purchased Securities	Preamble
Purchased Shares	Section 2.1
Purchased Shares Purchase Price	Section 2.2(a)
Registrable Securities	Annex A
Registration Period	Annex A
Registration Rights Notice	Annex A
Registration Statement	Annex A
Returns	Section 4.15
Rule 144	Annex A
Shareholders Agreement	Annex A
Tax	Section 4.15

Section 1.3 Interpretation and Rules of Construction. In this Agreement, except to the extent otherwise provided or that the context otherwise requires:

(a) when a reference is made in this Agreement to an Article or Section, such reference is to an Article or Section of this Agreement;

(b) the headings for this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement;

(c) the words "hereof," "herein" and "hereunder" and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement;

(d) all terms defined in this Agreement have the defined meanings when used in any certificate or other document made or delivered pursuant hereto, unless otherwise defined therein;

(e) the definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms;

(f) references to a Person are also to its successors and permitted assigns; and

(g) the use of the term "or" is not intended to be exclusive.

ARTICLE II
PURCHASE AND SALE OF SECURITIES

Section 2.1 Sale and Issuance of the Purchased Securities. Subject to the satisfaction or waiver of the conditions set forth in Articles VI and VII below, on the Closing Date, the Company shall issue and sell to the Purchaser, and the Purchaser shall subscribe for and purchase from the Company, (i) 627,279 Ordinary Shares (the "Purchased Shares"); and (ii) a Warrant to subscribe for 115,000 Ordinary Shares (subject to adjustment as provided therein) (the "Closing").

Section 2.2 Purchase Price.

(a) Purchased Shares Purchase Price. The purchase price per Purchased Share shall be the equivalent of US$33.00 per ADS, and the aggregate purchase price for the Purchased Shares (the "Purchased Shares Purchase Price") shall be US$9,000,090.

(b) Warrant Purchase Price. The exercise price per Warrant Share shall be the equivalent of US$45.00 per ADS, and the aggregate exercise price for the Warrant Shares (together with the Purchased Share Purchase Price, the "Aggregate Purchase Price") shall be US$2,250,000.

Section 2.3 Closing.

(a) Date and Time. The Closing shall take place at 10:00 a.m., Eastern Time remotely via the exchange of documents and signatures on a date as soon as practicable but in no event later than the fifth (5th) Business Day following the satisfaction or waiver of the conditions to the Closing set forth in Articles VI and VII below (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of those conditions), or such other place, date and time as may be mutually agreed in writing by the Company and the Purchaser. The date on which the Closing occurs is referred to herein as the "Closing Date."

(b) Payment and Delivery. At the Closing:

(i) the Purchaser shall, subject to the delivery of the items by the Company to Section 2.3(b)(ii) hereunder, (A) pay the Purchased Shares Purchase Price to the Company by electronic bank transfer of immediately available funds to a bank account specified in Schedule B (*provided* that a wire instruction shall have been provided by the Company to the Purchaser at least three (3) Business Days prior to the Closing Date), and deliver to the Company a fund transmittal proof therewith; (B) deliver to the Company a scan copy of the Purchaser Closing Certificate; and (C) deliver to the Company a copy of the Warrant duly executed by the Purchaser; *provided*, however, that the Purchaser shall be deemed to have satisfied its delivery obligations under this Section by making available to the Company an electronic scan copy of such Warrant on the Closing Date and delivering the original thereof to the Company within fifteen (15) Business Days thereafter;

(ii) the Company shall deliver to the Purchaser against the full payment of the Purchased Shares Purchase Price by the Purchaser pursuant to Section 2.3(b)(i) hereunder:

(A) a share certificate representing the Purchased Shares, duly executed on behalf of the Company; provided, however, that the Company shall be deemed to have satisfied its delivery obligations under this Section by making available to the Purchaser an electronic scan copy of such share certificate on the Closing Date and delivering the original thereof to the Purchaser within fifteen (15) Business Days thereafter;

(B) a scan copy of an extract of the register of members of the Company dated as of the Closing Date, reflecting the Purchaser's ownership of the Purchased Shares, duly certified by the registered agent of the Company;

(C) a scan copy of the resolutions of the Board approving the entering into and execution of this Agreement, the issuance of the Purchased Securities, the issuance of the Warrant Shares upon exercise of the Warrant by the Purchaser, the entering into and execution of the other Transaction Documents to which the Company is a party, and the consummation of all transactions contemplated herein and therein, duly certified by a director of the Company;

(D) an opinion of Conyers Dill & Pearman, Cayman Islands counsel to the Company, in relation to the Purchased Securities and the Warrant Shares, substantially in the form attached hereto as Annex B;

(E) a scan copy of the Company Closing Certificate; and

(F) a copy of the Warrant duly executed by and on behalf of the Company and dated the Closing Date; *provided*, however, that the Company shall be deemed to have satisfied its delivery obligations under this Section by making available to the Purchaser an electronic scan copy of such Warrant on the Closing Date and delivering the original thereof to the Purchaser within fifteen (15) Business Days thereafter.

(c) Restrictive Legend. Each certificate representing any of the Purchased Securities shall be endorsed with the following legend:

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED, PLEDGED OR HYPOTHECATED EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S PROMULGATED UNDER THE SECURITIES ACT, PURSUANT TO REGISTRATION UNDER THE SECURITIES ACT OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION. HEDGING TRANSACTIONS INVOLVING THE SECURITIES REPRESENTED HEREBY MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT. THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE OR ANY OTHER TRANSFER OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE.

Section 2.4 Contemporaneous Private Placements. The Purchaser agrees and acknowledges that its investment in the Purchased Securities contemplated hereunder is part of the Private Placements; *provided* that the sale and issuance of the Purchased Securities shall only be subject to such closing conditions as expressly provided hereunder.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Company as of the date hereof and as of the Closing Date that:

Section 3.1 Organization. The Purchaser is an exempted company with limited liability duly incorporated, organized, validly existing and in good standing under the Laws of Cayman Islands. The Purchaser has all requisite power and authority to carry on its business as it is currently being conducted.

Section 3.2 Authorization; Enforcement; Validity. The Purchaser has the requisite corporate power and authority to execute and deliver this Agreement and the other Transaction Documents to which it is a party and perform its obligations under this Agreement and the other Transaction Documents to which it is a party. The execution, delivery and performance of this Agreement and the other Transaction Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby have been duly and validly authorized by all requisite corporate action by the Purchaser and no other actions or proceedings on the part of the Purchaser is necessary to authorize the execution and delivery by it of this Agreement, the performance by it of its obligations hereunder or the consummation by it of the transactions contemplated by this Agreement. This Agreement and the other Transaction Documents to which it is a party have been or will be duly executed and delivered by the Purchaser, and, assuming the due authorization, execution and delivery by the Company, constitutes a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and to general equity principles (the "Bankruptcy and Equity Exception").

Section 3.3 No Conflicts. The execution, delivery and performance by the Purchaser of this Agreement and the consummation by the Purchaser of the transactions contemplated hereby will not (a) result in a violation of the organizational or constitutional documents of the Purchaser, (b) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of any Contract to which the Purchaser is a party, or (c) result in a violation of any Law applicable to the Purchaser, except in the case of clauses (b) and (c) above, for such conflicts, defaults, rights or violations which would not, individually or in the aggregate, have a material adverse effect on the ability of the Purchaser to perform its obligations hereunder.

Section 3.4 Consents. In connection with the entering into and performance of this Agreement and the other Transaction Documents, the Purchaser is not required to obtain any consent, authorization or order of, or make any filing or registration with, (a) any Governmental Authority in order for it to execute, deliver or perform any of its obligations under or contemplated hereby or thereby or (b) any third party pursuant to any agreement, indenture or instrument to which the Purchaser is a party, in each case in accordance with the terms hereof or thereof other than such as have been made or obtained.

Section 3.5 Status and Investment Intent.

(a) Status of the Purchaser. The Purchaser is, and on each date on which it exercises the Warrant, will be (i) an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act and/or (ii) not a "U.S. person" within the meaning of Regulation S under the Securities Act.

(b) Experienced Investor. The Purchaser has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Purchased Securities and the Warrant Shares. The Purchaser is capable of bearing the economic risks of such investment, including a complete loss of its investment.

(c) Access to Information. The Purchaser acknowledges that it has had the opportunity to review the Transaction Documents (including all annexes, exhibits and schedules thereto) and the Public Documents and has been afforded (i) the opportunity to ask such questions as it has deemed necessary of, and to receive answers from, representatives of the Company concerning the terms and conditions of the offering of the Purchased Securities and the Warrant Shares and the merits and risks of investing in the Purchased Securities and the Warrant Shares; (ii) access to information about the Company and its financial condition, results of operations, business, properties, management and prospects sufficient to enable it to evaluate its investment; and (iii) the opportunity to obtain such additional information that the Company possesses or can acquire without unreasonable effort or expense that is necessary to make an informed investment decision with respect to the investment. The Purchaser has sought such accounting, legal and tax advice as it has considered necessary to make an informed decision with respect to its acquisition of the Purchased Securities and the Warrant Shares. The Purchaser hereby acknowledges and agrees that it has independently evaluated the merits of its decision to purchase the Purchased Securities and the Warrant Shares, and that (A) Jefferies LLC (the "Placement Agent") is acting solely as placement agent in connection with the execution, delivery and performance of the Transaction Documents and is not acting as underwriter or in any other capacity and is not and shall not be construed as a fiduciary for the Purchaser, the Company or any other Person in connection with the execution, delivery and performance of the Transaction Documents, (B) the Purchaser has not relied on the Placement Agent or its officers, directors, employees, attorneys or Affiliates with respect to the negotiation, execution or performance of the Transaction Documents or any representation or warranty made by any of the foregoing Persons in, in connection with, or as an inducement to the Transaction Documents, (C) the Placement Agent will not have any responsibility with respect to any representations, warranties or agreements made by any person or entity under or in connection with the Transaction Documents, and (D) the Placement Agent will not have any liability or obligation (including without limitation, for or with respect to any losses, claims, damages, obligations, penalties, judgments, awards, liabilities, costs, expenses or disbursements incurred by the Purchaser, whether in contract, tort or otherwise, arising out of or connection with the Transaction Documents absent gross negligence or willful misconduct (other than an action or failure to act undertaken at the request or with the express consent of the Purchaser) on the part of the Placement Agent.

(d) No Public Sale or Distribution. The Purchaser is acquiring the Purchased Securities and will acquire the Warrant Shares upon exercise of the Warrant for its own account and not on behalf of any U.S. person and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under the Securities Act. The Purchaser does not presently have any agreement or understanding, directly or indirectly, with any Person to distribute any of the Purchased Securities or the Warrant Shares upon exercise of the Warrant. The Purchaser is not a broker-dealer registered with the SEC under the Exchange Act or an entity engaged in a business that would require it to be so registered as a broker-dealer.

(e) Solicitation. The Purchaser did not contact the Company as a result of any general solicitation or directed selling efforts (within the meaning of Regulation S promulgated under the Securities Act).

(f) Offshore Transaction. The Purchaser has been advised and acknowledges that in issuing the Purchased Securities and the Warrant Shares to the Purchaser pursuant to this Agreement and the other Transaction Documents, the Company is relying upon the exemption from registration provided by Regulation S under the Securities Act. The Purchaser is acquiring the Purchased Securities and will acquire the Warrant Shares upon exercise of the Warrant in an offshore transaction executed in reliance upon the exemption from registration provided by Regulation S under the Securities Act. The Purchaser acknowledges that at the time of the origination of contact concerning this Agreement and the date of the execution and delivery of this Agreement, the Purchaser was outside of the United States.

(g) Reliance on Exemptions; Restricted Securities. The Purchaser understands that the Purchased Securities and the Warrant Shares are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Purchaser's compliance with, the representations, warranties, agreements, acknowledgments and understandings of the Purchaser set forth herein in order to determine the availability of such exemptions and the eligibility of the Purchaser to acquire the Purchased Securities and the Warrant Shares. The Purchaser acknowledges that the Purchased Securities are, and the Warrant Shares when issued upon exercise of the Warrant will be, "restricted securities" that have not been, and will have not been, registered under the Securities Act or any applicable state securities Law. The Purchaser further acknowledges that, absent an effective registration under the Securities Act, the Purchased Securities and the Warrant Shares may only be offered, sold or otherwise transferred (i) to the Company or any Subsidiary thereof, (ii) outside the United States in accordance with Rule 904 of Regulation S under the Securities Act or (iii) pursuant to an exemption from registration under the Securities Act.

(h) No Public Market. The Purchaser understands that no public market now exists for the Warrant, and that the Company has made no assurances that a public market will ever exist for the Warrant.

Section 3.6 Prohibited Purchaser. The Purchaser represents that neither it nor, to its knowledge, its Affiliates, nor any Person having a beneficial interest in it, nor any Person on whose behalf the Purchaser is acting (i) a Person that is currently the subject of Sanctions; (ii) is a non-U.S. shell bank or is providing banking services indirectly to a non-U.S. shell bank; (iii) is a senior non-U.S. political figure or an immediate family member or close associate of such figure; or (iv) is otherwise prohibited from investing in the Company pursuant to applicable money laundering laws, anti-terrorist and asset control laws, regulations, rules or orders (categories (i) through (iv), each a "Prohibited Purchaser"). The Purchaser agrees to provide the Company, promptly upon request, all information that the Company reasonably deems necessary or appropriate to comply with applicable money laundering laws, anti-terrorist and asset control laws, regulations, rules and orders, within the constraints imposed on such Purchaser and its Affiliates by applicable Law, organization documents or existing internal policies. The Purchaser consents to the disclosure to regulators and law enforcement authorities by the Company and its Affiliates and agents of such information about the Purchaser as the Company reasonably deems necessary or appropriate to comply with applicable money laundering laws, anti-terrorist and asset control laws, regulations, rules and orders; *provided*, *however*, that nothing in this Agreement shall be construed as requiring the Purchaser to provide or disclose any non-public information with respect to it or any of its Affiliates other than of the type or to the extent the Purchaser and/or its Affiliates have previously provided to regulators and law enforcement authorities in prior transactions under substantially similar standards of confidentiality. If the Purchaser is a financial institution that is subject to the USA Patriot Act, the Purchaser represents that it has met all of its obligations under the USA Patriot Act. The Purchaser acknowledges that if, following its investment in the Company, the Company reasonably believes that the Purchaser is a Prohibited Purchaser, the Company has the right or may be obligated to prohibit additional investments, segregate the assets constituting the investment in accordance with applicable regulations or immediately require the Purchaser to transfer the Purchased Securities and the Warrant Shares.

Section 3.7 Brokers and Finders. Neither the Purchaser nor any of its Affiliates is a party to any agreement, arrangement or understanding with any Person that would give rise to any valid right, interest or claim against or upon the Company or the Purchaser for any brokerage commission, finder's fee or other similar compensation, as a result of the transactions contemplated by the Transaction Documents.

Section 3.8 No Additional Representations. The Purchaser acknowledges that the Company makes no representations or warranties as to any matter whatsoever except as expressly set forth in this Agreement or in any certificate delivered by the Company to the Purchaser in accordance with the terms hereof and thereof. Nothing herein shall be deemed to limit any of the Purchaser's claims relating to fraud, intentional concealment of material facts or other willful misconduct.

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF THE COMPANY

The Company represents and warrants to the Purchaser as of the date hereof and as of the Closing Date that, except as set forth in its Public Documents filed prior to the date of this Agreement (without giving effect to any amendment thereto filed on or after the date of this Agreement and excluding (i) disclosures of non-specific risks faced by the Company included in any forward-looking statement, disclaimer, risk factor disclosure or other similarly non-specific statements that are predictive, general or forward-looking in nature; and (ii) disclosures in any Public Documents filed after the date of this Agreement but are incorporated by reference into the Public Documents filed prior to or on the date of this Agreement):

Section 4.1 Organization and Qualification. The Company is an exempted company with limited liability duly incorporated, organized, validly existing and in good standing under the Laws of the Cayman Islands, and has the requisite corporate power and authorization to own, lease and operate its properties and to carry on its business as now being conducted. Each Subsidiary of the Company has been duly organized, is validly existing and in good standing (with respect to jurisdictions that recognize the concept of good standing) under the Laws of its jurisdiction of organization, and has the requisite corporate power and authorization to own, lease and operate its properties and to carry on its business as now being conducted. Each of the Company and each of its Subsidiaries is duly qualified or licensed to do business in each jurisdiction in which the property owned, leased or operated by it or the nature of the business conducted by it makes such qualification or licensing necessary, except where the failure to be so qualified or licensed would not, individually or in the aggregate, be or reasonably expected to be material to the Company and its Subsidiaries, taken as a whole. None of the Company or its Subsidiaries is in violation of any of the provisions of its constitutional documents in any material respects.

Section 4.2 Capitalization. As of the date of this Agreement, the authorized share capital of the Company is US$80,000 divided into 800,000,000 ordinary shares of a par value of US$0.0001 each, which shall have the rights as determined by the Board in accordance with the Memorandum and Articles. As of the date of this Agreement, 133,006,644 Ordinary Shares are issued and outstanding. As of the date of this Agreement, 31,475,485 Ordinary Shares have been reserved for issuance under the Company Share Plans, and options to purchase 26,704,628 Ordinary Shares have been granted and outstanding under the Company Share Plans. All outstanding Ordinary Shares are duly authorized, validly issued, fully paid and non-assessable and not subject to preemptive rights. The Warrant Shares issuable upon the exercise of the Warrant have been duly and validly reserved for issuance. When issued in compliance with the provisions of this Agreement and the Warrant, as applicable, and the Memorandum and Articles, the Warrant Shares will be (i) validly issued, fully paid and nonassessable, (ii) issued in compliance with the applicable registration and qualification requirements of applicable Laws, and (iii) will be free from all rights of first refusal, preemptive or similar rights, Taxes and Encumbrances; provided, however, that the Warrant Shares may be subject to restrictions on transfer under the applicable securities Laws.

Section 4.3 Authorization; Enforcement; Validity. The Company has the requisite corporate power and authority to execute and deliver this Agreement and the other Transaction Documents and perform its obligations under this Agreement and the other Transaction Documents and to issue the Purchased Securities in accordance with the terms hereof. The execution, delivery and performance of this Agreement and the other Transaction Documents and the consummation of the transactions contemplated hereby and thereby, including, without limitation, the issuance of the Purchased Securities, have been duly and validly authorized by all requisite corporate action by the Company and no other actions or proceedings on the part of the Company is necessary to authorize the execution and delivery by it of this Agreement and the other Transaction Documents, the performance by it of its obligations hereunder and thereunder or the consummation by it of the transactions contemplated by this Agreement and the other Transaction Documents. This Agreement and the other Transaction Documents have been or will be duly executed and delivered by the Company, and, assuming the due authorization, execution and delivery by the Purchaser, constitutes a legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to the Bankruptcy and Equity Exception.

Section 4.4 No Conflicts. The execution, delivery and performance by the Company of this Agreement and the other Transaction Documents and the consummation by the Company of the transactions contemplated hereby and thereby (including, the issuance of the Purchased Securities and the Warrant Shares) will not (a) result in a violation of the Memorandum and Articles or any other organizational or constitutional documents of the Company or the constitutional documents of any of the Company's Subsidiaries, (b) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, any material Contract to which the Company or any Subsidiary of its Subsidiaries is a party, or (c) result in a material violation of any Law applicable to the Company or its Subsidiaries or by which any property or asset of the Company or any of its Subsidiaries is bound or affected), except in the case of clause (b) above, for such conflicts, defaults, or rights which would not, individually or in the aggregate, be or reasonably expected to be material to the Company and its Subsidiaries, taken as a whole.

Section 4.5 Consents. In connection with the entering into and performance of this Agreement and the other Transaction Documents, the Company or any of its Subsidiary is not required to obtain any consent, authorization or order of, or make any filing or registration with, (a) any Governmental Authority in order for it to execute, deliver or perform any of its obligations under or contemplated hereby or thereby, except for any required filing or notification under applicable securities Laws regarding the issuance of the Purchased Securities and the Warrant Shares, or (b) any third party pursuant to any agreement, indenture or instrument to which the Company is a party, in each case in accordance with the terms hereof or thereof other than such as have been made or obtained.

Section 4.6 Issuance of Purchased Securities. The Purchased Shares are duly and validly authorized for issuance and sale to the Purchaser by the Company, and, when issued and delivered by the Company against payment therefor by the Purchaser in accordance with the terms hereof, shall be validly issued and non-assessable and free from all rights of first refusal, preemptive or similar rights, Taxes and Encumbrances and the Purchased Shares shall be fully paid with the Purchaser being entitled to all rights accorded to a holder of the Ordinary Shares. The Warrant is duly and validly authorized for issuance and sale to the Purchaser by the Company, and will be a legally binding and valid obligation of the Company and enforceable against the Company in accordance with its terms, subject to the Bankruptcy and Equity Exception. Assuming the accuracy of the representations and warranties set forth in Section 3.5 of this Agreement, the offer and issuance by the Company of the Purchased Securities is exempt from registration under the Securities Act.

Section 4.7 No General Solicitation. Neither the Company, nor any of its Affiliates, nor any Person acting on its or their behalf, has engaged in any form of general solicitation or general advertising (within the meaning of Regulation D promulgated under the Securities Act) or directed selling efforts (within the meaning of Regulation S promulgated under the Securities Act) in connection with the offer or sale of the Purchased Securities.

Section 4.8 No Integrated Offering. None of the Company, any of its Affiliates, or any Person acting on their behalf has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security, under circumstances that would require registration of the issuance of any of the Purchased Securities under the Securities Act, whether through integration with prior offerings or otherwise.

Section 4.9 Public Documents. The Company has timely filed or furnished, as applicable, all reports, schedules, forms, statements and other documents required to be filed or furnished by it with the SEC pursuant to the Securities Act or the Exchange Act (all of the foregoing documents filed with or furnished to the SEC on or prior to the date hereof and all exhibits included therein and financial statements, notes and schedules thereto and documents incorporated by reference therein being hereinafter referred to as the "Public Documents"). As of their respective filing or furnishing dates, the Public Documents complied in all material respects with the requirements of the Securities Act or the Exchange Act, as the case may be, and the rules and regulations of the SEC promulgated thereunder, as applicable, to the respective Public Documents, and, other than as corrected or clarified in a subsequent Public Document, none of the Public Documents, at the time they were filed or furnished, contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Section 4.10 Financial Statements. As of their respective dates, the financial statements of the Company included in the Public Documents (the "Financial Statements") complied as to form in all material respects with applicable accounting requirements and the published rules and regulations of the SEC with respect thereto. The Financial Statements (including any related notes thereto) fairly present in all material respects the consolidated financial position of the Company as of the dates indicated therein and the consolidated results of its operations, cash flows and changes in shareholders' equity for the periods specified therein, other than as corrected or clarified in a subsequent Public Document. The Financial Statements were prepared in accordance with GAAP applied on a consistent basis (except (a) as may be otherwise indicated in such financial statements or the notes thereto, or (b) in the case of unaudited interim statements, to the extent they may exclude footnotes or may be condensed to summary statements).

Section 4.11 No Undisclosed Liabilities. The Company and its Subsidiaries do not have any liabilities or obligations other than (a) liabilities or obligations reflected on, reserved against, or disclosed in the Company's latest balance sheet (the "Balance Sheet") as disclosed in the Public Documents (excluding those discharged or paid in full prior to the date of this Agreement), (b) liabilities not required to be reflected in the Company's financial statements pursuant to GAAP or disclosed in filings made with the SEC, and (c) liabilities incurred since the date of the Balance Sheet in the ordinary course of business consistent with past practices and any liabilities incurred pursuant to this Agreement that are not material to the Company and its Subsidiaries, taken as a whole.

Section 4.12 Internal Controls and Procedures. The Company is in compliance with any and all applicable requirements of the Sarbanes-Oxley Act of 2002 that are effective as of the date hereof, and any and all applicable rules and regulations promulgated by the SEC thereunder that are effective as of the date hereof. Except as disclosed in the Public Documents, the Company and the Subsidiaries maintain a system of internal accounting controls sufficient to provide reasonable assurance that (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain asset accountability, (iii) access to assets is permitted only in accordance with management's general or specific authorization, and (iv) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

Section 4.13 Litigation. Neither the Company nor any of its Subsidiaries, nor any of their directors or officers, is a party to any, and there are no pending or, to the Company's knowledge, threatened, legal, administrative, arbitral or other claims, suits, actions or proceedings or governmental or regulatory investigations ("Proceedings") of any nature (i) against the Company or any of its Subsidiaries or to which any of their interests or material properties or assets is subject, except for any Proceedings which, in each case, would not, individually or in the aggregate, be or reasonably expected to be material to the Company and its Subsidiaries, taken as a whole , or (ii) any Proceedings that seek to restrain or enjoin the consummation of the transactions contemplated by the Transaction Documents. There is no judgment, order, injunction or decree ("Judgment") outstanding against Company, any of its Subsidiaries, any of their equity interests, material properties or assets, or any of their directors and officers (in their capacity as directors and officers), except for any Judgment which would not, individually or in the aggregate, be or reasonably expected to be material to the Company and its Subsidiaries, taken as a whole .

Section 4.14 Compliance and Permits.

(a) The Company and each of its Subsidiaries have all permits, licenses, authorizations, consents, orders and approvals (collectively, "Permits") of, and have made all filings, applications and registrations with, any Governmental Authority that are required in order to carry on their business as presently conducted, except where the failure to have such Permits or the failure to make such filings, applications and registrations would not, individually or in the aggregate, be or reasonably expected to be material to the Company and its Subsidiaries, taken as a whole; and all such Permits are in full force and effect and, to the knowledge of the Company, no suspension or cancellation of any of them is threatened, and all such filings, applications and registrations are current, except where such absence, suspension or cancellation would not, individually or in the aggregate, be or reasonably expected to be material to the Company and its Subsidiaries, taken as a whole.

(b) The Company is not in violation of any listing requirements of the Nasdaq and has no knowledge of any facts that would reasonably be expected to lead to delisting or suspension of its ADSs from the Nasdaq in the foreseeable future.

Section 4.15 Tax Status. The Company and each of its Subsidiaries (a) has made or filed in a timely manner (within any applicable extension periods) and in the appropriate jurisdictions all foreign, federal and state income and all other tax returns, reports, information statements and other documentation (including any additional or supporting materials) required to be filed or maintained in connection with the calculation, determination, assessment or collection of any and all federal, state, local, foreign and other taxes, levies, fees, imposts, duties, governmental fees and charges of whatever kind (each a "Tax"), including all amended returns required as a result of examination adjustments made by any Governmental Authority responsible for the imposition of any Tax (collectively, the "Returns"), and such Returns are true, correct and complete in all material respects, (b) has paid all Taxes and other governmental assessments and charges that are material in amount, shown or determined to be due on such Returns, except those being contested in good faith, not finally determined, and (c) has set aside on its books provision reasonably adequate for the payment of all Taxes for periods subsequent to the periods to which such Returns apply. Neither the Company nor any of its Subsidiaries has received notice regarding unpaid Taxes in any material amount claimed to be due by the taxing authority of any jurisdiction and the Company is not aware of any reasonable basis for such claim.

Section 4.16 Intellectual Property. The Company and the Subsidiaries own, possess, license or have other rights to use or can acquire on reasonable terms all material patents, patent applications, trademarks, trademark applications, service marks, trade names, trade secrets, inventions, copyrights, licenses and other intellectual property rights and similar rights necessary or required for use in connection with their respective businesses as described in the Public Documents (collectively, the "Intellectual Property Rights"). Neither the Company nor any Subsidiary has received, since the date of the Balance Sheet, a written notice of a claim or otherwise has any knowledge that the Intellectual Property Rights violate or infringe upon the rights of any Person, except as would not, individually or in the aggregate, be or reasonably expected to be material to the Company and its Subsidiaries, taken as a whole. To the knowledge of the Company, all such Intellectual Property Rights are enforceable and there is no existing infringement by another Person of any of the Intellectual Property Rights that would, individually or in the aggregate, be or reasonably expected to be material to the Company and its Subsidiaries, taken as a whole.

Section 4.17 Labor and Employment Matters. No labor disturbance by or dispute with the employees of the Company or its Subsidiaries exists or, to the knowledge of the Company, is contemplated or threatened, and the Company is not aware of any existing or imminent labor disturbance by, or dispute with, the employees of any of its or its Subsidiaries' principal suppliers, contractors or customers, except as would not, individually or in the aggregate, be or reasonably expected to be material to the Company and its Subsidiaries, taken as a whole.

Section 4.18 Title to Property and Assets. Each of the Company and its Subsidiaries has good and marketable title to, or a legal and valid right to use, all properties and assets (whether tangible or intangible) that it purports to own (including as reflected in the Balance Sheet) or that it uses, free and clear of any and all Encumbrances, except for any defects in title or right or any Encumbrances that would not, individually or in the aggregate, be or reasonably expected to be material to the Company and its Subsidiaries, taken as a whole. Such properties and assets collectively represent in all material respects all properties and assets necessary for the conduct of the business of the Company and its Subsidiaries as presently conducted.

Section 4.19 Brokers and Finders. The Company shall be responsible for the placement agent fees and reimbursement payable to the Placement Agent in connection with the sale of the Purchased Securities. Other than the Placement Agent, neither the Company nor any of its Affiliates is a party to any agreement, arrangement or understanding with any Person that would give rise to any valid right, interest or claim against or upon the Purchaser or the Company for any brokerage commission, finder's fee or other similar compensation, as a result of the transactions contemplated by the Transaction Documents.

Section 4.20 Anti-Bribery and Anti-Corruption; Money Laundering Laws; Economic Sanctions.

(a) The Company and its Subsidiaries and their respective directors, officers, employees, and to the knowledge of the Company, agents and other persons acting on their behalf are and have been in compliance with all applicable Laws relating to antibribery, anti-corruption, anti-money laundering, record keeping and internal control laws (collectively, the "Compliance Laws"). Furthermore, no Public Official (i) holds an ownership or other economic interest, direct or indirect, in any of the Company or its Subsidiaries or in the contractual relationship formed by this Agreement, or (ii) serves as an officer, director or employee of any of the Company or its Subsidiaries.

(b) None of the Company or its Subsidiaries or any of their respective directors, officers, employees, or to the knowledge of the Company, agents and other persons acting on their behalf has been found by a Governmental Authority to have violated any criminal or securities Law or is subject to any indictment or any government investigation for bribery. None of the beneficial owners of a substantial portion of equity securities or other interest in any of the Company or its Subsidiaries or the current or former directors, officers or employees of any of the Company and its Subsidiaries, or to the knowledge of the Company, agents or other persons acting on the Company's or its Subsidiaries' behalf, are or were Public Officials.

(c) None of the Company or its Subsidiaries or any of their respective directors, officers, employees, or to the knowledge of the Company, agents and other persons acting on their behalf is a Prohibited Person, and no Prohibited Person will be given an offer to become an employee, officer, consultant or director of any of the Company or its Subsidiaries. None of the Company or its Subsidiaries has conducted or agreed to conduct any business, or entered into or agreed to enter into any transaction with a Prohibited Person.

Section 4.21 License Agreement. On or prior to the date hereof, the Company shall have entered into a license agreement (the "License Agreement") with respect to the out-licensing of certain assets of the Company.

Section 4.22 No Materially More Favorable Terms. The Company has not entered into any definitive transaction document, side letter, undertaking letter or other similar agreement or instrument with any other investor in connection with the Private Placements with terms and conditions that are materially more favorable than the terms and conditions provided hereunder; *provided* that the Company has provided certain separate terms to the Lead Investors, including without limitation, lock-up requirement and board seat.

Section 4.23 No Additional Representations. The Company acknowledges that the Purchaser makes no representations or warranties as to any matter whatsoever except as expressly set forth in this Agreement or in any certificate delivered by the Purchaser to the Company in accordance with the terms hereof and thereof. Nothing herein shall be deemed to limit any of the Company's claims relating to fraud, intentional concealment of material facts or other willful misconduct.

ARTICLE V
AGREEMENTS OF THE PARTIES

Section 5.1 Further Assurances. The Purchaser and the Company shall use its reasonable best efforts to fulfill or obtain the fulfillment of the conditions precedent to the consummation of the transactions contemplated by this Agreement on a timely basis, including the execution and delivery of any documents, certificates, instruments or other papers that are reasonably required for the consummation of such transactions, and will cooperate and consult with the other and use its reasonable best efforts to prepare and file all necessary documentation, to effect all necessary applications, notices, petitions, filings and other documents, and to obtain all necessary Permits of, or any exemption by, all Governmental Authorities, necessary or advisable to consummate the transactions contemplated by this Agreement. During the period from the date of this Agreement through the Closing Date, except as required by applicable Law or with the prior written consent of the other party, each of the Purchaser and the Company will use reasonable best effort to avoid taking any action which, or failing to take any action the failure of which to be taken, would, or would reasonably be expected to (a) result in any of the representations and warranties set forth in Article III or IV on the part of the party taking or failing to take such action being or becoming untrue in any respect, (b) result in any conditions set forth in Articles VI and VII not to be satisfied, or (c) result in any material violation of any provision of this Agreement. After the Closing Date, each party shall use reasonable best efforts to execute and deliver such further certificates, agreements and other documents and take such other actions as the other party may reasonably request to consummate or implement such transactions or to evidence such events or matters.

Section 5.2 Expenses. Except as otherwise provided in this Agreement and the other Transaction Documents, each party shall bear and pay its own costs, fees and expenses incurred by it in connection with the Transaction Documents and the transactions contemplated by the Transaction Documents.

Section 5.3 Confidentiality .

(a) Each party shall keep confidential any non-public material or information with respect to the business operations, financial conditions, and other aspects of the other parties which it is aware of, or have access to, in signing or performing this Agreement and the other Transaction Documents (including written or non-written information, the "Confidential Information"). Confidential Information shall not include any information that is (a) previously known on a non-confidential basis by the receiving party, (b) in the public domain through no fault of such receiving party, its Affiliates or its or its Affiliates' officers, directors or employees, (c) received from a party other than the Company or the Company's representatives or agents, so long as such party was not, to the knowledge of the receiving party, subject to a duty of confidentiality to the Company or (d) developed independently by the receiving party without reference to confidential information of the disclosing party. No party shall disclose such Confidential Information to any third party. Any Party may use the Confidential Information only for the purpose of, and to the extent necessary for performing this Agreement and the other Transaction Documents; and shall not use such Confidential Information for any other purposes. The parties hereby agree, for the purpose of this Section 5.3, that the existence and terms and conditions of this Agreement and exhibits hereof shall be deemed as Confidential Information.

(b) Notwithstanding any other provisions in this Section 5.3, if any party believes in good faith that any announcement or notice must be prepared or published pursuant to applicable Laws (including any rules or regulations of any securities exchange or valid legal process) or information is otherwise required to be disclosed to any Governmental Authority (including any filings made with, or any information furnished to, the SEC) with respect to this Agreement or the other Transaction Documents and the transactions contemplated hereby and thereby, such party may, in accordance with its understanding of the applicable Laws, make the required disclosure in the manner it deems in compliance with the requirements of applicable Laws; *provided* that the parties, to the extent permitted by applicable Law, will consult with each other before issuance, and provide each other the opportunity to review, comment upon and concur with, and use all reasonable efforts to agree on any press release, public statement, or disclosure in the filings made with, or any information furnished to, the SEC, with respect to this Agreement or the other Transaction Documents and the transactions contemplated hereby and thereby, and will not (to the extent practicable) issue any such press release or make any such public statement or filings, or furnish such information, prior to such consultation and agreement, except as may be required by Law or any listing agreement with or requirement of the Nasdaq or any other applicable securities exchange, provided that the disclosing party shall, to the extent permitted by applicable Law or any listing agreement with or requirement of the Nasdaq or any other applicable securities exchange and if reasonably practicable, inform the other party about the disclosure to be made pursuant to such requirements prior to the disclosure and provide the other party the opportunity to review such disclosure.

(c) Each party may disclose the Confidential Information only to its Affiliates and its and its Affiliates' officers, directors, managers, partners, employees, agents, legal advisors and representatives on a need-to-know basis in the performance of the Transaction Agreements; *provided* that, such party shall ensure such Persons strictly abide by the confidentiality obligations hereunder or substantially equivalent terms.

(d) The confidentiality obligations of each party hereunder shall survive the termination of this Agreement. Each party shall continue to abide by the confidentiality clause hereof and perform the obligation of confidentiality it undertakes until the other party approves release of that obligation or until a breach of the confidentiality clause hereof will no longer result in any prejudice to the other party.

Section 5.4 Compliance and Other Actions Prior to Closing. Except for the transactions contemplated under this Agreement, the other Transaction Documents and the Private Placements, from the date hereof until the Closing Date, the Company shall, and shall cause each of its Subsidiaries to, (a) conduct its business and affairs in the ordinary course of business consistent with past practice or its business expansion plans as disclosed in the Public Documents, (b) not take any action, or omit to take any action, that would reasonably be expected to make (x) any of its representations and warranties in this Agreement untrue, or (y) any of the conditions for the benefit of the Purchaser set forth in Article VII not to be satisfied, in each case, at, or as of any time before, the Closing Date. Without limiting the generality of the foregoing, the Company agrees that, except as disclosed in the Public Documents, from the date hereof until the Closing Date, none of the Company or its Subsidiaries shall make (or otherwise enter into any Contract with respect to) (a) any material change in any method of accounting or accounting practice by the Company or any of its Subsidiaries; (b) any declaration, setting aside or payment of any dividend or other distribution with respect to any Securities of the Company or any of its Subsidiaries (except for dividends or other distributions by any Subsidiary to the Company or to any of the Company's wholly owned Subsidiaries); (c) any redemption, repurchase or other acquisition of any share capital of the Company or any of its Subsidiaries; (d) issue or sell any Securities or debt securities, warrants or other rights to acquire any Security other than pursuant to the transactions contemplated under the Private Placements or the Company Share Plans; or (e) make any alteration or amendment to the Memorandum and Articles, or change the size or composition of the Board or any committee thereof. The Company does not currently intend to use any portion of the proceeds from the Aggregate Purchase Price to (i) pay dividend in cash or in kind to, (ii) make distributions in any form to, (iii) repurchase or redeem Securities from, or (iv) otherwise make payments to, any holder of Securities.

Section 5.5 Reservation of Shares. The Company shall maintain a reserve from its duly authorized but unissued shares, sufficient Ordinary Shares to enable the Company to comply with its obligations to issue the Purchased Shares and the Warrant Shares.

Section 5.6 Registration Rights. The Purchaser shall be entitled to the registration rights with respect to the Registrable Securities held thereby as set forth in Annex A attached hereto.

Section 5.7 Assistance in ADS Conversion. Upon written request by the Purchaser, the Company shall provide reasonable assistance to the Purchaser in the sale, resale or other disposition of the Purchased Shares and the Warrant Shares (if any), including the conversion of the Purchased Shares and the Warrant Shares (if any) into freely tradeable ADSs, subject to the rules and regulations of the Securities Act. The Company shall make reasonable best efforts to: (a) request its counsel to submit a request, and if requested, an opinion, to the Company's depositary, the corporate registrar, and transfer agent and all other applicable parties (as applicable, collectively "Agent") to facilitate the removal of all restrictive legends or any other forms of restrictions on the Purchased Shares and the Warrant Shares (if any) and the conversion of the Purchased Shares and the Warrant Shares (if any) into freely tradeable ADSs, subject to the rules and regulations of the Securities Act, and (b) provide conversion approvals and instructions to the Agent and all other applicable parties (as applicable).

Section 5.8 Use of Purchaser's Name or Logo. Without the prior written consent of the Purchaser (regardless of whether the Purchaser then holds any Securities), the Company shall not and shall cause each of its Affiliates not to use, publish or reproduce the name of the Purchaser or its Affiliates or any similar name, trademark or logo in any of their marketing, advertising or promotion materials or otherwise for any marketing, advertising or promotional purposes.

Section 5.9 Margin Transactions. The Company acknowledges and agrees that, notwithstanding anything herein to the contrary, the Purchased Shares may be pledged by the Purchaser in connection with a bona fide margin agreement, and Purchaser effecting a pledge of Purchased Shares shall not be required to provide the Company with any notice thereof or otherwise make any delivery to the Company pursuant to this Agreement.

ARTICLE VI
CONDITIONS TO THE COMPANY'S OBLIGATION TO CLOSE

The obligation of the Company hereunder to consummate the Closing is subject to the satisfaction or waiver by the Company, at or before the Closing Date, of each of the following conditions:

Section 6.1 Execution of Transaction Documents. The Purchaser shall have duly executed and delivered to the Company the Transaction Documents to which it is a party.

Section 6.2 Representations and Warranties; Covenants. The representations and warranties of the Purchaser contained in Article III hereof shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality or material adverse effect, which shall be true and correct to such extent) as of the date of this Agreement and as of the Closing Date as though made at that date (except for those representations and warranties that speak as of a specific date, which shall be so true and correct in all material respects as of such specified date); *provided* that each representation or warranty made by the Purchaser in Sections 3.1, 3.2 and 3.3(a) shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made at that date (except for those representations and warranties that speak as of a specific date, which shall be so true and correct as of such specified date); and the Purchaser shall have performed, satisfied and complied in all material respects with the covenants and agreements required by this Agreement to be performed, satisfied or complied with by the Purchaser at or prior to the Closing Date.

Section 6.3 No Stop Order. No stop order suspending the qualification or exemption from qualification of the Purchased Securities in any jurisdiction shall have been issued and no Proceeding for that purpose shall have been commenced or shall be pending or threatened.

Section 6.4 No Action. No Law or Judgment entered by or with any Governmental Authority with competent jurisdiction, shall be in effect that enjoins, prohibits or materially alters the terms of the transactions contemplated by the Transaction Documents, nor any Proceeding challenging any Transaction Document or the transactions contemplated hereby and thereby, or seeking to prohibit, alter, prevent or delay the Closing, shall have been instituted or being pending before any Governmental Authority.

Section 6.5 Purchaser Officer's Certificates. The Purchaser shall have delivered to the Company a certificate (the "Purchaser Closing Certificate"), dated as of the Closing Date, executed by a duly authorized officer of the Purchaser, certifying to the fulfillment of the condition specified in Article VI.

ARTICLE VII
CONDITIONS TO THE PURCHASER'S OBLIGATION TO CLOSE

The obligation of the Purchaser hereunder to consummate the Closing is subject to the satisfaction or waiver by the Purchaser, at or before the Closing Date, of each of the following conditions:

Section 7.1 Execution of Transaction Documents. The Company shall have duly executed and delivered to the Purchaser the Transaction Documents to which it is a party.

Section 7.2 Representations and Warranties; Covenants. The representations and warranties of the Company contained in Article IV hereof shall be true and correct in all material respects (except for those representations and warranties that are qualified by materiality or Material Adverse Effect, which shall be true and correct to such extent) as of the date of this Agreement and as of the Closing Date as though made at that date (except for those representations and warranties that speak as of a specific date, which shall be so true and correct in all material respects as of such specified date); *provided* that each representation or warranty made by the Company in this Agreement under Sections 4.1, 4.2, 4.3, 4.4(a) and 4.6 shall be true and correct in all respects as of the date of this Agreement and as of the Closing Date as though made at that date (except for those representations and warranties that speak as of a specific date, which shall be so true and correct as of such specified date), and the Company shall have performed, satisfied and complied in all material respects with the covenants and agreements required by this Agreement to be performed, satisfied or complied with by the Company at or prior to the Closing Date.

Section 7.3 No Stop Order. No stop order suspending the qualification or exemption from qualification of the Purchased Securities in any jurisdiction shall have been issued and no Proceeding for that purpose shall have been commenced or shall be pending or threatened.

Section 7.4 No Action. No Law or Judgment entered by or with any Governmental Authority with competent jurisdiction, shall be in effect that enjoins, prohibits or materially alters the terms of the transactions contemplated by the Transaction Documents, nor Proceeding challenging any Transaction Document or the transactions contemplated hereby and thereby, or seeking to prohibit, alter, prevent or delay the Closing, shall have been instituted or being pending before any Governmental Authority.

Section 7.5 No Material Adverse Effect. From and after the date hereof, there shall not have occurred a Material Adverse Effect.

Section 7.6 No Suspensions of Trading in ADSs. Trading in the ADSs has not been, or been threatened to be, suspended by the SEC or Nasdaq as of the Closing Date.

Section 7.7 License Agreement. The Purchaser shall have the opportunity to examine a scan copy of the signed signature pages of the respective parties to the License Agreement.

Section 7.8 Company Officer's Certificate. The Company shall have delivered to the Purchaser a certificate (the "Company Closing Certificate"), dated as of the Closing Date, executed by a duly authorized officer of the Company, certifying to the fulfillment of the conditions specified in Article VII.

ARTICLE VIII
TERMINATION

Section 8.1 Termination. Subject to Section 8.2 below, this Agreement may be terminated and the transactions contemplated by this Agreement abandoned at any time prior to the Closing:

(a) by mutual agreement of the Company and the Purchaser;

(b) by the Company or the Purchaser if any Law, or any final, non-appealable injunction or order shall have been enacted, issued, promulgated, enforced or entered which is in effect and has the effect of prohibiting the sale and issuance of the Purchased Securities, *provided*, however, that the right to terminate this Agreement pursuant to this Section 8.1(b) shall not be available to a party if the issuance of such Law, injunction or order was primarily due to the breach or failure of such party to perform in material respects any of its obligations under this Agreement;

(c) by the Purchaser if there has been a material breach of any representation or warranty by the Company under this Agreement or any material breach of any covenant or agreement by the Company under this Agreement that, in any case, would give rise to the failure of the condition set forth in Section 7.2 or Section 7.5, and such breach is not cured within ten (10) Business Days upon delivery of written notice thereof from the Purchaser; *provided*, however, that the Purchaser shall not have the right to terminate this Agreement pursuant to this Section 8.1(c) if the Purchaser shall have materially breached or failed to perform any of its representations, warranties, covenants or agreements under this Agreement and such breach or failure shall have been the principal cause of, or shall have resulted in, the failure of the condition set forth in Section 7.2 or Section 7.5;

(d) by the Company if there has been a material breach of any representation or warranty by the Purchaser under this Agreement or any material breach of any covenant or agreement by the Purchaser under this Agreement that, in any case, would give rise to the failure of the condition set forth in Section 6.2, and such breach is not cured within ten (10) Business Days upon delivery of written notice thereof from the Company; *provided*, however, that the Company shall not have the right to terminate this Agreement pursuant to this Section 8.1(d) if the Company shall have materially breached or failed to perform any of its representations, warranties, covenants or agreements under this Agreement and such breach or failure shall have been the principal cause of, or shall have resulted in, the failure of the condition set forth in Section 6.2; or

(e) by the Company or the Purchaser, upon written notice to the other parties if the Closing has not occurred within thirty (30) days of the date hereof, *provided,* however, that the right to terminate this Agreement under this Section 8.1(e) shall not be available to any party whose failure to fulfill any obligation under this Agreement shall have been the principal cause of, or shall have resulted in, the failure of the Closing to occur on or prior to such date.

Section 8.2 Effect of Termination. In the event of termination of this Agreement as provided in Section 8.1 above, written notice thereof shall be given to the other party specifying the provision hereof pursuant to which such termination is made, and this Agreement shall forthwith become void and there shall be no liability or obligation on the part of the parties hereto; *provided* that (a) nothing herein shall relieve any party hereto from liability for any breach of this Agreement that occurred before such termination and (b) the provisions of this Article VIII, Article IX, Section 5.3 and Section 5.8 shall remain in full force and effect and survive any termination of this Agreement pursuant to the terms of this Article VIII.

ARTICLE IX
MISCELLANEOUS

Section 9.1 Survival. Other than the representations and warranties set forth in Sections 3.1, 3.2, 3.3(a), 4.1, 4.2, 4.3, 4.4(a) and 4.6, which shall survive the Closing indefinitely, the representations and warranties of the parties set forth in Articles III and IV of this Agreement shall survive the execution and delivery of this Agreement and the Closing until the date that is 12 months after the Closing; *provided* that each representation, warranty, covenant and agreement hereunder shall survive the Closing indefinitely in the case of fraud, intentional concealment of material facts or other willful misconduct on the part of the Company or the Purchaser, as the case may be; *provided*, *further*, that a claim with respect to recovery under the indemnification provisions set forth in Section 9.2 is initiated prior to the applicable survival period set forth in this Section 9.1, such claim may continue indefinitely until it is finally resolved pursuant to Section 9.2.

Section 9.2 Indemnification. From and after the Closing Date, each party (the "Indemnitor") shall defend, protect, indemnify and hold harmless the other parties and their respective Affiliates, shareholders, partners, members, officers, directors, employees, agents or other representatives (collectively, the "Indemnitees") from and against any and all actions, causes of action, suits, claims, losses, diminution in value, costs, penalties, fees, liabilities and damages, and expenses in connection therewith (irrespective of whether any such Indemnitee is a party to the action for which indemnification hereunder is sought), and including reasonable attorneys' fees and disbursements (the "Indemnified Liabilities"), incurred by any Indemnitee as a result of, or arising out of, or relating to (a) any misrepresentation or breach of any representation or warranty made by the Indemnitor in this Agreement and other Transaction Documents, (b) any breach of any covenant, agreement or obligation of the Indemnitor contained in this Agreement or the other Transaction Documents, and (c) any cause of action, suit or claim brought or made against such Indemnitee by a third party arising out of or as a result of any breach of any representation or warranty made by the Indemnitor or any breach of any covenant, agreement or obligation of the Indemnitor under the Transaction Documents. Notwithstanding the foregoing, the term "Indemnified Liabilities" shall not include any punitive, incidental, consequential, special or indirect losses and damages, including loss of future revenue or income, or loss of business reputation or opportunity.

Section 9.3 Limitation to the Indemnitor's Liability. Notwithstanding anything to the contrary in this Agreement:

(a) the Indemnitor shall have no liability to the Indemnitees under Section 9.2(a) with respect to any misrepresentation or breach of any representation or warranty made by the Indemnitor in this Agreement unless the aggregate amount of Indemnified Liabilities suffered or incurred by the Indemnitees thereunder exceeds five percent (5%) of the Aggregate Purchase Price, in which case the Indemnitor shall be liable for all Indemnified Liabilities pursuant to Section 9.2(a); *provided* that, the limitation under this Section 9.3(a) shall not apply to any Indemnifiable Liabilities resulting from or arising out of, directly or indirectly, fraud, intentional concealment of material facts or other willful misconduct on the part of the Indemnitor;

(b) the maximum aggregate liabilities of the Indemnitor in respect of Indemnified Liabilities pursuant to Section 9.2(a) with respect to any misrepresentation or breach of any representation or warranty made by the Indemnitor in this Agreement shall be subject to a cap equal to the Aggregate Purchase Price; *provided* that, the cap under this Section 9.3(b) shall not apply to any Indemnifiable Liabilities resulting from or arising out of, directly or indirectly, fraud, intentional concealment of material facts or other willful misconduct on the part of the Indemnitor;

(c) notwithstanding any other provision contained herein and except in the case of fraud, intentional misrepresentation and/or willful misconduct, from and after the Closing, this Section 9.3 shall be the sole and exclusive monetary remedy of any of the Indemnitees for any claims against the Indemnitor arising out of or resulting from this Agreement and the other Transaction Documents and the transactions contemplated hereby and thereby; *provided* that the Indemnitee shall also be entitled to specific performance or other equitable remedies in any court of competent jurisdiction pursuant to Section 9.15 hereof; *provided*, *further*, that the foregoing shall not limit the Indemnitee's right to seek indemnification pursuant to paragraph 7 of Annex A; and

(d) the representations, warranties, covenants, agreements and obligations of the Indemnitor, and the Indemnitee's right to indemnification with respect thereto, shall not be affected or deemed waived by reason of any investigation made by or on behalf of the Indemnitee (including by any of its agents or representatives) or by reason of the fact that the Indemnitee (or any of its agents or representatives) knew or should have known that any such representation, warranty, covenant, agreement or obligation is, was or might be inaccurate or by reason of the Indemnitee's waiver of any condition set forth Article VII.

Section 9.4 Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to principles of conflict of laws thereunder.

Section 9.5 Arbitration.

(a) Any dispute, controversy, difference or claim arising out of or relating to this letter agreement, including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it shall be referred to and finally resolved by arbitration administered by the Hong Kong International Arbitration Centre ("HKIAC") under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted.

(b) The seat of arbitration shall be Hong Kong.

(c) The number of arbitrators shall be three. The arbitrators shall be appointed in accordance with the HKIAC rules. The arbitration proceedings shall be conducted in English.

(d) It shall not be incompatible with this arbitration agreement for any party to seek interim or conservatory relief from courts of competent jurisdiction before the constitution of the arbitral tribunal.

Section 9.6 Counterparts. This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other parties. A facsimile or "PDF" signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original. The parties irrevocably and unreservedly agree that this Agreement may be executed by way of electronic signatures and the parties agree that this Agreement, or any part thereof, shall not be challenged or denied any legal effect, validity and/or enforceability solely on the ground that it is in the form of an electronic record.

Section 9.7 Severability. If any provision of this Agreement is found to be invalid or unenforceable, then such provision shall be construed, to the extent feasible, so as to render the provision enforceable and to provide for the consummation of the transactions contemplated hereby on substantially the same terms as originally set forth herein, and if no feasible interpretation would save such provision, it shall be severed from the remainder of this Agreement, which shall remain in full force and effect unless the severed provision is essential to the rights or benefits intended by the parties. In such event, the parties shall use commercially reasonable efforts to negotiate, in good faith, a substitute, valid and enforceable provision or agreement, which most nearly effects the parties' intent in entering into this Agreement.

Section 9.8 Entire Agreement. This Agreement and the other Transaction Documents, together with all the schedules and exhibits hereto and thereto and the certificates and other written instruments delivered in connection therewith from time to time on and following the date hereof, constitute and contain the entire agreement and understanding of the parties with respect to the subject matter hereof and thereof and supersedes any and all prior negotiations, correspondence, agreements, understandings, duties or obligations between the parties respecting the subject matter hereof and thereof.

Section 9.9 Notices. Except as may be otherwise provided herein, any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (a) upon receipt, when delivered personally; (b) upon receipt, when sent by facsimile (*provided* confirmation of transmission is mechanically or electronically generated and kept on file by the sending party); or (c) one (1) Business Day after deposit with an internationally recognized overnight courier service; or (d) when sent by confirmed electronic mail if sent during normal business hours of the recipient, or if not, then on the next Business Day, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:

If to the Company:

Address: Suite 802, West Tower, OmniVision, 88 Shangke Road, Pudong District
Shanghai, 201210, People's Republic of China
Telephone: +86 21-6057-8000
Email: jielun.zhu@i-mabbiopharma.com
Attention: Jielun Zhu

with a copy (for informational purposes only) to:

Wilson Sonsini Goodrich & Rosati, Professional Corporation
Address: Unit 2901, 29F, Tower C, Beijing Yintai Centre
No. 2 Jianguomenwai Avenue, Chaoyang District
Beijing, 100022, People's Republic of China
Email: douyang@wsgr.com; keli@wsgr.com
Telephone: +86 10-6529-8300
Attention: Dan Ouyang; Ke Li

If to the Purchaser:

Address: [ ]
Email: [ ]
Facsimile: [ ]
Attention: [ ]

A party may change or supplement the addresses given above, or designate additional addresses, for purposes of this Section 9.9 by giving the other parties written notice of the new address in the manner set forth above.

Section 9.10 No Third-Party Beneficiaries. This Agreement shall be binding upon and inure solely to the benefit of, and be enforceable by, only the parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other Person (other than the Indemnitees) any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement, except that the Placement Agent shall be a third party beneficiary of Articles III and IV of this Agreement and may rely on each representation and warranty of the Purchaser and the Company made herein or pursuant to the terms hereof (including the Company Closing Certificate and the Purchaser Closing Certificate) with the same force and effect as if such representation or warranty were made directly to the Placement Agent.

Section 9.11 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and shall be binding upon, the successors and permitted assigns of the parties hereto. Except as otherwise provided herein, neither this Agreement nor any of the rights, interests, or obligations hereunder shall be assigned by any party hereto (whether by operation of law or otherwise) without the prior written consent of the other party; *provided*, however, that the Purchaser may assign any of its rights, interests, or obligations hereunder to an Affiliate of the Purchaser without the prior written consent of the Company.

Section 9.12 Construction. Each of the parties has participated in the drafting and negotiation of this Agreement. If an ambiguity or question of intent or interpretation arises, this Agreement must be construed as if it is drafted by all the parties and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of authorship of any of the provisions of this Agreement.

Section 9.13 Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as any other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

Section 9.14 Adjustment of Share Numbers. If there is a subdivision, split, stock dividend, combination, reclassification or similar event with respect to any of the shares of Company's Ordinary Shares referred to in this Agreement, then, in any such event, the numbers and types of shares of such Ordinary Shares, as applicable, referred to in this Agreement shall be adjusted to the number and types of shares of such stock that a holder of such number of shares of such stock would own or be entitled to receive as a result of such event of such holder had held such number of shares immediately prior to the record date for, or effectiveness of, such event.

Section 9.15 Specific Performance. The parties hereto acknowledge and agree irreparable harm may occur for which money damages would not be an adequate remedy in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, in addition to any other remedies at law or in equity, the parties to this Agreement shall be entitled to injunction to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement without posting any bond or other undertaking.

Section 9.16 Amendment; Waiver. This Agreement may be amended, modified or supplemented only by a written instrument duly executed by all the parties hereto. The observance of any provision in this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively) only by the written consent of the party against whom such waiver is to be effective. Any amendment or waiver effected in accordance with this Section 9.16 shall be binding upon the Company and the Purchaser and their respective assigns. It is agreed that no delay or omission to exercise any right, power or remedy accruing to any party, upon any breach, default or noncompliance by another party under this Agreement, shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach, default or noncompliance, or any acquiescence therein, or of or in any similar breach, default or noncompliance thereafter occurring.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused their respective signature page to this Agreement to be duly executed as of the date first written above.

I-MAB

By: _____
Name:
Title:

[Signature Page to Subscription Agreement]

IN WITNESS WHEREOF, the parties hereto have caused their respective signature page to this Agreement to be duly executed as of the date first written above.

[Name of Investor]

By: _____
Name:
Title:

[Signature Page to Subscription Agreement]

Schedule A
List of Subsidiaries

Name of Subsidiary	Place of Incorporation
I-Mab Biopharma Hong Kong Limited	Hong Kong
I-Mab Biopharma US Ltd.	United States
I-Mab Bio-tech (Tianjin) Co., Ltd.	People's Republic of China
I-Mab Biopharma Co., Ltd.	People's Republic of China
I-Mab Bio-tech (Hangzhou) Co., Ltd.	People's Republic of China
Chengdu Tasgen Bio-tech Co., Ltd.	People's Republic of China
Shanghai Tianyunjian Bio-tech Co., Ltd.	People's Republic of China
Thirdventure Beijing Bio-tech Co., Ltd.	People's Republic of China

Schedule B
Company Bank Account

Schedule B to Subscription Agreement

Annex A
Registration Rights

The Purchaser shall be entitled to the following rights with respect to the Registrable Securities.

1. Mandatory Registration.

(a) The Company agrees to file with the SEC a registration statement to register under and in accordance with the provisions of the Securities Act, the resale of the Purchaser's Registrable Securities on Form F-3 or Form F-1, which shall be the sole decision of the Company (which shall be filed pursuant to Rule 415 under the Securities Act as a secondary-only registration statement), if the Company is then eligible for such short form, or any similar or successor short form registration or, if the Company is not then eligible for such short form registration or would not be able to register for resale all of the Registrable Securities on Form F-3, on Form F-1 or any similar or successor long form registration (the "Registration Statement"). The Company shall use its commercially reasonable efforts to have the Registration Statement declared effective by the SEC as soon as practicable after the filing thereof, but no later than ninety (90) calendar days after the Closing Date (the "Effectiveness Deadline"); *provided* that the Effectiveness Deadline shall be extended to one hundred and twenty (120) calendar days after the Closing Date if the Registration Statement is reviewed by, and receives comments from, the SEC; *provided*, *further*, that the Company's obligations to include the Purchaser's Registrable Securities in the Registration Statement are contingent upon the Purchaser's furnishing in writing to the Company such information regarding the Purchaser, the Registrable Securities held by the Purchaser and the intended method of disposition of the Registrable Securities as shall be reasonably requested by the Company to effect the registration of the Registrable Securities, and shall execute such documents in connection with such registration as the Company may reasonably request that are customary of a selling shareholder in similar situations. The Company will provide a draft of the Registration Statement to the Purchaser for review at least two (2) Business Days in advance of filing the Registration Statement. In no event shall the Purchaser be identified as a statutory underwriter in the Registration Statement unless requested by the SEC.

(b) Notwithstanding the foregoing, if the SEC prevents the Company from including any or all of the Registrable Securities proposed to be registered under the Registration Statement due to limitations on the use of Rule 415 under the Securities Act for the resale of the Registrable Securities by the Purchaser or otherwise, such Registration Statement shall register for resale such number of Purchaser which is equal to the maximum number of the Securities as is permitted by the SEC. In such event, the number of the Registrable Securities to be registered for each selling shareholder named in the Registration Statement shall be reduced pro rata among all such selling shareholders; *provided* that the Securities of the Investors and Holders (as defined in the Fourth Amended and Restated Shareholders Agreement of the Company dated July 25, 2019 (the "Shareholders Agreement") shall all be included in such Registration Statement pursuant to the terms of the Shareholders Agreement before the inclusion of the Registrable Securities to be registered for the Purchaser.

(c) The Company will use its commercially reasonable efforts to maintain the continuous effectiveness of the Registration Statement for a period of ninety (90) days after the effectiveness of the Registration Statement or such shorter period upon which the Purchaser has notified the Company that its Registrable Securities have actually been sold. The period of time during which the Company is required hereunder to keep a Registration Statement effective is referred to herein as the "Registration Period." The Company will use its commercially reasonable efforts to (i) cause the removal of all restrictive legends from any Purchased Shares being sold under the Registration Statement no later than ten (10) Business Days after the effectiveness thereof, subject to the requirements under applicable securities Laws and/or from the Company's depositary bank administering the relevant ADS program, or pursuant to Rule 144 under the Securities Act ("Rule 144") at the time of sale of such Registrable Securities and, at the request of the Purchaser, cause the removal of all restrictive legends from any Registrable Securities held by the Purchaser that may be sold by the Purchaser without restriction under Rule 144, including without limitation, any volume and manner of sale restrictions, and (ii) cause its legal counsel to deliver the necessary legal opinions, if any, to the transfer agent in connection with the instruction under subclause (i) upon the receipt of such supporting documentation, if any, as reasonably requested by such counsel. For the avoidance of doubt, nothing in the immediately preceding sentence shall relieve the Company of any obligations under Section 5.7 of this Agreement. The Company will use commercially reasonable efforts to file all reports, and provide all customary and reasonable cooperation, reasonably necessary to enable the Purchaser to resell Registrable Securities pursuant to the Registration Statement or Rule 144, as applicable, qualify the Registrable Securities for listing on the applicable stock exchange and update or amend the Registration Statement as necessary to include Registrable Securities.

(d) For purposes of this Annex, "Registrable Securities" shall mean the Purchased Shares and the Warrant Shares (if any) (whether held in the form of ADSs or Ordinary Shares), including any ADSs or Ordinary Shares issuable with respect to the Purchased Securities by way of a dividend, share split or other distribution, or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization; *provided* that such Registrable Securities shall not be considered to be Registrable Securities (i) at any time that (but only during such time as) such security is eligible to be sold pursuant to Rule 144 without condition or restriction, including without any limitation as to volume of sales, and without the Purchaser complying with any method of sale requirements or notice requirements under Rule 144, or (ii) if such Securities have been sold pursuant to an effective registration statement or in compliance with Rule 144 or other exemptions from registration; *provided*, *further*, that paragraph 1(a) (Mandatory Registration) of this Annex A shall not be available to the Purchaser with respect to the Warrant Shares (if any).

2. Piggyback Registration.

(a) The Company shall notify the Purchaser in writing at least thirty (30) days prior to filing any registration statement under the Securities Act for purposes of effecting a public offering of ADSs (including registration statements relating to secondary offerings of ADSs, but excluding registration statements relating to the Mandatory Registration described in paragraph 1(a) of this Annex A or to any employee benefit plan or a corporate reorganization) (such notice, the "Registration Rights Notice") and shall afford the Purchaser an opportunity to include in such registration statement all or any part of the Registrable Securities then held by the Purchaser which have not been previously registered pursuant to an effective registration statement. The Purchaser desiring to include in any such registration statement such Registrable Securities shall within twenty (20) days after receipt of the above-described notice from the Company, so notify the Company in writing, and in such notice shall inform the Company of the number of Registrable Securities the Purchaser wishes to include in such registration statement. The Purchaser shall be permitted to withdraw all or any part of such Registrable Securities from any registration at any time prior to the effective date of such registration, except as otherwise provided in any written agreement with the Company's underwriter(s) establishing the terms and conditions under which the Purchaser would be obligated to sell such Registrable Securities in such registration. The right contained in this paragraph 2(a) may be exercised by the Purchaser only with respect to two (2) qualifying registrations.

(b) If the registration under the preceding paragraph 2(a) is for a registered public offering that is to be made by an underwriting, the Company shall so advise the Purchaser as part of the Registration Rights Notice. In that event, the right of the Purchaser to such registration shall be conditioned upon its participation in such underwriting and the inclusion of its Registrable Securities in the underwriting to the extent provided herein. If the Purchaser proposes to sell any of its Registrable Securities through such underwriting, it shall (together with the Company and any other shareholders of the Company selling their Securities through such underwriting) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting by the Company or such other selling shareholders, as applicable. Notwithstanding any other provision of this paragraph 2(b), if the underwriter(s) or the Company determines that marketing factors require a limitation on the number of Securities to be underwritten, the underwriter(s) may exclude some or all Registrable Securities from such registration and underwriting. The Company shall so advise the Purchaser, unless it has failed to include its Registrable Securities through such underwriting or has indicated to the Company its decision not to do so, and indicate to the Purchaser the number of the Registrable Securities that may be included in the registration and underwriting, if any. The number of Securities to be included in such registration and underwriting shall be allocated first to the Company and each of the Holders (as defined in the Shareholders Agreement) in accordance with the terms of the Shareholders Agreement; second, to the investors in the Private Placements (including the Purchaser) demanding registration of, or requesting inclusion of, their Registrable Securities (as defined in their respective subscription agreement in connection with the Private Placements) in such registration statement on a pro rata basis based on the total number of Registrable Securities (as defined in their respective subscription agreement in connection with the Private Placements) then held by each such investor; and third, to other holders of Securities, if any. For the avoidance of doubt, the right of the underwriter(s) to exclude shares (including the Registrable Securities) from the registration and underwriting as described above shall be restricted so that all shares that are held by any employee, officer or director of the Company or any Subsidiary thereof shall first be excluded from such registration and underwriting before any Registrable Securities are so excluded unless otherwise approved by the holders of the majority of Registrable Securities (as defined in the investors' respective subscription agreement in connection with the Private Placements).

(c) No Registrable Securities excluded from the underwriting by reason of the underwriter's marketing limitation shall be included in such registration. If the Purchaser disapproves of the terms of any such underwriting, such Purchaser may elect to withdraw its Registrable Securities therefrom by delivering a written notice to the Company at least ten (10) Business Days prior to the effective date of the registration statement.

3. Suspension of Registration. Notwithstanding anything to the contrary contained herein, the Company may, upon written notice, suspend the use of any registration statement, including any prospectus that forms a part of a registration statement, if the Company (i) determines in good faith that it would be required to make disclosure of material information in the registration statement that the Company has a bona fide business purpose for preserving as confidential; (ii) the Company determines it must amend or supplement the registration statement or the related prospectus so that such registration statement or prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the case of the prospectus in light of the circumstances under which they were made, not misleading; or (iii) the Company has experienced or is experiencing some other material non-public event, including a pending transaction involving the Company, the disclosure of which at such time, in the good faith judgment of the Company, would adversely affect the Company; *provided*, however, in no event shall sales of Registrable Securities be suspended pursuant to the registration statement for a period that exceeds thirty (30) consecutive trading days (any such suspension contemplated by this paragraph 3, an "Allowed Delay"); *provided*, *further*, that the Company may not utilize this right more than once in any twelve (12) month period and may not register any other Securities during any Allowed Delay. Upon disclosure of such information or the termination of the condition described above, the Company shall provide prompt notice to the Purchaser and shall promptly terminate any suspension of sales it has put into effect and shall take such other reasonable actions to permit registered sales of Registrable Securities as contemplated hereby. The Purchaser agrees that, upon receipt of any notice from the Company of an Allowed Delay, the Purchaser will immediately discontinue disposition of Registrable Securities pursuant to any registration statement covering such Registrable Securities, until the Purchaser is advised by the Company that such dispositions may again be made.

Schedule A to Subscription Agreement

4. Expenses. All expenses incurred in connection with registrations, filings or qualifications pursuant to this Annex A, including all registration, filing and qualification fees (including "blue sky" fees and expenses); printers' and accounting fees; fees and disbursements of counsel for the Company shall be borne and paid by the Company, except that any (i) fees and disbursements of counsel for the Purchaser acting as selling shareholder counsel, and (ii) discounts, commissions, fees of underwriters, selling brokers, dealer managers or similar securities industry professionals applicable to the sale of any of the Registrable Securities.

5. Rule 144. With a view to making available to the Purchaser the benefits of Rule 144, the Company covenants that it will use commercially reasonable efforts to (i) file in a timely manner all reports and other documents required, if any, to be filed by it under the Securities Act and the Exchange Act and the rules and regulations adopted thereunder and (ii) make available information necessary to comply with Rule 144 with respect to resales of the Registrable Securities under the Securities Act, at all times, to the extent required from time to time to enable the Purchaser to resell the Registrable Securities without registration under the Securities Act within the limitation of the exemptions provided by Rule 144 (if available with respect to resales of the Registrable Securities), as such rule may be amended from time to time.

6. Purchaser's Covenants. The Purchaser shall furnish in writing to the Company such information regarding itself, the Registrable Securities and the intended method of disposition of the Registrable Securities, as shall be reasonably requested to effect the registration of such Registrable Securities and shall execute such documents in customary form in connection with such registration as the Company may reasonably request. The Purchaser, by its acceptance of the Registrable Securities, agrees to cooperate with the Company as reasonably requested by the Company in connection with the preparation and filing of a registration statement and/or prospectus hereunder, *provided* that the Purchaser shall be given the opportunity to review and comment on such registration statement and/or prospectus.

7. Indemnification.

   (a) To the extent permitted by Law, the Company will indemnify and hold harmless the Purchaser and its officers, directors, partners, members, employees and agents, successors and assigns, and each other Person, if any, who controls the Purchaser (within the meaning of the Securities Act), against any losses, claims, damages or liabilities, joint or several, to which they may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) that arise out of or are based upon any untrue statement or alleged untrue statement of any material fact or omission or alleged omission of any material fact required to be stated therein or necessary to make the statements therein, in the case of the prospectus in light of the circumstances under which they were made, not misleading, contained in any registration statement, any preliminary prospectus or final prospectus, or any amendment or supplement thereof; provided, however, that the Company will not be liable in any such case if and to the extent that any such loss, claim, damage or liability arises out of or is based upon (i) an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished by the Purchaser or any such controlling Person in writing specifically for use in such registration statement or prospectus and which information has not been corrected in a subsequent writing prior to or concurrently with the sale of the applicable Securities, (ii) the use by the Purchaser of an outdated or defective prospectus after the Company has notified the Purchaser in writing that such prospectus is outdated or defective, or (iii) the Purchaser's failure to send or give a copy of the prospectus or supplement (as then amended or supplemented), if required (and not exempted) to the Persons asserting an untrue statement or omission or alleged untrue statement or omission at or prior to the written confirmation of the sale of the applicable Securities.

(b) To the extent permitted by Law, the Purchaser will indemnify and hold harmless the Company, its directors, officers, employees, shareholders and each Person who controls the Company (within the meaning of the Securities Act) against any losses, claims, damages, liabilities and expense (including reasonable attorney fees) that arise out of or are based upon any untrue statement or alleged untrue statement of any material fact or omission or alleged omission of any material fact required to be stated therein or necessary to make the statements therein, in the case of the prospectus in light of the circumstances under which they were made, not misleading, contained in any registration statement, any preliminary prospectus or final prospectus, or any amendment or supplement thereof, to the extent, but only to the extent, that such untrue statement or omission is contained in any information regarding the Purchaser and furnished in writing by the Purchaser to the Company specifically for inclusion in such registration statement or prospectus or amendment or supplement thereto, and which information has not been corrected in a subsequent writing prior to or concurrently with the sale of the applicable Securities, *provided*, *however*, that the indemnity agreement contained in this paragraph 7(b) shall not apply to amounts paid in settlement of any such loss, claim, damage, liability or action if such settlement is effected without the consent of the Purchaser, which consent shall not be unreasonably withheld; and *provided*, *further*, that in no event shall any indemnity under this paragraph 7(b) exceed the net proceeds received by such Purchaser in such registered offering.

Schedule A to Subscription Agreement

(c) Any Person entitled to indemnification hereunder shall (i) give prompt notice to the indemnifying party of any claim with respect to which it seeks indemnification and (ii) permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party; *provided*, that any Person entitled to indemnification hereunder shall have the right to employ separate counsel and to participate in the defense of such claim, but the fees and expenses of such counsel shall be at the expense of such Person unless (A) the indemnifying party has agreed to pay such fees or expenses, (B) the indemnifying party shall have failed to assume the defense of such claim and employ counsel reasonably satisfactory to such Person or (C) in the reasonable judgment of any such Person, based upon written advice of its counsel, a conflict of interest exists between such Person and the indemnifying party with respect to such claims (in which case, if the Person notifies the indemnifying party in writing that such Person elects to employ separate counsel at the expense of the indemnifying party, the indemnifying party shall not have the right to assume the defense of such claim on behalf of such Person); and *provided*, *further* that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations hereunder, except to the extent that such failure to give notice shall materially adversely affect the indemnifying party in the defense of any such claim or litigation. It is understood that the indemnifying party shall not, in connection with any proceeding in the same jurisdiction, be liable for fees or expenses of more than one separate firm of attorneys at any time for all such indemnified parties. No indemnifying party will, except with the consent of the indemnified party, which shall not be unreasonably withheld or conditioned, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect of such claim or litigation.

(d) If for any reason the indemnification provided for in the preceding paragraphs 7(a) and (b) is unavailable to an indemnified party or insufficient to hold it harmless, other than as expressly specified therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative fault of the indemnified party and the indemnifying party, as well as any other relevant equitable considerations. No Person guilty of fraudulent misrepresentation within the meaning of Section 11(f) of the Securities Act shall be entitled to contribution from any Person not guilty of such fraudulent misrepresentation. In no event shall the contribution obligation of a holder of Registrable Securities be greater in amount than the dollar amount of the proceeds received by it upon the sale of the Registrable Securities giving rise to such contribution obligation.

8. Ranking of Registration Rights. The Purchaser acknowledges that any registration rights granted to, or created for the benefit of, the Purchaser under this Annex A shall not be senior to, or on a parity with, those granted to the Holders (as defined therein) under the Shareholders Agreement.

Annex B

Form of Cayman Legal Opinion

Annex B to Subscription Agreement

Annex C

Form of Warrant

Annex C to Subscription Agreement

THIS WARRANT AND THE UNDERLYING SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF ANY STATE. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS WARRANT MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE OR TRANSFER OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

WARRANT TO PURCHASE ORDINARY SHARES
of
I-MAB

Dated as of [●], 2020

Warrant to Purchase
[●] Ordinary Shares (subject to adjustment)

THIS CERTIFIES THAT, for value received, [Name of Investor], or its registered assigns (the "Holder"), is entitled, subject to the provisions and upon the terms and conditions set forth herein, to purchase from I-Mab, a company incorporated under the laws of the Cayman Islands (the "Company"), ordinary shares of the Company, par value of US$0.0001 per share (the "Shares"), in the amounts, at such times and at the price per share set forth in Section 1. The term "Warrant" as used herein shall include this Warrant and any warrants delivered in substitution or exchange therefor as provided herein. This Warrant is issued in connection with the transactions described in the subscription agreement, dated as of September 1, 2020, by and among the Company and the Holder described therein (the "Purchase Agreement"). Capitalized terms used and not otherwise defined herein shall have the meanings set forth in the Purchase Agreement. The Holder is subject to certain restrictions set forth in the Transaction Documents.

The following is a statement of the rights of the Holder and the conditions to which this Warrant is subject, and to which Holder, by acceptance of this Warrant, agrees:

1. Number and Price of Shares; Exercise Period.

(a) Number of Shares. The Holder shall have the right to purchase [●] Shares, as may be adjusted pursuant hereto prior to the expiration of this Warrant.

(b) Exercise Price. The exercise price per Share shall be the amount equal to (x) US$45.00 divided by (y) 2.3, subject to adjustment pursuant hereto (the "Exercise Price").

(c) Exercise Period. This Warrant shall be exercisable, in whole, after [the Initial Closing Date]/[the Subsequent Closing Date] and prior to the one-year anniversary of such [Initial Closing Date]/[Subsequent Closing Date]. This Warrant shall be and become void and of no value and shall be terminated and no longer outstanding if and to the extent not exercised prior to the end of such one-year anniversary.

2. Exercise of the Warrant.

(a) Exercise. The purchase rights represented by this Warrant may be exercised at the election of the Holder, in whole, in accordance with Section 1, by:

(i) the tender to the Company at its principal office (or such other office or agency as the Company may designate) of a notice of exercise in the form of Exhibit A (the "Notice of Exercise"), duly completed and executed by or on behalf of the Holder, together with the surrender of this Warrant (or a reasonable affidavit of loss and indemnity undertaking in case of the loss or destruction of this Warrant); and

(ii) the payment to the Company of an amount equal to (x) the Exercise Price multiplied by (y) the number of Shares being purchased, by wire transfer or certified, cashier's or other check acceptable to the Company and payable to the order of the Company.

(b) Share Certificates. The rights under this Warrant shall be deemed to have been exercised and the Shares issuable upon such exercise shall be deemed to have been issued immediately prior to the close of business on the date this Warrant is exercised in accordance with its terms, and the person entitled to receive the Shares issuable upon such exercise shall be treated for all purposes as the holder of record of such Shares as of the close of business on such date. As promptly as reasonably practicable on or after such date, the Company shall issue and deliver to the person or persons entitled to receive the same (i) a certificate or certificates (or a notice of issuance of uncertificated shares, if applicable) for that number of Shares issuable upon such exercise and (ii) a scan copy of an extract of the register of members of the Company reflecting the Holder's ownership of the Shares, duly certified by the registered agent or a director of the Company.

(c) No Fractional Shares or Scrip. No fractional shares or scrip representing fractional Shares shall be issued upon the exercise of the rights under this Warrant. In lieu of such fractional Share to which the Holder would otherwise be entitled, the Company shall make a cash payment equal to the Exercise Price multiplied by such fraction.

(d) Reservation of Shares. The Company agrees, during the term the rights under this Warrant are exercisable, to reserve, free from preemptive rights or any other contingent purchase rights of persons other than the Holder, and keep available from its authorized and unissued ordinary shares for the purpose of effecting the exercise of this Warrant such number of Shares as shall be sufficient to effect the exercise of the rights under this Warrant. The Company represents and warrants that all Shares that may be issued upon the exercise of this Warrant will, when issued in accordance with the terms hereof, be validly issued, fully paid and nonassessable.

(e) No Setoff. To the extent permitted by law, the Company's obligations to issue and deliver Shares in accordance with and subject to the terms hereof are absolute and unconditional, irrespective of any action or inaction by the Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any person or entity or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by the Holder or any other person or entity of any obligation to the Company or any violation or alleged violation of law by the Holder or any other person or entity, and irrespective of any other circumstance that might otherwise limit such obligation of the Company to the Holder in connection with the issuance of Shares. Nothing herein shall limit the Holder's right to pursue any other remedies available to it hereunder, at law or in equity including, without limitation, a decree of specific performance and/or injunctive relief with respect to the Company's failure to timely deliver certificates representing Shares upon exercise of the Warrant as required pursuant to the terms hereof.

3. Replacement of the Warrant. Subject to the receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of this Warrant and, in the case of loss, theft or destruction, on delivery of an indemnity agreement reasonably satisfactory in form and substance to the Company or, in the case of mutilation, on surrender and cancellation of this Warrant, the Company at the expense of the Holder shall execute and deliver, in lieu of this Warrant, a new warrant of like tenor and amount.

4. Transfer of the Warrant.

(a) Transferability of the Warrant. Subject to the provisions of this Warrant with respect to compliance with the Securities Act and limitations on assignments and transfers, including without limitation compliance with the restrictions on transfer set forth in Section 5, this Warrant and all rights hereunder are transferable, in whole, upon the prior written consent of the Company (if and to the extent required under Section 5(a)) and surrender of this Warrant at the principal office of the Company or its designated agent, together with (i) a written assignment (the "Assignment Form") of this Warrant substantially in the form attached hereto as Exhibit B duly executed by the Holder or its agent or attorney delivery in the same manner as a negotiable instrument transferable by endorsement and delivery and (ii) any other documents or certificates reasonably requested by the Company to effect such transfer.

(b) Exchange of the Warrant upon a Transfer. On surrender of this Warrant (and a properly endorsed Assignment Form and other documents set forth in Section 5) for exchange, subject to the provisions of this Warrant with respect to compliance with the Securities Act and limitations on assignments and transfers, the Company shall issue to or on the order of the Holder a new warrant of like tenor, in the name of the Holder or as the Holder (on payment by the Holder of any applicable transfer taxes) may direct, for the number of Shares issuable upon exercise hereof. This Warrant (and the Shares issuable upon exercise hereof) must be surrendered to the Company or its warrant or transfer agent, as applicable, as a condition precedent to the sale or other transfer of any interest in any of the securities represented hereby.

(c) Taxes. In no event shall the Company be required to pay any tax which may be payable in respect of any transfer involved in the issue and delivery of any certificate, or a book entry, in a name other than that of the Holder, and the Company shall not be required to issue or deliver any such certificate, or make such book entry, unless and until the person or persons requesting the issue or entry thereof shall have paid to the Company the amount of such tax or shall have established to the reasonable satisfaction of the Company that such tax has been paid or is not payable.

5. Restrictions on Transfer of the Warrant and Shares; Compliance with Securities Laws. By acceptance of this Warrant, the Holder agrees to comply with the following:

(a) Restrictions on Transfers. This Warrant may not be transferred or assigned in whole or in part without the Company's prior written consent, and any attempt by Holder to transfer or assign any rights, duties or obligations that arise under this Warrant without such permission shall be void; *provided*, *however*, that the Holder may assign the Warrant to an Affiliate (as defined in the Purchase Agreement) of the Holder without the prior written consent of the Company. Any transfer of this Warrant or the Shares issuable upon exercise hereof (the "Securities") must be in compliance with all applicable federal and state securities laws. The Holder agrees not to make any sale, assignment, transfer or other disposition of all or any portion of the Securities, or any beneficial interest therein, unless and until the transferee thereof has agreed in writing for the benefit of the Company to take and hold such Securities subject to, and to be bound by, the terms and conditions set forth in this Warrant to the same extent as if the transferee were the original Holder hereunder, and

(i) If there is then in effect a registration statement under the Securities Act covering such proposed disposition, such disposition is made in accordance with such registration statement, or

(ii) (A) such Holder shall have given prior written notice to the Company of such Holder's intention to make such disposition and shall have furnished the Company with a detailed description of the manner and circumstances of the proposed disposition, (B) the transferee shall have confirmed to the satisfaction of the Company in writing, substantially in the form of Exhibit A-1, that the Securities are being acquired (i) solely for the transferee's own account and not as a nominee for any other party, (ii) for investment and (iii) not with a view toward distribution or resale, and shall have confirmed such other matters related thereto as may be reasonably requested by the Company, and (C) if requested by the Company, such Holder shall have furnished the Company, at the Holder's expense, with (i) an opinion of counsel, reasonably satisfactory to the Company, to the effect that such disposition will not require registration of such Securities under the Securities Act or (ii) a "no action" letter from the SEC to the effect that the transfer of such Securities without registration will not result in a recommendation by the staff of the SEC that action be taken with respect thereto, whereupon such Holder shall be entitled to transfer such Securities in accordance with the terms of the notice delivered by the Holder to the Company.

Notwithstanding anything to the contrary herein, if the Securities are sold, assigned, transferred or otherwise disposed of (i) pursuant to an effective registration statement under the Securities Act, or (ii) in a public sale in accordance with Rule 144 under the Securities Act, none of the transfer restrictions herein shall apply.

(b) Investment Representation Statement. Unless the rights under this Warrant are exercised pursuant to an effective registration statement under the Securities Act that includes the Shares with respect to which the Warrant was exercised, it shall be a condition to any exercise of the rights under this Warrant that the Holder shall have confirmed to the reasonable satisfaction of the Company in writing, substantially in the form of Exhibit A-1, that the Shares so purchased are being acquired solely for the Holder's own account and not as a nominee for any other party, for investment and not with a view toward distribution or resale and that the Holder shall have confirmed such other matters related thereto as may be reasonably requested by the Company.

(c) Securities Law Legend. Each certificate, instrument or book entry representing the Securities shall (unless otherwise permitted by the provisions of this Warrant) be notated with a legend substantially similar to the following (in addition to any legend required by state securities laws):

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR UNDER THE SECURITIES LAWS OF CERTAIN STATES. THESE SECURITIES MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED EXCEPT AS PERMITTED UNDER THE ACT AND APPLICABLE STATE SECURITIES LAWS IN ACCORDANCE WITH APPLICABLE REGISTRATION REQUIREMENTS OR AN EXEMPTION THEREFROM. THE ISSUER OF THESE SECURITIES MAY REQUIRE AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE ISSUER THAT SUCH OFFER, SALE OR TRANSFER OTHERWISE COMPLIES WITH THE ACT AND ANY APPLICABLE STATE SECURITIES LAWS. THIS CERTIFICATE MUST BE SURRENDERED TO THE COMPANY OR ITS TRANSFER AGENT AS A CONDITION PRECEDENT TO THE SALE, TRANSFER OR OF ANY INTEREST IN ANY OF THE SECURITIES REPRESENTED HEREBY.

(d) Instructions Regarding Transfer Restrictions. The Holder consents to the Company making a notation on its records and giving instructions to any transfer agent in order to implement the restrictions on transfer established in this Section 5.

(e) Removal of Legend. The legend referring to federal and state securities laws identified in Section 5(c) notated on any certificate evidencing the Shares and the share transfer instructions and record notations with respect to such Securities shall be removed, and the Company shall issue a certificate without such legend to the holder of such Securities (to the extent the Securities are certificated), if (i) such Securities are registered under the Securities Act, or (ii) such holder provides the Company with an opinion of counsel reasonably acceptable to the Company to the effect that a sale or transfer of such Securities may be made without registration, qualification or legend.

(f) No Transfers to Bad Actors; Notice of Bad Actor Status. Except in the case of a public sale pursuant to an effective registration statement or in accordance with Rule 144 under the Securities Act, the Holder agrees not to sell, assign, transfer, pledge or otherwise dispose of any Securities, or any beneficial interest therein, to any person (other than the Company) unless and until the proposed transferee confirms to the reasonable satisfaction of the Company that neither the proposed transferee nor any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members nor any person that would be deemed a beneficial owner of those Securities (in accordance with Rule 506(d) of the Securities Act) is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the transfer, in writing in reasonable detail to the Company. As long as it remains a holder of the Warrant, the Holder will promptly notify the Company in writing if the Holder becomes subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act.

(g) Exceptions. Notwithstanding anything to the contrary herein, the Holder and its Affiliate may directly or indirectly, place any charge, mortgage, lien, pledge, restrictions, security interest or other encumbrance in respect of the Warrant and the Shares issuable upon exercise hereof in connection with the Holder's (or any of its Affiliates') margin loans, collars, derivative transactions or other such downside protection transactions to be entered into on or after the date hereof by the Holder (or any of its Affiliates), and the beneficiary of such transaction (the "Beneficiary") will be entitled to foreclose or enforce following default by the Holder or its Affiliates, including sell (or instruct its agent to sell) the Securities, provided that such Beneficiary shall be bound by the Holder's obligations in Section 5 of this Warrant to the same extent as if such Beneficiary were an original Holder.

6. Adjustments. Subject to the expiration of this Warrant, the number and kind of Shares purchasable hereunder and the Exercise Price therefor are subject to adjustment from time to time, as follows:

(a) Business Combination. In case of the approval of any shareholders of the Company shall be required in connection with any reclassification of the Shares, any consolidation or merger to which the Company is a party, any sale or transfer of all or substantially all of the assets of the Company, or any compulsory share exchange whereby the Shares are converted into other securities, cash or property, the Holder's right to receive the Shares issuable upon exercise hereof shall be converted into the right to exercise this Warrant to acquire the number of shares or other securities or property (including cash) which the Shares issuable (at the time of such reclassification, consolidation, merger, sale or transfer of all or substantially all of the assets, or share exchange) upon exercise hereof immediately prior to such reclassification, consolidation, merger, sale or transfer of all or substantially all of the assets, or share exchange would have been entitled to receive upon consummation of such reclassification, consolidation, merger, sale or transfer of all or substantially all of the assets, or share exchange; and in any such case, if necessary, the provisions set forth herein with respect to the rights and interests thereafter of the Holder shall be appropriately adjusted so as to be applicable, as nearly as may reasonably be, to the Holder's right to exercise this Warrant in exchange for any shares or other securities or property pursuant to this Section 6(a). If and to the extent that the holders of Shares have the right to elect the kind or amount of consideration receivable upon consummation of such reclassification, consolidation, merger, sale or transfer of all or substantially all of the assets, or share exchange, then the consideration that the Holder shall be entitled to receive upon exercise of this Warrant shall be specified by the Holder, which specification shall be made by the Holder by the later of (i) ten (10) Business Days after the Holder is provided with a final version of all material information concerning such choice as is provided to the holders of Shares, and (ii) the last time at which the holders of Shares are permitted to make their specifications known to the Company; *provided*, *however*, that if the Holder fails to make any specification within such time period, the Holder's choice shall be deemed to be whatever choice is made by a plurality of all holders of Shares that are not affiliated with the Company (or, in the case of a consolidation, merger, sale or similar transaction, any other party thereto) and affirmatively make an election (or of all such holders if none of them makes an election). From and after any such reclassification, consolidation, merger, sale or transfer of all or substantially all of the assets, or share exchange, all references to "Shares" herein shall be deemed to refer to the consideration to which the Holder is entitled pursuant to this Section 6(a).

(b) Reclassification of Shares. If the Shares issuable upon exercise hereof are changed into the same or a different number of securities of any other class or classes by reclassification, capital reorganization or otherwise (other than as otherwise provided for herein) (a "Reclassification"), then, in any such event, in lieu of the number of Shares which the Holder would otherwise have been entitled to receive, the Holder shall have the right thereafter to exercise this Warrant for a number of shares of such other class or classes of stock that a holder of the number of securities deliverable upon exercise of this Warrant immediately before that change would have been entitled to receive in such Reclassification, all subject to further adjustment as provided herein with respect to such other shares.

(c) Subdivisions and Combinations. In the event that the outstanding Shares are subdivided (by stock split, by payment of a stock dividend or otherwise) into a greater number of shares of such securities, the number of Shares issuable upon exercise hereof immediately prior to such subdivision shall, concurrently with the effectiveness of such subdivision, be proportionately increased, and the Exercise Price shall be proportionately decreased, and in the event that the outstanding Shares are combined (by reclassification or otherwise) into a lesser number of shares of such securities, the number of Shares issuable upon exercise hereof immediately prior to such combination shall, concurrently with the effectiveness of such combination, be proportionately decreased, and the Exercise Price shall be proportionately increased.

(d) Notice of Adjustments. Upon any adjustment in accordance with this Section 6, the Company shall give notice thereof to the Holder, which notice shall state the event giving rise to the adjustment, the Exercise Price as adjusted and the number of securities or other property purchasable upon the exercise of the rights under this Warrant, setting forth in reasonable detail the method of calculation of each. The Company shall, upon the written request of any Holder, furnish or cause to be furnished to such Holder a certificate setting forth (i) such adjustments, (ii) the Exercise Price at the time in effect and (iii) the number of securities and the amount, if any, of other property that at the time would be received upon exercise of this Warrant.

7. No Rights as a Shareholder. Nothing contained herein shall entitle the Holder to any rights as a shareholder of the Company or to be deemed the holder of any securities that may at any time be issuable upon exercise hereof for any purpose nor shall anything contained herein be construed to confer upon the Holder, as such, any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action (whether upon any recapitalization, issuance of stock, reclassification of stock, change of par value or change of stock to no par value, consolidation, merger, conveyance or otherwise) or to receive notice of meetings, or to receive dividends or subscription rights or any other rights of a shareholder of the Company until the rights under the Warrant shall have been exercised and the Shares purchasable upon exercise of the rights hereunder shall have become deliverable as provided herein.

8. Miscellaneous.

(a) Amendments. Except as expressly provided herein, neither this Warrant nor any term hereof may be amended, waived, discharged or terminated other than by a written instrument referencing this Warrant and signed by the Company and the Holder. Any amendment, waiver, discharge or termination effected in accordance with this Section 8(a) shall be binding upon each Holder, each future holder of such Warrant and the Company.

(b) Waivers. No waiver of any single breach or default shall be deemed a waiver of any other breach or default theretofore or thereafter occurring.

(c) Notices. The notice provision under Section 9.9 in the Purchase Agreement shall apply *mutatis mutandis* to this Warrant.

(d) Governing Law; Arbitration; Specific Performance. The governing law, arbitration and specific performance provision under Sections 9.4, 9.5 and 9.15 in the Purchase Agreement shall apply *mutatis mutandis* to this Warrant.

(e) Titles and Subtitles. The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant. All references in this Warrant to sections, paragraphs and exhibits shall, unless otherwise provided, refer to sections and paragraphs hereof and exhibits attached hereto.

(f) Severability. If any provision of this Warrant becomes or is declared by a court of competent jurisdiction to be illegal, unenforceable or void, portions of such provision, or such provision in its entirety, to the extent necessary, shall be severed from this Warrant, and such illegal, unenforceable or void provision shall be replaced with a valid and enforceable provision that will achieve, to the extent possible, the same economic, business and other purposes of the illegal, unenforceable or void provision. The balance of this Warrant shall be enforceable in accordance with its terms.

(g) Saturdays, Sundays and Holidays. If the last or appointed day for the taking of any action or the expiration of any right required or granted herein shall not be a Business Day, then, such action may be taken or such right may be exercised on the next succeeding Business Day.

(h) Rights and Obligations Survive Exercise of the Warrant. Except as otherwise provided herein, the rights and obligations of the Company and the Holder under this Warrant shall survive exercise of this Warrant.

(i) Entire Agreement. Except as expressly set forth herein, this Warrant (including the exhibits attached hereto) constitutes the entire agreement and understanding of the Company and the Holder with respect to the subject matter hereof and supersede all prior agreements and understandings relating to the subject matter hereof.

(j) Further Assurances. Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as any other party may reasonably request in order to carry out the intent and accomplish the purposes of this Warrant and the consummation of the transactions contemplated hereby.

(*signature page follows*)

The Company and the Holder sign this Warrant as of the date stated on the first page.

I-Mab

By: _____

Name: _____

Title: _____

Address: Suite 802, West Tower, OmniVision, 88 Shangke Road, Pudong District, Shanghai, 201210, the PRC

AGREED AND ACKNOWLEDGED,

[NAME OF INVESTOR]

By: _____

Name: _____

Title: _____

Address: [*insert address*]

EXHIBIT A

NOTICE OF EXERCISE

TO: I-Mab (the "Company")

Attention: Chief Executive Officer

(1) Exercise. The undersigned elects to purchase the following pursuant to the terms of the attached warrant:

Number of shares: _____

Type of security: _____

(2) Share. Please make a book entry and, if the shares are certificated, issue a certificate or certificates representing the shares in the name of:

☐ The undersigned

☐ Other—Name: _____

Address: _____

_____

(3) Investment Intent. The undersigned represents and warrants that the aforesaid shares are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that the undersigned has no present intention of selling, granting any participation in, or otherwise distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties of the undersigned set forth in Exhibit A-1 of the Warrant are true and correct as of the date hereof.

(4) Investment Representation Statement. The undersigned has executed, and delivers herewith, an Investment Representation Statement in a form substantially similar to the form attached to the warrant as Exhibit A-1.

(5) Consent to Receipt of Electronic Notice. The undersigned consents to the delivery of any notice to shareholders given by the Company by (i) facsimile telecommunication to the facsimile number provided below (or to any other facsimile number for the undersigned in the Company's records), (ii) electronic mail to the electronic mail address provided below (or to any other electronic mail address for the undersigned in the Company's records), (iii) posting on an electronic network together with separate notice to the undersigned of such specific posting or (iv) any other form of electronic transmission directed to the undersigned. This consent may be revoked by the undersigned by written notice to the Company.

(Print name of the warrant holder)

(Signature)

(Name and title of signatory, if applicable)

(Date)

(Fax number)

(Email address)

EXHIBIT A-l

INVESTMENT REPRESENTATION STATEMENT

INVESTOR:	[NAME OF HOLDER]
COMPANY:	I-MAB
SECURITIES:	THE WARRANT ISSUED ON [ ] (THE "WARRANT") AND THE SECURITIES ISSUED OR ISSUABLE UPON EXERCISE THEREOF
DATE:	_____

In connection with the purchase or acquisition of the above-listed Securities, the undersigned Investor represents and warrants to, and agrees with, the Company as follows:

1. No Registration. The Investor understands that the Securities have not been, and will not be, registered under the Securities Act of 1933, as amended (the "Securities Act"), by reason of a specific exemption from the registration provisions of the Securities Act, the availability of which depends upon, among other things, the *bona fide* nature of the investment intent and the accuracy of the Investor's representations as expressed herein or otherwise made pursuant hereto.

2. Investment Intent. The Investor is acquiring the Securities for its own account and not on behalf of any U.S. person (as defined under Regulation S promulgated under the Securities Act) and not with a view towards, or for resale in connection with, the public sale or distribution thereof, except pursuant to sales registered or exempted under the Securities Act. The Investor does not presently have any agreement or understanding, directly or indirectly, with any person to distribute any of the Securities. The Investor is not a broker-dealer registered with the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended, or an entity engaged in a business that would require it to be so registered as a broker-dealer.

3. Investment Experience. The Investor has sufficient knowledge and experience in financial and business matters so as to be capable of evaluating the merits and risks of its investment in the Securities. The Investor is capable of bearing the economic risks of such investment, including a complete loss of its investment.

4. Speculative Nature of Investment. The Investor understands and acknowledges that its investment in the Company is highly speculative and involves substantial risks. The Investor can bear the economic risk of its investment and is able, without impairing its financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.

5. Access to Data. The Investor has had an opportunity to ask questions of officers of the Company, which questions were answered to its satisfaction. The Investor believes that it has received all the information that it considers necessary or appropriate for deciding whether to acquire the Securities. The Investor understands that any such discussions, as well as any information issued by the Company, were intended to describe certain aspects of the Company's business and prospects, but were not necessarily a thorough or exhaustive description. The Investor acknowledges that any business plans prepared by the Company have been, and continue to be, subject to change and that any projections included in such business plans or otherwise are necessarily speculative in nature, and it can be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results.

6. Status of Investor. The Investor (i) an "accredited investor" within the meaning of Rule 501 of Regulation D under the Securities Act and/or (ii) not a "U.S. person" within the meaning of Regulation S under the Securities Act..

7. Solicitation. The Investor was not identified or contacted through the marketing of the transactions contemplated by this Warrant. The Investor did not contact the Company as a result of any general solicitation or directed selling efforts (within the meaning of Regulation S promulgated under the Securities Act).

8. Offshore Transaction. The Investor has been advised and acknowledges that in issuing the Securities to the Investor pursuant to this Warrant, the Company is relying upon the exemption from registration provided by Regulation S under the Securities Act. The Investor is acquiring the Securities in an offshore transaction executed in reliance upon the exemption from registration provided by Regulation S under the Securities Act. [The Investor acknowledges that at the time of the exercise of the Warrant, the Investor was outside of the United States.][1]

9. Reliance on Exemptions; Restricted Securities. The Investor understands that the Securities are being offered and sold to it in reliance on specific exemptions from the registration requirements of United States federal and state securities laws and that the Company is relying in part upon the truth and accuracy of, and the Investor's compliance with this Investment Representation Statement in order to determine the availability of such exemptions and the eligibility of the Investor to acquire the Securities. The Investors acknowledges that the Securities are "restricted securities" that have not been, and will have not been, registered under the Securities Act or any applicable state securities law. The Investor further acknowledges that, absent an effective registration under the Securities Act, the Securities may only be offered, sold or otherwise transferred (i) to the Company, (ii) outside the United States in accordance with Rule 904 of Regulation S under the Securities Act or (iii) pursuant to an exemption from registration under the Securities Act.

10. [No Public Market. The Holder understands and acknowledges that no public market now exists for the Warrant issued by the Company and that the Company has made no assurances that a public market will ever exist for the Company's Warrant.][2]

11. Brokers and Finders. The Investor has not engaged any brokers, finders or agents in connection with the Securities, and the Company has not incurred nor will incur, directly or indirectly, as a result of any action taken by the Investor, any liability for brokerage or finders' fees or agents' commissions or any similar charges in connection with the Securities.

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1 To include if applicable to a particular holder of Warrant.

2 To include if the exhibit is for transfer of Warrant.

12. No "Bad Actor" Disqualification. Neither (i) the Investor nor (ii) any of its directors, executive officers, other officers that may serve as a director or officer of the Company is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act, except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the purchase or acquisition of the Securities, in writing in reasonable detail to the Company.

(*signature page follows*)

The Investor is signing this Investment Representation Statement on the date first written above.

INVESTOR

_____

(Print name of the investor)

_____

(Signature)

_____

(Name and title of signatory, if applicable)

_____

(Street address)

_____

(City, state and ZIP)

EXHIBIT B

ASSIGNMENT FORM

ASSIGNOR: _____

COMPANY: I-MAB

WARRANT: THE WARRANT TO PURCHASE ORDINARY SHARES ISSUED ON [*INSERT DATE*] (THE "WARRANT")

DATE: _____

(6) Assignment. The undersigned registered holder of the Warrant ("Assignor") assigns and transfers to the assignee named below ("Assignee") all of the rights of Assignor under the Warrant, with respect to the number of shares set forth below:

Name of Assignee: _____

Address of Assignee: _____

_____

Number of Shares Assigned: _____

and does irrevocably constitute and appoint _____ as attorney to make such transfer on the books of I-Mab, maintained for the purpose, with full power of substitution in the premises.

(7) Obligations of Assignee. Assignee agrees to take and hold the Warrant and any shares to be issued upon exercise of the rights thereunder (the "Securities") subject to, and to be bound by, the terms and conditions set forth in the Warrant to the same extent as if Assignee were the original holder thereof.

(8) Investment Intent. Assignee represents and warrants that the Securities are being acquired for investment for its own account, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and that Assignee has no present intention of selling, granting any participation in, or otherwise distributing the shares, nor does it have any contract, undertaking, agreement or arrangement for the same, and all representations and warranties set forth in Exhibit A-1 of the Warrant are true and correct as to Assignee as of the date hereof.

(9) Investment Representation Statement. Assignee has executed, and delivers herewith, an Investment Representation Statement in a form substantially similar to the form attached to the Warrant as Exhibit A-1.

(10) No "Bad Actor" Disqualification. Neither (i) Assignee, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of any of the Company's securities held or to be held by Assignee is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act of 1933, as amended (the "Securities Act"), except as set forth in Rule 506(d)(2)(ii) or (iii) or (d)(3) under the Securities Act and disclosed, reasonably in advance of the transfer of the Securities, in writing in reasonable detail to the Company.

Assignor and Assignee are signing this Assignment Form on the date first set forth above.

ASSIGNOR	ASSIGNEE
_____	_____
(*Print name of Assignor*)	(*Print name of Assignee*)
_____	_____
(*Signature of Assignor*)	(*Signature of Assignee*)
_____	_____
(*Print name of signatory, if applicable*)	(*Print name of signatory, if applicable*)
_____	_____
(*Print title of signatory, if applicable*)	(*Print title of signatory, if applicable*)
Address:	Address:
_____	_____
_____	_____

THE SYMBOL "[Redacted]" DENOTES PLACES WHERE CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (i) NOT MATERIAL, AND (ii) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED

LICENSE AND COLLABORATION AGREEMENT

by and between

I-Mab Biopharma Co., Ltd. 天境生物科技(上海)有限公司

and

I-Mab Biopharma US Limited

and

ABBVIE IRELAND UNLIMITED COMPANY

Dated as of September 3, 2020

TABLE OF CONTENTS

SCHEDULES AND EXHIBITS

LICENSE AND COLLABORATION AGREEMENT

This License and Collaboration Agreement (this "**Agreement**") is made and entered into as of September 3, 2020 (the "**Execution Date**") by and between I-Mab Biopharma Co., Ltd. ("**I-Mab Shanghai**", 天境生物科技(上海)有限公司) and I-Mab Biopharma US Limited ("**I-Mab US**" and collectively with I-Mab Shanghai, "**I-Mab**"), and AbbVie Ireland Unlimited Company, an Irish private unlimited company ("**AbbVie**"). I-Mab and AbbVie are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**."

RECITALS

WHEREAS, I-Mab owns and controls certain intellectual property rights with respect to certain Licensed Compounds (as defined below) and has developed certain pharmaceutical products incorporating the Licensed Compounds; and

WHEREAS, the Parties wish to further research, develop and commercialize such pharmaceutical products in accordance with the terms set forth below; and

WHEREAS, in connection therewith, I-Mab wishes to grant to AbbVie, and AbbVie wishes to obtain, an exclusive license under such intellectual property rights to Exploit (as defined below) Licensed Products (as defined below), in accordance with the terms and conditions set forth below.

NOW, **THEREFORE**, in consideration of the premises and the mutual promises and conditions set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, do hereby agree as follows:

ARTICLE 1
DEFINITIONS

Unless otherwise specifically provided herein, the following terms shall have the following meanings:

1.1 "**AbbVie**" has the meaning set forth in the preamble hereto.

1.2 "**AbbVie Back-Up Supply Agreement**" has the meaning set forth in Section 7.2.2.

1.3 "**AbbVie Indemnitees**" has the meaning set forth in Section 14.2.

1.4 "**AbbVie Know-How**" means any Information Controlled by AbbVie or any of its Affiliates as of the Effective Date or at any time during the Term and that is not generally known and is (a)(i) conceived, reduced to practice, discovered, developed or otherwise made solely by or on behalf of AbbVie or any of its Affiliates under this Agreement and (ii) necessary for the Exploitation of an I-Mab Licensed Product or (b) incorporated into or used in the Exploitation of an I-Mab Licensed Product by or on behalf of AbbVie or any of its Affiliates under this Agreement; *provided* that "**AbbVie Know-How**" does not include (x) any Other Ingredients or Agents Information, (y) any Information licensed to AbbVie or any of its Affiliates pursuant to an Excluded Upstream License or (z) without limiting the Information described in subsection (b) above, any platform technology that is proprietary to AbbVie or any of its Affiliates and is not specifically directed to an I-Mab Licensed Product.

1.5 "**AbbVie Manufacturing Process**" means AbbVie's Manufacturing process, if any, used for Manufacturing the Licensed Products.

1.6 "**AbbVie Non-C4 Multi-Specific Compound**" means a Non-C4 Multi-Specific Compound that is, as between the Parties, first invented by or on behalf of, or that is otherwise controlled by, AbbVie, its Affiliates or (sub)licensees (including any Sublicensees) other than I-Mab or any of its Affiliates.

1.7 "**AbbVie Non-C4 Multi-Specific Product**" means a Non-C4 Multi-Specific Product containing an AbbVie Non-C4 Multi-Specific Compound (but, for clarity, not an I-Mab Non-C4 Multi-Specific Compound).

1.8 "**AbbVie Non-C4 Multi-Specific Product Data Package**" means, with respect to each AbbVie Non-C4 Multi-Specific Product, (a) the complete results of all Development activities conducted by or on behalf of AbbVie or its Affiliates or its or their Sublicensees with respect to such AbbVie Non-C4 Multi-Specific Product (whether or not previously provided to I-Mab), (b) copies of all Regulatory Documentation with respect to such AbbVie Non-C4 Multi-Specific Product submitted to or received from Regulatory Authorities, (c) a description of any and all obligations that AbbVie or any of its Affiliates has to a Third Party, financial or otherwise, with respect to the Development, Manufacture or Commercialization of such AbbVie Non-C4 Multi-Specific Product to the extent applicable to the applicable region(s) in the I-Mab Territory, and (d) copies of any and all agreements pursuant to which AbbVie or any of its Affiliates in-licenses or otherwise obtains rights to any Information, Patent or other intellectual property with respect to such AbbVie Non-C4 Multi-Specific Product to the extent applicable to the applicable region(s) in the I-Mab Territory, and in each case ((a)-–(d)), provided in English.

1.9 "**AbbVie Non-C4 Multi-Specific Product Exercise Notice**" has the meaning set forth in Section 5.7.4.

1.10 "**AbbVie Non-C4 Multi-Specific Product Exercise Period**" has the meaning set forth in Section 5.7.4.

1.11 "**AbbVie Non-C4 Multi-Specific Product Negotiations**" has the meaning set forth in Section 5.7.2.

1.12 "**AbbVie Non-C4 Multi-Specific Product Transaction**" has the meaning set forth in Section 5.7.2.

1.13 "**AbbVie Non-C4 Multi-Specific Product Transaction Agreement**" has the meaning set forth in Section 5.7.5.

1.14 "**AbbVie Non-C4 Multi-Specific Product Transaction Notice**" has the meaning set forth in Section 5.7.2.

1.15 "**AbbVie Patents**" means any Patent Controlled by AbbVie or any of its Affiliates in the I-Mab Territory as of the Effective Date or at any time during the Term that claim an invention that is (a)(i) conceived, reduced to practice, discovered, developed or otherwise made solely by or on behalf of AbbVie or any of its Affiliates under this Agreement and (ii) necessary for the Exploitation of such I-Mab Licensed Product; or (b) incorporated into, or used in the Exploitation of an I-Mab Licensed Product by or on behalf of AbbVie or any of its Affiliates under this Agreement; *provided*, for clarity, that "**AbbVie Patents**" do not include (x) any Other Ingredients or Agents Patent, (y) any Patent licensed to AbbVie or any of its Affiliates pursuant to an Excluded Upstream License, or (z) without limiting the invention described in subsection (b) above, any claims in a Patent that are not necessary for the Exploitation of an I-Mab Licensed Product into which such invention is incorporated or in the Exploitation of which such invention is used by AbbVie or any of its Affiliates.

1.16 "**AbbVie ROFN Product**" has the meaning set forth in Section 5.8.1.

1.17 "**AbbVie ROFN Product Data Package**" means, with respect to each AbbVie ROFN Product, (a) the complete results of all Development activities conducted by or on behalf of AbbVie or its Affiliates or its or their Sublicensees with respect to such AbbVie ROFN Product (whether or not previously provided to I-Mab), (b) copies of all Regulatory Documentation with respect to such AbbVie ROFN Product submitted to or received from Regulatory Authorities, (c) a description of any and all obligations that AbbVie or any of its Affiliates has to a Third Party, financial or otherwise, with respect to the Development, Manufacture or Commercialization of such AbbVie ROFN Product to the extent applicable to the applicable region(s) in the I-Mab Territory, and (d) copies of any and all agreements pursuant to which AbbVie or any of its Affiliates in-licenses or otherwise obtains rights to any Information, Patent or other intellectual property with respect to such AbbVie ROFN Product to the extent applicable to the applicable region(s) in the I-Mab Territory, and in each case ((a)–(d)), provided in English.

1.18 "**AbbVie ROFN Product Exercise Notice**" has the meaning set forth in Section 5.8.3.

1.19 "**AbbVie Supply Agreement**" has the meaning set forth in Section 7.4.2(b).

1.20 "**AbbVie Supply Price**" has the meaning set forth in Section 7.4.2(b).

1.21 "**AbbVie Technology**" means AbbVie Know-How and AbbVie Patents.

1.22 "**AbbVie Terminated Product Know-How**" means, with respect to a Terminated Product, (a) any Information Controlled by AbbVie or any of its Affiliates that is not generally known and (i)(A) conceived, reduced to practice, discovered, developed or otherwise made solely by or on behalf of AbbVie or any of its Affiliates under this Agreement and (B) is necessary for the Exploitation of such form(s) or formulation(s) of such Terminated Product pursuant to Section 15.4.4 or Section 15.5.3 as applicable or (ii) incorporated into, or used in the Exploitation of, the form(s) or formulation(s) of such Terminated Product by or on behalf of AbbVie or any of its Affiliates under this Agreement as of the effective date of termination or within the twelve (12)-month period preceding the effective date of termination for such Terminated Product; (b) AbbVie's interest in any Joint Know-How; and (c) AbbVie's interest in any Clinical Data generated by or on behalf of AbbVie or any of its Affiliates in human clinical trials of such Terminated Product; *provided* that "**AbbVie Terminated Product Know-How**" does not include (x) any Other Ingredients or Agents Information, or (y) without limiting the Information described in subsection (a)(ii) above, any platform technology that is proprietary to AbbVie or any of its Affiliates and is not specifically directed to such Terminated Product.

1.23 "**AbbVie Terminated Product Patent**" means, with respect to a Terminated Product, (a) any Patent Controlled by AbbVie or any of its Affiliates in the Terminated Territory that (i)(A) claims an invention conceived, reduced to practice, discovered, developed or otherwise made solely by or on behalf of AbbVie or any of its Affiliates under this Agreement and (B) is necessary for the Exploitation of such form(s) or formulation(s) of such Terminated Product pursuant to Section 15.4.4 or Section 15.5.3; or (ii) claims an invention that was incorporated into, or used in the Exploitation of, the form(s) or formulation(s) of such Terminated Product by or on behalf of AbbVie or any of its Affiliates under this Agreement as of the effective date of termination or within the twelve (12)-month period preceding the effective date of termination for such Terminated Product, and (b) is AbbVie's interest in any Joint Patent in the Terminated Territory, *provided* that "**AbbVie Terminated Product Patent**" does not include (x) any Other Ingredients or Agents Patent, (y) any Patent licensed to AbbVie or any of its Affiliates pursuant to an Excluded Upstream License, or (z) any claims in a Patent that are not necessary for the Exploitation of such Terminated Product pursuant to Section 15.4.4 or Section 15.5.3 in the same form(s) and formulation(s) as such Terminated Product is or was being Developed or Commercialized by AbbVie or any of its Affiliates as of the effective date of termination or within the twelve (12)-month period preceding the effective date of termination of such Terminated Product.

1.24 "**AbbVie Terminated Product Technology**" means, with respect to a Terminated Product, AbbVie Terminated Product Know-How and AbbVie Terminated Product Patents, in each case, for such Terminated Product.

1.25 "**AbbVie Territory**" means, at any time, the entire world other than the I-Mab Territory and any Terminated Territory.

1.26 "**AbbVie Territory Development Plan**" means the high-level Development plan for the Development of the Licensed Compounds and Licensed Products in the Field in and for the AbbVie Territory. The initial AbbVie Territory Development Plan is attached hereto as **Schedule 1.26** and shall be deemed to be approved by the JGC as of the Execution Date.

1.27 "**AbbVie Territory Regulatory Transfer**" has the meaning set forth in Section 8.4.

1.28 "**Acceptance**" means, with respect to a BLA, the receipt by AbbVie of a letter from FDA with respect to such BLA indicating that such BLA has been accepted for filing and further FDA review (or any equivalent indication of acceptance thereof in the event of a change in the procedures used by the FDA).

1.29 "**Accounting Standards**" means, with respect to the maintenance of records and books of accounts by a Party or its Affiliates or its or their Sublicensees, (a) United States Generally Accepted Accounting Principles, or (b) to the extent applicable, International Financial Reporting Standards as issued by the International Accounting Standards Board, in each case ((a) or (b)), consistently applied.

1.30 "**Affiliate**" means, with respect to a Party, any Person that, directly or indirectly, through one (1) or more intermediaries, controls, is controlled by or is under common control with such Party at any time for so long as such Person controls, is controlled by or is under common control with such Party. For purposes of this definition, "control" and, with correlative meanings, the terms "controlled by" and "under common control with" means: (a) the possession, directly or indirectly, of the power to direct the management or policies of a business entity, whether through the ownership of voting securities, by contract relating to voting rights or corporate governance or otherwise; or (b) the ownership, directly or indirectly, of more than fifty percent (50%) of the voting securities or other ownership interest of a business entity (or, with respect to a limited partnership or other similar entity, its general partner or controlling entity).

1.31 "**Agreement**" has the meaning set forth in the preamble hereto.

1.32 "**Alliance Manager**" has the meaning set forth in Section 9.5.

1.33 "**Anti-Corruption Laws**" has the meaning set forth in Section 13.10.1.

1.34 "**Anti-Shelve Notice**" has the meaning set forth in Section 2.6.3.

1.35 "**Antibody**" means an immunoglobulin molecule (whether human, murine, camelid, cartilaginous fish, humanized, phage display, chimeric, polyclonal mixes, or any other type of antibody), whether multiple or single chain, recombinant or naturally occurring or a combination of the foregoing in any species, whole or fragment, including alternate formats such as F(Ab), F(Ab)', F(Ab)2, Fv, scFv, miniaturized formats such as nanobodies, intrabodies, diabodies, monospecific/bi-specific/multi-specific/multivalent antibodies, and any analogs, constructs, conjugates, fusions or other modifications or attachments thereof or thereto, or any derivatives thereof.

1.36 "**Applicable Law**" means applicable laws, rules and regulations, including any rules, regulations, regulatory guidelines or other requirements of Regulatory Authorities, that may be in effect at the applicable time. For clarity, with respect to each Development or Manufacturing activity that will or would reasonably be expected to be submitted to a Regulatory Authority in support of a Drug Approval Application or a Regulatory Approval, "**Applicable Law**" shall be deemed to include the applicable regulations and guidances of the NMPA, FDA and EMA (and national implementations thereof) that constitute good laboratory practices, good manufacturing practices and good clinical practices (and, if and as appropriate under the circumstances, International Conference on Harmonization (ICH) guidance or other comparable regulation and guidance of any applicable Regulatory Authority in the Respective Territory) and the Regulations on Administration of Human Genetic Resources.

1.37 "**Auditor**" has the meaning set forth in Section 10.12.2.

1.38 "**Authorized Biosimilar**" has the meaning set forth in the definition Biosimilar Product.

1.39 "**Biosimilar Application**" has the meaning set forth in Section 11.4.5(a).

1.40 "**Biosimilar Litigation**" has the meaning set forth in Section 11.4.5(a).

1.41 "**Biosimilar Product**" means, with respect to a particular Licensed Product in a particular country in the Territory, (the "**Reference Product**") a biologic product that (a) is highly similar to the Reference Product notwithstanding minor differences in clinically inactive components (as further defined in 42 U.S.C. § 262(i)(2) or analogous laws and regulations outside the United States), (b) has obtained Regulatory Approval (with all references in the definition Regulatory Approval to "**Licensed Product**" to be deemed references to such biologic product) in such country or jurisdiction through reference to the BLA and Regulatory Approval of the Reference Product pursuant to an expedited or abbreviated approval pathway established by the Regulatory Authorities in such country or jurisdiction pursuant to Applicable Laws, including any such product that is determined by the FDA or a foreign counterpart thereof to be biosimilar to or interchangeable with such Licensed Product, as set forth at 42 U.S.C. § 262(k) or a foreign equivalent thereof or (c) is sold in such country under the same Regulatory Approval as such Reference Product as an authorized biosimilar (such biological product in this clause (c), an "**Authorized Biosimilar**").

1.42 "**BLA**" means a Biologics License Application submitted to FDA under Section 351 of the Public Health Service Act (PHSA) (42 U.S.C. § 262 (or any successor regulation thereto)), for purposes of obtaining Regulatory Approval for a new biologic in the United States.

1.43 "**Board of Directors**" has the meaning set forth in the definition of "**Change of Control**".

1.44 "**Breaching Party**" has the meaning set forth in Section 15.2.1(a).

1.45 "**Bulk Product**" means, with respect to each Licensed Product, such Licensed Product in bulk drug product form that has been filled into vials, but that is not labeled or packaged.

1.46 "**Business Day**" means a day other than a Saturday or Sunday or a day on which banking institutions in Chicago, Illinois or Hong Kong are permitted or required to be closed.

1.47 "**C4 Licensed Compound**" means a Licensed Compound that contains a targeting moiety Directed to a same or substantially similar epitope as the epitope to which the Initial Licensed Compound is Directed irrespective of whether such Licensed Compound is also Directed to another Target. For clarity, each Existing Multi-Specific Compound is a C4 Licensed Compound.

1.48 "**C4 Multi-Specific Compounds**" means any multi-specific or bi-specific Licensed Compound that (a) contains a targeting moiety Directed to a same or substantially similar epitope as the epitope to which the Initial Licensed Compound is Directed and (b) is also Directed to a Target other than CD47, but excluding the Existing Multi-Specific Compounds.

1.49 "**Calendar Quarter**" means each successive period of three (3) calendar months commencing on January 1, April 1, July 1 and October 1, except that the first Calendar Quarter of the Term shall commence on the Execution Date and end on the day immediately prior to the first to occur of January 1, April 1, July 1 or October 1 after the Execution Date and the last Calendar Quarter shall end on the last day of the Term.

1.50 "**Calendar Year**" means each successive period of twelve (12) calendar months commencing on January 1 and ending on December 31, except that the first Calendar Year of the Term shall commence on the Execution Date and end on December 31 of the year in which the Execution Date occurs and the last Calendar Year of the Term shall commence on January 1 of the year in which the Term ends and end on the last day of the Term.

1.51 "**CD47**" means human CD47 [Redacted].

1.52 "**CDR**" means complementarity-determining region.

1.53 "**cGMP**" means the current Good Manufacturing Practices as provided for (and as amended from time to time) in the International Conference on Harmonisation of Technical Requirements for Registration of Pharmaceuticals for Human Use (ICH) Harmonized Tripartite Guideline, Good Manufacturing Practice Guide for Active Pharmaceutical Ingredients, Q7 (ICH Q7), and the EU Guidelines to Good Manufacturing Practice Medicinal Products for Human and Veterinary Use in Volume 4 of the European Commission's Rules governing medicinal products in the European Union, the United States Code of Federal Regulations 21 C.F.R. Parts 210 and 211, or analogous set of regulations, guidelines or standards as defined by other relevant Regulatory Authority having jurisdiction over the Development, Manufacture or sale of Licensed Product in a particular jurisdiction, if and to the extent the Development, Manufacture or sale of such Licensed Product takes place in such jurisdiction.

1.54 "**Change of Control**" means, with respect to a Party, that any of the following occurs after the Execution Date:

1.54.1 any "person" or "group" (as such terms are defined below) (a) is or becomes the "beneficial owner" (as defined below, except that a "person" or "group" shall be deemed to have "beneficial ownership" of all shares of capital stock or other equity interests if such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time), directly or indirectly, shares of capital stock or other interests (including partnership interests) of such Party (or, if applicable, a parent of such Party) then outstanding and normally entitled (without regard to the occurrence of any contingency) to vote in the election of the directors, managers or similar supervisory positions ("**Voting Stock**") of such Party (or, if applicable, a parent of such Party) representing fifty percent (50%) or more of the total voting power of all outstanding classes of Voting Stock of such Party (or, if applicable, a parent of such Party) or (b) has the power, directly or indirectly, to elect a majority of the members of the Party's (or, if applicable, a parent of such Party) board of directors or similar governing body ("**Board of Directors**");

1.54.2 such Party (or, if applicable, a parent of such Party) ("**Changed Party**") enters into a merger, consolidation or similar transaction with another Person (whether or not such Changed Party is the surviving entity) and as a result of such merger, consolidation or similar transaction (a) the members of the Board of Directors of such Changed Party immediately prior to such transaction constitute less than a majority of the members of the Board of Directors of such Changed Party or such surviving Person immediately following such transaction (except with respect to an internal restructuring that does not involve any Third Party where the shareholders of such Changed Party immediately prior to such transaction nominate a majority of the members of the Board of Directors of (i) such Changed Party or (ii) such surviving Person immediately following such transaction to replace the sole director of such Changed Party) or (b) the Persons that beneficially owned, directly or indirectly, the shares of Voting Stock of such Changed Party immediately prior to such transaction cease to beneficially own, directly or indirectly, shares of Voting Stock of such Changed Party representing at least a majority of the total voting power of all outstanding classes of Voting Stock of the surviving Person in substantially the same proportions as their ownership of Voting Stock of such Changed Party immediately prior to such transaction;

1.54.3 such Changed Party sells or transfers to any Third Party, in one (1) or more related transactions, properties or assets representing all or substantially all of such Changed Party's consolidated total assets; or

1.54.4 the holders of capital stock, voting members or governing board, as applicable, of such Changed Party approve a plan or proposal for the liquidation or dissolution of such Changed Party.

For the purpose of this definition of Change of Control: (i) "person" and "group" have the meanings given such terms under Section 13(d) and 14(d) of the United States Securities Exchange Act of 1934, codified at 15 U.S.C. § 78a et seq. (the "Act") as may be amended from time to time, and the term "group" includes any group acting for the purpose of acquiring, holding or disposing of securities within the meaning of Rule 13d-5(b)(1) under the Act; (ii) a "beneficial owner" shall be determined in accordance with Rule 13d-3 under the Act; and (iii) the terms "beneficially owned" and "beneficially own" shall have meanings correlative to that of "beneficial owner."

1.55 "**Change of Control Party**" has the meaning set forth in Section 16.4.2

1.56 "**Clinical Data**" means, with respect to a Licensed Product, the data and results generated by or on behalf of a Party or the Parties jointly (in each case including their respective Affiliates and (Sub)licensees) in human clinical trials of such Licensed Product.

1.57 "**CMC**" means, with respect to a compound or product, the chemistry, manufacturing and control activities for such compound or product.

1.58 "**CMC Data**" means, with respect to a Licensed Product, the data and results generated by or on behalf of a Party or the Parties jointly (in each case including their respective Affiliates and (Sub)licensees) in connection with the Manufacture of such Licensed Product (including any quality assurance, quality control and qualification activities in connection therewith).

1.59 "**Combination Product**" means a Licensed Product that, in addition to the applicable Licensed Compound, contains one (1) or more other active ingredients that are not Licensed Compounds ("**Other Ingredients**") and is sold either as a fixed dose/unit combination or as separate doses/units combined in a single package for a single price.

1.60 "**Combination Therapy**" means a single therapeutic regimen of the concomitant or sequential administration of (a) a Licensed Product on the one hand, and (b) one or more other agents, compounds or products that are not Licensed Compounds or Licensed Products and that are intended for the treatment of the same Indication as the Licensed Product in clause (a) ("**Other Agents**"), on the other hand. For clarity, a Combination Therapy does not include administration of a Combination Product as a stand-alone therapy.

1.61 "**Commercialization**" means any and all activities related to the preparation for sale of, offering for sale of or sale of a pharmaceutical product, including activities related to marketing, promoting, distributing and importing such pharmaceutical product, and interacting with Regulatory Authorities or other governmental authorities regarding any of the foregoing. When used as a verb, "to **Commercialize**" and "**Commercializing**" mean to engage in Commercialization and "**Commercialized**" has a corresponding meaning.

1.62 "**Commercially Reasonable Efforts**" means, with respect to the efforts and resources to be expended, or considerations to be undertaken, in connection with the any objective, activity or decision to be undertaken with respect to the Development, Commercialization, or Manufacturing of a Licensed Product by the applicable Party under this Agreement, the reasonable efforts and resources to accomplish such objective, activity or decision that would be comparable with the efforts and resources that such Party would normally use for the development, manufacture and commercialization of a product at a similar stage in its development or product life, in a similar therapeutic and disease area and of similar market potential to such Licensed Product, taking into account: [Redacted] "**Commercially Reasonable Efforts**" shall be determined on a country-by-country (or jurisdiction-by-jurisdiction, where applicable), except that the applicable Party may consider the impact of its efforts and resources expended with respect to any country (or jurisdiction) on any other country (or jurisdiction).

1.63 "**Competing Product**" means any molecule, compound or other therapeutic product that is [Redacted].

1.64 "**Competitive Program**" has the meaning set forth in Section 2.4.3(a).

1.65 "**Confidential Information**" has the meaning set forth in Section 12.1.1.

1.66 "**Control**" means, with respect to any item of Information, Regulatory Documentation, material, Patent or other intellectual property right, the possession of the right, whether directly or indirectly and whether by ownership, license or otherwise (other than by operation of the license and other grants in Section 2.1 or Section 2.2), to grant a license, sublicense or other right (including the right to reference Regulatory Documentation) to or under such Information, Regulatory Documentation, material, Patent or other intellectual property right as provided for herein without violating the terms of any then-existing agreement with any Third Party.

1.67 "**Convicted Individual**" or "**Convicted Entity**" means an individual or entity, as applicable, who has been convicted of a criminal offense that falls within the ambit of 21 U.S.C. § 335a(a), 21 U.S.C. § 335a(b), 42 U.S.C. § 1320a - 7(a), or 42 U.S.C. § 1320a - 7(a)(b), but has not yet been excluded, debarred, suspended or otherwise declared ineligible.

1.68 "**CTA Approval**" means any and all consents, approvals, licenses, registrations, or authorizations of the NMPA or any other Regulatory Authority in order to commence clinical trials in the I-Mab Territory.

1.69 "**CTCSA**" has the meaning set forth in Section 3.5.

1.70 "**Data Breach**" has the meaning set forth in Section 13.8.2.

1.71 "**Data Package**" means each of the I-Mab Non-C4 Multi-Specific Product Data Packages, the Initial Development Data Package, the Existing Multi-Specific Product ROFN Data Packages, the Existing Multi-Specific Product ROFR Data Packages, the AbbVie ROFN Product Data Packages, AbbVie Non-C4 Product Data Packages, and the Mono Licensed Product Data Packages, as applicable.

1.72 "**Data Protection Laws**" means, to the extent governing the relevant "personal information" or "personal data", any law, statute, declaration, decree, directive, legislative enactment, order, ordinance, regulation, rule or other binding restriction (as amended from time to time) that relates to the protection of individuals with regards to the Processing of "personal information" or "personal data".

1.73 "**Debarred Entity**" means an entity that has been debarred by FDA pursuant to 21 U.S.C. § 335a(a) or (b) from submitting or assisting in the submission of any abbreviated drug application, or a subsidiary or affiliate of a Debarred Entity.

1.74 "**Debarred Individual**" is an individual who has been debarred by FDA pursuant to 21 U.S.C. § 335a(a) or (b) from providing services in any capacity to a Person that has an approved or pending drug or biological product application.

1.75 "**Delivery Date**" means, with respect to each Data Package to be delivered by a Party hereunder, the later of (a) the date of delivery of the complete version of such Data Package by such Party to the other Party and (b) if the other Party reasonably requests in good faith additional material Information relating to the product(s) to which such Data Package relates in order to make an informed decision regarding whether to exercise its rights with respect to such product in accordance with Section 2.7, Section 4.2, Section 4.3, Section 5.7, Section 5.8 or Section 6.6 as applicable, the date that such additional material Information is provided to the other Party pursuant to Section 2.7.3, Section 3.3.2 Section 4.2.3, Section 4.3.3, Section 5.7.3, Section 5.8.2 or Section 6.6.3, as applicable. For clarity, the "**Delivery Date**" for the Initial Development Data Package shall not occur until I-Mab has completed all the Development activities set forth in the Initial Development Plan.

1.76 "**Delivery Technology**" means any delivery system comprising equipment, instrumentation, one (1) or more devices, other mechanical components (such as a syringe or infusion bag) or delivery technology comprising a mode, method or material for administration (such as depot or time release technology), in each case, used to assist in the administration of a Licensed Compound or Licensed Product.

1.77 "**Designated Person**" has the meaning set forth in Section 8.8.2.

1.78 "**Development**" means, with respect to a compound or pharmaceutical product, all activities related to research, pre-clinical and other non-clinical testing, test method development and stability testing, toxicology, CMC activities, clinical studies, including Manufacturing in support thereof, translational and biomarker research, statistical analysis and report writing, the preparation and submission of INDs and Drug Approval Applications, seeking Regulatory Approvals, regulatory affairs with respect to the foregoing and all other activities necessary or reasonably useful or otherwise requested or required by a Regulatory Authority as a condition or in support of obtaining or maintaining a Regulatory Approval. When used as a verb, "**Develop**" means to engage in Development.

1.79 "**Directed**" or "**Directed to**" means, with respect to an Antibody, molecule, compound or other therapeutic product and a Target, that the CDRs of such Antibody or other binding moiety of such compound, molecule or therapeutic product binds to such Target and inhibits, blocks or otherwise modulates such Target as a result of such binding. For clarity, the foregoing shall not include incidental or non-specific binding activity (e.g., if an Antibody, molecule, compound or therapeutic product has been generated to bind to certain Target(s) and inhibit, block or otherwise modulate such Target as a result of such binding, but such Antibody, molecule, compound or therapeutic product also incidentally binds to, inhibits, blocks or otherwise modulates other Target(s), then such Antibody, molecule, compound or therapeutic product will not be deemed to be Directed to such other Target(s) unless and until a Party knowingly develops such Antibody, molecule, compound or therapeutic product to bind to and inhibit, block or otherwise modulate such other Target(s)). For clarity, if there is a multi-specific Antibody that has been generated to bind to more than one Target and inhibit, block or otherwise modulate each such Target as a result of such binding, then such multi-specific Antibody shall be deemed to be Directed to each such Target.

1.80 "**Dispute**" has the meaning set forth in Section 16.6.

1.81 "**Distributor**" means any Person appointed by AbbVie or I-Mab, as applicable, or any of its Affiliates or its or their Sublicensees to distribute, market and sell a Licensed Product, as applicable, with or without packaging rights, in one or more countries in the AbbVie Territory or I-Mab Territory, as applicable, in circumstances where such Person purchases its requirements of Licensed Product from AbbVie, I-Mab, as applicable, or its respective Affiliates or Sublicensees for a fixed transfer price (i.e., a price that is not based on revenues from such Licensed Product but, for clarity, may be subject to volume-based and other discounts that are customary in the industry) but does not otherwise make any royalty or other revenue-based payment to AbbVie or I-Mab, as applicable, or its Affiliates or its or their Sublicensees with respect to its intellectual property rights with respect to, or its purchase of, such Licensed Product. For clarity, AbbVie, its Affiliates and its and their Sublicensees shall not be considered a Distributor of I-Mab or its Affiliates, and I-Mab, its Affiliates and its and their Sublicensees shall not be considered a Distributor of AbbVie or its Affiliates.

1.82 "**DOJ**" has the meaning set forth in the definition of "**HSR Filing**".

1.83 "**Dollars**" or "**$**" means United States Dollars.

1.84 "**Drug Approval Application**" means a BLA, or any corresponding foreign application in the AbbVie Territory or the I-Mab Territory, including, with respect to the European Union, a marketing authorization application filed with the EMA pursuant to the centralized approval procedure or with the applicable Regulatory Authority of a country in Europe with respect to the mutual recognition procedure or any other national approval.

1.85 "**Effective Date**" means the Business Day following the date on which both of the following conditions are satisfied: (a) HSR Clearance occurs, or, the Parties together determine that no HSR Filing is required for the activities and licenses contemplated under this Agreement, and (b) I-Mab has completed all of its obligations under Section 13.5.

1.86 "**EMA**" means the European Medicines Agency and any successor agency thereto, or any Regulatory Authority having substantially the same function.

1.87 "**European Union**" means the economic, scientific and political organization of member states as it may be constituted from time to time.

1.88 "**Excluded Individual**" or "**Excluded Entity**" means (a) an individual or entity, as applicable, who has been excluded, debarred, suspended or is otherwise ineligible to participate in federal health care programs such as Medicare or Medicaid by the Office of the Inspector General (OIG/HHS) of the U.S. Department of Health and Human Services, or (b) an individual or entity, as applicable, who has been excluded, debarred, suspended or is otherwise ineligible to participate in federal procurement and non-procurement programs, including those produced by the U.S. General Services Administration (GSA).

1.89 "**Excluded Upstream License**" means any agreement that is deemed an "**Excluded Upstream License**" pursuant to Section 10.15.3.

1.90 "**Exclusive AbbVie Non-C4 Multi-Specific Product Negotiation Period**" has the meaning set forth in Section 5.7.4.

1.91 "**Exclusive I-Mab Non-C4 Multi-Specific Product Negotiation Period**" has the meaning set forth in Section 2.7.4.

1.92 "**Exclusive Mono Licensed Product ROFN Negotiation Period**" has the meaning set forth in Section 6.6.4.

1.93 "**Exclusive ROFR Negotiation Period**" has the meaning set forth in Section 4.3.4.

1.94 "**Execution Date**" has the meaning set forth in the preamble hereto.

1.95 "**Existing CTA**" means each of the following agreements: [Redacted].

1.96 "**Existing Multi-Specific Activities**" has the meaning set forth in Section 4.1.1.

1.97 "**Existing Multi-Specific Compound**" means either (a) the I-Mab CD47-PDL1 Compound or (b) the I-Mab CD47-GMCSF Compound, as applicable.

1.98 "**Existing Multi-Specific Patents**" has the meaning set forth in the definition of "**Existing Multi-Specific Technology**".

1.99 "**Existing Multi-Specific Product**" means any product that contains an Existing Multi-Specific Compound as an active ingredient.

1.100 "**Existing Multi-Specific Product ROFN**" has the meaning set forth in Section 4.2.1.

1.101 "**Existing Multi-Specific Product ROFN Data Package**" means, with respect to each Existing Multi-Specific Compound, (a) the complete results of all Development activities conducted by or on behalf of I-Mab or its Affiliates or its or their Sublicensees with respect to such Existing Multi-Specific Compound (whether or not previously provided to AbbVie), (b) copies of all Regulatory Documentation with respect to such Existing Multi-Specific Compound submitted to or received from Regulatory Authorities, (c) a description of any and all obligations that I-Mab or any of its Affiliates has to a Third Party, financial or otherwise, with respect to the Development, Manufacture or Commercialization of such Existing Multi-Specific Compound and (d) copies of any and all agreements pursuant to which I-Mab or any of its Affiliates in-licenses or otherwise obtains rights to any Information, Patent or other intellectual property with respect to such Existing Multi-Specific Compound, and in each case ((a)–(d)), provided in English.

1.102 "**Existing Multi-Specific Product ROFN Negotiation Period**" has the meaning set forth in Section 4.2.4.

1.103 "**Existing Multi-Specific Product ROFN Notice**" has the meaning set forth in Section 4.2.4.

1.104 "**Existing Multi-Specific Product ROFN Period**" means, with respect to each Existing Multi-Specific Compound, the time period commencing upon the Effective Date and terminating upon the earlier of (a) the date AbbVie provides I-Mab an Existing Multi-Specific Product ROFN Notice with respect to such Existing Multi-Specific Compound and (b) the date that is [Redacted] after the Delivery Date for the Existing Multi-Specific Product ROFN Data Package for such Existing Multi-Specific Compound.

1.105 "**Existing Multi-Specific Product ROFN Terms**" has the meaning set forth in Section 4.2.4.

1.106 "**Existing Multi-Specific Product ROFR Data Package**" means, with respect to each Existing Multi-Specific Compound, (a) the complete results of all Development activities conducted by or on behalf of I-Mab or its Affiliates or its or their Sublicensees with respect to such Existing Multi-Specific Compound (whether or not previously provided to AbbVie), (b) copies of all Regulatory Documentation with respect to such Existing Multi-Specific Compound submitted to or received from Regulatory Authorities, (c) any commercial analyses for such Existing Multi-Specific Compound conducted by or on behalf of I-Mab, including market research, competitive analyses, forecasted sales and anticipated Commercialization activities, (d) a description of any and all obligations that I-Mab or any of its Affiliates has to a Third Party, financial or otherwise, with respect to the Development, Manufacture or Commercialization of such Existing Multi-Specific Compound in the applicable region(s) in the I-Mab Territory and (e) copies of any and all agreements pursuant to which I-Mab or any of its Affiliates in-licenses or otherwise obtains rights to any Information, Patent or other intellectual property with respect to such Existing Multi-Specific Compound in the applicable region(s) in the I-Mab Territory, and in each case ((a)–(e)), provided in English.

1.107 "**Existing Multi-Specific Product ROFR Exercise Notice**" has the meaning set forth in Section 4.3.4.

1.108 "**Existing Multi-Specific Product ROFR Transaction**" has the meaning set forth in Section 4.3.2.

1.109 "**Existing Multi-Specific Product ROFR Transaction Agreement**" has the meaning set forth in Section 4.3.5.

1.110 "**Existing Multi-Specific Product ROFR Transaction Negotiations**" has the meaning set forth in Section 4.3.2.

1.111 "**Existing Multi-Specific Product ROFR Transaction Notice**" has the meaning set forth in Section 4.3.2.

1.112 "**Existing Multi-Specific Technology**" means, with respect to each Existing Multi-Specific Compound, (a) I-Mab Know-How that is specific to such Existing Multi-Specific Compound and is not necessary or reasonably useful for the Exploitation of any other Licensed Compound or Licensed Product and (b) any I-Mab Patent that claims such Existing Multi-Specific Compound and is not necessary or reasonably useful for the Exploitation of any other Licensed Compound (an "**Existing Multi-Specific Patent**").

1.113 "**Existing Patents**" has the meaning set forth in Section 13.2.2.

1.114 "**Existing Product**" means the Licensed Product that contains the Initial Licensed Compound as its sole active ingredient, as such Licensed Product is being Developed by I-Mab as of the Execution Date.

1.115 "**Existing Regulatory Documentation**" has the meaning set forth in Section 13.2.10.

1.116 "**Existing Trial Sites**" means, with respect to each Existing CTA, each counterparty to such Existing CTA.

1.117 "**Exploit**" means, with respect to a compound, machine, manufacture, composition of matter, product or process, to make, have made, import, use, sell or offer for sale, including to research, Develop or develop (as applicable), Commercialize or commercialize (as applicable), register, modify, enhance, improve, Manufacture or manufacture (as applicable), have Manufactured or manufactured (as applicable), hold or keep (whether for disposal or otherwise), formulate, optimize, have used, export, transport, distribute, promote, market or have sold or otherwise dispose of such compound, machine, manufacture, composition of matter, product or process. "**Exploitation**" means the act of Exploiting a compound, machine, manufacture, composition of matter, product or process.

1.118 "**FDA**" means the United States Food and Drug Administration and any successor agency thereto, or any Regulatory Authority having substantially the same function.

1.119 "**FDA's Disqualified/Restricted List**" means the list of clinical investigators restricted from receiving investigational drugs, biologics, or devices because FDA has determined that the investigators have repeatedly or deliberately failed to comply with regulatory requirements for studies or have submitted false information to the study sponsor or FDA in any required report.

1.120 "**FFDCA**" means the United States Federal Food, Drug, and Cosmetic Act, as set forth at 21 U.S.C. ch. 9 § 301 et seq., as may be amended from time to time, together with any rules, regulations and requirements promulgated thereunder (including all additions, supplements, extensions and modifications thereto).

1.121 "**Field**" means all human and non-human diagnostic, prophylactic and therapeutic uses.

1.122 "**Finished Product**" means a Licensed Product in its finished, labeled, assembled, and packaged form, ready for sale to the market or use in clinical trials, as the case may be.

1.123 "**First Commercial Sale**" means, with respect to a Licensed Product and a country (or jurisdiction) in the AbbVie Territory or the I-Mab Territory, the first sale for monetary value of such Licensed Product in such country (or jurisdiction) by a Party, its Affiliates or its or their Sublicensees to a Third Party after all Regulatory Approvals for such Licensed Product have been obtained in such country (or jurisdiction). For clarity, sales prior to receipt of all Regulatory Approvals for a Licensed Product in a country (or jurisdiction) in the AbbVie Territory or the I-Mab Territory, such as so-called "treatment IND sales," "named patient sales," and "compassionate use sales," shall not be construed as a First Commercial Sale unless, except for purposes of Section 10.3.1, the primary means of Commercialization of such Licensed Product in such country (or jurisdiction) is through sales without the receipt of Regulatory Approval.

1.124 "**FTC**" has the meaning set forth in the definition of "**HSR Filing**".

1.125 "**FTE**" means a full time equivalent employee (i.e., one fully-committed or multiple partially-committed employees aggregating to one full-time employee) employed or contracted by a Party or its Affiliates and assigned to perform specified work hereunder, with such commitment of time and effort to constitute one employee performing such work on a full-time basis, which for purposes hereof shall be [Redacted]. For clarity, FTEs shall not include information technology, human resources, financial or legal personnel.

1.126 "**FTE Costs**" means, for all activities performed in accordance with this Agreement, including any Development, regulatory or Manufacturing activities, the result of (a) the number of FTEs performing for such activities, times (b) the applicable FTE Rate.

1.127 "**FTE Rate**" means, with respect to FTEs performing the activities under this Agreement, (a) with respect to AbbVie, [Redacted] and (b) with respect to I-Mab, [Redacted], which represents the fully burdened rate for such FTE and includes all Included FTE Costs and Expenses for such FTE.

1.128 "**Global Study**" means a human clinical trial for a Licensed Product, the data from which the Parties intend to use to seek Regulatory Approval for a Licensed Product in both the I-Mab Territory and the AbbVie Territory.

1.129 "**GMCSF**" means [Redacted].

1.130 "**Good Reason**" has the meaning set forth in Section 2.6.4.

1.131 "**HGR Approval**" means (a) the applicable Regulatory Approval for Sampling, Collecting, Trading and Exporting Human Genetic Resources (中国人类遗传资源的采集、收集、买卖、出口、出境审批书) and (b) the Export Certificate for Human Genetic Resources (人类遗传资源出口、出境证明), in each case, to be issued by the Ministry of Science and Technology (中华人民共和国科学技术部), in connection with disclosure or sharing of clinical data from clinical trials in the I-Mab Territory or other Information as contemplated under this Agreement.

1.132 "**HSR Act**" means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as codified at 15 U.S.C. § 18a, as may be amended from time to time, and the rules and regulations promulgated thereunder, or foreign antitrust equivalent thereof under Applicable Law (including all additions, supplements, extensions and modifications thereto).

1.133 "**HSR Clearance**" means, with respect to this Agreement, the expiration or termination of all applicable waiting periods and requests for information (and any extensions thereof) under the HSR Act.

1.134 "**HSR Filing**" means (a) filings by I-Mab and AbbVie with the United States Federal Trade Commission (the "**FTC**") and the Antitrust Division of the United States Department of Justice (the "**DOJ**") of a Notification and Report Form for Certain Mergers and Acquisitions (as that term is defined in the HSR Act) with respect to the matters set forth in this Agreement, together with all required documentary attachments thereto, or (b) equivalent foreign antitrust filings, if any, with applicable governmental authorities where such filings are required.

1.135 "**HSR Proceeding**" has the meaning set forth in Section 16.16.2.

1.136 "**I-Mab**" has the meaning set forth in the preamble hereto.

1.137 "**I-Mab Back-Up Supply Agreement**" has the meaning set forth in Section 7.2.2.

1.138 "**I-Mab CD47-GMCSF Compound**" has the meaning set forth in the definition of "**Licensed Compound**".

1.139 "**I-Mab CD47-PDL1 Compound**" has the meaning set forth in the definition of "**Licensed Compound**".

1.140 "**I-Mab Indemnitees**" has the meaning set forth in Section 14.1.

1.141 "**I-Mab Know-How**" means all Information Controlled by I-Mab or any of its Affiliates as of the Effective Date or at any time during the Term that is not generally known and is necessary or reasonably useful for the Exploitation of any Licensed Compound or Licensed Product, but excluding any (a) Joint Know-How, (b) any Other Ingredients or Agents Information, and (c) Information licensed to I-Mab or any of its Affiliates pursuant to an Excluded Upstream License.

1.142 "**I-Mab Licensed Product**" means (a) with respect to any Mono Licensed Product being clinically Developed or Commercialized by or on behalf of AbbVie or its Affiliates in the AbbVie Territory, such Mono Licensed Product; and (b) with respect to a Combination Product being clinically Developed or Commercialized by or on behalf of AbbVie or its Affiliates in the AbbVie Territory, unless the Parties otherwise agree, the Mono Licensed Product that contains the Licensed Compound in such Combination Product as the sole active ingredient in such Mono Licensed Product.

1.143 "**I-Mab Non-C4 Multi-Specific Compound**" means a Non-C4 Multi-Specific Compound (other than an AbbVie Non-C4 Multi-Specific Compound) that is, as between the Parties, first invented by or on behalf of, or otherwise controlled by, I-Mab, its Affiliates or (sub)licensees (including Sublicensees) other than AbbVie or any of its Affiliates.

1.144 "**I-Mab Non-C4 Multi-Specific Product**" means a Non-C4 Multi-Specific Product containing an I-Mab Non-C4 Multi-Specific Compound (but, for clarity, not an AbbVie Non-C4 Multi-Specific Compound).

1.145 "**I-Mab Non-C4 Multi-Specific Product Data Package**" means, with respect to each I-Mab Non-C4 Multi-Specific Product, (a) the complete results of all Development activities conducted by or on behalf of I-Mab or its Affiliates or its or their Sublicensees with respect to such I-Mab Non-C4 Multi-Specific Product (whether or not previously provided to AbbVie), (b) copies of all Regulatory Documentation submitted to or received from Regulatory Authorities with respect to such I-Mab Non-C4 Multi-Specific Product, (c) any commercial analyses for such I-Mab Non-C4 Multi-Specific Product conducted by or on behalf of I-Mab, including market research, competitive analyses, forecasted sales and anticipated commercialization activities, (d) a description of any and all obligations that I-Mab or any of its Affiliates has to a Third Party, financial or otherwise, with respect to the development, manufacture or commercialization of such I-Mab Non-C4 Multi-Specific Product in the applicable country(ies) and (e) copies of any and all agreements pursuant to which I-Mab or any of its Affiliates in-licenses or otherwise obtains rights to any Information, Patent or other intellectual property with respect to such I-Mab Non-C4 Multi-Specific Product in the applicable country(ies). For purposes of this definition, "applicable country(ies)" shall mean the country(ies) that are the subject of the proposed I-Mab Non-C4 Multi-Specific Product Transaction, and in each case ((a)–(e)), provided in English.

1.146 "**I-Mab Non-C4 Multi-Specific Product Exercise Notice**" has the meaning set forth in Section 2.7.4.

1.147 "**I-Mab Non-C4 Multi-Specific Product Exercise Period**" has the meaning set forth in Section 2.7.4.

1.148 "**I-Mab Non-C4 Multi-Specific Product Negotiations**" has the meaning set forth in Section 2.7.2.

1.149 "**I-Mab Non-C4 Multi-Specific Product ROFN**" means AbbVie's right of first negotiation for the I-Mab Non-C4 Multi-Specific Product as described in Section 2.7.

1.150 "**I-Mab Non-C4 Multi-Specific Product Transaction**" has the meaning set forth in Section 2.7.2.

1.151 "**I-Mab Non-C4 Multi-Specific Product Transaction Agreement**" has the meaning set forth in Section 2.7.5.

1.152 "**I-Mab Non-C4 Multi-Specific Product Transaction Notice**" has the meaning set forth in Section 2.7.2.

1.153 "**I-Mab Original Territory**" has the meaning set forth in the definition of "I-Mab Territory".

1.154 "**I-Mab Patent**" means any Patent Controlled by I-Mab or any of its Affiliates as of the Effective Date or at any time during the Term that is necessary or reasonably useful (or with respect to any Patent application, would be necessary or reasonably useful if such application is issued as a Patent) for the Exploitation of any Licensed Compound or Licensed Product, but excluding (a) any Joint Patent, (b) any Other Ingredients or Agents Patent, and (c) any Patent licensed to I-Mab or any of its Affiliates pursuant to an Excluded Upstream License. The I-Mab Patents shall include the Existing Patents.

1.155 "**I-Mab Product Information**" means any Information in the I-Mab Know-How relating to any Licensed Compound or Licensed Product, including the Exploitation of any of the foregoing.

1.156 "**I-Mab Royalty Term**" has the meaning set forth in Section 10.7.2.

1.157 "**I-Mab Shanghai**" has the meaning set forth in the preamble hereto.

1.158 "**I-Mab Supply Agreement**" has the meaning set forth in Section 7.2.3.

1.159 "**I-Mab Supply Price**" has the meaning set forth in Section 7.2.3.

1.160 "**I-Mab Technology**" means I-Mab Know-How and I-Mab Patents.

1.161 "**I-Mab Territory**" means, at any time, (a) the People's Republic of China, including Hong Kong, and Macau, but for purposes of this Agreement, excluding Taiwan (the "**I-Mab Original Territory**") and (b) any Terminated Territory at such time.

1.162 "**I-Mab Territory Commercialization Plan**" means the high-level Commercialization plan for the Commercialization of the Licensed Products in the I-Mab Territory, which plan shall include, (a) the brand strategy and implementation strategy; (b) pre-launch Commercialization activities and the expected date of launch; (c) the nature and extent of promotional activities anticipated; (d) non-binding summary-level market and sales forecasts for the Licensed Products; (e) plans regarding distribution and supply chain management; and (f) to the extent such strategy and information may be provided consistent with Applicable Law, reimbursement and pricing strategy and information.

1.163 "**I-Mab Territory Development Plan**" means the detailed Development plan for the Development of the Licensed Compounds and Licensed Products in the Field in the I-Mab Territory. The initial I-Mab Territory Development Plan is attached hereto as **Schedule 1.163** and shall be deemed to be approved by the JGC as of the Execution Date.

1.164 "**I-Mab Territory Third Party Rights**" has the meaning set forth in Section 11.7.3.

1.165 "**I-Mab Territory Trademark Agreement**" has the meaning set forth in Section 11.8.1.

1.166 "**I-Mab US**" has the meaning set forth in the preamble hereto.

1.167 "**Included FTE Costs and Expenses**" means the sum of (a) all costs and expenses for the employee performing any activities hereunder, including salaries, wages, bonuses, commissions, benefits, profit sharing, stock option grants, FICA costs and other similar ex-U.S. costs, travel, meals and entertainment, training, recruiting, relocation, operating supplies, and equipment and other disposable goods to the extent required for the performance of the applicable activities, (b) a pro rata allocation of equipment maintenance costs, utilities, general, administrative and facilities expenses, including allocated building operating costs and depreciation and repairs and maintenance and (c) other overhead, including costs and expense for information technology, human resources, finance and legal, in any case ((a), (b) or (c)), whether internal costs and expenses or amounts paid to Third Parties.

1.168 "**IND**" means an Investigational New Drug application as defined in the FFDCA, or a clinical trial authorization application for a product filed with a Regulatory Authority in any other regulatory jurisdiction outside the U.S. (including applications for CTA Approvals), the filing of which is necessary to commence or conduct clinical testing of a pharmaceutical product in humans in such jurisdiction and all supplements, amendments, variations, extensions and renewals thereof that may be filed with respect to the foregoing.

1.169 "**Indemnification Claim Notice**" has the meaning set forth in Section 14.3.1.

1.170 "**Indemnified Party**" has the meaning set forth in Section 14.3.1.

1.171 "**Indemnifying Party**" has the meaning set forth in Section 14.3.1.

1.172 "**Indication**" means, with respect to a Licensed Product, a diagnostic, prophylactic or therapeutic use for a tumor type based on tissue or organ of origin, which (a) for a clinical trial for such Licensed Product, is the use of such Licensed Product for which such clinical trial is intended to determine safety or effectiveness and (b) if the BLA for such Licensed Product is approved in the U.S., is reflected in the "**Indications and Usage**" section of labeling pursuant to 21 C.F.R. § 201.57(c)(2) (or comparable labeling section under Applicable Laws) or, to the extent applicable, any comparable labeling section outside the U.S. based on at least one clinical trial approved by the applicable Regulatory Authority, in each case ((a) and (b)), subject to the following: (i) subtypes of the same tumor type; (ii) uses of such Licensed Product for the same tumor type for different populations or population sub-types; (iii) the approved use of such Licensed Product for such tumor type in different combinations or co-administration of treatments (e.g., monotherapy vs. add-on or combination therapy for use with another active ingredient in the same disease); (iv) the approved use of such Licensed Product for such tumor type in a different line of treatment or a different temporal position in a treatment algorithm for the same disease or condition (e.g., first line vs. second line therapy in the same tumor type); and (v) treatment of the same tumor type with such Licensed Product in an expanded, modified or additional patient population, in each case ((i)–(v)), are not additional Indications for such Licensed Product. For clarity and without limiting or expanding the foregoing, any label expansion that is not supported by at least one adequate and well-controlled clinical trial would not constitute a separate Indication. Notwithstanding the foregoing, Acute Myeloid Leukemia and Myelodysplastic Syndrome are two separate Indications.

1.173 "**Information**" means all technical, scientific and other know-how and information, trade secrets, knowledge, technology, means, methods, processes, practices, formulae, instructions, skills, techniques, procedures, experiences, ideas, technical assistance, designs, drawings, assembly procedures, computer programs, apparatuses, specifications, data, results and other material, including: biological, chemical, pharmacological, toxicological, pharmaceutical, physical and analytical, pre-clinical, clinical, safety, regulatory, manufacturing and quality control data and information, including study designs and protocols, assays and biological methodology, in each case (whether or not confidential, proprietary, patented or patentable) in written, electronic or any other form now known or hereafter developed.

1.174 "**Infringement**" has the meaning set forth in Section 11.4.1.

1.175 "**Initial Development Activities**" has the meaning set forth in Section 3.1.1.

1.176 "**Initial Development Data Package**" means (a) the complete results (including all supporting documentation with respect thereto) of the Development activities conducted by or on behalf of I-Mab or its Affiliates or its or their Sublicensees (i) relating to any Licensed Compound or Licensed Product and completed prior to the Effective Date or (ii) as set forth in the Initial Development Plan, including, in each case ((i) or (ii)), all CMC Data for Licensed Products (whether or not previously provided to AbbVie) and (b) such other relevant Information with respect to the Development of the Licensed Compounds or Licensed Products pursuant to the Initial Development Plan that the JGC determines should be included in the Initial Development Data Package, and in each case ((a) and (b)), provided in English.

1.177 "**Initial Development Plan**" means the plan to complete the pre-clinical studies and human clinical trials for the Initial Licensed Compound, in each case, that are ongoing as of the Execution Date, which plan is attached hereto as **Schedule 1.177**, as such plan may be amended pursuant to the terms of this Agreement.

1.178 "**Initial Development Records**" has the meaning set forth in Section 3.1.4.

1.179 "**Initial Development Term**" means the period beginning on the Effective Date and ending on the later of (a) the completion of the activities under the Initial Development Plan and (b) the Delivery Date for the Initial Development Data Package.

1.180 "**Initial Disclosure Schedules**" has the meaning set forth in Section 13.2.

1.181 "**Initial Licensed Compound**" has the meaning set forth in the definition of "**Licensed Compounds**".

1.182 "**Initiate**" means, with respect to a clinical study, to initiate the first dosing of the first human subject in such clinical study. "**Initiation**" means the act of Initiating a clinical study.

1.183 "**In-License Agreements**" has the meaning set forth in Section 13.2.9.

1.184 "**Inventor Compensation Claims**" has the meaning set forth in Section 11.1.5.

1.185 "**Joint CMC Working Group**" has the meaning set forth in Section 9.3.1.

1.186 "**Joint Governance Committee**" or "**JGC**" has the meaning set forth in Section 9.1.

1.187 "**Joint Know-How**" has the meaning set forth in Section 11.1.2.

1.188 "**Joint Patents**" has the meaning set forth in Section 11.1.2.

1.189 "**Joint Project Team**" or "**JPT**" has the meaning set forth in Section 9.4.

1.190 "**Joint Regulatory Working Group**" has the meaning set forth in Section 9.3.2.

1.191 "**Joint Technology**" has the meaning set forth in Section 11.1.2.

1.192 "**Knowledge**" means, with respect to I-Mab, the knowledge, after performing a diligent investigation with respect to the applicable facts and information [Redacted].

1.193 "**Licensed Compound(s)**" means (a) the anti-CD47 monoclonal antibody identified as TJ011133 (also known as TJC4) as of the Effective Date with the amino acid sequence set forth in **Schedule 1.193** (the "**Initial Licensed Compound**"); (b) any Antibody, including any backup or follow-on Antibodies with respect to the Initial Licensed Compound and any derivatives of any of the foregoing, invented, owned or Controlled by I-Mab or any of its Affiliates, [Redacted]; (c) any CD47 binding fragments [Redacted] of any of the Antibodies described in clause (a) or (b) and any Antibody that contains such a CD47 binding fragment, including [Redacted], but excluding any I-Mab Non-C4 Multi-Specific Compound; and (d) any other molecule, compound or other therapeutic product invented, owned or Controlled by I-Mab or any of its Affiliates that (i) contains a targeting moiety Directed to an epitope on CD47 that is the same or substantially similar as the epitope to which the Initial Licensed Compound is Directed and (ii) that is not Directed to another Target. [Redacted]

1.194 "**Licensed Product**" means any product that contains a Licensed Compound as an active ingredient, alone or in combination with one or more other active pharmaceutical ingredients, in any and all forms, presentations, strengths/concentrations, Delivery Technologies, dosages, formulations, package configuration and modalities, and for any and all indications. For purpose of Section 10.4.2, any additional Licensed Product that contains the same Licensed Compound as the first Licensed Product, but is in a different form, presentation, strength/concentration, Delivery Technology, dosage, formulation, package configuration or modality from the first Licensed Product, shall be considered the same Licensed Product as the first Licensed Product.

1.195 "**Losses**" has the meaning set forth in Section 14.1.

1.196 "**Major European Market**" means each of the United Kingdom, France, Germany, Italy, and Spain.

1.197 "**Manufacture**" and "**Manufacturing**" means all activities related to the production, manufacture, processing, filling, finishing, packaging, labeling, shipping and holding of any Licensed Compound or Licensed Product, or any intermediate of any of the foregoing, including formulation, process development, process qualification and validation, scale-up, pre-clinical, clinical and commercial manufacture and analytic development, product characterization, stability testing, quality assurance and quality control.

1.198 "**Manufacturing Process**" has the meaning set forth in Section 7.3.1.

1.199 "**Manufacturing Technology Transfer**" has the meaning set forth in Section 7.3.1.

1.200 "**Manufacturing Timeline**" has the meaning set forth in Section 9.3.1.

1.201 "**Milestone Events**" has the meaning set forth in Section 10.3.

1.202 "**Milestone Payments**" has the meaning set forth in Section 10.3.

1.203 "**Mono Licensed Product**" means a Licensed Product that contains a Licensed Compound as its sole active ingredient that is not Directed to any Target other than CD47.

1.204 "**Mono Licensed Product Data Package**" means, with respect to each Mono Licensed Product, (a) the complete results of all Development activities conducted by or on behalf of I-Mab or its Affiliates or its or their Sublicensees with respect to such Mono Licensed Product (whether or not previously provided to AbbVie), (b) copies of all Regulatory Documentation with respect to such Mono Licensed Product submitted to or received from Regulatory Authorities, (c) any commercial analyses for such Mono Licensed Product conducted by or on behalf of I-Mab, including market research, competitive analyses, forecasted sales and anticipated Commercialization activities, (d) a description of any and all obligations that I-Mab or any of its Affiliates has to a Third Party, financial or otherwise, with respect to the Development, Manufacture or Commercialization of such Mono Licensed Product in the applicable region(s) in the I-Mab Territory, and (e) copies of any and all agreements pursuant to which I-Mab or any of its Affiliates in-licenses or otherwise obtains rights to any Information, Patent or other intellectual property with respect to such Mono Licensed Product in the applicable region(s) in the I-Mab Territory, and in each case ((a)–(e)), provided in English.

1.205 "**Mono Licensed Product ROFN**" means AbbVie's right of first negotiation for the Mono Licensed Product as described in Section 6.6.

1.206 "**Mono Licensed Product ROFN Exercise Notice**" has the meaning set forth in Section 6.6.4.

1.207 "**Mono Licensed Product ROFN Exercise Period**" has the meaning set forth in Section 6.6.4.

1.208 "**Mono Licensed Product Transaction**" has the meaning set forth in Section 6.6.2.

1.209 "**Mono Licensed Product Transaction Agreement**" has the meaning set forth in Section 6.6.5.

1.210 "**Mono Licensed Product Transaction Negotiations**" has the meaning set forth in Section 6.6.2.

1.211 "**Mono Licensed Product Transaction Notice**" has the meaning set forth in Section 6.6.2.

1.212 "**Mono Product**" has the meaning set forth in the definition of "**Net Sales**."

1.213 "**MSD**" has the meaning set forth in Section 3.5.

1.214 "**MSD Related Activities**" has the meaning set forth in Section 3.5.

1.215 "**Net Sales**" means, with respect to a Party and a Licensed Product for any period, the total amount billed or invoiced on sales of such Licensed Product during such period by such Party, its Affiliates, or Sublicensees to Third Parties (including wholesalers and Distributors), in bona fide arm's length transactions, less the following deductions, and in each case related specifically to the Licensed Product and actually allowed and taken by such Third Parties and not otherwise recovered by or reimbursed to such Party, its Affiliates or Sublicensees:

(a) normal and customary trade, cash and quantity discounts;

(b) price reductions or rebates, retroactive or otherwise, imposed by, negotiated with or otherwise paid to governmental authorities or other payees;

(c) taxes on sales (such as sales, value added, or use taxes) to the extent added to the sale price and set forth separately as such in the total amount invoiced;

(d) amounts repaid or credited by reason of rejections, defects, return goods allowance, recalls or returns, or because of retroactive price reductions, including rebates or wholesaler charge backs;

(e) the portion of administrative fees paid during the relevant time period to group purchasing organizations, pharmaceutical benefit managers or Medicare Prescription Drug Plans relating to such Licensed Product;

(f) any consideration actually paid or payable for any Delivery Technology specifically related to a billed or invoiced sale of such Licensed Product;

(g) any invoiced amounts from a prior period which are not collected and are written off by such Party, its Affiliates or Sublicensees, including bad debts; *provided* that, if the debt is thereafter paid, the corresponding credit amount shall be added to the Net Sales of the period during which it is paid;

(h) that portion of the annual fee on prescription drug manufacturers imposed by the Patient Protection and Affordable Care Act, Pub. L. No. 111-148 (as amended) to the extent reasonably allocable to sales of such Licensed Product; and

(i) freight, insurance, import/export, and other transportation charges to the extent added to the sale price and set forth separately as such in the total amount invoiced, as well as any fees for services provided by wholesalers and warehousing chains related to the distribution of such Licensed Product.

All such discounts, allowances, credits, rebates, and other deductions shall be fairly and equitably allocated to the Licensed Product and other products of such Party and its Affiliates and Sublicensees such that the Licensed Product does not bear a disproportionate portion of such deductions.

Net Sales shall not include transfers or dispositions for charitable, promotional, pre-clinical, clinical or regulatory purposes or governmental purposes to the extent sold for no more than the manufacturing costs thereof, but shall include commercial sales to government purchasers. Net Sales shall include the amount or fair market value of all other consideration received by such Party, its Affiliates or Sublicensees in respect of such Licensed Product, whether such consideration is in cash, payment in kind, exchange or other form. Net Sales shall not include sales between or among such Party, its Affiliates, or Sublicensees, but shall include the subsequent re-sales to a Third Party. For clarity, Distributors shall not be considered as Affiliates or Sublicensees.

Subject to the above, Net Sales shall be calculated in accordance with the standard internal policies and procedures of such Party, its Affiliates, or its or their Sublicensees, consistently applied, which must be in accordance with the Accounting Standards.

For purposes of calculating Net Sales, all Net Sales shall be converted into Dollars in accordance with Section 10.8.

If a Licensed Product is a Combination Product in a country or jurisdiction in the AbbVie Territory or the I-Mab Territory, the Net Sales for such Combination Product in such country or jurisdiction shall be calculated as follows:

(i) If a Party, its Affiliates, or Sublicensee separately sells in such country or jurisdiction, (A) a product containing as its sole active ingredient the Licensed Compound contained in such Combination Product (the "**Mono Product**") and (B) products containing as their sole active ingredients the Other Ingredients in such Combination Product, the Net Sales attributable to such Combination Product shall be calculated by [Redacted].

(ii) If a Party, its Affiliates, and Sublicensees do not separately sell in such country or jurisdiction both the Mono Product and products containing as their sole active ingredients the Other Ingredients in such Combination Product, in each case, in a quantity comparable to that used in such Combination Product and of substantially the same formulation and the same route of administration, the Net Sales attributable to such Combination Product shall be [Redacted].

1.216 "**NMPA**" means the China National Medical Products Administration (formerly known as the China Food and Drug Administration) and any successor agency thereto, or any Regulatory Authority having substantially the same function, including any functional subdivisions or centers thereof (e.g., Center for Drug Evaluation).

1.217 "**Non-C4 Licensed Compound**" means any Licensed Compound that contains a targeting moiety that is not Directed to an epitope on CD47 that is the same or substantially similar to the epitope to which the Initial Licensed Compound is Directed irrespective of whether such Licensed Compound is also Directed to another Target. For clarity, Non-C4 Licensed Compounds do not include any C4 Licensed Compounds.

1.218 "**Non-C4 Multi-Specific Compound**" means any multi-specific or bi-specific Non-C4 Licensed Compound that is Directed to CD47 and also to a Target other than CD47.

1.219 "**Non-C4 Multi-Specific Product**" means a product that contains one or more Non-C4 Multi-Specific Compounds (but does not contain any C4 Licensed Compounds).

1.220 "**Non-Breaching Party**" has the meaning set forth in Section 15.2.1(a).

1.221 "**Notice Period**" has the meaning set forth in Section 15.2.1(a).

1.222 "**Officials**" has the meaning set forth in Section 13.10.2.

1.223 "**OHGRA**" has the meaning set forth in Section 13.5.1

1.224 "**Other Agent**" has the meaning set forth in the definition "**Combination Therapy**".

1.225 "**Other Ingredients**" has the meaning set forth in the definition of "**Combination Product**".

1.226 "**Other Ingredients or Agents Information**" means, with respect to a Licensed Product that is Exploited as Combination Product or as part of a Combination Therapy, Information related to (a) any Other Ingredient used in such Combination Product, or the Exploitation thereof, or (b) any Other Agent used in such Combination Therapy, or the Exploitation thereof, but excluding, in the case of (b), such Information specifically related to the use of such Licensed Product with (i) such Other Agent or (ii) any molecule, agent, compound or product in the same class of molecules, agents, compounds or products, as applicable, as such Other Agent. As used herein, a molecule, agent, compound or product is in the same class of another molecule, agent, compound or product if and only if these compounds, molecules, agents or products (1) are Directed to the same Target, (2) are or would be subject to the same type of Regulatory Approval in the U.S. (i.e., NDA vs BLA), and (3) is developed for, have received Regulatory Approval for (or Regulatory Approval has been sought for) the same indication or class of indications.

1.227 "**Other Ingredients or Agents Patents**" means, with respect to a Licensed Product that is Exploited as Combination Product or part of a Combination Therapy, Patents that claim (a) any Other Ingredient used in such Combination Product, or the Exploitation thereof, or (b) any Other Agent used in such Combination Therapy, or the Exploitation thereof, but excluding, in each case ((a) and (b)), such Patents to the extent that they claim the use of such Licensed Product with (i) such Other Ingredient or Other Agent or (ii) any molecule, agent, compound or product in the same class of molecules, agents, compounds or products, as applicable, as the Other Ingredient or Other Agent. As used herein, a molecule, agent, compound or product is in the same class of another molecule, agent, compound or product if and only if these molecules, agents, compounds or products (1) are Directed to the same Target, (2) are or would be subject to the same type of Regulatory Approval in the U.S. (i.e., NDA vs BLA), and (3) is developed for, have received Regulatory Approval for (or Regulatory Approval has been sought for) the same indication or class of indications.

1.228 "**Out-of-Pocket Costs**" means, with respect to certain activities hereunder, direct expenses paid or payable by either Party or its Affiliates to Third Parties and specifically identifiable and incurred to conduct Development, Manufacturing or Commercialization under this Agreement, as applicable, including payments to contract personnel; *provided* that Out-of-Pocket Costs shall not include any FTE Costs or any costs for general overhead, postage, communications, photocopying, printing or internet expense, professional dues, operating supplies, laboratory supplies, printers, photocopiers, fax machines or other office equipment, laboratory equipment, computers or computer service charges or any costs that are subsumed within the definition of Included FTE Costs and Expenses.

1.229 "**Party**" and "**Parties**" have the meaning set forth in the preamble hereto.

1.230 "**Patent Challenge**" has the meaning set forth in Section 15.2.6.

1.231 "**Patents**" means: (a) all national, regional and international patents and patent applications, including provisional patent applications and rights to claim priority from any such patents or patent applications; (b) all patent applications filed either from such patents, patent applications or provisional applications or from an application claiming priority from either of these, including divisionals, continuations, continuations-in-part, provisionals, converted provisionals and continued prosecution applications; (c) any and all patents that have issued or in the future issue from the foregoing patent applications ((a) and (b)), including utility models, petty patents, innovation patents and design patents and certificates of invention; (d) any and all extensions or restorations by existing or future extension or restoration mechanisms, including revalidations, reissues, re-examinations and extensions (including any patent term extension, pediatric exclusivity, supplementary protection certificates and the like) of the foregoing patents or patent applications ((a), (b) and (c)); and (e) any similar rights, including so-called pipeline protection or registration patent of any of such foregoing patent applications and patents.

1.232 "**Payment**" has the meaning set forth in Section 13.10.2.

1.233 "**Payor**" has the meaning set forth in Section 10.9.1.

1.234 "**PDL1**" means [Redacted].

1.235 "**Permitted Modification**"[1] means (a) with respect to an I-Mab Licensed Product, (i) any modification to [Redacted] and (B) does not incorporate or use any Information or Patents proprietary to or controlled by AbbVie or any of its Affiliates unless such Information or Patents [Redacted] and (b) with respect to a Terminated Product [Redacted] (B) does not incorporate or use any Information or Patents proprietary to or controlled by AbbVie or any of its Affiliates unless such Information or Patents [Redacted]. For clarity, unless otherwise agreed by the Parties, I-Mab does not obtain any rights under this Agreement to any Other Agent or Other Ingredient.

1.236 "**Person**" means an individual, sole proprietorship, partnership, limited partnership, limited liability partnership, corporation, limited liability company, business trust, joint stock company, trust, unincorporated association, joint venture or other similar entity or organization, including a government or political subdivision, department or agency of a government.

1.237 "**Personal Data**" means any data that constitutes "personal information" or "personal data" governed by applicable Data Protection Laws and does not include anonymized data or information pertaining to a party's business contacts such as its employees, agents or representatives or those of their respective Affiliates.

1.238 "**PHSA**" means the Public Health Service Act as set forth at 42 U.S.C. Chapter 6A, as may be amended from time to time, together with any rules, regulations and requirements promulgated thereunder (including all additions, supplements, extensions and modifications thereto).

1.239 "**Pre-Existing Entities**" has the meaning set forth in Section 2.4.3(a).

1.240 "**Processing**" has the meaning given to such term or similar term in applicable Data Protection Laws, and "**Process**" and "**Processed**" shall be construed accordingly.

1.241 "**Product Patent**" means any I-Mab Patent that claims a Licensed Compound or an Antibody containing the CDRs of a Licensed Compound, or any composition containing such Licensed Compound or such Antibody, or the Exploitation of any of the foregoing; [Redacted].

1.242 "**Product Trademark**" has the meaning set forth in Section 11.8.1.

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[1] Note to Client: Please confirm whether you believe any portions of this definition should be redacted.

1.243 "**Proprietary Manufacturing Information**" means all Information that is used, or intended to be used, by or on behalf of AbbVie or its Affiliates to Manufacture the Licensed Product (or any component or intermediate thereof), including all CMC Data for the Licensed Product that is included or referenced in, or that otherwise supports, a CTA or Drug Approval Application.

1.244 "**Prosecuting Party**" has the meaning set forth in Section 11.3.3.

1.245 "**Prosecution and Maintenance**" or "**Prosecute and Maintain**" means, with respect to a Patent, the preparation, filing, prosecution and maintenance of such Patent and the defense of such Patent before patent authorities in any interference, re-issuance, re-examination, opposition or other post-grant proceedings.

1.246 "**Recipient**" has the meaning set forth in Section 10.9.1.

1.247 "**Registration Study**" means, with respect to a Licensed Product, (a) a human clinical trial (whether or not designated a phase 3 clinical trial) for such Licensed Product, the results of which, together with prior data and information concerning such Licensed Product, would (if such human clinical trial meets its primary endpoints) be sufficient to support the filing of a BLA for such Licensed Product in the United States or (b) a foreign clinical trial that is equivalent to the one described in the preceding clause (a), in each case ((a) and (b)), as acknowledged by the applicable Regulatory Authority. For clarity, a human clinical trial that does not meet the foregoing criteria when it is Initiated, but later meets the foregoing criteria or its data are otherwise included as a registration study in the BLA filing that is accepted by the applicable Regulatory Authority, shall constitute a Registration Study for purposes of this Agreement only at the time the applicable Regulatory Authority acknowledges that such human clinical trial meets such criteria or accepts such BLA filing, and, for purposes of Section 10.3.1, such Registration Study shall be deemed to be Initiated as of the date such criteria are met or such data are included.

1.248 "**Regulatory Approval**" means, with respect to a country or jurisdiction in the AbbVie Territory or the I-Mab Territory, (a) all approvals (including approvals of Drug Approval Applications), licenses, registrations, or authorizations of any Regulatory Authority necessary to commercially distribute, sell and market a product in such country or jurisdiction, including, where applicable, pre- and post-approval marketing authorizations (including any prerequisite Manufacturing approval or authorization related thereto) and labeling approval, and (b) all pricing or reimbursement approval in such country or jurisdiction.

1.249 "**Regulatory Authority**" means any applicable supra-national, federal, national, regional, state, provincial or local regulatory agencies, departments, bureaus, commissions, councils or other government entities regulating or otherwise exercising authority with respect to the Exploitation of Licensed Products in the AbbVie Territory or in the I-Mab Territory, including FDA, NMPA and the EMA. For clarity, Regulatory Authority does not include patent examination or patent grant authorities (e.g., the United States Patent and Trademark Office and the European Patent Office).

1.250 "**Regulatory Documentation**" means: all (a) applications (including all INDs and Drug Approval Applications), registrations, licenses, authorizations and approvals (including all CTA Approvals and Regulatory Approvals); (b) correspondence and reports submitted to or received from Regulatory Authorities (including minutes and official contact reports relating to any communications with any Regulatory Authority) and all supporting documents with respect thereto, including all adverse event files and complaint files; and (c) global safety and quality databases and adverse event information; in each case ((a), (b), and (c)) relating to a Licensed Compound or a Licensed Product.

1.251 "**Regulatory Exclusivity Period**" means, with respect to each Licensed Product in any country or jurisdiction in the AbbVie Territory, a period of exclusivity (other than Patent protection or patent-related exclusivity) granted or afforded by Applicable Law or by a Regulatory Authority in the applicable country or jurisdiction that confers exclusive marketing rights with respect to such Licensed Product in such country or jurisdiction and prevents another Third Party from marketing or selling such Licensed Product during such period without the prior written consent of the Drug Approval Application holder.

1.252 "**Relevant Territory**" means (a) a member state of the European Union (other than Ireland); (b) not being such a member state, a country with which Ireland has a double tax agreement in force; or (c) not being a territory referred to in (a) or (b) above, a country with which Ireland has signed such a double tax agreement which will come into force once the necessary legislative procedures have been completed.

1.253 "**Representatives**" has the meaning set forth in Section 13.10.2.

1.254 "**Required IP**" has the meaning set forth in Section 10.15.1.

1.255 "**Respective Territory**" means, with respect to AbbVie, the AbbVie Territory and with respect to I-Mab, the I-Mab Territory.

1.256 "**Restricted Individual or Entity**" means a Debarred Entity, Debarred Individual, Excluded Entity, Excluded Individual, Convicted Entity or Convicted Individual.

1.257 "**Reverse Royalty**" has the meaning set forth in Section 15.6.

1.258 "**Royalty Term**" has the meaning set forth in Section 10.4.2.

1.259 "**RP2D**" has the meaning set forth in **Schedule 10.3.1(b)**.

1.260 "**Second Request**" has the meaning set forth in Section 15.2.4

1.261 "**Senior Officer**" means, with respect to I-Mab, [Redacted] and with respect to AbbVie, [Redacted].

1.262 "**Sublicensee**" means a Person other than an Affiliate or a Distributor of a Party that is (a) granted a sublicense (or further right of reference) by AbbVie or its Affiliate under the grants in Section 2.1.1, (b) granted a sublicense (or further right of reference) by I-Mab or its Affiliates under the grants in Section 2.2.1, or (c) granted a license by I-Mab or its Affiliates under the I-Mab Technology to Develop, Manufacture, Commercialize or otherwise Exploit a Licensed Compound or Licensed Product in the I-Mab Territory; [Redacted].

1.263 "**Target**" means a biological molecule, including a protein, polypeptide, fragments and post-translationally modified versions thereof, a polysaccharide, a lipid, or any form of nucleic acid molecule encoding the foregoing, and any combination thereof.

1.264 "**Term**" has the meaning set forth in Section 15.1.

1.265 "**Terminated Product**" means, with respect to a Terminated Territory (or the AbbVie Territory if this Agreement is terminated in its entirety), any I-Mab Licensed Product solely in the form(s) and formulation(s) being clinically Developed or Commercialized in such Terminated Territory (or the AbbVie Territory if this Agreement is terminated in its entirety) within [Redacted] prior to or as of the effective date of termination with respect to such Terminated Territory (or the AbbVie Territory if this Agreement is terminated in its entirety), as such Licensed Product exists as of such effective date of termination or during such [Redacted] period. For clarity, a Terminated Product is no longer a Licensed Product in the Terminated Territory from and after the effective date of the termination of such Terminated Product in such Terminated Territory.

1.266 "**Terminated Territory**" means any country or jurisdiction in the AbbVie Territory for which this Agreement is terminated pursuant to Section 15.2.1(b) or Section 15.2.2(b), or, the AbbVie Territory if this Agreement is terminated in its entirety.

1.267 "**Terminated Territory Agreement**" has the meaning set forth in Section 15.5.3.

1.268 "**Termination Notice**" has the meaning set forth in Section 15.2.1(a).

1.269 "**Third Party**" means any Person other than I-Mab, AbbVie and their respective Affiliates.

1.270 "**Third Party Claims**" has the meaning set forth in Section 14.1.

1.271 "**Third Party Infringement Claim**" has the meaning set forth in Section 11.5.1.

1.272 "**Third Party Payments**" has the meaning set forth in Section 10.4.3(b).

1.273 "**Third Party Right**" has the meaning set forth in Section 11.7.1.

1.274 "**Trademark**" means any word, name, symbol, color, shape, designation or any combination thereof, including any trademark, service mark, trade name, brand name, sub-brand name, trade dress, product configuration, program name, delivery form name, certification mark, collective mark, logo, tagline, slogan, design, domain name, or business symbol, that functions as an identifier of source or origin, whether or not registered, and all statutory and common law rights therein and all registrations and applications therefor, together with all goodwill associated with, or symbolized by, any of the foregoing.

1.275 "**Transaction Party**" has the meaning set forth in Section 2.4.3(a).

1.276 "**United States**" or "**U.S.**" means the United States of America and its territories and possessions (including the District of Columbia and Puerto Rico).

1.277 "**Updated Disclosure Schedules**" has the meaning set forth in Section 13.2.

1.278 "**VAT**" means any value-added, goods and services, turnover and other gross margin tax imposed by any taxing jurisdiction, including Ireland and the People's Republic of China.

1.279 "**VAT Surcharges**" means any surcharge to VAT imposed by any taxing jurisdiction.

1.280 "**Voting Stock**" has the meaning set forth in the definition of "**Change of Control**."

1.281 "**Withholding Tax Action**" has the meaning set forth in Section 10.9.1.

1.282 "**Working Group**" has the meaning set forth in Section 9.3.

1.283 [Redacted].

1.284 [Redacted].

1.285 [Redacted].

ARTICLE 2
GRANT OF RIGHTS; EXCLUSIVITY

2.1 Grants to AbbVie.

2.1.1 License Grants. Subject to the terms and conditions of this Agreement, effective as of the Effective Date, I-Mab (on behalf of itself and its Affiliates) hereby grants to AbbVie a royalty-bearing (in accordance with Section 10.4) license (or sublicense) and right of reference, as applicable, with the right to grant sublicenses and further rights of reference in accordance with Section 2.1.2, (a) under the I-Mab Technology and I-Mab's interests in the Joint Technology and (b) under any Regulatory Documentation and Clinical Data Controlled by I-Mab before the Effective Date or during the Term, in each case of (a) and (b), (i) to (A) Exploit all Licensed Compounds and Licensed Products in the Field in the AbbVie Territory, (B) Develop all Licensed Compounds and Licensed Products in the Field in the I-Mab Territory solely for the purpose of furthering Exploitation of the Licensed Compounds and Licensed Products in the Field in the AbbVie Territory and (C) Manufacture all Licensed Compounds and Licensed Products in the I-Mab Territory solely for the purposes of furthering Exploitation of the Licensed Compounds and Licensed Products in the Field in the AbbVie Territory and to supply Bulk Product to I-Mab pursuant to a Supply Agreement, which license in each case ((A), (B) and (C)) shall be exclusive (even as to I-Mab and its Affiliates) with respect to all Licensed Compounds and Licensed Products other than Non-C4 Licensed Compounds and Non-C4 Multi-Specific Products; *provided* that, with respect to each Existing Multi-Specific Compound, AbbVie shall not Develop, Manufacture, Commercialize or otherwise Exploit such Existing Multi-Specific Compound unless and until the Parties agree on (and subject to) the Existing Multi-Specific Product ROFN Terms for such Existing Multi-Specific Compound and (ii) to Exploit Non-C4 Multi-Specific Compounds and Non-C4 Multi-Specific Products (other than any I-Mab Non-C4 Multi-Specific Compounds and I-Mab Non-C4 Multi-Specific Products) in the Field anywhere in the world, which license shall be co-exclusive with I-Mab and its Affiliates.

2.1.2 Sublicense Rights. AbbVie shall have the right to grant sublicenses (or further rights of reference), through multiple tiers of Sublicensees, under the licenses and rights of reference granted in Section 2.1.1 to Third Parties and Affiliates; *provided* that (a) any such sublicenses shall be consistent with the terms and conditions of this Agreement; (b) AbbVie shall remain responsible for the performance of all of its Sublicensees to the same extent that such performance is to fulfill AbbVie's obligations under this Agreement, as if such activities were conducted by AbbVie, and shall remain responsible for any payments due hereunder with respect to activities of any Sublicensees; (c) AbbVie shall ensure that its Sublicensees comply with the terms and conditions of this Agreement applicable to such Sublicensees; and (d) within thirty (30) days after the execution of any sublicense agreement with a Sublicensee, AbbVie shall provide I-Mab with a copy of such sublicense agreement (*provided* that AbbVie shall have the right to redact any terms of such sublicense agreement to the extent not pertinent to either Party's rights or obligations under this Agreement or verification of compliance with the requirements of this Agreement).

2.1.3 Retention of Rights by I-Mab. Notwithstanding the licenses and rights of references granted in Section 2.1.1, I-Mab retains the right under the I-Mab Technology and I-Mab's interests in the Joint Technology to (a) perform its obligations as set forth in, and subject to, the Initial Development Plan during the Initial Development Term; (b) Manufacture Licensed Products pursuant to Article 7; (c) Exploit products containing Licensed Compounds in and solely for the I-Mab Territory; (d) Exploit the Existing Multi-Specific Compounds in the I-Mab Territory; (e) perform clinical trials (outside of a Global Study) in the I-Mab Territory for the purposes of Developing and Commercializing Licensed Products in the I-Mab Territory; and (f) Exploit any compound that is not a Licensed Compound and any product that is not a Licensed Product in any country or jurisdiction, subject to I-Mab's obligations under Section 2.4.1, Section 2.7 and Article 12. For clarity, subject to I-Mab's obligations under Section 2.7, I-Mab shall have the right to Exploit I-Mab Non-C4 Multi-Specific Compounds worldwide. Except as expressly provided herein, I-Mab grants no other right or license, including any rights or licenses to the I-Mab Technology and I-Mab's interests in the Joint Technology or any other Patent or intellectual property rights not otherwise expressly granted herein. AbbVie and its Affiliates shall not have any license from I-Mab to, (i) practice any I-Mab Technology outside the scope of the licenses granted to AbbVie in Section 2.1.1, or (ii) Exploit (A) either Existing Multi-Specific Compound unless and until agreement on (and subject to) the Existing Multi-Specific Product ROFN Terms pursuant to Section 4.2 or agreement on terms during the Exclusive ROFR Negotiation Period pursuant to Section 4.3, for the applicable Existing Multi-Specific Compound or (B) an I-Mab Non-C4 Multi-Specific Product unless and until agreement on (and subject to) terms during the applicable Exclusive I-Mab Non-C4 Multi-Specific Product Negotiation Period pursuant to Section 2.7 for the applicable I-Mab Non-C4 Multi-Specific Product. For clarity, subject to AbbVie's obligations under Section 5.7, AbbVie has the right to Exploit Non-C4 Multi-Specific Products that are not I-Mab Non-C4 Multi-Specific Products globally.

2.2 Grants to I-Mab.

2.2.1 License Grants. Subject to the terms and conditions of this Agreement, effective as of the Effective Date, AbbVie (on behalf of itself and its Affiliates) hereby grants to I-Mab and its Affiliates:

(a) a non-exclusive, non-sublicensable, royalty-free (sub)license under the I-Mab Technology to conduct the Initial Development Activities in the AbbVie Territory in accordance with the Initial Development Plan; and

(b) an exclusive (even as to AbbVie and its Affiliates), royalty-bearing (in accordance with Section 10.7) license (or sublicense) or right of reference, as applicable, with the right to grant sublicenses and further rights of reference in accordance with Section 2.2.2, (i) under the AbbVie Technology and AbbVie's interest in the Joint Technology and (ii) under any Regulatory Documentation and Clinical Data Controlled by AbbVie or any of its Affiliates during the Term, solely to (A) clinically Develop any I-Mab Licensed Products and Permitted Modifications thereof and, from any after the date (if any) that the Parties agree to Existing Multi-Specific Product ROFN Terms with respect to an Existing Multi-Specific Compound, such Existing Multi-Specific Compound and any Permitted Modification thereof, in each case, in the Field in the I-Mab Territory solely for the purpose of furthering Commercialization such Licensed Product in the Field in the I-Mab Territory and (B) Commercialize any I-Mab Licensed Products and Permitted Modifications thereof and, from any after the date (if any) that the Parties agree to Existing Multi-Specific Product ROFN Terms with respect to an Existing Multi-Specific Compound, such Existing Multi-Specific Compound and any Permitted Modification thereof, in each case, in the Field in the I-Mab Territory.

2.2.2 Sublicense Rights. I-Mab shall have the right to grant sublicenses (or further rights of reference), through multiple tiers of Sublicensees, under the licenses and rights of reference granted in Section 2.2.1(b) to Third Parties and Affiliates; *provided* that (a) any such sublicenses (other than sublicenses to Sublicensees that solely receive a license to I-Mab Technology and not a sublicense (or further right of reference) under the grants in Section 2.2.1(b)) shall be subject to AbbVie's prior written consent (which shall not be unreasonably withheld, conditioned or delayed), (b) any such (sub)license shall be consistent with the terms and conditions of this Agreement; (c) I-Mab shall remain responsible for the performance of all of its Sublicensees to the same extent as if such activities were conducted by I-Mab, and shall remain responsible for any payments due hereunder with respect to activities of any Sublicensees; (d) I-Mab shall ensure that its Sublicensees comply with the terms and conditions of this Agreement applicable to such Sublicensees; and (e) within thirty (30) days after the execution of any (sub)license agreement with a Sublicensee, I-Mab shall provide AbbVie with a copy of such (sub)license agreement (*provided* that I-Mab shall have the right to redact any terms of such (sub)license agreement to the extent not pertinent to either Party's rights or obligations under this Agreement or verification of compliance with the requirements of this Agreement).

2.2.3 Retention of Rights by AbbVie. Notwithstanding the licenses and rights of references granted in Section 2.2.1, AbbVie retains the right under the AbbVie Technology and AbbVie's interest in the Joint Technology to (a) Exploit all Licensed Compounds and Licensed Products in the Field in the AbbVie Territory, (b) Develop all Licensed Compounds and Licensed Products in the Field in the I-Mab Territory solely for the purpose of furthering the Exploitation of the Licensed Compounds and Licensed Products in the Field in the AbbVie Territory, and (c) Manufacture all Licensed Compounds and Licensed Products in the Field in the I-Mab Territory solely for the purposes of furthering Exploitation of the Licensed Compounds and Licensed Products in the Field in the AbbVie Territory and to supply Bulk Product to I-Mab pursuant to a Supply Agreement. For clarity, subject to AbbVie's obligations under Section 5.7, AbbVie shall have the right to Exploit AbbVie Non-C4 Multi-Specific Compounds worldwide. Except as expressly provided herein, AbbVie grants no other right or license, including any rights or licenses to the AbbVie Technology or AbbVie's interest in the Joint Technology or any other Patent or intellectual property rights not otherwise expressly granted herein.

2.3 Confirmatory License; Registration. Each Party shall, if requested to do so by the other Party, immediately enter into a confirmatory license agreements in such form as may be reasonably requested by the other Party for purposes of recording the licenses granted under this Agreement with applicable intellectual property offices in the other Party's Respective Territory. Until the execution of any such confirmatory licenses, so far as may be legally possible, I-Mab and AbbVie shall have the same rights in respect of the I-Mab Technology, AbbVie Technology and Joint Technology and be under the same obligations to each other in all respects as if the said confirmatory licenses had been executed.

2.4 Exclusivity.

2.4.1 I-Mab Exclusivity. During the Term, I-Mab shall not, and shall cause its Affiliates not to, directly or indirectly, Exploit, or license, authorize, appoint or otherwise enable any Third Party to directly or indirectly, Exploit any Competing Product in any country in the world, except that I-Mab shall have the right to (a) Develop, Commercialize and, subject to Article 7, Manufacture the Mono Licensed Products and Existing Multi-Specific Products in the I-Mab Territory; and (b) perform the Initial Development Activities, in each case ((a) and (b)), in accordance with this Agreement. For clarity, the foregoing shall not limit I-Mab's right to Exploit the Non-C4 Multi-Specific Products (other than AbbVie Non-C4 Multi-Specific Products unless and until the Parties agree to (and subject to) terms for such AbbVie Non-C4 Multi-Specific Product pursuant to Section 5.7.4) anywhere in the world, subject to Section 2.7.

2.4.2 AbbVie Exclusivity. With respect to a country in the AbbVie Territory in which a Licensed Product has received Regulatory Approval in a particular Indication, during the Term, AbbVie shall not, and shall cause its Affiliates not to, directly or indirectly, market in such country any monoclonal antibody Directed to an epitope on CD47 that is the same or substantially similar as the epitope to which the Initial Licensed Compound is Directed and that is not Directed to any other Target for an Indication for which such Licensed Product has received Regulatory Approval in such country; *provided* that (a) during the period beginning on the First Commercial Sale of a Licensed Product in the AbbVie Territory and ending on the fifth (5th) anniversary thereof, the foregoing restriction shall also apply to any monoclonal antibody that is Directed to CD47 and is not Directed to any other Target for an Indication for which such Licensed Product has received Regulatory Approval in such country, (b) the foregoing shall not prohibit the marketing by AbbVie of any Antibody that demonstrates additive or synergistic effects in combination with a Licensed Compound based on Clinical Data generated using such combination, or an improvement on a Licensed Product based on Clinical Data showing improved efficacy or safety and (c) AbbVie shall have the right to (i) Exploit all Licensed Compounds and Licensed Products in the Field in the AbbVie Territory, (ii) Develop all Licensed Compounds and Licensed Products in the Field in the I-Mab Territory solely for the purpose of Exploiting the Licensed Compounds and Licensed Products in the Field in the AbbVie Territory and (iii) Manufacture all Licensed Compounds and Licensed Products in the I-Mab Territory solely for the purposes of Exploiting the Licensed Compounds and Licensed Products in the Field in the AbbVie Territory and to supply Bulk Product to I-Mab pursuant to a Supply Agreement.

2.4.3 Exceptions.

(a) Subject to the remainder of this Section 2.4.3(a) if during the Term, a Party (the "**Transaction Party**") or any of its Affiliates merges or consolidates with, or otherwise acquires, or is acquired by, a Third Party (including through a Change of Control) and such Third Party or any of its Affiliates prior to such transaction (collectively, the "**Pre-Existing Entities**") is then engaged in, activities that would otherwise constitute a breach of such Party's obligations under Section 2.4.1 or Section 2.4.2, as applicable (a "**Competitive Program**"), the Transaction Party shall notify the other Party in writing of such Competitive Program, and the continuation of such Competitive Program shall not constitute a breach of its exclusivity obligations under Section 2.4.1 or Section 2.4.2, as applicable, *provided* that the Transaction Party (a) ensures that all activities with respect to such Competitive Program at any time during the Term (i) do not use, incorporate or reference, and are not based on or covered by any I-Mab Technology, AbbVie Technology, Joint Technology, or any Confidential Information of the other Party (or any Information or inventions disclosed in any of the foregoing) and (ii) are kept separate from the activities performed under or in connection with this Agreement and (b) establishes and causes its applicable Affiliates to establish reasonable internal safeguards designed to prevent any I-Mab Technology, AbbVie Technology, Joint Technology, or any Confidential Information of the other Party (i) from being disclosed to any Pre-Existing Entity and (ii) from being utilized in connection with such Competitive Program.

(b) Notwithstanding the exclusivity obligation in Section 2.4.1 or Section 2.4.2, as applicable, each Party reserves the right to Exploit any companion diagnostic products with respect to CD47 in its Respective Territory and such Exploitation shall not be a breach of Section 2.4.1 or Section 2.4.2, as applicable.

2.4.4 Acknowledgement. Each Party acknowledges and agrees that (a) this Section 2.4 has been negotiated by the Parties, (b) the geographical and time limitations on activities set forth in this Section 2.4 are reasonable, valid and necessary in light of the Parties' circumstances and necessary for the adequate protection of the activities under this Agreement and (c) the other Party would not have entered into this Agreement without the protection afforded it by this Section 2.4. If, notwithstanding the foregoing, a court of competent jurisdiction determines that the restrictions set forth in this Section 2.4 are too broad or otherwise unreasonable under Applicable Law, including with respect to duration, geographic scope or space, the court is hereby requested and authorized by the Parties to revise this Section 2.4 to include the maximum restrictions (not to exceed those set forth in this Section 2.4) that are allowable under Applicable Law.

2.5 Territorial Restrictions.

2.5.1 Except to the extent prohibited by Applicable Law, I-Mab (a) shall, and shall cause its Affiliates and its and their Sublicensees and Distributors to, distribute, offer for sale and sell the Licensed Products only in the I-Mab Territory and (b) shall not, and shall cause its Affiliates and its and their Sublicensees and Distributors not to, distribute, offer for sale or sell the Licensed Products to any Person that (i) is reasonably likely to directly or indirectly distribute, offer for sale or sell a Licensed Product outside of the I-Mab Territory or assist another Person to do so or (ii) has directly or indirectly distributed, offered for sale or sold a Licensed Product outside of the I-Mab Territory or assisted another Person to do so. If I-Mab or its Affiliate or its or their Sublicensees or Distributors receives any orders for a Licensed Product outside of the I-Mab Territory, such Person shall refer (or cause I-Mab to refer) such orders to AbbVie.

2.5.2 Except to the extent prohibited by Applicable Law, AbbVie (a) shall, and shall cause its Affiliates and its and their Sublicensees and Distributors to, distribute, offer for sale and sell the Licensed Products only in the AbbVie Territory and (b) shall not, and shall cause its Affiliates and its and their Sublicensees and Distributors not to, distribute, offer for sale or sell the Licensed Products to any Person that (i) is reasonably likely to directly or indirectly distribute, offer for sale or sell a Licensed Product outside of the AbbVie Territory or assist another Person to do so or (ii) has directly or indirectly distributed, offered for sale or sold a Licensed Product outside of the AbbVie Territory or assisted another Person to do so. If AbbVie or its Affiliate or its or their Sublicensees or Distributors receives any orders for a Licensed Product outside of the AbbVie Territory, such Person shall refer (or cause AbbVie to refer) such orders to I-Mab. Notwithstanding the foregoing, nothing in this Section 2.5.2 shall limit AbbVie from supplying Bulk Product to I-Mab pursuant to this Agreement and the Supply Agreement.

2.6 Cessation of Development and Commercialization.

2.6.1 Subject to Section 2.6.3, before [Redacted]. if AbbVie has ceased all material clinical Development and Commercialization activities with respect to all Licensed Products for [Redacted], to the extent such cessation is not caused by a force majeure event, Good Reason, a delay in response from a Regulatory Authority, or customary pauses or gaps between or following clinical trials or other studies for the analysis of data, preparation of reports and design of future clinical trials or preparation of regulatory filings and other customary regulatory or Development functions, then, subject to Section 2.6.3, I-Mab shall have the right to terminate this Agreement in its entirety on notice to AbbVie if at the time of such notice neither AbbVie nor any of its Affiliates or Sublicensees is Developing or Commercializing a Licensed Product.

2.6.2 Subject to Section 2.6.3, before [Redacted], if I-Mab has ceased all material clinical Development and Commercialization activities in the I-Mab Territory with respect to all Licensed Products for [Redacted], to the extent such cessation is not caused by a force majeure event, Good Reason, a delay in response from a Regulatory Authority, or customary pauses or gaps between or following clinical trials or other studies for the analysis of data, preparation of reports and design of future clinical trials or preparation of regulatory filings and other customary regulatory or Development functions, then subject to Section 2.6.3, AbbVie shall have the right, upon written notice to I-Mab if at the time of such notice neither I-Mab nor any of its Affiliates or Sublicensees is Developing or Commercializing a Licensed Product, to reduce any amounts, after giving effect to any deductions allowable hereunder, that would have been due to I-Mab by AbbVie with respect to any Licensed Product pursuant to Section 10.4 (with respect to any Net Sales thereafter) by [Redacted].

2.6.3 Notwithstanding the foregoing, if the Party that received a notice under this Section 2.6 (an "**Anti-Shelve Notice**") disputes whether the other Party had a right to provide such Anti-Shelve Notice and the Party that received the Anti-Shelve Notice initiates dispute resolution procedures under Section 16.6 as permitted under this Agreement to resolve such dispute within [Redacted] after receipt of the applicable Anti-Shelve Notice and is diligently pursuing such procedures, then (x) with respect to AbbVie as the Party receiving the Anti-Shelve Notice, the termination of this Agreement and (y) with respect to I-Mab as the Party receiving the Anti-Shelve Notice, the trigger of AbbVie's rights under Section 2.6.2 to reduce its financial obligations under this Agreement, in either case ((x) or (y)), shall not become effective until final resolution of such dispute in favor of the Party who delivered the applicable Anti-Shelve Notice.

2.6.4 For purposes of this Section 2.6, "**Good Reason**" means a material scientific, technical, commercial, or regulatory reason (for example a clinical hold being placed on a Licensed Product, a material drug manufacturing problem or a material data problem such as a serious toxicology or pharmacokinetics issue) that would be reasonably expected to impede or significantly delay a compound advancing through Development or Commercialization, but if a Good Reason is invoked by a Party as a reason to stop or hold Development or Commercialization, then such Party shall use Commercially Reasonable Efforts to resolve the problem(s) that is the basis of such Good Reason.

2.7 I-Mab Non-C4 Multi-Specific Product ROFNs for AbbVie Territory and I-Mab Territory.

2.7.1 I-Mab Non-C4 Multi-Specific Product ROFN. With respect to any I-Mab Non-C4 Multi-Specific Product, I-Mab shall not, and shall cause its Affiliates not to, license, sell or otherwise grant or transfer, including by option, to any Third Party any rights to Commercialize such I-Mab Non-C4 Multi-Specific Product in the Field in any country without complying with this Section 2.7. For clarity, this Section 2.7 does not restrict I-Mab's rights with respect to its Development or Commercialization of I-Mab Non-C4 Multi-Specific Products by itself or through any of its Affiliates.

2.7.2 Transaction Notice and Data Package. With respect to each I-Mab Non-C4 Multi-Specific Product, if I-Mab or any of its Affiliates desire to license, sell or otherwise grant or transfer, including by option, to any Third Party any rights to Commercialize such I-Mab Non-C4 Multi-Specific Product in the Field in any country(ies) in the world (such transaction, an "**I-Mab Non-C4 Multi-Specific Product Transaction**"), then I-Mab must provide [Redacted] and provide AbbVie the applicable I-Mab Non-C4 Multi-Specific Product Data Package with respect to such I-Mab Non-C4 Multi-Specific Product and shall provide AbbVie with electronic access to all Information included or referenced therein. [Redacted]

2.7.3 Additional Information. If AbbVie believes in good faith that any of the Information required to be included in such I-Mab Non-C4 Multi-Specific Product Data Package is missing, then AbbVie shall have the right [Redacted] after receipt of such I-Mab Non-C4 Multi-Specific Product Data Package to request in writing that I-Mab provide AbbVie any such missing Information, and, to the extent such Information is in I-Mab's possession and control (without performing additional Development activities), I-Mab shall deliver a revised and complete I-Mab Non-C4 Multi-Specific Product Data Package [Redacted] after the receipt of such request from AbbVie. In addition, I-Mab promptly shall make available to AbbVie such other Information relating to the applicable I-Mab Non-C4 Multi-Specific Product that is in the possession or control of I-Mab or any of its Affiliates (without performing additional Development activities) as AbbVie may reasonably request [Redacted] after receipt of the complete I-Mab Non-C4 Multi-Specific Product Data Package in order to make an informed decision regarding whether to exercise its I-Mab Non-C4 Multi-Specific Product ROFN with respect to such I-Mab Non-C4 Multi-Specific Product.

2.7.4 Exercise. With respect to each I-Mab Non-C4 Multi-Specific Product, if AbbVie wishes to enter into exclusive negotiations with I-Mab to obtain the rights that I-Mab wishes to grant with respect to such I-Mab Non-C4 Multi-Specific Product in the applicable country(ies) (as described in the applicable I-Mab Non-C4 Multi-Specific Product Transaction Notice), AbbVie shall provide I-Mab with notice thereof (an "**I-Mab Non-C4 Multi-Specific Product Exercise Notice**") [Redacted] after the later of receipt of the applicable I-Mab Non-C4 Multi-Specific Product Transaction Notice and the Delivery Date for the I-Mab Non-C4 Multi-Specific Product Data Package for such I-Mab Non-C4 Multi-Specific Product delivered in accordance with Section 2.7.2 [Redacted], the "**I-Mab Non-C4 Multi-Specific Product Exercise Period**"). If AbbVie timely delivers an I-Mab Non-C4 Multi-Specific Product Exercise Notice within the I-Mab Non-C4 Multi-Specific Product Exercise Period, the Parties will engage in good faith negotiations for [Redacted] after delivery of such I-Mab Non-C4 Multi-Specific Product Exercise Notice (an "**Exclusive I-Mab Non-C4 Multi-Specific Product Negotiation Period**") in an attempt to agree upon a definitive agreement containing the terms and conditions pursuant to which AbbVie would receive a license, assignment, option or other grant or transfer of rights in and to, including any rights to further Develop and Commercialize, such I-Mab Non-C4 Multi-Specific Product in the Field in the applicable country(ies).

2.7.5 No Exercise or No Agreement During Exclusive I-Mab Non-C4 Multi-Specific Product Negotiation Period. If AbbVie does not deliver an I-Mab Non-C4 Multi-Specific Product Exercise Notice during the I-Mab Non-C4 Multi-Specific Product Exercise Period or provides written notice that it does not intend to provide an I-Mab Non-C4 Multi-Specific Product Exercise Notice or the Parties fail to reach mutual agreement during the Exclusive I-Mab Non-C4 Multi-Specific Product Negotiation Period on such definitive agreement, then, in each case, I-Mab shall thereafter be free to engage in I-Mab Non-C4 Multi-Specific Product Negotiations with Third Parties for such proposed I-Mab Non-C4 Multi-Specific Product Transaction for such I-Mab Non-C4 Multi-Specific Product in the applicable country(ies) (such agreement, an "**I-Mab Non-C4 Multi-Specific Product Transaction Agreement**") with Third Parties for, and enter into, I-Mab Non-C4 Multi-Specific Product Transaction Agreements with Third Parties with respect to such I-Mab Non-C4 Multi-Specific Product in the Field in the applicable country(ies) [Redacted].

ARTICLE 3
INITIAL DEVELOPMENT ACTIVITIES

3.1 Performance of Initial Development Activities.

3.1.1 General. During the Initial Development Term, I-Mab shall perform the Development activities set forth in the Initial Development Plan (the "**Initial Development Activities**") in accordance with the terms thereof; *provided* that with respect to any timeline for the Initial Development Activities set forth in the Initial Development Plan, I-Mab shall use Commercially Reasonable Efforts to achieve such timeline. I-Mab shall perform the Initial Development Activities in good scientific manner and in compliance with all Applicable Law.

3.1.2 Initial Development Plan. The JGC shall review the Initial Development Plan at least quarterly for the purpose of considering appropriate amendments thereto, and either Party, through its representatives on the JGC, may propose amendments to the Initial Development Plan at any time, *provided* that no amendment to the Initial Development Plan shall be effective until it is approved by the JGC pursuant to Section 9.2.3. Once approved by the JGC, each amended Initial Development Plan and Development Budget shall replace the prior Development Plan or Development Budget, as applicable.

3.1.3 Subcontracting. I-Mab may only subcontract its Initial Development Activities (including Manufacturing in support thereto) under this Agreement to a Third Party to the extent expressly provided for in the Initial Development Plan or otherwise approved by the JGC; *provided* that (a) I-Mab shall ensure that such permitted subcontractors comply with all applicable obligations of I-Mab under this Agreement, and (b) no such permitted subcontracting shall relieve I-Mab of any obligation hereunder and any act or omission of any such subcontractor shall constitute the act or omission of I-Mab for all purposes hereunder.

3.1.4 Development Records. I-Mab shall, and shall cause its Affiliates and permitted subcontractors to maintain, in good scientific manner, complete and accurate books and records pertaining to the Initial Development Activities (the "**Initial Development Records**") in sufficient detail to verify compliance with its obligations under this Agreement, which books and records shall (a) be appropriate for patent and regulatory purposes, (b) be in compliance with Applicable Law, (c) properly reflect all work done and results achieved in the performance of the Initial Development Activities, (d) record only the Initial Development Activities and not include or be commingled with records of activities for compounds or products that are not Licensed Compounds or Licensed Products, and (e) be retained by I-Mab for at least [Redacted] after the end of the Term or for such longer period as may be required by Applicable Law. I-Mab shall allow AbbVie, or representatives of an applicable Regulatory Authority, during normal business hours and upon reasonable notice, to inspect all such Initial Development Records maintained pursuant to this Section 3.1.4; *provided* that AbbVie shall maintain any Confidential Information of I-Mab in such Initial Development Records in confidence in accordance with Article 12.

3.2 Information and Reports.

3.2.1 Within [Redacted] after the Effective Date, I-Mab shall, at no additional cost to AbbVie, provide to AbbVie access to or, at AbbVie's request, copies of all I-Mab Know-How and Regulatory Documentation Controlled by I-Mab or any of its Affiliates with respect to the Licensed Compounds and Licensed Products (other than the Existing Multi-Specific Products). At the request and expense of AbbVie, I-Mab shall provide AbbVie an English translation of such I-Mab Know-How and Regulatory Documentation as soon as practicable.

3.2.2 Within [Redacted] after the end of each month during the Initial Development Term, I-Mab shall provide to the JGC (a) a written report regarding its performance of the Initial Development Activities, including the Information set forth in the Initial Development Plan for inclusion such report and (b) access to or copies of Initial Development Records as may be requested by AbbVie. Each such report shall be in English and contain sufficient detail to enable the JGC to assess I-Mab's compliance with the Initial Development Plan and its obligations with respect thereto. In addition, I-Mab shall promptly provide to AbbVie any Information Controlled by I-Mab (including all research, analyses and other Information, copies of all correspondence to and from any Regulatory Authority, and copies of any Regulatory Documentation) related to the Initial Development Activities that may be requested by AbbVie from time to time.

3.2.3 Without limiting Section 3.2.2, I-Mab shall promptly (a) provide AbbVie with copies of briefing books and meeting minutes for meetings with Regulatory Authorities regarding any Licensed Product and meeting minutes for clinical development and regulatory advisory board meetings regarding any Licensed Product in its original language and (b) notify AbbVie of any material events with respect to the Initial Development Activities (e.g., clinical hold, unexpected adverse safety events, dear doctor (or other similar) letters, or receipt of Regulatory Approval).

3.3 Delivery of Initial Development Data Package.

3.3.1 Within [Redacted] after completion of all Initial Development Activities (including a reasonable time period for data analysis), I-Mab shall deliver to AbbVie the Initial Development Data Package and shall provide AbbVie with electronic access to all data resulting from the Initial Development Activities and any other Information included or referenced in such Initial Development Data Package.

3.3.2 If AbbVie believes in good faith that any of the Information required to be included in the Initial Development Data Package is missing, then AbbVie shall have the right within [Redacted] after receipt of such Initial Development Data Package to request in writing that I-Mab provide AbbVie any such missing Information, and I-Mab shall deliver a revised and complete Initial Development Data Package within [Redacted] after the receipt of such request from AbbVie, *provided* that I-Mab shall not be required to conduct any additional activities that are not part of the Initial Development Plan. In addition, I-Mab promptly shall make available to AbbVie such other Information relating to the Initial Development Activities that is in the possession or control of I-Mab or any of its Affiliates (without performing additional Development activities) as AbbVie may reasonably request within [Redacted] after receipt of the complete Initial Development Data Package.

3.4 Costs for Initial Development Activities. During the Initial Development Term, I-Mab shall be solely responsible for all costs to conduct the Initial Development Activities, subject to Section 9.2.3(a). In the event AbbVie [Redacted], then AbbVie shall reimburse I-Mab all additional FTE Costs and Out-of-Pocket Costs incurred by I-Mab in conducting the amended Initial Development Plan as a result of AbbVie exercising such final decision making authority.

3.5 Clinical Trial Collaboration and Supply Agreement. AbbVie acknowledges and agrees that the Initial Development Plan includes clinical trial(s) and related activities conducted by I-Mab [Redacted].

ARTICLE 4
EXISTING MULTI-SPECIFIC COMPOUNDS

4.1 Performance of Existing Multi-Specific Activities.

4.1.1 General. I-Mab shall have the right, but not obligation, to Develop and Commercialize the Existing Multi-Specific Compounds in the I-Mab Territory (the "**Existing Multi-Specific Activities**") in accordance with this Article 4. I-Mab shall perform the Existing Multi-Specific Activities in good scientific manner and in compliance with all Applicable Law.

4.1.2 Subcontracting. With respect to each Existing Multi-Specific Compound, unless and until the Parties agree on (and subject to) the Existing Multi-Specific Product ROFN Terms for such Existing Multi-Specific Compound, I-Mab shall have the right to subcontract the Existing Multi-Specific Activities for such Existing Multi-Specific Compound to a Third Party; *provided* that (a) I-Mab shall ensure that such permitted subcontractors comply with all applicable obligations of I-Mab under this Agreement, and (b) no such permitted subcontracting shall relieve I-Mab of any obligation hereunder and any act or omission of any such subcontractor shall constitute the act or omission of I-Mab for all purposes hereunder. For clarity, with respect to each Existing Multi-Specific Compound, from and after the date (if any) that the Parties agree on the Existing Multi-Specific Product ROFN Terms for such Existing Multi-Specific Compound, I-Mab's right to subcontract the Existing Multi-Specific Activities for such Existing Multi-Specific Compound to a Third Party shall be subject to Section 6.5.

4.1.3 JGC Updates. At each JGC meeting each Calendar Quarter while I-Mab is performing any Existing Multi-Specific Activities, I-Mab shall provide the JGC with an update regarding its performance of the Existing Multi-Specific Activities. Each such report shall be in English and contain sufficient detail to enable the JGC to assess I-Mab's progress with respect to the Existing Multi-Specific Activities.

4.2 Existing Multi-Specific Product ROFN for AbbVie Territory.

4.2.1 Existing Multi-Specific Product ROFN. With respect to each Existing Multi-Specific Compound, I-Mab hereby grants to AbbVie a fully-paid up, irrevocable and exclusive right of first negotiation regarding an amendment to this Agreement to include the right for AbbVie and its Affiliates to Exploit such Existing Multi-Specific Compound (each, an "**Existing Multi-Specific Product ROFN**").

4.2.2 Data Package. With respect to each Existing Multi-Specific Compound, [Redacted] after completion [Redacted] of pre-clinical Development activities sufficient for I-Mab to initiate formal IND-enabling, GLP-conforming animal toxicology studies for such Existing Multi-Specific Compound, I-Mab shall deliver to AbbVie the Existing Multi-Specific Product ROFN Data Package for such Existing Multi-Specific Compound and shall provide AbbVie with electronic access to all data resulting from the Existing Multi-Specific Activities conducted by or on behalf of I-Mab or its Affiliates or its or their Sublicensees for such Existing Multi-Specific Compound and any other Information included or referenced in such Existing Multi-Specific Product ROFN Data Package.

4.2.3 Additional Information. If AbbVie believes in good faith that any of the Information required to be included in an Existing Multi-Specific Product ROFN Data Package is missing, then AbbVie shall have the right [Redacted] after receipt of such Existing Multi-Specific Product ROFN Data Package to request in writing that I-Mab provide AbbVie any such missing Information, and I-Mab shall deliver a revised and complete Existing Multi-Specific Product ROFN Data Package [Redacted] after the receipt of such request from AbbVie [Redacted]. In addition, I-Mab promptly shall make available to AbbVie such other Information relating to such Existing Multi-Specific Compound that is in the possession or control of I-Mab or any of its Affiliates (without performing additional Development activities) as AbbVie may reasonably request [Redacted] after receipt of the complete Existing Multi-Specific Product ROFN Data Package in order to make an informed decision regarding whether to exercise its Existing Multi-Specific Product ROFN with respect to such Existing Multi-Specific Compound.

4.2.4 Exercise. With respect to each Existing Multi-Specific Compound, AbbVie shall have the right to exercise the Existing Multi-Specific Product ROFN with respect to such Existing Multi-Specific Compound at any time during the Existing Multi-Specific Product ROFN Period for such Existing Multi-Specific Compound by giving I-Mab written notice of such exercise (an "**Existing Multi-Specific Product ROFN Notice**"). If AbbVie provides an Existing Multi-Specific Product ROFN Notice for an Existing Multi-Specific Compound before the end of the applicable Existing Multi-Specific Product ROFN Period, the Parties shall negotiate in good faith an amendment to this Agreement to include the right for AbbVie and its Affiliates to Exploit such Existing Multi-Specific Compound, which amendment shall include, among other things and unless otherwise agreed by the Parties, payment obligations from AbbVie to I-Mab in the form of an upfront payment upon the agreement by the Parties of such Existing Multi-Specific Product ROFN Terms and development, regulatory and sales milestone payments that will in aggregate equal to or exceed five hundred million dollars ($500,000,000) for each Existing Multi-Specific Compound plus royalty payments (the "**Existing Multi-Specific Product ROFN Terms**") for a period of [Redacted] (the "**Existing Multi-Specific Product ROFN Negotiation Period**").

4.2.5 Agreement on Existing Multi-Specific Product ROFN Terms. With respect to each Existing Multi-Specific Compound for which the Parties agree in writing on the Existing Multi-Specific Product ROFN Terms, this Agreement shall be deemed to automatically incorporate such Existing Multi-Specific Product ROFN Terms and, from and after the date the Parties agree to such Existing Multi-Specific Product ROFN Terms, (a) AbbVie shall have the right to Exploit such Existing Multi-Specific Compound and (b) I-Mab's Development and Commercialization of such Existing Multi-Specific Compound shall be subject to the provisions of Section 6.1 through Section 6.5.

4.2.6 No Exercise or No Agreement on Existing Multi-Specific Product ROFN Terms. With respect to each Existing Multi-Specific Compound, if (a) AbbVie does not provide I-Mab an Existing Multi-Specific Product ROFN Notice for such Existing Multi-Specific Compound on or before the expiration of the Existing Multi-Specific Product ROFN Period for such Existing Multi-Specific Compound or (b) the Parties do not agree on the Existing Multi-Specific Product ROFN Terms for such Existing Multi-Specific Compound within the Existing Multi-Specific Product ROFN Negotiation Period for such Existing Multi-Specific Compound, then (in either case (a) or (b)), (i) the provisos in the license grants to AbbVie in Section 2.1.1 shall remain in effect with respect to such Existing Multi-Specific Compound, (ii) I-Mab's Development and Commercialization of such Existing Multi-Specific Compound shall continue to be subject to the provisions of this Article 4 and shall not be subject to Section 6.1 through Section 6.5 and the provisions of Section 9.1 that are applicable to the Licensed Products in the I-Mab Territory, and (iii) for clarity, AbbVie and its Affiliates shall not have the right to Exploit such Existing Multi-Specific Compound under this Agreement.

4.3 Existing Multi-Specific Product ROFR for I-Mab Territory.

4.3.1 Existing Multi-Specific Product ROFR. With respect to each Existing Multi-Specific Compound, I-Mab shall not, and shall cause its Affiliates not to, license, sell or otherwise grant or transfer, including by option, to any Third Party any rights to Commercialize such Existing Multi-Specific Compound in the Field in any region in the I-Mab Territory, except in accordance with this Section 4.3.1.

4.3.2 Transaction Notice and Data Package. With respect to each Existing Multi-Specific Compound, if I-Mab or any of its Affiliates desire to license, sell or otherwise grant or transfer, including by option, to any Third Party any rights to Commercialize such Existing Multi-Specific Compound in the Field in a region in the I-Mab Territory (such transaction, a "**Existing Multi-Specific Product ROFR Transaction**"), then I-Mab must provide written notice to AbbVie describing the scope of rights that are the subject of such proposed Existing Multi-Specific Product ROFR Transaction in reasonable detail (a "**Existing Multi-Specific Product ROFR Transaction Notice**") prior to [Redacted] and provide AbbVie an Existing Multi-Specific Product ROFR Data Package with respect to such Existing Multi-Specific Compound and electronic access to all Information included or referenced therein. [Redacted].

4.3.3 Additional Information. If AbbVie believes in good faith that any of the Information required to be included in an Existing Multi-Specific Product ROFR Data Package is missing, then AbbVie shall have the right within [Redacted] after receipt of such Existing Multi-Specific Product ROFR Data Package to request in writing that I-Mab provide AbbVie any such missing Information, and, to the extent such Information is in I-Mab's control (without performing additional Development activities), I-Mab shall deliver a revised and complete Existing Multi-Specific Product ROFR Data Package within [Redacted] after the receipt of such request from AbbVie; *provided* that I-Mab shall not be required to conduct any additional activities. In addition, I-Mab promptly shall make available to AbbVie such other Information relating to such Existing Multi-Specific Compound that is in the possession or control of I-Mab or any of its Affiliates (without performing additional Development activities) as AbbVie may reasonably request within [Redacted] after receipt of the complete Existing Multi-Specific Product ROFR Data Package in order to make an informed decision regarding whether to exercise its Existing Multi-Specific Product right of first refusal with respect to such Existing Multi-Specific Compound.

4.3.4 Exercise. With respect to each Existing Multi-Specific Compound, if AbbVie wishes to enter into exclusive negotiations with I-Mab to obtain the rights that I-Mab wishes to grant with respect to such Existing Multi-Specific Compound in the applicable region(s) in the I-Mab Territory (as described in the applicable Existing Multi-Specific Product ROFR Transaction Notice), AbbVie shall provide I-Mab with notice thereof (a "**Existing Multi-Specific Product ROFR Exercise Notice**") within [Redacted] after the later of receipt of the applicable Existing Multi-Specific Product ROFR Transaction Notice and the Delivery Date for the Existing Multi-Specific Product ROFR Data Package for such Existing Multi-Specific Compound. If AbbVie timely delivers an Existing Multi-Specific Product ROFR Exercise Notice within such [Redacted] period, the Parties shall engage in good faith negotiations for a period [Redacted] after delivery of such Existing Multi-Specific Product ROFR Exercise Notice (an "**Exclusive ROFR Negotiation Period**") in an attempt to agree upon a definite agreement containing the terms and conditions pursuant to which AbbVie would receive a license, assignment, option or other grant or transfer of rights in and to, including any rights to further Develop and Commercialize, such Existing Multi-Specific Compound in the Field in the applicable region(s) in the I-Mab Territory.

4.3.5 No Exercise or No Agreement During Exclusive ROFR Negotiation Period. If AbbVie does not deliver an Existing Multi-Specific Product ROFR Exercise Notice or provides written notice that it does not intend to provide an Existing Multi-Specific Product ROFR Exercise Notice or the Parties fail to reach mutual agreement during the Exclusive ROFR Negotiation Period on such definitive agreement, then, in each case, I-Mab shall, [Redacted].

4.3.6 AbbVie Territory. For clarity, neither I-Mab nor its Affiliates shall, or shall have any right to, Develop, Manufacture, Commercialize or otherwise Exploit any Existing Multi-Specific Compound in the AbbVie Territory.

ARTICLE 5
ABBVIE DEVELOPMENT AND COMMERCIALIZATION

5.1 General. During the Term, as between the Parties, AbbVie (itself or through its Affiliates or its or their Sublicensees), at its sole cost and expense (other than the costs of the Global Studies, if any) shall have the sole right to further Develop, Manufacture, Commercialize and otherwise Exploit any Licensed Product in and for the AbbVie Territory; *provided* that I-Mab has the right and obligation (a) during the Initial Development Term to conduct the Initial Development Activities in the AbbVie Territory in accordance with the Initial Development Plan and (b) to Manufacture (or have Manufactured) Licensed Compounds and Licensed Products in accordance with Section 7.2, in each case of (a) and (b), in accordance with the terms of this Agreement. AbbVie shall not conduct any Development activities with respect to the Licensed Products or Licensed Compounds that are not set forth in the AbbVie Territory Development Plan. AbbVie shall, and shall cause its Affiliates and its or their Sublicensees to, Develop, Manufacture, Commercialize and otherwise Exploit any Licensed Product in a good scientific manner and in compliance with Applicable Law in all material respects.

5.2 AbbVie Territory Development.

5.2.1 AbbVie Territory Development Plan. The initial AbbVie Territory Development Plan is attached hereto as **Schedule 1.26**. AbbVie, through its representatives on the JGC, may propose amendments to the AbbVie Territory Development Plan at any time, *provided* that no amendment to the AbbVie Territory Development Plan shall be effective until it is approved by the JGC pursuant to Section 9.2.3. Once approved by the JGC, each amended AbbVie Territory Development Plan shall replace the prior AbbVie Territory Development Plan. Each amended AbbVie Territory Development Plan will include at least the same level of detail as set forth in the initial AbbVie Territory Development Plan. For clarity, AbbVie shall have the right to Develop Licensed Compounds and Licensed Products in the I-Mab Territory solely for the purpose of Commercializing such Licensed Compounds and Licensed Products in the AbbVie Territory, in accordance with the terms and conditions of this Agreement.

5.2.2 Development Records. AbbVie shall, and shall cause its Affiliates and permitted subcontractors to maintain, in good scientific manner, complete and accurate books and records pertaining to the Development work conducted for any Licensed Compound and Licensed Product (the "**AbbVie Development Records**"), which books and records shall (a) be appropriate for patent and regulatory purposes, (b) be in compliance with Applicable Law, (c) properly reflect work done and results achieved in the performance of the Development work conducted for any Licensed Compound and Licensed Product, (d) record only the Development work conducted for any Licensed Compound and Licensed Product and not include or be commingled with records of other activities for other compounds or products that are not Licensed Compounds or Licensed Products and (e) be retained by AbbVie for [Redacted] after the end of the Term or for such longer period as may be required by Applicable Law. To the extent required to support I-Mab's Regulatory Documentation or Regulatory Approvals in the I-Mab Territory, AbbVie shall allow I-Mab, or representatives of an applicable Regulatory Authority, during normal business hours and upon reasonable notice, to inspect such AbbVie Development Records maintained pursuant to this Section 5.2.2 as are necessary to support I-Mab's Regulatory Documentation and Regulatory Approvals in the I-Mab Territory; *provided* that I-Mab shall maintain such AbbVie Development Records in confidence in accordance with Article 12.

5.2.3 Development Reports.

(a) Without limiting its obligations to review and discuss the progress of, and any results and data with respect to, the Development of Licensed Products in the AbbVie Territory in the JGC, [Redacted] during the Term, AbbVie shall provide to the JGC a high-level written report regarding its Development of Licensed Compounds and Licensed Products.

(b) Without limiting Section 5.2.3(a), AbbVie shall promptly (i) notify the JGC of any material events with respect its Development of Licensed Compounds and Licensed Products in the United States, the European Union and the United Kingdom and (ii) to the extent required to support I-Mab's Regulatory Documentation or Regulatory Approvals in the I-Mab Territory, with respect to each clinical study conducted under the AbbVie Territory Development Plan, upon the completion of such clinical study (including a reasonable time period for data analysis), provide I-Mab with the complete results (including available supporting documentation with respect thereto) of such clinical study.

5.3 AbbVie Territory Commercialization.

5.3.1 Commercialization Reports. With respect to each Licensed Product, [Redacted] AbbVie shall provide I-Mab a high-level summary of its and its Affiliates' and Sublicensees' Commercialization activities with respect to such Licensed Product conducted since the last such summary was provided hereunder (or since AbbVie commenced its Commercialization activities hereunder with respect to the first such report).

5.3.2 Booking of Sales; Distribution. AbbVie (or its designee(s)) shall have the sole right to invoice and book sales, establish all terms of sale (including pricing and discounts) and warehousing, and distribute the Licensed Products in the AbbVie Territory and to perform or cause to be performed all related services. AbbVie shall handle all returns, recalls, field corrections or withdrawals, order processing, invoicing, collection, distribution, and inventory management with respect to the Licensed Products in the AbbVie Territory.

5.4 Diligence. From and after the end of Initial Development Term, AbbVie shall use Commercially Reasonable Efforts to Develop, seek and obtain Regulatory Approval of, and Commercialize at least one (1) Licensed Product in at least two (2) Indications in the United States and at least three (3) of the Major European Markets. AbbVie may, in its sole discretion, choose to Develop, seek and obtain Regulatory Approval of, and Commercialize any Licensed Compound or Licensed Product alone or together with other compounds or technology in any modalities, as a Combination Product or in a combination therapy for use with other active ingredients. I-Mab acknowledges and agrees that nothing in this Section 5.4 is intended, or shall be construed, to require AbbVie to Develop, seek and obtain Regulatory Approval of, or Commercialize a specific Licensed Product.

5.5 Subcontracting; Distributors. AbbVie shall have the right to subcontract any of its Development, Manufacturing or Commercialization activities with respect to the Licensed Products to a Third Party (including by appointing one or more contract sales forces, co-promotion partners or Distributors); *provided* that no such permitted subcontracting shall relieve AbbVie of any obligation hereunder.

5.6 Global Studies. If AbbVie desires to perform a Global Study for a Licensed Product, AbbVie shall [Redacted].

5.7 AbbVie Non-C4 Multi-Specific Product ROFN for I-Mab Territory.

5.7.1 AbbVie Non-C4 Multi-Specific Product ROFN. With respect to each AbbVie Non-C4 Multi-Specific Product, AbbVie shall not, and shall cause its Affiliates not to, license, sell or otherwise grant or transfer, including by option, to any Third Party any rights to Commercialize such AbbVie Non-C4 Multi-Specific Product in the Field in the I-Mab Territory without complying with this Section 5.7. For clarity, this Section 5.7.1 does not restrict AbbVie's rights with respect to its Development or Commercialization of an AbbVie Non-C4 Multi-Specific Product by itself or through any of its Affiliates.

5.7.2 Transaction Notice and Data Package. With respect to each AbbVie Non-C4 Multi-Specific Product, if AbbVie or any of its Affiliates desire to license, sell or otherwise grant or transfer, including by option, to any Third Party any rights to Commercialize such AbbVie Non-C4 Multi-Specific Product in the Field in the I-Mab Territory (such transaction, an "**AbbVie Non-C4 Multi-Specific Product Transaction**"), then AbbVie must provide written notice to I-Mab describing the scope of rights that are the subject of such proposed AbbVie Non-C4 Multi-Specific Product Transaction in reasonable detail (an "**AbbVie Non-C4 Multi-Specific Product Transaction Notice**") prior to [Redacted] and provide I-Mab the applicable AbbVie Non-C4 Multi-Specific Product Data Package with respect to such AbbVie Non-C4 Multi-Specific Product and shall provide I-Mab with electronic access to all Information included or referenced therein. [Redacted]

5.7.3 Additional Information. If I-Mab believes in good faith that any of the Information required to be included in an AbbVie Non-C4 Multi-Specific Product Data Package is missing, then I-Mab shall have the right within [Redacted] after receipt of such AbbVie Non-C4 Multi-Specific Product Data Package to request in writing that AbbVie provide I-Mab any such missing Information, and, to the extent such Information is in AbbVie's control (without performing additional Development activities), AbbVie shall deliver a revised and complete AbbVie Non-C4 Multi-Specific Product Data Package within [Redacted] after the receipt of such request from I-Mab. In addition, AbbVie promptly shall make available to I-Mab such other Information relating to such AbbVie Non-C4 Multi-Specific Product that is in the possession or control of AbbVie or any of its Affiliates (without performing additional Development activities) as I-Mab may reasonably request within [Redacted] after receipt of the complete AbbVie Non-C4 Multi-Specific Product Data Package in order to make an informed decision regarding whether to exercise its rights with respect to such AbbVie Non-C4 Multi-Specific Product.

5.7.4 Exercise. With respect to each AbbVie Non-C4 Multi-Specific Product, if I-Mab wishes to enter into exclusive negotiations with AbbVie to obtain the rights that AbbVie wishes to grant with respect to such AbbVie Non-C4 Multi-Specific Product in the I-Mab Territory (as described in the applicable AbbVie Non-C4 Multi-Specific Product Transaction Notice), I-Mab shall provide AbbVie with notice thereof (an "**AbbVie Non-C4 Multi-Specific Product Exercise Notice**") within [Redacted] after the later of receipt of the applicable AbbVie Non-C4 Multi-Specific Product Exercise Notice and the Delivery Date for the AbbVie Non-C4 Multi-Specific Product Data Package for such AbbVie Non-C4 Multi-Specific Product delivered in accordance with Section 5.7.2 (such [Redacted], the "**AbbVie Non-C4 Multi-Specific Product Exercise Period**"). If I-Mab timely delivers an AbbVie Non-C4 Multi-Specific Product Exercise Notice within the AbbVie Non-C4 Multi-Specific Product Exercise Period, the Parties will engage in good faith negotiations for a period of [Redacted] after delivery of such AbbVie Non-C4 Multi-Specific Product Exercise Notice (an "**Exclusive AbbVie Non-C4 Multi-Specific Product Negotiation Period**") in an attempt to agree upon a definitive agreement containing the terms and conditions pursuant to which I-Mab would receive a license, assignment, option or other grant or transfer of rights in and to, including any rights to further Develop and Commercialize such AbbVie Non-C4 Multi-Specific Product in the Field in the I-Mab Territory.

5.7.5 No Exercise or No Agreement During Exclusive AbbVie Non-C4 Multi-Specific Product Negotiation Period. If I-Mab does not deliver an AbbVie Non-C4 Multi-Specific Product Exercise Notice during the AbbVie Non-C4 Multi-Specific Product Exercise Period or provides written notice that it does not intend to provide an AbbVie Non-C4 Multi-Specific Product Exercise Notice or the Parties fail to reach mutual agreement during the Exclusive AbbVie Non-C4 Multi-Specific Product Negotiation Period on such definitive agreement, then, in each case, AbbVie shall thereafter be free to engage in AbbVie Non-C4 Multi-Specific Product Negotiations with Third Parties for such proposed AbbVie Non-C4 Multi-Specific Product Transaction for such AbbVie Non-C4 Multi-Specific Product in the I-Mab Territory (such agreement, an "**AbbVie Non-C4 Multi-Specific Product Transaction Agreement**") with Third Parties for, and enter into, AbbVie Non-C4 Multi-Specific Product Transaction Agreements with Third Parties with respect to such AbbVie Non-C4 Multi-Specific Product in the Field in the I-Mab Territory; [Redacted].

5.8 AbbVie ROFN Product ROFN for I-Mab Territory.

5.8.1 AbbVie ROFN Product. With respect to each Licensed Product Developed by or on behalf of AbbVie or any of its Affiliates that contains a Licensed Compound as a Combination Product or otherwise in combination with other compounds or technology (e.g., with an Other Ingredient or as a bi-specific or multi-specific Antibody), other than Non-C4 Multi-Specific Products (each such Licensed Product, an "**AbbVie ROFN Product**") if any, if AbbVie or any of its Affiliates desire to Commercialize such AbbVie ROFN Product in the I-Mab Territory, AbbVie shall deliver to I-Mab the applicable AbbVie ROFN Product Data Package for such AbbVie ROFN Product, and shall provide I-Mab with electronic access to all Information included or referenced therein.

5.8.2 Additional Information. If I-Mab believes in good faith that any of the Information required to be included in an AbbVie ROFN Product Data Package is missing, then I-Mab shall have the right within [Redacted] after receipt of such AbbVie ROFN Product Data Package to request in writing that AbbVie provide I-Mab any such missing Information, and, to the extent such Information is in AbbVie's control (without performing additional Development Activities), AbbVie shall deliver a revised and complete AbbVie ROFN Product Data Package within [Redacted] after the receipt of such request from I-Mab, *provided* that AbbVie shall not be required to conduct any additional activities and the date AbbVie provides such revised and complete AbbVie ROFN Product Data Package shall be deemed the Delivery Date.

5.8.3 Exercise. With respect to each AbbVie ROFN Product, if I-Mab wishes to enter into exclusive negotiations with AbbVie to obtain the rights to Develop and Commercialize such AbbVie ROFN Product in the I-Mab Territory, I-Mab shall provide AbbVie with notice thereof (an "**AbbVie ROFN Product Exercise Notice**") within [Redacted] after the Delivery Date for the AbbVie ROFN Product Data Package for such AbbVie ROFN Product. If I-Mab timely delivers an AbbVie ROFN Product Exercise Notice, the Parties will engage in good faith negotiations for a period of [Redacted] after delivery of such AbbVie ROFN Product Exercise Notice in an attempt to agree upon a definitive agreement containing the terms and conditions pursuant to which I-Mab would receive a license, assignment, option or other grant or transfer of rights in and to such AbbVie ROFN Product in the Field in the I-Mab Territory.

5.8.4 No Exercise or No Agreement During Negotiation Period. With respect to each AbbVie ROFN Product, if (a) I-Mab does not timely deliver an AbbVie ROFN Product Exercise Notice or provides written notice that it does not intend to provide an AbbVie ROFN Product Exercise Notice or (b) I-Mab timely delivers an AbbVie ROFN Product Exercise Notice, but the Parties fail to reach mutual agreement on such definitive agreement during the applicable [Redacted] negotiation period, in either case ((a) or (b)), I-Mab shall not have any rights with respect to such AbbVie ROFN Product in the I-Mab Territory [Redacted]. For clarity, in the event such AbbVie ROFN Product is a Combination Therapy, I-Mab shall have the right to Exploit the Licensed Product portion of such Combination Therapy in the I-Mab Territory, even if I-Mab does not have the right, or otherwise obtain the right, pursuant to this Section 5.8 to exploit the applicable Other Agent in such Combination Therapy.

ARTICLE 6
I-MAB DEVELOPMENT AND COMMERCIALIZATION

6.1 General. During the Term, as between the Parties, I-Mab (itself or through its Affiliates or its or their Sublicensees), at its sole cost and expense (other than the costs of the Global Studies, if any), shall, subject to Section 2.4.1 and Section 7.4, have the sole right to further Develop, Commercialize and otherwise Exploit any Licensed Product in and for the I-Mab Territory. I-Mab shall, and shall cause its Affiliates and its or their Sublicensees to, Develop, Commercialize and otherwise Exploit any Licensed Product in and for the I-Mab Territory in compliance with Applicable Law in all material respects. I-Mab shall not conduct any Development activities with respect to the Licensed Products or Licensed Compounds that are not set forth in the Initial Development Plan or the I-Mab Territory Development Plan, except, with respect to each Existing Multi-Specific Compound, prior to the date (if any) that the Parties agree to Existing Multi-Specific Product ROFN Terms for such Existing Multi-Specific Compound, any Existing Multi-Specific Activities with respect to such Existing Multi-Specific Compound shall not be subject to the Initial Development Plan or the I-Mab Territory Development Plan and, for clarity, I-Mab shall have the right to conduct such Existing Multi-Specific Activities in accordance with Article 4. For clarity, with respect to each Existing Multi-Specific Compound for which the Parties agree to Existing Multi-Specific Product ROFN Terms for such Existing Multi-Specific Compound, from and after the date of such agreement, I-Mab's Development and Commercialization of such Existing Multi-Specific Compound shall be subject to this Section 6.1 through Section 6.5 and the provisions of Section 9.1 that are applicable to the Licensed Products in the I-Mab Territory, and all such Development and Commercialization shall be performed in accordance with the I-Mab Territory Development Plan and I-Mab Territory Commercialization Plan, as applicable.

6.2 I-Mab Territory Development.

6.2.1 I-Mab Territory Development Plan. The initial I-Mab Territory Development Plan is attached hereto as **Schedule 1.163**. I-Mab, through its representatives on the JGC, may propose amendments to the I-Mab Territory Development Plan at any time (but at least once per Calendar Year), *provided* that no amendment to the I-Mab Territory Development Plan shall be effective until it is approved by the JGC pursuant to Section 9.2.3. Once approved by the JGC, each amended I-Mab Territory Development Plan shall replace the prior I-Mab Territory Development Plan. Each amended I-Mab Territory Development Plan will include at least the same level of detail as set forth in the initial I-Mab Territory Development Plan.

6.2.2 Development Records. I-Mab shall, and shall cause its Affiliates and permitted subcontractors to maintain, in good scientific manner, complete and accurate books and records pertaining to the Development work conducted for any Licensed Compound and Licensed Product (the "**I-Mab Development Records**"), which books and records shall (a) be appropriate for patent and regulatory purposes, (b) be in compliance with Applicable Law, (c) properly reflect work done and results achieved in the performance of the Development work conducted for any Licensed Compound and Licensed Product, (d) record only the Development work conducted for any Licensed Compound and Licensed Product and not include or be commingled with records of other activities for other compounds or products that are not Licensed Compounds or Licensed Products, and (e) be retained by I-Mab [Redacted] after the end of the Term or for such longer period as may be required by Applicable Law. To the extent required to support AbbVie's Regulatory Documentation or Regulatory Approvals in the AbbVie Territory, I-Mab shall allow AbbVie, or representatives of an applicable Regulatory Authority, during normal business hours and upon reasonable notice, to inspect all I-Mab Development Records maintained pursuant to this Section 6.2.2 as required to support AbbVie's Regulatory Documentation or Regulatory Approvals in the AbbVie Territory; *provided* that AbbVie shall maintain such I-Mab Development Records in confidence in accordance with Article 12.

6.2.3 Development Reports.

(a) Without limiting its obligations to review and discuss the progress of, and any results and data with respect to, the Development of Licensed Products in the I-Mab Territory in the JGC, [Redacted] during the Term, I-Mab shall provide to AbbVie and the JGC a high-level written report regarding its and its Affiliates' and Sublicensees' Development of Licensed Compounds and Licensed Products. Each such report shall be in English and contain sufficient detail to enable AbbVie to assess I-Mab's progress with respect to the I-Mab Territory Development Plan and I-Mab's compliance with its obligations under this Agreement.

(b) Without limiting Section 6.2.3(a), I-Mab shall promptly (i) provide AbbVie with copies of briefing books and meeting minutes for meetings with Regulatory Authorities regarding any Licensed Product and meeting minutes for clinical development, regulatory advisory board meetings regarding any Licensed Product in its original language and (ii) notify the JGC and AbbVie of any material events with respect its Development of Licensed Compounds and Licensed Products (e.g., clinical hold, unexpected adverse safety events, dear doctor (or other similar) letters, or receipt of Regulatory Approval) and (iii) with respect to each clinical study conducted under the I-Mab Territory Development Plan, upon the completion of such clinical study, provide AbbVie with the complete results (including supporting documentation with respect thereto) of such clinical study.

6.3 I-Mab Territory Commercialization.

6.3.1 I-Mab Territory Commercialization Plan.

(a) I-Mab shall Commercialize the Licensed Products in the I-Mab Territory pursuant to the I-Mab Territory Commercialization Plan. [Redacted].

(b) I-Mab shall submit its proposed updated I-Mab Territory Commercialization Plan to the JGC for review and approval no later than September 1 of each Calendar Year [Redacted].

6.3.2 Commercialization Reports. [Redacted]

6.3.3 Booking of Sales; Distribution. I-Mab (or its designee(s)) shall have the sole right to invoice and book sales, establish all terms of sale (including pricing and discounts) and warehousing, and distribute the Licensed Products in the I-Mab Territory and to perform or cause to be performed all related services. I-Mab shall handle all returns, recalls, field corrections or withdrawals, order processing, invoicing, collection, distribution, and inventory management with respect to the Licensed Products in the I-Mab Territory.

6.4 Diligence. From and after the end of Initial Development Term, I-Mab shall use Commercially Reasonable Efforts to Develop, seek and obtain Regulatory Approval of, and Commercialize at least one (1) Licensed Product in at least two (2) Indications in mainland China. I-Mab may, in its sole discretion but subject to Section 2.4.1, choose to Develop, seek and obtain Regulatory Approval of, and Commercialize any product containing a Licensed Compound alone or together with other compounds or technology in any modalities, as a Combination Product or in a combination therapy for use with other active ingredients. AbbVie acknowledges and agrees that nothing in this Section 6.4 is intended, or shall be construed, to require I-Mab to Develop, seek and obtain Regulatory Approval of, or Commercialize a specific Licensed Product.

6.5 Subcontracting; Distributors. Subject to Section 3.1.3 and Section 4.1.2, I-Mab shall not subcontract any of the Development or Commercialization activities set forth in **Schedule 6.5** or Manufacturing using the AbbVie Manufacturing Process, in either case, with respect to the Licensed Products to a Third Party (including by appointing one or more contract sales forces, co-promotion partners or Distributors) without the prior written consent of AbbVie, such consent not to be unreasonably withheld, conditioned or delayed. I-Mab shall have the right to subcontract any other Development, Manufacturing or Commercialization activities with respect to the Licensed Products without the prior written consent of AbbVie. Notwithstanding the foregoing, no such permitted subcontracting shall relieve I-Mab of any obligation hereunder.

6.6 Mono Licensed Product ROFN for I-Mab Territory.

6.6.1 Mono Licensed Product ROFN. With respect to each Mono Licensed Product, I-Mab shall not, and shall cause its Affiliates not to, license, sell or otherwise grant or transfer, including by option, to any Third Party any rights to Commercialize such Mono Licensed Product in the Field in any region(s) in the I-Mab Territory without complying with this Section 6.6.

6.6.2 Transaction Notice and Data Package. If I-Mab or any of its Affiliates desire to license, sell or otherwise grant or transfer, including by option, to any Third Party any rights to Develop or Commercialize an Mono Licensed Product in the Field in any region(s) in the I-Mab Territory (such transaction, an "**Mono Licensed Product Transaction**"), then I-Mab must provide written notice to AbbVie describing the scope of rights that are the subject of such proposed Mono Licensed Product Transaction in reasonable detail (an "**Mono Licensed Product Transaction Notice**") prior to [Redacted] and provide AbbVie an Mono Licensed Product Data Package with respect to such Mono Licensed Product and electronic access to all Information included or referenced therein. [Redacted]

6.6.3 Additional Information. If AbbVie believes in good faith that any of the Information required to be included in an Mono Licensed Product Data Package is missing, then AbbVie shall have the right within [Redacted] after receipt of such Mono Licensed Product Data Package to request in writing that I-Mab provide AbbVie any such missing Information, and I-Mab shall, to the extent such Information is in I-Mab's control (without additional Development activities) deliver a revised and complete Mono Licensed Product Data Package within [Redacted] after the receipt of such request from AbbVie. In addition, I-Mab promptly shall make available to AbbVie such other Information relating to such Mono Licensed Product that is in the possession or control of I-Mab or any of its Affiliates (without performing additional Development activities) as AbbVie may reasonably request within [Redacted] after receipt of the complete Mono Licensed Product Data Package in order to make an informed decision regarding whether to exercise its Mono Licensed Product ROFN with respect to such Mono Licensed Product.

6.6.4 Exercise. With respect to each Mono Licensed Product, if AbbVie wishes to enter into exclusive negotiations with I-Mab to obtain the rights that I-Mab wishes to grant with respect to such Mono Licensed Product in the applicable region(s) in the I-Mab Territory (as described in the applicable Mono Licensed Product ROFN Notice), AbbVie shall provide I-Mab with notice thereof (an "**Mono Licensed Product ROFN Exercise Notice**") within [Redacted] after the later of receipt of the applicable Mono Licensed Product ROFN Notice and the Delivery Date for the Mono Licensed Product Data Package for such Mono Licensed Product ([Redacted], the "**Mono Licensed Product Exercise Period**"). If AbbVie timely delivers a Mono Licensed Product ROFN Exercise Notice within the Mono Licensed Product Exercise Period, the Parties will engage in good faith negotiations for a period of [Redacted] after delivery of such Mono Licensed Product ROFN Exercise Notice (an "**Exclusive Mono Licensed Product ROFN Negotiation Period**") in an attempt to agree upon a definitive agreement containing the terms and conditions pursuant to which AbbVie would receive a license, assignment, option or other grant or transfer of rights in and to, including any rights to further Develop and Commercialize, such Mono Licensed Product in the Field in the applicable region(s) in the I-Mab Territory.

6.6.5 No Exercise or No Agreement During Exclusive Mono Licensed Product ROFN Negotiation Period. If AbbVie does not deliver a Mono Licensed Product ROFN Exercise Notice or provides written notice that it does not intend to provide an Mono Licensed Product ROFN Exercise Notice or the Parties fail to reach mutual agreement during the Exclusive Mono Licensed Product ROFN Negotiation Period on such definitive agreement, then, in each case, I-Mab shall, thereafter be free to engage in Mono Licensed Product Transaction Negotiations with Third Parties for, and enter into agreements with Third Parties with respect to, such Mono Licensed Product in the Field in the applicable region(s) in the I-Mab Territory ("**Mono Licensed Product Transaction Agreements**"); [Redacted].

ARTICLE 7
MANUFACTURING

7.1 Global Manufacturing Coordination and Manufacturing Technology Transfer Plan. The Joint CMC Working Group will oversee and coordinate the global Manufacture of the Licensed Compounds and Licensed Products with the goals of (a) achieving the current Development timeline set forth in the Initial Development Plan, AbbVie Territory Development Plan and the I-Mab Territory Development Plan, and (b) to the extent either Party is supplying Licensed Product to the other Party (i) maintaining quality of Licensed Compounds and Licensed Products being Manufactured meeting any specific requirements by the Regulatory Authority for the AbbVie Territory or I-Mab Territory, as applicable, (ii) Manufacturing both Development and Commercial supply of Licensed Compounds and Licensed Products at a commercially reasonable cost for each of the AbbVie Territory and I-Mab Territory, (iii) establishing a timeline and strategy for establishing and maintaining Manufacturing sites for Licensed Compounds and Licensed Products to meet the objectives of successful and timely Development and Commercialization (including product launch), (iv) discussing the anticipated timelines for initiation and completion of the Manufacturing Technology Transfer in accordance with Section 7.3 and (v) maintaining supply chain security.

7.2 I-Mab Manufacturing.

7.2.1 Until the later of [Redacted], I-Mab shall (a) Manufacture (or have Manufactured) and supply the Existing Product (including the Initial Licensed Compound contained therein) for AbbVie to conduct Development activities under the AbbVie Territory Development Plan and (b) be responsible for Manufacturing the Existing Product for I-Mab to conduct the Development activities under the Initial Development Plan or the I-Mab Territory Development Plan.

7.2.2 I-Mab shall have the right to Manufacture (either by itself or through a CMO engaged by I-Mab) the Existing Product in the I-Mab Territory for Development and Commercialization in the I-Mab Territory; *provided* that [Redacted]. If I-Mab Manufactures a Licensed Product in the I-Mab Territory for use in the I-Mab Territory, then (a) I-Mab shall ensure adequate procedures are in place to prevent diversion of Licensed Product Manufactured by I-Mab outside of the I-Mab Territory, (b) upon AbbVie's request, the Parties would negotiate and execute a definitive supply agreement pursuant to which I-Mab would be a back-up manufacturer of such Licensed Product for AbbVie for the AbbVie Territory at the I-Mab Supply Price (the "**I-Mab Back-Up Supply Agreement**"), and (c) upon I-Mab's request, the Parties would negotiate and execute a definitive supply agreement pursuant to which AbbVie would be a back-up manufacture of such Licensed Product for I-Mab for the I-Mab Territory at the AbbVie Supply Price (the "**AbbVie Back-Up Supply Agreement**"). The I-Mab Back-Up Supply Agreement and the AbbVie Back-Up Supply Agreement, as applicable, shall provide for customary contract manufacturing terms, including forecasting, ordering, delivery, audits and inspections, pricing (consistent with this Agreement), product warranties, payment and supply, termination, remedies and limitation of liability and damages.

7.2.3 Within [Redacted] after the Effective Date, the Parties shall negotiate and execute a definitive supply agreement (the "**I-Mab Supply Agreement**") pursuant to which I-Mab would supply the Existing Product (including the Initial Licensed Compound contained therein) as Bulk Product to AbbVie at I-Mab's fully burdened manufacturing cost (including manufacturing, indirect labor, quality testing/review, project management, distribution, logistics, and any customs costs and expenses) without any markup or premium (the "**I-Mab Supply Price**"). The I-Mab Supply Agreement shall provide for customary contract manufacturing terms, including forecasting, ordering, delivery, audits and inspections, pricing (consistent with this Agreement), product warranties, payment and supply, termination, remedies and limitation of liability and damages. In the event of any inconsistencies between this Agreement and the I-Mab Supply Agreement, the terms of the I-Mab Supply Agreement shall control with respect to the supply of Existing Product to AbbVie other than pricing, which shall be as set forth in this Agreement.

7.2.4 I-Mab shall be solely responsible for the costs of Manufacturing Existing Product for the Development activities set forth in the Initial Development Plan and the I-Mab Territory Development Plan.

7.2.5 Unless otherwise agreed by the Parties (including through any Existing Multi-Specific Product ROFN Terms agreed by the Parties for an Existing Multi-Specific Compound), I-Mab shall have the right to Manufacture and supply the Existing Multi-Specific Compounds.

7.2.6 Notwithstanding Section 3.1.3, Section 4.1.2 or Section 6.5, [Redacted], I-Mab shall not, and shall cause its Affiliates not to, enter into any agreement with a Third Party (or amend any existing agreement with a Third Party) with respect to the Manufacture of the Initial Licensed Compound or Licensed Product containing the Initial Licensed Compound without AbbVie's prior written consent (such consent not to be unreasonably withheld, conditioned or delayed).

7.2.7 I-Mab shall have the right to designate one of its Affiliates to be the manufacturer of a Licensed Compound or Licensed Product.

7.2.8 Without limiting any of AbbVie's inspection rights under the I-Mab Supply Agreement, AbbVie shall have the right, upon AbbVie's request and at AbbVie's expense, to conduct a site visit to inspect the facilities where I-Mab or its Affiliates or its or their Third Party Manufacturers [Redacted] Manufacture, or have Manufactured, Licensed Compounds or Licensed Products and to audit the procedures of I-Mab or its Affiliates and its and their Third Party Manufacturers [Redacted] for the Manufacturing of Licensed Products for purposes of quality control; *provided* that any such inspection or audit of I-Mab's Third Party Manufacturer [Redacted] shall be conducted in accordance with the applicable agreement between I-Mab and such Third Party Manufacturer. If AbbVie identifies, in the course of such inspection, an issue with respect to the Manufacture of Licensed Products, the Parties shall agree on reasonable corrective actions [Redacted] after AbbVie notifies I-Mab of the results of such inspection. I-Mab shall implement such corrective action as soon as reasonably practicable but in any event not more than [Redacted] after the Parties reach such agreement, unless otherwise agreed in writing by the Parties.

7.2.9 Upon AbbVie's request, during the period between the Execution Date and the Effective Date, I-Mab shall cause appropriate employees to meet with AbbVie to discuss the Manufacturing Process and other Manufacturing-related information necessary for AbbVie to develop its plan for Manufacturing the Existing Product.

7.3 Manufacturing Technology Transfer.

7.3.1 Upon AbbVie's request, I-Mab shall, and shall cause its Affiliates and shall use Commercially Reasonable Efforts to cause Third Party manufacturers to: (a) with respect to any Existing Product (or component thereof) Manufactured by a Third Party manufacturer, and (b) with respect to any Existing Product (or component thereof) Manufactured by I-Mab, its Affiliates or a Third Party manufacturer, effect a full or partial transfer to AbbVie or its designee (which designee may be an Affiliate or a Third Party manufacturer) of I-Mab Know-How and Joint Know-How relating to the then-current process for the Manufacture of Existing Product (including the Licensed Compound contained therein) (the "**Manufacturing Process**") and to implement the Manufacturing Process at facilities designated by AbbVie ((a) and (b) collectively, as more fully described in this Section 7.3, the "**Manufacturing Technology Transfer**"). I-Mab shall, and shall cause its Affiliates to, provide, and shall assist AbbVie in causing Third Party manufacturers to provide, all reasonable assistance requested by AbbVie to enable AbbVie (or its Affiliate or designated Third Party manufacturer, as applicable) to implement the Manufacturing Process at the facilities designated by AbbVie. If requested by AbbVie, such assistance shall include facilitating the entering into of agreements with applicable Third Party suppliers relating to the Existing Product (including the Initial Licensed Compound contained therein). Notwithstanding the foregoing, any such assistance by a Third Party manufacturer shall be subject to the applicable terms and conditions of the existing agreement between I-Mab and such Third Party manufacturer; *provided* that, to the extent any assistance reasonably requested by AbbVie is not contemplated by the applicable terms and conditions of the existing agreement between I-Mab and such Third Party manufacturer, then at AbbVie's request and expense, I-Mab will use reasonable efforts to cause, or assist AbbVie to cause, such Third Party manufacturer to provide such assistance to AbbVie. Upon completion of the Manufacturing Technology Transfer, AbbVie shall have the right, in its sole discretion, to make any improvements to the Manufacturing Process. Without limitation of the foregoing, in connection with the Manufacturing Technology Transfer and to the extent requested by AbbVie:

7.3.2 I-Mab shall, and shall cause its Affiliates to, make available, and, shall assist AbbVie in causing Third Party manufacturers to make available, to AbbVie (or its Affiliate or designated Third Party manufacturer, as applicable) from time to time as AbbVie may request, all Manufacturing-related I-Mab Know-How and Joint Know-How and all Information and materials relating to the Manufacturing Process, including methods, processes and testing/characterization Information, and all documentation constituting material support, performance advice, shop practice, standard operating procedures, specifications as to materials to be used and control methods, that are reasonably necessary or useful to enable AbbVie (or its Affiliate or designated Third Party manufacturer, as applicable) to use and practice the Manufacturing Process;

7.3.3 Upon the successful completion of Manufacturing Technology Transfer, I-Mab shall assign to AbbVie all of its right, title and interest in and to, and shall deliver to AbbVie, an amount (to be reasonably requested by AbbVie through the Joint CMC Working Group) of remaining raw materials, intermediates and other drug products Controlled by I-Mab and used to Manufacture the Existing Product (including the Initial Licensed Compound contained therein), and I-Mab shall deliver to AbbVie, at the I-Mab Supply Price any remaining inventory of the Existing Product (including the Initial Licensed Compound contained therein) in I-Mab's or its Affiliates' or Third Party manufacturer's possession that I-Mab does not reasonably anticipate will be used for performance of the Initial Development Activities or the Development activities under the I-Mab Territory Development Plan;

7.3.4 I-Mab shall cause all appropriate employees and representatives of I-Mab and its Affiliates, and shall use Commercially Reasonable Efforts to assist AbbVie in causing all appropriate employees and representatives of its Third Party manufacturers, to meet with employees or representatives of AbbVie (or its Affiliate or designated Third Party manufacturer, as applicable) at the applicable manufacturing facility at mutually convenient times to assist with the working up and use of the Manufacturing Process and with the training of the personnel of AbbVie (or its Affiliate or designated Third Party manufacturer, as applicable) to the extent reasonably necessary or useful to enable AbbVie (or its Affiliate or designated Third Party manufacturer, as applicable) to use and practice the Manufacturing Process;

7.3.5 Without limiting the generality of Section 7.3.4, I-Mab shall cause all appropriate analytical and quality control laboratory employees and representatives of I-Mab and its Affiliates, and shall assist AbbVie in causing all appropriate analytical and quality control laboratory employees and representatives of its Third Party manufacturers, to meet with employees or representatives of AbbVie (or its Affiliate or designated Third Party manufacturer, as applicable) at the applicable manufacturing facility and make available all necessary equipment, at mutually convenient times, to support and execute the transfer of all applicable analytical methods and the validation thereof (including all applicable I-Mab Know-How, Joint Know-How, methods, validation documents and other documentation, materials and sufficient supplies of all primary and other reference standards) with respect to the Manufacturing Process;

7.3.6 I-Mab shall, and shall cause its Affiliates to, take such steps, and shall assist AbbVie in causing its Third Party manufacturer to take such steps, as are reasonably necessary or useful to assist AbbVie (or its Affiliate or designated Third Party manufacturer, as applicable) in obtaining any necessary licenses, permits or approvals from Regulatory Authorities with respect to the Manufacture of the Existing Product (including the Initial Licensed Compound contained therein) at the applicable facilities; and

7.3.7 I-Mab shall, and shall cause its Affiliates to, provide, and shall use assist AbbVie in causing its Third Party manufacturers to provide, such other assistance as AbbVie (or its Affiliate or designated Third Party manufacturer, as applicable) may reasonably request to enable AbbVie (or its Affiliate or designated Third Party manufacturer, as applicable) to use and practice the Manufacturing Process and otherwise to Manufacture the Existing Product (including the Initial Licensed Compound contained therein).

With respect to the foregoing obligations in this Section 7.3, I-Mab shall provide an aggregate of [Redacted] FTE hours at its own cost and expense (free of charge to AbbVie). With respect to any support in addition to the initial [Redacted] FTE hours, AbbVie will reimburse I-Mab for the FTE Costs incurred in providing such assistance. AbbVie shall be responsible for all Out-of-Pocket Costs incurred in connection with the Manufacturing Technology Transfer under any agreement between I-Mab and [Redacted] as in effect as of the Execution Date.

I-Mab acknowledges and agrees that I-Mab's obligations under this Section 7.3 are unique and that AbbVie would not have entered into this Agreement in the absence of such obligations, and that any breach or threatened breach of this Section 7.3 by I-Mab will result in irreparable injury to AbbVie for which damages will be not be an adequate remedy. Accordingly, AbbVie shall be entitled to seek specific performance of this Section 7.3 in accordance with Section 16.11.

Notwithstanding anything to the contrary in this Section 7.3, any assistance or activities to be conducted by a Third Party manufacturer shall be subject to the applicable terms and conditions of the existing agreement between I-Mab and such Third Party manufacturer; *provided* that, to the extent any assistance or activities reasonably requested by AbbVie are not permitted by the applicable terms and conditions of the existing agreement between I-Mab and such Third Party manufacturer, I-Mab will [Redacted] to cause, or assist AbbVie to cause, such Third Party manufacturer to provide such assistance or activities to AbbVie.

7.4 AbbVie Manufacturing.

7.4.1 AbbVie Responsibility. Subject to Section 7.5, after the later of completion of the Manufacturing Technology Transfer in accordance with Section 7.3 and such time as AbbVie (or its Affiliate or designated Third Party manufacturer, as applicable) is qualified to Manufacture and supply Licensed Products, AbbVie shall have the exclusive right to Manufacture and supply all Licensed Compounds and Licensed Products for Development and Commercialization in the AbbVie Territory and, subject to Section 7.2.2, to Manufacture and supply all Licensed Products as Bulk Product for I-Mab to pack and label into Finished Product for Development and Commercialization in the I-Mab Territory; *provided* that, unless otherwise agreed by the Parties (including through any Existing Multi-Specific Product ROFN Terms agreed by the Parties for an Existing Multi-Specific Compound), I-Mab shall have the right to Manufacture and supply the Existing Multi-Specific Compounds.

7.4.2 Existing Product.

(a) With respect to the Existing Product, in the event I-Mab elects to have AbbVie Manufacture the Existing Product in and for the I-Mab Territory, then after the later of [Redacted], for so long as AbbVie is Developing or Commercializing the Existing Product for the AbbVie Territory, AbbVie shall use Commercially Reasonable Efforts to Manufacture (or have Manufactured) and supply (or have supplied) the quantities of the Existing Product as Bulk Product for I-Mab to pack and label into Finished Product as required by I-Mab to (i) perform the Development activities set forth in the Initial Development Plan and the I-Mab Territory Development Plan or (ii) fulfill requirements for commercial sales, charitable purposes, product samples and other Commercialization uses in the I-Mab Territory, in each case, in accordance with the Manufacturing Timeline approved by the JGC.

(b) In the event AbbVie Manufactures any Licensed Product in and for the I-Mab Territory in accordance with this Article 7, upon AbbVie's request, the Parties shall negotiate and execute a definitive supply agreement (the "**AbbVie Supply Agreement**") pursuant to which AbbVie would supply the Existing Product as Bulk Product to I-Mab at AbbVie's fully burdened manufacturing cost (including manufacturing, indirect labor, quality testing/review, project management, distribution, logistics, and any customs costs and expenses) [Redacted] (the "**AbbVie Supply Price**"). The AbbVie Supply Agreement shall provide for customary contract manufacturing terms, including forecasting, ordering, delivery, audits and inspections, pricing (consistent with this Agreement), product warranties, payment and supply, termination (including post-termination supply and technology transfer), remedies and limitation of liability and damages, and may provide mutually acceptable rights for I-Mab or a contract manufacturer to act as (or continue to operate as) the global backup manufacturer in the event of a supply failure or other agreement of the Parties (in which case the Parties shall discuss whether and, if so, the terms on which (each in AbbVie's sole discretion), AbbVie would transfer to I-Mab (and not any Third Party Manufacturer) for the AbbVie Manufacturing Process for such Licensed Product for use solely by I-Mab and its Affiliates including appropriate protections for Proprietary Manufacturing Information and other provisions to endeavor to create global consistency and to prevent diversion of Licensed Product outside of its intended Respective Territory). In the event of any inconsistencies between this Agreement and the AbbVie Supply Agreement, the terms of the AbbVie Supply Agreement shall control with respect to the supply of Existing Product to AbbVie other than pricing, which shall be as set forth in this Agreement.

(c) With respect to each Existing Product that AbbVie Manufactures and supplies to I-Mab as Bulk Product, I-Mab shall have the right and responsibility to pack and label such Bulk Product into Finished Product for Development or Commercialization in the I-Mab Territory.

7.5 Other Licensed Products. With respect to each Licensed Product other than the Existing Product that I-Mab Develops or Commercializes in the I-Mab Territory pursuant to this Agreement, the Parties shall negotiate in good faith the potential terms and conditions pursuant to which AbbVie would Manufacture and supply such Licensed Product for the I-Mab Territory with I-Mab Manufacturing as a back-up manufacturer; *provided* that if AbbVie desires to Manufacture and supply such Licensed Product for the I-Mab Territory, it shall have the right to do so on terms and conditions substantially similar to those set forth in Section 7.4.2 and any AbbVie Supply Agreement then in effect; *provided*, further, that unless otherwise agreed by the Parties (including through any Existing Multi-Specific Product ROFN Terms agreed by the Parties for an Existing Multi-Specific Compound), I-Mab shall have the right to Manufacture and supply the Existing Multi-Specific Compounds.

7.6 I-Mab Manufacturing After AbbVie Supply Discontinuation Notice. With respect to any Licensed Compound or Licensed Product being manufactured by AbbVie for I-Mab pursuant to Section 7.4, if AbbVie notifies I-Mab in writing that AbbVie is no longer Developing or Commercializing such Licensed Compound or Licensed Product and I-Mab is not already Manufacturing the applicable Licensed Compound or Licensed Product, then at I-Mab's request received within [Redacted] after AbbVie's notification, for a reasonable period of time (not to exceed [Redacted] until I-Mab establishes an alternative supplier, AbbVie shall Manufacture or have Manufactured and supply or have supplied such Licensed Compound or Licensed Product to I-Mab at the AbbVie Supply Price in reasonable quantities based on I-Mab's historic orders of such Licensed Compound or Licensed Product and any then-current forecasts with respect thereto, if applicable.

ARTICLE 8
REGULATORY ACTIVITIES

8.1 Regulatory Coordination. The Parties shall, through the Joint Regulatory Working Group, coordinate in good faith their respective regulatory activities set forth in this Article 8 with respect to the Licensed Compounds and Licensed Products. Each Party shall provide a high-level update regarding such regulatory activities at each meeting of the Joint Regulatory Working Group.

8.2 I-Mab Regulatory Activities.

8.2.1 Initial Development Activities. Subject to Section 8.4, I-Mab shall have the sole right and responsibility, at its sole cost and expense, to prepare, obtain and maintain all INDs (including CTA Approvals) necessary to perform the Initial Development Activities and to conduct communications with the applicable Regulatory Authorities with respect to such INDs; *provided* that the form and content of all such INDs and related communications shall be subject to the review and approval of AbbVie (such approval not to be unreasonably withheld, conditioned or delayed). Without limitation to the foregoing, in no event shall I-Mab engage in material communications with any Regulatory Authority regarding the Initial Development Activities for a Licensed Compound or Licensed Product (a) in writing, without AbbVie's prior written approval of the form and content of such written communication or (b) orally (including in connection with any meeting, conference or discussion) with any Regulatory Authority other than with AbbVie's prior written approval of the forum, form and content of such oral communication, in each case ((a) and (b)), such approval not to be unreasonably withheld, conditioned or delayed. For clarity, the foregoing shall not apply to informal or non-substantive communications with Regulatory Authorities. I-Mab shall provide access to interim drafts of such INDs and communications to AbbVie via the access methods (such as secure databases) mutually agreed by the Parties, for AbbVie's review, comment and approval, sufficiently in advance of submitting such INDs and communications to any Regulatory Authority so as to allow for a reasonable opportunity for AbbVie to review. AbbVie shall provide written comments, if any, and, confirm whether such approval right is granted, in each case, within [Redacted] of receipt of such access (or such shorter period as is reasonably required under the circumstances). Without limiting AbbVie's approval rights under this Section 8.2.1, I-Mab shall, and shall cause its Affiliates to, reasonably consider any such comments of AbbVie into any such IND or communication.

8.2.2 I-Mab Development and Commercialization. I-Mab shall have the sole right and responsibility, at its sole cost and expense, to prepare, obtain and maintain all Regulatory Approvals and INDs (including CTA Approvals) with respect to (a) the Development of the Existing Multi-Specific Products and the performance of the Development and Commercialization activities set forth in the I-Mab Territory Development Plan and I-Mab Territory Commercialization Plan, and (b) Manufacture Licensed Compounds and Licensed Products in accordance with Section 7.2, in each case ((a) and (b)), in the I-Mab Territory and to conduct communications with the applicable Regulatory Authorities in the I-Mab Territory with respect to such Regulatory Approvals and INDs; *provided* that the form and content of all such Regulatory Approvals, INDs and related submissions and communications shall be subject to review and comment by AbbVie prior to their submission to the applicable Regulatory Authorities. I-Mab shall provide access to interim drafts of such Regulatory Approval, IND or related submission or communication to AbbVie via the access methods (such as secure databases) mutually agreed by the Parties, for AbbVie's review and comment sufficiently in advance of submitting such Regulatory Approval, IND or related submission or communication to any Regulatory Authority so as to allow for a reasonable opportunity for AbbVie to review. AbbVie shall provide written comments, if any, and, in the case of any matter subject to AbbVie's approval, confirm whether such approval right is granted, in each case, within [Redacted] after receipt of such access (or such shorter period as is reasonably required under the circumstances). I-Mab shall reasonably consider any such comments of AbbVie in good faith and if AbbVie reasonably believes that any such Regulatory Approval, IND or related submission or communication could have an adverse effect on the Exploitation of the Licensed Products in the AbbVie Territory, then I-Mab shall accept such comments (or if such reasonable belief is that the Regulatory Approval, IND or related submission or communication should not be made because the filing, submission or communication itself could have such an adverse impact (and such submission or communication is not specifically required by the applicable Regulatory Authority), then I-Mab shall not make such filing, submission or communication). Subject to Section 8.3, all Regulatory Documentation with respect to the I-Mab Territory (including all Regulatory Approvals in the I-Mab Territory) relating to any Licensed Compounds or Licensed Products shall be owned by, and shall be the sole property and held in the name of, I-Mab or its designated Affiliate, Sublicensee or designee. AbbVie shall reasonably support I-Mab, as may be reasonably necessary and at I-Mab's cost, in obtaining any such Regulatory Approvals for the Mono Licensed Products (including the use of any Mono Licensed Product as part of a Combination Therapy set forth in the AbbVie Territory Development Plan) in the I-Mab Territory and in the activities in support thereof, including providing all documents or other materials in the possession and Control of AbbVie or any of its Affiliates as may be necessary for I-Mab or any of its Affiliates or its or their Sublicensees to obtain such Regulatory Approvals for the Mono Licensed Products (including the use of any Mono Licensed Product as part of a Combination Therapy set forth in the AbbVie Territory Development Plan) in the I-Mab Territory.

8.2.3 Regulatory Meetings. I-Mab shall provide AbbVie with prior written notice of any scheduled meeting, conference, or discussion (including any advisory committee meeting) with a Regulatory Authority (a) in the I-Mab Territory relating to any Licensed Compound or Licensed Product (including the Manufacture thereof by or on behalf of I-Mab), or any Initial Development Activities or (b) in the AbbVie Territory relating to any Initial Development Activities, in either case ((a) or (b)), within [Redacted] after I-Mab or its Affiliate first receives notice of the scheduling of such meeting, conference, or discussion (or within such shorter period as may be necessary in order to give AbbVie a reasonable opportunity to attend such meeting, conference, or discussion). To the extent not prohibited by the applicable Regulatory Authority, AbbVie shall have the right to have [Redacted] attend and participate in all such meetings, conferences, and discussions with such Regulatory Authority.

8.2.4 Restrictions Outside I-Mab Territory. Without limiting the foregoing, unless the Parties otherwise agree, except as set forth in the Initial Development Plan: (a) I-Mab will not communicate with any Regulatory Authority having jurisdiction outside the I-Mab Territory with respect to a Licensed Compound or Licensed Product; and (b) subject to Section 8.2.1, I-Mab will not submit any Regulatory Documentation or seek Regulatory Approvals for any Licensed Product outside the I-Mab Territory.

8.3 AbbVie Regulatory Activities.

8.3.1 AbbVie Development and Commercialization. AbbVie shall have the sole right and responsibility, at its sole cost and expense, to prepare, obtain and maintain (a) all Regulatory Approvals and INDs (including CTA Approvals) with respect to the Licensed Compounds and Licensed Products in the AbbVie Territory, (b) all Regulatory Approvals in the I-Mab Territory to support Manufacturing of the Licensed Compounds and Licensed Products by or on behalf of AbbVie or its Affiliates or Sublicensees for the AbbVie Territory and the I-Mab Territory and (c) except with respect to the Initial Development Activities as provided in Section 8.2.1, all Regulatory Approvals and INDs (including CTA Approvals) in the I-Mab Territory to support Development and Commercialization of the Licensed Compounds and Licensed Products for the AbbVie Territory and, in each case ((a)–(c)), to conduct communications with the applicable Regulatory Authorities with respect to such Regulatory Approvals and INDs, as applicable; *provided* that with respect to each Existing Multi-Specific Compound, AbbVie shall not have a right to do the activities set forth in clauses (a)–(c) above, in each case, unless and until the Parties agree on (and subject to) the Existing Multi-Specific Product ROFN Terms for such Existing Multi-Specific Compound; *provided*, further, that (x) with respect to any submission or communication to a Regulatory Authority in the I-Mab Territory, the Parties will coordinate in good faith to review such submissions or communications through the Joint Regulatory Working Group and (y) unless otherwise agreed by the Joint Regulatory Working Group, I-Mab shall not have the right to review or comment on any submission or communication to a Regulatory Authority in the AbbVie Territory. Subject to Section 8.4, all Regulatory Documentation (including all Regulatory Approvals) relating to any Licensed Compounds or Licensed Products (other than each Existing Multi-Specific Compound, in each case, unless and until the Parties agree on (and subject to) the Existing Multi-Specific Product ROFN Terms for such Existing Multi-Specific Compound) shall be owned by, and shall be the sole property and held in the name of, AbbVie or its designated Affiliate, Sublicensee or designee. I-Mab shall reasonably support AbbVie, as may be reasonably necessary in obtaining any such Regulatory Approvals for the Licensed Products in or for the AbbVie Territory and in the activities in support thereof, including providing all documents or other materials in the possession and Control of I-Mab or any of its Affiliates as may be necessary or useful for AbbVie or any of its Affiliates or its or their Sublicensees to obtain such Regulatory Approvals for the Licensed Compounds and Licensed Products.

8.3.2 Regulatory Meetings. Through the JGC, AbbVie shall consult with I-Mab prior to scheduling any meeting, conference, or discussion (including any advisory committee meeting) with a Regulatory Authority in the I-Mab Territory relating to any Development activities for any Licensed Compound or Licensed Product under the AbbVie Territory Development Plan and shall reasonably consider comments provided by I-Mab in good faith with respect thereto. AbbVie shall provide I-Mab with prior written notice of any scheduled meeting, conference, or discussion (including any advisory committee meeting) with a Regulatory Authority in the I-Mab Territory relating to any Development activities for any Licensed Compound or Licensed Product under the AbbVie Territory Development Plan or any Manufacturing activities for any Licensed Compound or Licensed Product, in either case ((a) or (b)), within [Redacted] after AbbVie or its Affiliate first receives notice of the scheduling of such meeting, conference, or discussion (or within such shorter period as may be necessary in order to give I-Mab a reasonable opportunity to attend such meeting, conference, or discussion). To the extent not prohibited by the applicable Regulatory Authority, I-Mab shall have the right to have [Redacted] its employees attend and observe (but not participate) in all such meetings, conferences, and discussions with such Regulatory Authority in the I-Mab Territory. Unless otherwise agreed by the Joint Regulatory Working Group or requested by AbbVie, I-Mab shall not have the right to attend or participate in meetings, conferences or discussions with Regulatory Authorities in the AbbVie Territory.

8.4 AbbVie Territory Regulatory Transfer. Promptly (and no later than [Redacted] following AbbVie's request, I-Mab shall at I-Mab's cost and expense, transfer and assign to AbbVie or its designee all Regulatory Documentation (including all INDs) with respect to any Licensed Compound or Licensed Product (other than each Existing Multi-Specific Compound and the corresponding Existing Multi-Specific Products, in each case, unless and until the Parties agree on (and subject to) the Existing Multi-Specific Product ROFN Terms for such Existing Multi-Specific Compound) in the AbbVie Territory (the "**AbbVie Territory Regulatory Transfer**"). I-Mab shall, at I-Mab's cost and expense, provide, and shall cause its Affiliates and any applicable Third Party to provide (subject to the terms of any agreement between I-Mab and such Third Party), any assistance as may be reasonably requested by AbbVie to complete the AbbVie Territory Regulatory Transfer.

8.5 I-Mab Territory Regulatory Transfer. Promptly (and no later than [Redacted] following I-Mab's reasonable request, AbbVie shall, at AbbVie's cost and expense, provide to I-Mab a copy of any Regulatory Documentation with respect to any Licensed Compound or Licensed Product that is necessary to obtain Regulatory Approval of a Licensed Product in the I-Mab Territory. AbbVie shall, at AbbVie's cost and expense, provide, and shall cause its Affiliates and any applicable Third Party to provide (subject to the terms of any agreement between AbbVie and such Third Party), any assistance as may be reasonably requested by I-Mab to complete the transfer pursuant to this Section 8.5.

8.6 Pharmacovigilance Agreement; Global Safety Database. Within [Redacted] after the Effective Date, the Parties shall enter into a separate written pharmacovigilance agreement providing details related to managing and reporting adverse events and product complaints in respect of the Licensed Products in the AbbVie Territory and the I-Mab Territory (including those that occur during clinical studies) and other safety and reporting practices and procedures as well as required post-marketing studies, risk evaluation and mitigation, plans and re-evaluation obligations, in each case, in compliance with all Applicable Laws. Notwithstanding the foregoing, if any adverse event safety data is received or otherwise generated by a Party prior to the execution of such pharmacovigilance agreement, such Party shall, within [Redacted] of receiving or otherwise generating such data, provide such data to the other Party by email to: (a) if to AbbVie, at PPDMedicalServicesSafety@abbvie.com; or (b) if to I-Mab, at drugsafety@i-mabbiopharma.com. AbbVie shall have the right to establish, hold and maintain the global safety database for the Licensed Products. Each Party shall provide the other Party with information in the possession and Control of such Party as necessary for such other Party to comply with its pharmacovigilance responsibilities in respect of the Licensed Products, including, as applicable, any adverse drug experiences (including those events or experiences that are required to be reported to FDA under 21 C.F.R. sections 312.32, 314.80 or 600.80, or to foreign Regulatory Authorities under corresponding Applicable Law outside the United States) and product complaints from pre-clinical or clinical laboratory, animal toxicology and pharmacology studies, clinical studies, and commercial experiences with the Licensed Products, in each case, in the form reasonably requested by such other Party.

8.7 Recalls. Each Party shall make every reasonable effort to notify the other Party promptly (but in no event later than [Redacted] following its determination that any event, incident, or circumstance has occurred that may result in the need for a recall, market suspension or market withdrawal of a Licensed Product in the AbbVie Territory or the I-Mab Territory and shall include in such notice the reasoning behind such determination and any supporting facts. As between the Parties, (a) AbbVie shall have the right to make the final determination whether to voluntarily implement any such recall, market suspension or market withdrawal in the AbbVie Territory, and (b) I-Mab shall have the right to make the final determination whether to voluntarily implement any such recall, market suspension or market withdrawal in the I-Mab Territory (except that I-Mab shall implement any recall, market suspension or market withdrawal that AbbVie requests based on a Manufacturing issue with respect to any Licensed Product supplied by AbbVie); *provided* that prior to any implementation of such a recall, market suspension or market withdrawal, the recalling Party shall consult with the other Party and shall consider the other Party's comments in good faith. If a recall, market suspension or market withdrawal is mandated by a Regulatory Authority in the AbbVie Territory, with respect to AbbVie, or the I-Mab Territory, with respect to I-Mab, such Party shall initiate such a recall, market suspension or market withdrawal in compliance with Applicable Law. For all recalls, market suspensions or market withdrawals undertaken pursuant to this Section 8.7, the Party responsible for the recall, market suspension or market withdrawal shall be solely responsible for the execution thereof, and the other Party shall reasonably cooperate in all such recall efforts. Subject to Article 14, unless otherwise provided in the AbbVie Supply Agreement or I-Mab Supply Agreement, as applicable, each recalling Party shall be responsible for all of its costs incurred in connection with the conduct of such recall, market suspension or market withdrawal.

8.8 Certain Sensitive Information.

8.8.1 I-Mab acknowledges and agrees that AbbVie's Proprietary Manufacturing Information is highly sensitive and contains protected trade secrets and other Confidential Information and, as a result, it is necessary that AbbVie retain control of such Proprietary Manufacturing Information, including with respect to I-Mab's submissions to Regulatory Authorities. Accordingly, the Parties agree that, with respect to any regulatory submission that requires the inclusion of Proprietary Manufacturing Information, AbbVie shall provide such Proprietary Manufacturing Information as is reasonably required for such submission, but shall have the right to provide such Proprietary Manufacturing Information directly to the applicable Regulatory Authority; *provided* that if the Regulatory Authority will not accept such Proprietary Manufacturing Information from AbbVie, then AbbVie shall provide such Proprietary Manufacturing Information to the Regulatory Authority as I-Mab's agent; *provided*, further, that if the Regulatory Authority will not accept such Proprietary Manufacturing Information from AbbVie as I-Mab's agent, then, subject to Section 8.8.2 and Section 8.8.3, AbbVie shall provide such Proprietary Manufacturing Information directly to I-Mab at the time and place that such Proprietary Manufacturing Information is required to be delivered to the Regulatory Authority in connection with a regulatory submission. For clarity, if AbbVie considers that any Proprietary Manufacturing Information is not reasonably required for a submission to a Regulatory Authority, AbbVie shall have the right to discuss such matter directly with the Regulatory Authority, and I-Mab shall provide such cooperation as is reasonably requested by AbbVie in connection therewith.

8.8.2 If I-Mab or any of its Affiliates or its or their Representatives obtain access to Proprietary Manufacturing Information (other than directly from AbbVie), I-Mab shall promptly (and in any event within [Redacted]) notify AbbVie thereof. With respect to any such Proprietary Manufacturing Information that I-Mab is not required to retain in accordance with a requirement of a Regulatory Authority or Applicable Law, I-Mab shall, and shall cause its Affiliates and its and their Representatives to, destroy and delete all documents (including any computer records and electronic files) containing such Proprietary Manufacturing Information (including any archival copies created by electronic archiving or backup procedures) and shall immediately cease, and cause its Affiliates and its and their Representatives to cease, all further use of any such Proprietary Manufacturing Information. If I-Mab or any of its Affiliates or its or their Representatives obtains (including from AbbVie) and is required to retain any such Proprietary Manufacturing Information, I-Mab shall, and shall cause its Affiliates and its and their Representatives to, store such Proprietary Manufacturing Information only on servers in the United States or other servers designated by AbbVie, and, in addition, AbbVie may require, and, if requested by AbbVie, I-Mab shall, and shall cause its Affiliates and its and their Representatives to, implement, the following to protect the confidentiality of, and AbbVie's interests in and to, such Proprietary Manufacturing Information: (a) restricting access to such Proprietary Manufacturing Information to specified members of I-Mab's regulatory affairs and quality control department who need to know such Proprietary Manufacturing Information in order to prepare, submit, obtain or maintain a CTA, Drug Approval Application, or other Regulatory Approval for the Licensed Product for an Indication in the I-Mab Territory (and who do not have, have not had and are not reasonably anticipated to have any responsibilities for or a role in the manufacturing of any biologics products for I-Mab or any of its Affiliates) ("**Designated Persons**"), providing the names of the Designated Persons to AbbVie under confidence and ensuring that each Designated Person is advised of I-Mab's obligations hereunder and is bound by written confidentiality obligations with respect to such Proprietary Manufacturing Information no less onerous than those set forth in this Agreement, (b) adopting and implementing reasonable firewall procedures to prevent the disclosure of and use of Proprietary Manufacturing Information beyond the Designated Persons, including by establishing reasonable physical and electronic safeguards, segregating all Proprietary Manufacturing Information from I-Mab's own information or materials or that of others (including Affiliates) in order to prevent commingling, and securing all tangible embodiments of such Proprietary Manufacturing Information in a safe, locked file, or other suitable locked container, or on a secure, password-protected computer or in a locked room with restricted access when such items are not in use, and (c) implementing such other protective measures as AbbVie may reasonably request from time to time in order to protect the confidentiality of such Proprietary Manufacturing Information. I-Mab shall cause each member of the Designated Persons (i) not to download, copy, print or otherwise duplicate or reproduce any Proprietary Manufacturing Information provided under this Agreement except as agreed by the Parties pursuant to Section 8.8.3 (*provided* that any such copies or duplications of such Proprietary Manufacturing Information shall be marked "confidential," "proprietary," or the like), (ii) to maintain any Regulatory Documentation that contains Proprietary Manufacturing Information separate from his or her other documents, (iii) to limit access to any such Regulatory Documentation solely to other Designated Persons, and (iv) to ensure compliance with the firewall procedures implemented pursuant to clause (b) above. At AbbVie's request, I-Mab shall promptly provide a copy of the written confidentiality agreement between I-Mab and any Designated Person to which Proprietary Manufacturing Information is disclosed or otherwise made available in accordance with this Section 8.8.2. Except to the applicable Regulatory Authorities as expressly agreed by the Parties with respect to any filings in the I-Mab Territory pursuant to Section 8.2, the Designated Persons shall not provide or disclose any Proprietary Manufacturing Information to any Person (including any employee or other representative of I-Mab) who is not a current member of the Designated Persons.

8.8.3 If AbbVie provides Proprietary Manufacturing Information directly to I-Mab in accordance with Section 8.8.1, the cover letter for any CTA or Registration Filing submitted by or on behalf of I-Mab pursuant to Section 8.2 shall instruct the applicable Regulatory Authority to direct questions with respect to the Proprietary Manufacturing Information directly to AbbVie (or if the Regulatory Authority will not accept the direction of such questions to AbbVie, then the cover letter shall instruct the applicable Regulatory Authority to direct such questions directly to the Designated Persons). If, in connection with obtaining or maintaining any CTA or Regulatory Approval under this Agreement or otherwise, I-Mab receives any question from a Regulatory Authority with respect to the Proprietary Manufacturing Information, I-Mab shall promptly forward such question to AbbVie (including a copy of the original question and an English translation thereof), and AbbVie shall, where this is permissible, provide the answer to any such question directly to the Regulatory Authority or, if not permissible, the Designated Persons who will translate and relay such response to the applicable Regulatory Authority. If, in connection with obtaining or maintaining any CTA or Regulatory Approval under this Agreement, AbbVie receives any question from a Regulatory Authority with respect to I-Mab's performance of activities under this Agreement, AbbVie shall promptly notify I-Mab thereof and I-Mab shall provide such information and materials with respect thereto as AbbVie may reasonably request and cooperate with AbbVie in good faith with respect to any responses thereto. To the extent that the Designated Persons have any questions with respect to the Proprietary Manufacturing Information, such questions shall be discussed only with designated personnel of AbbVie (and not with any personnel of I-Mab other than the Designated Persons). AbbVie agrees to provide reasonable assistance to the Designated Persons in responding to any questions.

8.8.4 Notwithstanding anything in this Agreement to the contrary, except as expressly required by this Section 8.8, in no event shall AbbVie be obligated to disclose or provide any Proprietary Manufacturing Information to I-Mab or any of its Affiliates.

ARTICLE 9
GOVERNANCE

9.1 Joint Governance Committee. Within [Redacted] after the Effective Date, the Parties shall establish a joint governance committee (the "**Joint Governance Committee**" or "**JGC**"), which shall consist of three (3) representatives from each of the Parties, each with the requisite experience and seniority to enable such representative to make decisions on behalf of the Party it represents with respect to the issues falling within the jurisdiction of the JGC. From time to time, each Party may substitute one or more of its representatives to the JGC on written notice to the other Party. Each Party shall select one of its representatives as a co-chairperson for the JGC and each Party may change its co-chairperson from time to time, on written notice to the other Party. The JGC shall:

(a) oversee and coordinate the Development of the Licensed Compounds and Licensed Products in the AbbVie Territory and the I-Mab Territory, including to review and approve any amendments or updates to the Initial Development Plan, the AbbVie Territory Development Plan or the I-Mab Territory Development Plan and to review and discuss the progress of, and any results and data with respect to, and any Development reports provided by either Party with respect to, the Development of Licensed Compounds and Licensed Products in the AbbVie Territory and the I-Mab Territory;

(b) direct and supervise the Initial Development Activities under the Initial Development Plan and review I-Mab's progress against the Initial Development Plan;

(c) discuss the updates with respect to the Existing Multi-Specific Compounds given to the JGC pursuant to Section 4.1.3 and this Section 9.1; *provided* that if the Parties agree on Existing Multi-Specific Product ROFN Terms, then updates given to the JGC with respect to such Existing Multi-Specific Compound shall be subject to the requirements governing the reporting of Licensed Compounds and Licensed Products to the JGC under this Agreement;

(d) discuss the anticipated content of each Data Package and determine whether any additional Information should be included in such Data Package;

(e) review and approve any clinical trial proposed by a Party at any clinical site in the I-Mab Territory where the applicable agreement with such clinical site does not grant such Party sole ownership of all data and inventions generated as a result of the applicable clinical trial to the extent permitted under Applicable Law or with respect to any data and inventions generated as a result of the applicable clinical trial that are not owned by such Party, an exclusive, sublicensable (through multiple tiers) license to all data and inventions generated as a result of the applicable clinical trial to the extent permitted under Applicable Law;

(f) discuss the Commercialization reports provided by AbbVie pursuant to Section 5.3.1;

(g) oversee and coordinate the Commercialization of the Licensed Products in the I-Mab Territory, including to review and approve the initial I-Mab Territory Commercialization Plan and any amendments or updates thereto and to review and discuss the progress of, and any results and data with respect to, the Commercialization of Licensed Products in the I-Mab Territory;

(h) discuss Commercialization strategies for the Licensed Products in the AbbVie Territory and the I-Mab Territory and oversee information- and data-sharing between the Parties, where applicable, including establishment of access methods such as secured databases for each Party to access Confidential Information under this Agreement;

(i) establish Working Groups of the JGC as it may deem appropriate, and discuss and review responsibilities of any such Working Group;

(j) coordinate with the Joint Project Team, Joint CMC Working Group and Joint Regulatory Working Group;

(k) resolve any disputes referred to it by the Parties or Working Groups that are under its jurisdiction; and

(l) perform such other functions as are set forth herein, if and as applicable, or as the Parties may mutually agree in writing.

9.2 General Provisions Applicable to the JGC.

9.2.1 Meetings and Minutes. The JGC shall meet quarterly or as otherwise agreed to by the Parties, with the location of such meetings alternating between locations in the United States (unless the Parties otherwise agree) designated by I-Mab and locations designated by AbbVie, with AbbVie designating the place of the first meeting; *provided* that the JGC may meet by means of teleconference, videoconference or other similar communications equipment as mutually agreed upon by the representatives of each Party. The chairperson of the JGC shall be responsible for calling meetings on no less than ten (10) days' notice unless exigent circumstances require shorter notice. Each Party shall make all proposals for agenda items at least ten (10) days in advance of the applicable meeting and shall provide all appropriate information with respect to such proposed items at least five (5) days in advance of the applicable meeting; *provided* that under exigent circumstances requiring input by the JGC, a Party may provide its agenda items to the other Party within a shorter period of time in advance of the meeting or may propose that there not be a specific agenda for a particular meeting, so long as the other Party consents to such later addition of such agenda items or the absence of a specific agenda for such meeting (which consent shall not be unreasonably withheld, conditioned or delayed). The chairperson of the JGC or AbbVie's Alliance Manager shall prepare and circulate for review and approval of the Parties minutes of each meeting within ten (10) Business Days after the meeting. The Parties shall agree on the minutes of each meeting promptly, but in no event later than the next meeting of the JGC, and such approved minutes shall be signed by each Alliance Manager.

9.2.2 Procedural Rules. The JGC shall have the right to adopt such standing rules as shall be necessary for its work, to the extent that such rules are not inconsistent with this Agreement. A quorum of the JGC shall exist whenever there is present at a meeting at least one (1) representative appointed by each Party. Representatives of the Parties on the JGC may attend a meeting either in person or by telephone, video conference or similar means in which each participant can hear what is said by and be heard by, the other participants. Representation by proxy shall be allowed. Alliance Managers or other employees or consultants of a Party who are not representatives of the Parties on the JGC may attend meetings of the JGC; *provided* that such attendees (a) shall not vote or otherwise participate in the decision-making process of the JGC and (b) are bound by obligations of confidentiality and non-disclosure at least as protective of the other Party as those set forth in Article 12. All meetings and communications of and materials submitted to the JGC and any of its subcommittees and Working Groups (including the Joint Regulatory Working Group and the Joint CMC Working Group) and the Joint Project Team shall be in English.

9.2.3 Decision-Making. Subject to the following provisions of this Section 9.2.3, the JGC shall take action by consensus of the representatives present at a meeting at which a quorum exists, with each Party having a single vote irrespective of the number of representatives of such Party in attendance, or by a written resolution signed by at least one (1) representative appointed by each Party. Except for matters outside the jurisdiction and authority of the JGC, as applicable (including as set forth in Section 9.2.4), if the JGC cannot, or does not, reach consensus on an issue within [Redacted] after such issue is first presented to the JGC for consideration, then either Party shall have the right to refer such issue to the Senior Officers for attempted resolution during a period of [Redacted]. If such issue has not been resolved by the Senior Officers during such [Redacted]-period, then:

(a) [Redacted];

(b) [Redacted];

(c) [Redacted];

(d) [Redacted];

(e) [Redacted]; and

(f) [Redacted].

9.2.4 Limitations on Authority. Without limitation to the foregoing, the Parties hereby agree that matters explicitly reserved to the consent, approval or other decision-making authority of one or both Parties, as expressly provided in this Agreement, are outside the jurisdiction and authority of the JGC, including amendment, modification or waiver of compliance with this Agreement (which may only be amended or modified as provided in Section 16.9 or compliance with which may only be waived as provided in Section 16.12).

9.2.5 Discontinuation; Disbandment. [Redacted].

9.3 Working Groups. In addition to the Joint CMC Working Group set forth in Section 9.3.1 and the Joint Regulatory Working Group set forth in Section 9.3.2, from time to time the JGC may establish and delegate duties within the scope of authority to such subcommittees or working teams (each, a "**Working Group**") on an "as-needed" basis to oversee particular projects or activities. Each such Working Group shall be constituted and shall operate as the JGC determines; *provided* that each Working Group shall have equal representation from each Party; and *provided*, further, that any dispute between the representatives of each Party on a Working Group shall be referred to the JGC for resolution in accordance with Section 9.2.3 and the other terms and conditions of this Agreement. Working Groups may be established on an ad hoc basis for purposes of a specific project, for the term of the JGC or on such other basis as the JGC may determine. Each Working Group and its activities shall be subject to the oversight, review and approval of, and shall report to the JGC. In no event shall the authority of the Working Group exceed that specified for the JGC in this Article 9 and the Working Group may only make those decisions that it is specifically empowered to make by the JGC.

9.3.1 Joint CMC Working Group. The Parties shall establish a joint Manufacturing working group (the "**Joint CMC Working Group**") within [Redacted] following the Effective Date. The Joint CMC Working Group will be responsible for providing the JGC and the Parties with guidance with respect to matters relating to the Manufacturing of Licensed Compounds and Licensed Products, including the generation and maintenance of CMC Data and subject to Section 8.8, coordinating the sharing and exchange of such CMC Data between I-Mab and AbbVie. Without limiting the foregoing, the Joint CMC Working Group shall be responsible for (a) reviewing and approving the timeline for AbbVie's Manufacturing Development for the Existing Product (the "**Manufacturing Timeline**") based on the I-Mab Territory Development Plan and the AbbVie Territory Development Plan and (b) overseeing and coordinating the global Manufacture of the Licensed Products to be supplied by or on behalf of one Party to the other Party in accordance with Section 7.1. The Joint CMC Working Group will report to the JGC, and the JGC shall have the right to disband the Joint CMC Working Group at any time.

9.3.2 Joint Regulatory Working Group. Parties shall establish a joint regulatory working group (the "**Joint Regulatory Working Group**") within [Redacted] following the Effective Date. The Joint Regulatory Working Group will be responsible for providing the JGC and the Parties with guidance with respect to matters relating to the submission of an IND or Drug Approval Application and coordinating the sharing and exchange of Regulatory Documentation between I-Mab and AbbVie and communications with Regulatory Authorities, in each case, in accordance with Article 8. The Joint Regulatory Group shall report to the JGC, and the JGC shall have the right to disband the Joint Regulatory Working Group at any time.

9.4 Joint Project Team. Within [Redacted] after the Effective Date, the Parties will establish a Joint Project Team for the Initial Licensed Compound (the "**Joint Project Team**" or "**JPT**"), which shall consist of an equal number representatives from each of the Parties, such number to be determined by the JGC. From time to time, each Party may substitute one or more of its representatives to the JPT on written notice to the other Party. Each Party's JPT representatives shall include (a) key member(s) of each formed Working Group, if any, (b) any representatives of any other functions relevant for the advancement of the Initial Licensed Compound, and (c) a program team leader and project manager from each Party. Other functional team members may participate in meetings of the JPT when deemed appropriate by the JPT representatives; *provided* that such team members are bound by obligations of confidentiality and non-disclosure at least as protective of the other Party as those set forth in Article 12. The JPT shall: (i) oversee any Working Groups, including ensuring alignment and synergy among the Working Groups, streamlining interactions among the Working Groups and the JGC and ensuring the respective Working Groups meet in accordance with Section 9.3, (ii) coordinate the flow of information between Working Groups in order to ensure preparedness for decision-making at the JGC and (iii) conduct detailed discussions and identify matters for further discussions in the relevant Working Groups or matters for review or approval at the JGC. The JPT shall not have any decision-making authority. The JPT shall have the right to adopt such procedural rules (including with respect to meetings, agendas and minutes) as shall be necessary for its work, to the extent that such rules are not inconsistent with this Agreement.

9.5 Alliance Managers. Each Party shall appoint a person(s) who shall oversee contact between the Parties for all matters between meetings of the JGC, shall be the primary contacts between the Parties after disbandment of the JGC, and shall have such other responsibilities as the Parties may agree in writing after the Effective Date, which person(s) may be replaced at any time by notice in writing to the other Party (each such person, an "**Alliance Manager**"). The Alliance Managers shall work together to manage and facilitate the communication between the Parties under this Agreement, including the resolution (in accordance with the terms of this Agreement) of issues between the Parties that arise in connection with this Agreement. The Alliance Managers will attend Working Group and JPT meetings when possible. The Alliance Managers shall not have final decision-making authority with respect to any matter under this Agreement.

ARTICLE 10
PAYMENTS AND RECORDS

10.1 Upfront Payment. In partial consideration of the rights granted by I-Mab to AbbVie hereunder, and subject to the terms and conditions of this Agreement, no later than [Redacted] following the Effective Date, AbbVie shall pay I-Mab a one-time non-refundable and non-creditable upfront payment in the amount of One Hundred Eighty Million Dollars ($180,000,000).

10.2 Reimbursements. With respect to any costs incurred by a Party under this Agreement that are subject to reimbursement by the other Party, the incurring Party shall provide the reimbursing Party with an invoice, and, subject to Section 10.12.2, the reimbursing Party shall pay to the incurring Party within [Redacted] after receipt of each such invoice the undisputed portion of the amount invoiced; *provided* that if the reimbursing Party disputes any portion of such invoice, it shall pay the undisputed portion and shall provide the incurring Party with written notice of the disputed portion and its reasons therefor, and the reimbursing Party shall not be obligated to pay such disputed portion unless and until such dispute is resolved in favor of the incurring Party. Any such disputes shall be resolved pursuant to Section 10.12.2.

10.3 Milestones. In partial consideration of the rights and licenses granted by I-Mab to AbbVie hereunder, and on the terms and subject to the conditions of this Agreement, AbbVie shall make the following non-refundable and non-creditable payments to I-Mab (collectively, the "**Milestone Payments**") after the achievement of the applicable events set forth below during the Term (collectively, the "**Milestone Events**").

10.3.1 Development, Regulatory and First Commercial Sale Milestones. Subject to the terms and conditions of this Agreement, with respect to each of the following Milestone Events, AbbVie shall pay to I-Mab a one (1)-time non-refundable and non-creditable Milestone Payment within [Redacted] after such Milestone Event is first achieved by or on behalf of AbbVie or its Affiliates or Sublicensees during the Term as follows:

	Milestone Event	Milestone Payment
1.	[Redacted]	[Redacted]
2.	[Redacted]	[Redacted]
3.	[Redacted]	[Redacted]
4.	[Redacted]	[Redacted]
5.	[Redacted]	[Redacted]
6.	[Redacted]	[Redacted]
7.	[Redacted]	[Redacted]
8.	[Redacted]	[Redacted]
9.	[Redacted]	[Redacted]
10.	[Redacted]	[Redacted]
11.	[Redacted]	[Redacted]

For clarity, each of the Milestone Payments set forth in this Section 10.3.1 shall be payable only once upon the first achievement of the corresponding Milestone Event, and any subsequent or repeated achievement of the same Milestone Event, whether by the same Licensed Product or by a Licensed Product different from the first Licensed Product used in the same Milestone Event, shall not result in any additional payment obligation for AbbVie under this Section 10.3.1.

[Redacted]

10.3.2 Annual Net Sales Milestones. Subject to the terms and conditions of this Agreement, with respect to each of the following Milestone Events based on the aggregate Net Sales of all Licensed Products by AbbVie or any of its Affiliates or Sublicensees in the AbbVie Territory, AbbVie shall pay to I-Mab a one (1)-time non-refundable Milestone Payment, within [Redacted] after the Calendar Quarter in which such Milestone Events is first achieved after the Effective Date and during the Term as follows:

Milestone Event	Milestone Payment
Aggregate Net Sales of all Licensed Products in the AbbVie Territory in a single Calendar Year exceeds [Redacted]	[Redacted]
Aggregate Net Sales of all Licensed Products in the AbbVie Territory in a single Calendar Year exceeds [Redacted]	[Redacted]
Aggregate Net Sales of all Licensed Products in the AbbVie Territory in a single Calendar Year exceeds [Redacted]	[Redacted]
Aggregate Net Sales of all Licensed Products in the AbbVie Territory in a single Calendar Year exceeds [Redacted]	[Redacted]
Aggregate Net Sales of all Licensed Products in the AbbVie Territory in a single Calendar Year exceeds [Redacted]	[Redacted]
Aggregate Net Sales of all Licensed Products in the AbbVie Territory in a single Calendar Year exceeds [Redacted]	[Redacted]
Aggregate Net Sales of all Licensed Products in the AbbVie Territory in a single Calendar Year exceeds [Redacted]	[Redacted]

Each Milestone Payment in this Section 10.3.2 shall be payable only upon the first achievement of the applicable Milestone Event and no amounts shall be due for subsequent or repeated achievements of such Milestone Event. For clarity, if more than one Milestone Event in this Section 10.3.2 is achieved in the same Calendar Year, all Milestone Payments corresponding to such Milestone Events achieved in such Calendar Year shall be paid by AbbVie in aggregate.

10.4 Royalties on Sales by AbbVie.

10.4.1 Royalty Rates. Subject to the terms and conditions of this Agreement, AbbVie shall pay to I-Mab, with respect to each Licensed Product, a tiered royalty on Net Sales of such Licensed Product by AbbVie or any of its Affiliates or Sublicensees in the AbbVie Territory in each Calendar Year during the Royalty Term with respect to such Licensed Product and each country or jurisdiction in the AbbVie Territory, at the following rates:

Aggregate Net Sales in a Calendar Year for such Licensed Product	Royalty Rate
For that portion of aggregate Net Sales of such Licensed Product in the AbbVie Territory in a Calendar Year less than [Redacted]	[Redacted]
For that portion of aggregate Net Sales of such Licensed Product in the AbbVie Territory in a Calendar Year equal to or greater than [Redacted] but less than [Redacted]	[Redacted]
For that portion of aggregate Net Sales of such Licensed Product in the AbbVie Territory in a Calendar Year equal to or greater than [Redacted] but less than [Redacted]	[Redacted]
For that portion of aggregate Net Sales of such Licensed Product in the AbbVie Territory in a Calendar Year equal to or greater than [Redacted] but less than [Redacted]	[Redacted]
For that portion of aggregate Net Sales of such Licensed Product in the AbbVie Territory in a Calendar Year equal to or greater than [Redacted]	[Redacted]

With respect to each Licensed Product in each country (or jurisdiction) in the AbbVie Territory, from and after the expiration of the Royalty Term for such Licensed Product in such country or jurisdiction, Net Sales of such Licensed Product in such country or jurisdiction shall be excluded for purposes of calculating the Net Sales thresholds and ceilings set forth in this Section 10.4.1. For purposes of this Section 10.4.1, with respect to a particular country, Net Sales shall include sales without the receipt of Regulatory Approval for a Licensed Product in such country, such as so-called "treatment IND sales" or "named patient sales" if such sales are the primary means of Commercialization of such Licensed Product in such country and Regulatory Approval for such Licensed Product in such country will not be sought.

10.4.2 Royalty Term. AbbVie's obligation to pay I-Mab royalties with respect to a Licensed Product in the AbbVie Territory, on a Licensed Product-by-Licensed Product and country (or jurisdiction)-by-country (or jurisdiction) basis, shall commence on the date of the first Net Sales of such Licensed Product in such country or jurisdiction and shall end upon the latest to occur of: (a) the expiration, invalidation or abandonment of the last I-Mab Patent or Joint Patent in such country that claims as a composition of matter the Licensed Compound contained in such Licensed Product; (b) the tenth (10th) anniversary of the First Commercial Sale of such Licensed Product in such country or jurisdiction; and (c) the expiration of the Regulatory Exclusivity Period in such country or jurisdiction for such Licensed Product (the "**Royalty Term**").

10.4.3 Reductions. Notwithstanding Section 10.4.1, but subject to Section 10.4.2 and Section 10.4.4, with respect to each Licensed Product:

(a) with respect to such Licensed Product in a country or jurisdiction from and after the earliest of (i) the date on which both (A) the Licensed Compound contained in such Licensed Product is not claimed as a composition of matter by an I-Mab Patent or Joint Patent in a country or jurisdiction in the AbbVie Territory during the Royalty Term for such Licensed Product in such country or jurisdiction and (B) the Regulatory Exclusivity Period in such country or jurisdiction for such Licensed Product has expired, (ii) the first Calendar Quarter in which unit sales of all Biosimilar Products for such Licensed Product in such country or jurisdiction during such Calendar Quarter [Redacted] and (iii) [Redacted], the royalty rates for such Licensed Product set forth in Section 10.4.1 with respect to such country or jurisdiction shall be reduced by [Redacted]; and

(b) if AbbVie (i) defends a Third Party Infringement Claim pursuant to Section 11.5 (other than a Third Party Infringement Claim alleging only that an Other Ingredient or Other Agent in the applicable Licensed Product (and not the Combination Product or Combination Therapy) infringes a Third Party intellectual property right) (including if AbbVie is subject to an adverse judgement in connection therewith that results in monetary damages or royalties owed with respect to a Licensed Product in one more countries or jurisdictions in the AbbVie Territory) or (ii) enters into an agreement with a Third Party in order to obtain a license or other right to a Third Party Right with respect to a Licensed Product (other than a Third Party Right with respect to an Other Ingredient or Other Agent in the applicable Licensed Product (and not the Combination Product or Combination Therapy)) in one or more countries or jurisdictions in the AbbVie Territory pursuant to Section 11.7, AbbVie shall be entitled to deduct from any Milestone Payments payable under Section 10.3 and any royalties payable under Section 10.4.1 [Redacted].

(c) [Redacted].

10.4.4 Mechanics of Reductions; Reduction Floor.

(a) Any reductions set forth in Section 10.4.3 shall be applied to the royalty rate payable to I-Mab under Section 10.4.1 in the order in which the event triggering such reduction occurs. For purposes of this Section 10.4, the portion of Net Sales of the applicable Licensed Product in each country or jurisdiction subject to each of the royalty rates under Section 10.4.1 will be proportional to Net Sales of such Licensed Product in all countries in the AbbVie Territory subject to the applicable royalty rates under Section 10.4.1. **Schedule 10.4** contains an example calculation of royalties payable on Net Sales of a Licensed Product with the reductions contemplated by Section 10.4.3(a). The example set forth on **Schedule 10.4** is for illustrative purposes only.

(b) With respect to a Licensed Product and a country or jurisdiction in the AbbVie Territory, in no event shall the reductions made pursuant to Section 10.4.3 reduce by more than [Redacted]. Credits for reductions pursuant to Section 10.4.3 not exhausted in any Calendar Quarter may be carried into future Calendar Quarters, subject to the preceding sentence. [Redacted].

10.5 Estimated Sales Levels. I-Mab acknowledges and agrees that the sales levels set forth in Section 10.3.2 and Section 10.4.1 shall not be construed as representing an estimate or projection of anticipated sales of the Licensed Products, or implying any level of diligence or Commercially Reasonable Efforts in the AbbVie Territory, and that the sales levels set forth in those Sections are merely intended to define AbbVie's royalty and other payment obligations, as applicable, in the event such sales levels are achieved.

10.6 Royalty Payments and Reports. AbbVie shall calculate all amounts payable to I-Mab pursuant to Section 10.4 at the end of each Calendar Quarter, which amounts shall be converted to Dollars, in accordance with Section 10.8. AbbVie shall pay to I-Mab the royalty amounts due with respect to a given Calendar Quarter [Redacted] after the end of such Calendar Quarter. Each payment of royalties due to I-Mab shall be accompanied by a statement of the amount of Net Sales of each Licensed Product in each country or jurisdiction in the AbbVie Territory during the applicable Calendar Quarter and a calculation of the amount of royalty payment due on such Net Sales for such Calendar Quarter.

10.7 Royalties on Sales by I-Mab.

10.7.1 Subject to the terms and conditions of this Agreement, I-Mab shall pay to AbbVie, with respect to each Licensed Product, a tiered royalty on Net Sales by I-Mab or any of its Affiliates or Sublicensees of such Licensed Product in the I-Mab Original Territory in each Calendar Year, at the following rates:

Aggregate Net Sales in a Calendar Year for such Licensed Product	Royalty Rate
For that portion of aggregate Net Sales of such Licensed Product in the I-Mab Original Territory in a Calendar Year less than [Redacted]	[Redacted]
For that portion of aggregate Net Sales of such Licensed Product in the I-Mab Original Territory in a Calendar Year equal to or greater than [Redacted], but less than [Redacted]	[Redacted]
For that portion of aggregate Net Sales of such Licensed Product in the I-Mab Original Territory in a Calendar Year equal or greater than [Redacted]	[Redacted]

10.7.2 I-Mab Royalty Term. I-Mab's obligation to pay AbbVie royalties with respect to a Licensed Product in the I-Mab Territory, on a Licensed Product-by-Licensed Product and country (or jurisdiction)-by-country (or jurisdiction) basis, shall commence on the date of the first Net Sales of such Licensed Product in such country or jurisdiction and shall end upon the latest to occur of: (a) the expiration, invalidation or abandonment of the last I-Mab Patent or Joint Patent in such country that claims as a composition of matter the Licensed Compound contained in such Licensed Product; (b) the tenth (10th) anniversary of the First Commercial Sale of such Licensed Product in such country or jurisdiction; and (c) the expiration of the Regulatory Exclusivity Period in such country or jurisdiction for such Licensed Product (the "**I-Mab Royalty Term**").

10.7.3 I-Mab shall calculate all amounts payable to AbbVie pursuant to this Section 10.7 at the end of each Calendar Quarter, which amounts shall be converted to Dollars, in accordance with Section 10.8. I-Mab shall pay to AbbVie the royalty amounts due with respect to a given Calendar Quarter within ninety (90) days after the end of such Calendar Quarter. Each payment of royalties due to AbbVie shall be accompanied by a statement of the amount of Net Sales of each Licensed Product in the I-Mab Original Territory during the applicable Calendar Quarter and a calculation of the amount of royalty payment due on such Net Sales for such Calendar Quarter.

10.7.4 In addition to the royalties payable pursuant to Section 10.7.1, I-Mab shall be responsible for (a) making any payments (including royalties, milestones and other amounts) payable by AbbVie to Third Parties under any Third Party agreements with respect to any AbbVie Technology as a result of I-Mab's exercise of its license under Section 2.2.1(b) by making such payments directly to AbbVie and, in each instance, I-Mab shall make the requisite payments to AbbVie and provide the necessary reporting information to AbbVie in sufficient time to enable AbbVie to comply with its obligations under such Third Party agreements, and (b) complying with any other obligations included in any such Third Party agreements that are applicable to the grant to I-Mab of such license or to the exercise of such license by I-Mab or any of its Affiliates or Sublicensees. AbbVie shall be responsible for paying or providing to any such Third Party any payments or reports made or provided by I-Mab under this Section 10.7.4.

10.8 Mode of Payment. All payments to either Party under this Agreement shall be made by deposit of Dollars in the requisite amount to such bank account as the receiving Party may from time to time designate by notice to the paying Party. For the purpose of calculating any sums due under, or otherwise reimbursable pursuant to, this Agreement (including the calculation of Net Sales expressed in currencies other than Dollars), the paying Party shall be solely responsible for converting, and shall convert any amount expressed in a foreign currency into Dollar equivalents using its, its Affiliate's or Sublicensee's standard conversion methodology consistent with the Accounting Standards; *provided* that, the rate of exchange to be used in computing the amount of currency equivalent in Dollars for calculating Net Sales by I-Mab or any of its Affiliates or Sublicensees of a Licensed Product in the I-Mab Territory in a Calendar Quarter shall be made at the exchange rate as published by the Wall Street Journal on the last Business Day of such Calendar Quarter, or such other sources the Parties may agree in writing. In each country or jurisdiction where the local currency is blocked and cannot be removed from the country or jurisdiction, royalties accrued in that country or jurisdiction will be paid by the paying Party in the equivalent amount of Dollars based on the exchange rate for such blocked currency.

10.9 Taxes.

10.9.1 Withholding Taxes. Except as otherwise provided herein, if any amount due to be paid to a Party (the "**Recipient**") hereunder is subject to any withholding or deduction on account of taxes, the paying Party (the "**Payor**") is authorized to withhold in accordance with Applicable Law and deduct such amount from the amount to be paid to the Recipient. The Parties shall use their commercially reasonable efforts and cooperate to reduce or eliminate any such withholding or deduction on account of taxes, including pursuant to any income tax convention or treaty, and for such purpose sign any documents or certification that the respective other Party reasonably requests and that the relevant Party is legally permitted to execute; *provided* that Article 12 shall at all times apply with respect to any information provided pursuant to this Section 10.9.1. The Payor shall remit any amount withheld or deducted pursuant to Section 10.9.1 to the appropriate government authority and promptly furnish to the Recipient the original or a certified copy of a receipt issued by such government authority evidencing the remittance of the amount withheld. Except as otherwise provided herein, any amounts withheld and deducted by the Payor in accordance with this Section 10.9.1 shall be treated as having been paid by the Payor to the Recipient for purposes of this Agreement. The Parties acknowledge and agree that if a Party (which, for clarity, includes any Affiliate or successor of an original Payor hereunder) is required to make a payment to a Recipient, which payment is subject to a deduction or withholding on account of tax, and if such obligation to deduct or withhold tax arises or is increased solely as a result any action taken by the Payor or its Affiliates or successor or assignee, including the assignment or transfer of all or a portion of this Agreement by the Payor, or there is a change, whether by corporate continuance, merger or other means, in the tax residency of the Payor, or payments arise or are deemed to arise through a branch of the Payor (each, a "**Withholding Tax Action**"), then notwithstanding anything to the contrary herein, the Payor shall pay to the Recipient an additional amount such that, after any applicable withholding and deduction on account of taxes, the Recipient receives an amount equal to the same amount that it would have received had no Withholding Tax Action occurred; *provided* that such additional amount shall be reduced by any tax benefit actually received by the Recipient within the same tax year in accordance with the tax laws of the Recipient's taxing jurisdiction (such as a tax credit to the Recipient or any of its Affiliates against its income tax liability for taxes withheld by the Payor) as a result of such withholding or deduction resulting from a Withholding Tax Action. The Recipient shall indemnify the Payor for and against, and hold the Payor harmless from, any losses on account of the Payor's liability for any withholding (including any interest and penalty thereon), including any such loss arising as a result of the respective Payor's failure to withhold a sufficient amount as required under applicable Tax law, a failure of any withholding certificate of a Recipient being true, correct or complete, an incomplete or incorrect reporting by the Payor or the Recipient to the relevant taxing authority, or an assessment by the applicable taxing authority relating to such withholding.

10.9.2 Notwithstanding the provisions of Section 10.9.1, the Parties agree that no withholding or deduction for or in respect of taxes shall arise under this Agreement on a payment by the Payor to a Recipient if the provisions of Section 242A of the Taxes Consolidation Act, 1997 of Ireland apply (the "**Irish Domestic Exemption**"), as in effect on the Execution Date. For the purposes of the Irish Domestic Exemption, at the time of the Execution Date and at the time of the making and the receipt of each payment by AbbVie to I-Mab:

(a) AbbVie hereby represents and warrants to I-Mab that any payments to be made by AbbVie under this Agreement will be made in the course of a trade or business carried on by AbbVie;

(b) I-Mab hereby represents and warrants to AbbVie with respect to each payment made to I-Mab that (1) I-Mab US or I-Mab Shanghai, as applicable, is the beneficial owner of such payment as determined for purposes of the Irish Domestic Exemption; (2) neither I-Mab US nor I-Mab Shanghai is resident for tax purposes in Ireland; (3) each of I-Mab US and I-Mab Shanghai is, by virtue of the law of a Relevant Territory, resident for the purposes of tax in a Relevant Territory, (4) the Relevant Territory imposes a tax that generally applies to royalties receivable in that Relevant Territory by companies from sources outside that territory; and (5) I-Mab US or I-Mab Shanghai, as applicable, will not receive any royalties under this Agreement in connection with a trade or business carried on by it in Ireland;

(c) I-Mab hereby represents and warrants that the fee split as determined pursuant Section 10.9.6 is correct for purposes of the Irish Domestic Exemption; and

(d) the Parties hereby confirm to each other that all payments to be made under this Agreement are made for bona fide commercial reasons and do not form part of any arrangement or scheme of which the main purpose or one of the main purposes is avoidance of liability to income tax, corporation tax or capital gains tax in Ireland.

10.9.3 Indirect Taxes.

(a) Each Party shall be responsible for (and shall indemnify the other Party for) any VAT, VAT Surcharges, transfer, documentary, sales, use, stamp, registration, consumption, or other similar tax imposed with respect to the payments received or the related transfer of rights or other property to such Party pursuant to the terms of this Agreement or otherwise with respect to this Agreement. The Parties shall cooperate, to the extent reasonably required, with the filing of any such tax returns.

(b) Notwithstanding anything to the contrary in Section 10.9.1, I-Mab shall be solely responsible for any VAT and VAT Surcharges levied with respect to all payments received from AbbVie under this Agreement. I-Mab shall not charge any VAT or VAT Surcharges to AbbVie separately from the amounts that AbbVie is required to pay to the I-Mab Entities pursuant to this Agreement. For clarity, the amounts set forth in this Agreement for all payments from AbbVie to I-Mab are inclusive of VAT and VAT Surcharges, and I-Mab shall not charge any VAT or VAT Surcharges to AbbVie separately from the amounts that AbbVie is required to pay to I-Mab pursuant to this Agreement. If I-Mab seeks VAT exemption or zero-rating with respect to such payments, AbbVie shall cooperate with I-Mab and provide such relevant information and documents as I-Mab may reasonably request and will not request a refund as a result of such VAT exemption or zero-rate.

(c) Notwithstanding anything to the contrary in Section 10.9.1, AbbVie shall be solely responsible for any VAT and VAT Surcharges levied with respect to all payments received from I-Mab under this Agreement. AbbVie shall not charge any VAT or VAT Surcharges to I-Mab separately from the amounts that I-Mab is required to pay to AbbVie pursuant to this Agreement. For clarity, the amounts set forth in this Agreement for all payments from I-Mab to AbbVie are inclusive of VAT and VAT Surcharges, and AbbVie shall not charge any VAT or VAT Surcharges to I-Mab separately from the amounts that the I-Mab Entity is required to pay to AbbVie pursuant to this Agreement. If AbbVie seeks VAT exemption or zero-rating with respect to such payments, I-Mab shall cooperate with AbbVie and provide such relevant information and documents as AbbVie may reasonably request and will not request a refund as a result of such VAT exemption or zero-rate. If AbbVie is required to pay VAT and VAT Surcharges in the I-Mab Territory, I-Mab, as a withholding agent on behalf of AbbVie, shall withhold such taxes from such payments and shall timely report and pay such taxes to the competent I-Mab Territory tax authority. I-Mab shall deliver to AbbVie official proof of payment issued by the competent I-Mab Territory tax authority for all taxes that I-Mab pays on behalf of AbbVie within sixty (60) days of each payment to AbbVie.

10.9.4 Cooperation. The Parties shall use their commercially reasonable efforts to obtain the benefit of any relevant income tax convention treaties and Applicable Law to minimize any taxes that may be levied on any payments hereunder. AbbVie shall use commercially reasonable efforts to provide any information and documentation in its possession that I-Mab US reasonably requests for the purpose of demonstrating the extent to which the Licensed Compounds and Licensed Products will be used by AbbVie outside the United States pursuant to Section 250 of the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations thereunder; provided, however, that AbbVie shall not be responsible for, and shall not be required to indemnify I-Mab against or hold I-Mab harmless from, any loss or denial, in whole or in part, of the deduction under Section 250 of the Internal Revenue Code of 1986, as amended, and the applicable Treasury Regulations thereunder.

10.9.5 Other Tax Liabilities. Except to the extent otherwise set forth in Section 10.9.1 and Section 10.9.3, each Party shall be responsible for its own tax liabilities arising as a result of payments made or received pursuant to this Agreement.

10.9.6 Fee Split. The division of fees between I-MAB US and I-MAB Shanghai shall be made on an arm's length basis with the considerations of relevant contributions from I-Mab US and I-Mab Shanghai, and their respective functions and risks. [Redacted].

10.10 Late Payments. If any payment due to either Party under this Agreement is not paid when due (except for those payments that are the subject of a reasonable, good faith dispute), then such paying Party shall pay interest thereon (before and after any judgment) at an annual rate (but with interest accruing on a daily basis) of [Redacted], as adjusted from time to time on the first Business Day of each month; *provided* however that if the foregoing [Redacted] rate is unavailable, then such interest shall be at an annual rate of [Redacted], as adjusted from time to time on the first [Redacted] Business Day of each month, in each case, such interest to run from the date on which payment of such sum became due until payment thereof in full together with such interest. In the event that the paying Party in good faith disputes any amounts due to the other Party under this Agreement, the Parties shall resolve any such dispute in accordance with Section 10.12.2 and the interest rate in the preceding sentence will not apply to the amounts so disputed during the period of time that the Parties are resolving such dispute.

10.11 Financial Records. Each Party shall, and shall cause its Affiliates and its and their Sublicensees to, keep complete and accurate financial books and records pertaining to Net Sales to the extent required to calculate and verify all amounts payable hereunder. Each Party shall, and shall cause its Affiliates and its and their Sublicensees to, retain such books and records until the later of (x) three (3) years after the end of the period to which such books and records pertain and (y) the expiration of the applicable tax statute of limitations (or any extensions thereof) or for such longer period as may be required by Applicable Law.

10.12 Audit.

10.12.1 Procedures. At the request of the other Party, each Party shall, and shall cause its Affiliates and its and their Sublicensees to, permit an independent auditor designated by the other Party and reasonably acceptable to the audited Party, at reasonable times and upon reasonable notice, to audit the books and records maintained pursuant to Section 10.11 to ensure the accuracy of all reports and payments made hereunder. Such audits may not (a) be conducted for any Calendar Quarter more than [Redacted] after the end of such Calendar Quarter, (b) be conducted more than once in any [Redacted] period (unless a previous audit during such [Redacted] period revealed an underpayment (or with respect to any payments pursuant to Section 10.2, an overpayment) with respect to such period) or (c) be repeated for any Calendar Quarter. Except as provided below, the cost of this audit shall be borne by the auditing Party, unless the audit reveals a variance of more than [Redacted] from the reported amounts, in which case the audited Party shall bear the cost of the audit. Unless disputed pursuant to Section 10.12.2, if such audit concludes that (x) additional amounts were owed by one Party to the other Party, the owing Party shall pay the additional amounts (and, if such additional amounts are owed due to an error in an invoice or report provided by such owing Party, with interest thereon as provided in Section 10.10) or (y) excess payments were made by one Party to the other Party, the overpaid Party shall reimburse such excess payments (and, if such excess payments were made due to an error in an invoice or report provided by such overpaid Party, with interest thereon as provided in Section 10.10), in either case ((x) or (y)), within [Redacted] after the date on which such audit is completed by the auditing Party.

10.12.2 Disputes. In the event of a dispute with respect to any payments due under this Agreement (including pursuant to Section 10.2), or the audit under Section 10.12.1, I-Mab and AbbVie shall work in good faith to resolve the dispute. If the Parties are unable to reach a mutually acceptable resolution of any such dispute within [Redacted] from the date either Party informs the other of a dispute under this Section 10.12.2, the dispute shall be submitted for resolution to a certified public accounting firm jointly selected by each Party's certified public accountants or to such other Person as the Parties shall mutually agree (the "**Auditor**") for expert determination. The decision of the Auditor, who shall act as an expert and not as an arbitrator, shall be final and the costs of such expert determination, and where applicable, the initial audit shall be borne between the Parties in such manner as the Auditor shall determine. If the Auditor's decision concludes that (x) additional amounts were owed by one Party to the other Party, the owing Party shall pay the additional amounts (and, if such additional amounts are owed due to an error in an invoice or report provided by such owing Party, with interest thereon as provided in Section 10.10) or (y) excess payments were made by one Party to the other Party, the overpaid Party shall reimburse such excess payments (and, if such excess payments were made due to an error in an invoice or report provided by such overpaid Party, with interest thereon as provided in Section 10.10), in either case ((x) or (y)), within thirty (30) days after such decision and in accordance with such decision.

10.12.3 Confidentiality. The receiving Party shall treat all information subject to review under this Article 10 in accordance with the confidentiality provisions of Article 12 and the Parties shall cause the Auditor to enter into a reasonably acceptable confidentiality agreement with the audited Party obligating such firm to retain all such financial information in confidence pursuant to such confidentiality agreement.

10.13 Right to Offset. [Redacted].

10.14 Diagnostic or Veterinary Products. The milestones and royalties in this Article 10 shall not apply to the Development and Commercialization of Licensed Products for diagnostic, veterinary or any other non-human use or for uses solely for screening patients who have been diagnosed with a disease, state or condition for eligibility to be treated for such disease, state or condition with a Licensed Product or for monitoring patients who are or have been treated with a Licensed Product and the payment obligations for such other product shall be agreed by the Parties in good faith prior to the initiation of the Development or Commercialization activities for such uses of such Licensed Products.

10.15 Financial Obligations under Agreements with Third Parties.

10.15.1 I-Mab shall be responsible for all payments owed to a Third Party under any license and other agreements regarding any intellectual property rights licensed hereunder, including the I-Mab Patents and the I-Mab Know-How, between I-Mab or any of its Affiliates and such Third Party as a result of a Party's or any of its Affiliates' or Sublicensees' Exploitation of any Licensed Compound or Licensed Product in or for the AbbVie Territory or the I-Mab Territory to the extent such license or other agreement is (a) in effect as of the Execution Date [Redacted] or (b) for Patents that cover the composition of matter of the Initial Licensed Compound ("**Required IP**"). During the Term, and without AbbVie's prior written consent, I-Mab shall not knowingly enter into any agreement with a Third Party pursuant to which it obtains a license from such Third Party to any Information or Patents that (1) are specific to any Licensed Compounds in the AbbVie Territory, or (2) are necessary for the Exploitation of a Licensed Compound or a Mono Licensed Product in the AbbVie Territory by or on behalf of AbbVie or any of its Affiliates.

10.15.2 [Redacted].

10.15.3 If between the Execution Date and the Effective Date or during the Term, subject to Section 11.7, either Party (the "**In-Licensing Party**") enters into any agreement with a Third Party pursuant to which it obtains a sublicensable (in accordance with the terms of this Agreement) license from such Third Party to any Information or Patents in the other Party's Respective Territory other than Required IP, and the In-Licensing Party reasonably believes that such Information or Patent would be necessary or reasonably useful for the Exploitation of a Licensed Compound or Licensed Product by the first Party under this Agreement, then the In-Licensing Party shall notify the other Party in writing, including a description of such Information or Patents related to the Development, Manufacturing, Commercialization or Exploitation of one or more Licensed Compounds or Licensed Products and any payments that the In-Licensing Party would be obligated to pay in connection with the grant, maintenance or exercise of a sublicense to or by the other Party under such Information or Patents. [Redacted].

10.16 I-Mab Clinical Trials. I-Mab shall be solely responsible for, subject to Section 5.6 (for any Global Study I-Mab has elected to co-fund), any payment obligation that I-Mab or any of its Affiliate may owe to any Third Party clinical site pursuant to a contract to which I-Mab or its Affiliates is a party, with respect to the conduct of any clinical trial with respect to a Licensed Product (including with respect to any profits in any form arising from the intellectual property in China that is conceived, reduced to practice, invented, or otherwise generated in connection with the use of human genetic resources of Chinese patients collected in the exploratory studies in such clinical trial).

10.17 Shared Litigation Costs. I-Mab shall reimburse AbbVie, in accordance with Section 10.2, for [Redacted] of all Out-of-Pocket Costs (including attorney and expert fees) incurred by AbbVie or any of its Affiliates in connection with the defense of a Third Party Infringement Claim relating to the Patents listed in **Schedule 10.17**, or any continuations, divisionals, national stage entries, or any Patents that are validated or extended based on a Patent listed in **Schedule 10.17,** or any Patents that claim the same priority as a Patent listed in **Schedule 10.17** up to a maximum reimbursement of AbbVie of [Redacted].

10.18 Licensed Products. For the purposes of this Article 10, "**Licensed Products**" shall not include Existing Multi-Specific Products or I-Mab Non-C4 Multi-Specific Products, which shall be subject to the terms agreed upon by the Parties pursuant to Section 4.2.4 or Section 2.7.4, respectively.

ARTICLE 11
INTELLECTUAL PROPERTY

11.1 Ownership of Intellectual Property.

11.1.1 Ownership of IP. Subject to the license grants and other rights herein, as between the Parties, each Party (including through or by its Affiliates) shall solely own and retain all right, title and interest in and to any and all Information and inventions that are conceived, reduced to practice, discovered, developed or otherwise made solely by or on behalf of such Party or its Affiliates or its or their Sublicensees under or in connection with this Agreement, whether or not patented or patentable, and any and all Patents and other intellectual property rights with respect thereto. Notwithstanding Section 16.4, each Party shall have the right to perform any or all of its obligations and exercise any or all of its rights under this Article 11 through one or more of its Affiliates.

11.1.2 Ownership of Joint Technology. As between the Parties, each Party shall own an equal, undivided interest in any and all: (a) Information and inventions that are conceived, reduced to practice, discovered, developed or otherwise made jointly by or on behalf of I-Mab or its Affiliates or its or their Sublicensees, on the one hand, and AbbVie or its Affiliates or its or their Sublicensees, on the other hand, in connection with the work conducted under or in connection with this Agreement, whether or not patented or patentable (the "**Joint Know-How**"); and (b) Patents (the "**Joint Patents**") and other intellectual property rights with respect to the Information and inventions described in clause (a) (together with Joint Know-How and Joint Patents, the "**Joint Technology**"). Each Party shall promptly disclose to the other Party in writing, and shall cause its Affiliates and its and their Sublicensees to so disclose, the conception, reduction to practice, discovery, development or other making of any Joint Technology. Subject to the licenses granted under Section 2.1 and Section 2.2 and each Party's exclusivity obligations hereunder, each Party shall have the right to Exploit the Joint Technology (including licensing or sublicensing thereunder) without any duty of seeking or need to seek consent or accounting to the other Party.

11.1.3 United States Law. The determination of inventorship and whether Information and inventions are conceived, reduced to practice, discovered, developed or otherwise made by or on behalf of a Party or its Affiliates or its or their Sublicensees for the purpose of allocating proprietary rights (including Patent, copyright or other intellectual property rights) therein, shall, for purposes of this Agreement, be made in accordance with the United States patent law and other Applicable Law in the United States without regard to conflict of law, irrespective of where or when such conception, discovery, development or making occurs. If United States law otherwise would not apply to the conception, reduction to practice, discovery, development or other making of any Information or inventions hereunder, each Party shall, and does hereby, assign, and shall cause its Affiliates and its and their Sublicensees to so assign, to the other Party, without additional compensation, such right, title and interest in and to any Information and inventions as well as any intellectual property rights with respect thereto, as is necessary to fully effect, as applicable, (a) the sole ownership provided for in Section 11.1.1 and (b) the joint ownership provided for in Section 11.1.2.

11.1.4 Assignment Obligation. Each Party shall cause all Persons who perform any activities (including Development activities, Manufacturing activities or regulatory activities) for such Party under this Agreement or who conceive, reduce to practice, discover, develop or otherwise make any Information or inventions by or on behalf of such Party or its Affiliates or its or their Sublicensees under or in connection with this Agreement to assign (or, if such Party is unable to cause such Person to assign despite such Party's using commercially reasonable efforts, then be under an obligation to assign; and if still unable to cause such Person to agree to such assignment obligation despite such Party's using commercially reasonable efforts to negotiate such assignment obligation, provide an exclusive license under) their rights in any Information and inventions resulting therefrom to such Party, except where Applicable Law requires otherwise and except in the case of (a) governmental or not-for-profit institutions that have standard policies against such an assignment, (b) any contract manufacturer that has a standard practice of granting a license to (rather than assigning) its generally applicable manufacturing inventions that are not directed to a customer's product or (c) a service provider with respect to improvements to its background intellectual property rights, *provided* that no such improvement is directed to the customer's product (in which case (a), (b) or (c), a suitable license shall be obtained).

11.1.5 Inventor Compensation. In addition to the obligations set forth in Section 11.1.4, each Party shall ensure that any of its employees or contractors who are located in the I-Mab Territory and perform any activities (including Development activities, Manufacturing activities or regulatory activities) under this Agreement, or who conceive, reduce to practice, discover, develop or otherwise make any Information or inventions by or on behalf of such Party or its Affiliates or Sublicensees under or in connection with this Agreement agree to and are bound by a written inventor reward and remuneration policy or agreement that is legally sufficient under Applicable Laws, including, as applicable, a specific waiver of pre-emption rights under the laws of the I-Mab Territory, including Article 326 of the PRC Contract Law, as applicable, such that such Party or its Affiliates or its or their Sublicensees own all right, title and interest in and to, and such employees or contractors shall not have any additional right or claim in or to, any Information, inventions, Patents and other intellectual property rights derived from their work other than the reward and remuneration they are entitled to under the inventor reward and remuneration policy or agreement. Each Party shall comply with any employee remuneration requirements under Applicable Law in any country outside the I-Mab Territory with respect to any of its employees or contractors who are located in such country. Without limiting the foregoing, each Party acknowledges that the other Party and its Affiliates shall not be responsible or liable for any claims for compensation, reward or remuneration by an employee or contractor of such Party or its Affiliates or its or their Sublicensees (such claims, "**Inventor Compensation Claims**"), and such Party shall be solely responsible for all such Inventor Compensation Claims under Applicable Law.

11.2 Control of Intellectual Property. I-Mab shall not, and shall cause its Affiliates not to, enter into or amend any agreement with a Third Party, or include in any such agreement or amendment any restrictive provisions, with an intent to limit its Control of, or to not Control, any Information, Patent or other intellectual property right that would be subject to the license grants in Section 2.1 in the absence of such agreement, amendment or restrictive provisions. Further, when entering into any agreement or amendment with a Third Party relating to any Information, Patents or other intellectual property rights that, if Controlled by I-Mab or its Affiliates, would be subject to the license grants in Section 2.1, I-Mab shall and shall cause its Affiliates to use good faith efforts to obtain Control of such Information, Patents and other intellectual property rights.

11.3 Prosecution and Maintenance of Patents.

11.3.1 Prosecution and Maintenance of Joint Patents and Product Patents in the AbbVie Territory and the I-Mab Territory.

(a) As between the Parties, AbbVie shall have the first right, but not the obligation, using counsel of its own choice, at its sole cost and expense, to Prosecute and Maintain the Joint Patents and the Product Patents, in each case, in the AbbVie Territory. AbbVie shall promptly inform I-Mab of all material steps (including all material communications received from or submitted to the applicable patent authorities) with regard to the Prosecution and Maintenance of the Joint Patents and the Product Patents, in each case, in the AbbVie Territory. AbbVie shall consider in good faith the requests and suggestions of I-Mab with respect to strategies for Prosecuting and Maintaining the Joint Patents and Product Patents, in each case, in the AbbVie Territory. AbbVie shall consider in good faith I-Mab's patenting and patent litigation strategy with respect to the Licensed Compounds and Licensed Products in the I-Mab Territory when prosecuting the Joint Patents and Product Patents in the I-Mab Territory for purposes of Section 11.3.1(c). Without limiting the foregoing, AbbVie shall provide I-Mab drafts of any material filings or responses (in English or an official language of the applicable patent authority) to be made to patent authorities in the United States, the European Patent Office, United Kingdom, Japan, South Korea and Canada with respect to the Joint Patents or Product Patents sufficiently in advance of, but not less than three (3) days before, submitting such filings or responses to the applicable patent authority, so as to allow for a reasonable opportunity for I-Mab to review and comment thereon, and AbbVie shall reasonably consider any requests and suggestions timely provided by I-Mab with respect to such drafts.

(b) As between the Parties, I-Mab shall have the first right, but not the obligation, using counsel of its own choice, at its sole cost and expense, to Prosecute and Maintain the Joint Patents and the Product Patents, in each case, in the I-Mab Territory. I-Mab shall promptly inform AbbVie of all material steps (including all communications received from or submitted to the applicable patent authorities) with regard to the Prosecution and Maintenance of the Joint Patents and the Product Patents, in each case, in the I-Mab Territory. I-Mab shall consider in good faith the requests and suggestions of AbbVie with respect to strategies for Prosecuting and Maintaining the Joint Patents and Product Patents, in each case, in the I-Mab Territory. I-Mab shall consider in good faith AbbVie's patenting and patent litigation strategy with respect to the Licensed Compounds and Licensed Products in the AbbVie Territory when prosecuting the Joint Patents and the Product Patents in the I-Mab Territory. Without limiting the foregoing, I-Mab shall provide AbbVie drafts of any material filings or responses to be made to patent authorities in the I-Mab Territory with respect to the Joint Patents or Product Patents sufficiently in advance of submitting such filings or responses so as to allow for a reasonable opportunity for AbbVie to review and comment thereon, and I-Mab shall reasonably consider any requests and suggestions timely provided by AbbVie with respect to such drafts.

(c) If, as between the Parties, the Party with the first right to Prosecute and Maintain a Joint Patent or a Product Patent decides not to do so, in a country or jurisdiction in its Respective Territory, such Party shall provide reasonable and timely prior written notice to the other Party of such intention and the other Party shall thereupon have the option, to assume the control and direction of the Prosecution and Maintenance of such Joint Patent or Product Patent in such country or jurisdiction at its sole cost and expense and following the same terms and obligations in accordance with Section 11.3.1(a) or Section 11.3.1(b), as applicable, as if Prosecuting and Maintaining in its Respective Territory. Notwithstanding the foregoing, if either Party wishes to maintain certain Information or inventions as trade secrets, then such Party shall notify the other Party thereof, and the Parties shall discuss in good faith and decide whether or not to include or disclose such Information or invention in any Patent. For clarity, a decision not to file a continuing patent application (including continuation or divisional applications) based on an allowed Joint Patent or a Product Patent that already covers a Licensed Compound, Licensed Product or Exploitation thereof shall not be considered a decision not to Prosecute or Maintain such Joint Patent or Product Patent for purposes of this Section 11.3.1(c).

11.3.2 UPC Opt-Out and Opt-In. As between the Parties, AbbVie shall have the first right to make decisions regarding the Opt-Out or Opt-In under Article 83(4) of the Agreement on a Unified Patent Court between the participating Member States of the European Union (2013/C 175/01), with respect to any Joint Patent or Product Patent, and pay all fees and make all submissions associated with such decision. At AbbVie's request, I-Mab as a Patent owner shall assist AbbVie in such submissions, including providing all necessary documents and making all necessary submissions at AbbVie's cost. If AbbVie decides not to make such decision with respect to any Joint Patent or Product Patent, I-Mab shall have the right to make such decision with respect to such Patent, and pay all fees and make all submissions associated therewith.

11.3.3 Cooperation. With respect to Joint Patents and Product Patents, the non-Prosecuting Party shall, and shall cause its Affiliates and any applicable Sublicensees to, assist and cooperate with the Party Prosecuting and Maintaining such Patent (the "**Prosecuting Party**"), as the Prosecuting Party may reasonably request from time to time, in the Prosecution and Maintenance of the Joint Patents or Product Patents under this Agreement, including that the non-Prosecuting Party shall, and shall cause its Affiliates and any applicable Sublicensees to, (a) offer its comments, if any, promptly, and (b) provide access to relevant documents and other evidence and make its employees available at reasonable business hours; *provided* that each Party shall bear its costs and expenses incurred in connection therewith.

11.3.4 Patent Term Extension and Supplementary Protection Certificate. With respect to each Licensed Product, as between the Parties, except as provided in the next sentence (a) AbbVie shall have the sole right, after consultation with I-Mab, to make decisions regarding, and to apply for, patent term extensions in the AbbVie Territory, including in the United States with respect to extensions pursuant to 35 U.S.C. § 156 et. seq. and in other jurisdictions in the AbbVie Territory pursuant to supplementary protection certificates, and in all jurisdictions in the AbbVie Territory with respect to any other extensions that are now or become available in the future, including pediatric exclusivity, wherever applicable, for the Product Patents, Joint Patents and any AbbVie Patent, in each case including whether or not to do so and determination of which patent(s) shall be extended; (b) I-Mab shall have the sole right, after consultation with AbbVie, to make decisions regarding, and to apply for, patent term extensions in the I-Mab Territory, including pursuant to supplementary protection certificates, and in all jurisdictions in the I-Mab Territory with respect to any other extensions that are now or become available in the future, including pediatric exclusivity, wherever applicable, for the Product Patents, Joint Patents and other I-Mab Patents, in each case including whether or not to do so and determination of which patent(s) shall be extended. If a Party has not applied for any patent term extension in a jurisdiction in its Respective Territory with respect to a Licensed Product, and has decided not to apply for any patent term extension in such jurisdiction for such Licensed Product, such Party shall promptly notify the other Party of such decision and, upon such notification, the other Party shall have the right, but not an obligation, to apply for the patent term extension for such Licensed Product in such jurisdiction at its sole cost and expense. Each Party shall provide prompt and reasonable assistance, as requested by the other Party applying for a patent term extension, including by taking such action as patent holder as is required under any Applicable Law to obtain any such extension or supplementary protection certificate where the other Party is applying for the patent term extension as permitted under this Section 11.3.4.

11.3.5 Patent Listings. With respect to each Licensed Product in the AbbVie Territory, as between the Parties, AbbVie shall have the sole right to determine and make all patent listings with Regulatory Authorities or other governmental authorities in the AbbVie Territory with respect to any Patents, including as required or allowed in the United States or other jurisdictions in the AbbVie Territory, and I-Mab shall have the sole right to determine and make all patent listings with Regulatory Authorities or other governmental authorities in the I-Mab Territory with respect to any Patents, including as required or allowed in China or other jurisdictions in the I-Mab Territory. Each Party shall, or shall cause its Affiliates to, upon the other Party's request and at the other Party's cost, (a) provide to the other Party that is determining and making patent listings all Information, including a correct and complete list of Product Patents and other patents owned by the Party, that are necessary or reasonably useful to enable the other Party to make such filing with Regulatory Authorities or other governmental authorities in the other Party's Respective Territory and (b) cooperate with the other Party in connection therewith, including meeting any submission deadlines.

11.3.6 Prosecution and Maintenance of Other I-Mab Patents. As between the Parties, I-Mab shall have the sole right, but not the obligation, to Prosecute and Maintain the I-Mab Patents that are not Product Patents, worldwide, at its sole cost and expense and using counsel of its own choice.

11.3.7 Prosecution and Maintenance of AbbVie Patents. As between the Parties, AbbVie shall have the sole right, but not the obligation, to Prosecute and Maintain all AbbVie Patents worldwide, at its sole cost and expense and using counsel of its own choice.

11.4 Enforcement of Patents.

11.4.1 Notice. Each Party shall promptly notify the other Party in writing of any alleged or threatened infringement of the Product Patents or Joint Patents, in any jurisdiction in any country of which such Party becomes aware based on the Exploitation of, including an application to register or market, any product containing a Licensed Compound or any Licensed Product or Competing Product (an "**Infringement**").

11.4.2 Enforcement of Joint Patents and Product Patents in the AbbVie Territory and the I-Mab Territory.

(a) As between the Parties, subject to Section 11.4.2(d), AbbVie shall have the first right, but not the obligation, to prosecute, initiate, control and manage any proceeding with respect to any Infringement with respect to the Joint Patents and Product Patents, in each case, in the AbbVie Territory, including as a defense or counterclaim in connection with any Third Party Infringement Claim, at AbbVie's sole cost and expense, using counsel of its own choice. If AbbVie prosecutes any such Infringement, I-Mab shall have the right to join as a party to such claim, suit or proceeding and participate with its own counsel at its sole cost and expense; *provided* that AbbVie shall retain control of the prosecution of such claim, suit or proceeding, including the response to any defense or counterclaim raised in connection therewith. AbbVie shall promptly inform I-Mab of all material steps with regard to the prosecution of any Infringement action in the AbbVie Territory and shall consider in good faith the requests and suggestions of I-Mab with respect to strategies for such prosecution. AbbVie shall consider in good faith I-Mab's patent litigation strategy with respect to the Licensed Compounds and Licensed Products in the I-Mab Territory when prosecuting any Infringement action in the AbbVie Territory.

(b) As between the Parties, subject to Section 11.4.2(d), I-Mab shall have the first right, but not the obligation, to prosecute, initiate, control and manage any proceeding with respect to any Infringement with respect to the Joint Patents and Product Patents, in each case, in the I-Mab Territory, including as a defense or counterclaim in connection with any Third Party Infringement Claim, at I-Mab's sole cost and expense, using counsel of its own choice. If I-Mab prosecutes any such Infringement, AbbVie shall have the right to join as a party to such claim, suit or proceeding and participate with its own counsel at its sole cost and expense; *provided* that I-Mab shall retain control of the prosecution of such claim, suit or proceeding, including the response to any defense or counterclaim raised in connection therewith. I-Mab shall promptly inform AbbVie of all material steps with regard to the prosecution of any Infringement action in the I-Mab Territory and shall consider in good faith the requests and suggestions of AbbVie with respect to strategies for such prosecution. I-Mab shall consider in good faith AbbVie's patent litigation strategy with respect to the Licensed Compounds and Licensed Products in the AbbVie Territory when prosecuting any Infringement action in the I-Mab Territory.

(c) Subject to Section 11.4.5, if the Party with the first right to initiate, control, manage and prosecute any Infringement or its designee decides not to initiate or prosecute an Infringement with respect to the Joint Patents or Product Patents in its Respective Territory, then (a) such Party shall timely notify the other Party and (b) upon such Party's written consent (such consent not to be unreasonably withheld, conditioned or delayed), the other Party may prosecute such Infringement at its sole cost and expense, subject to Section 11.4.2(d).

(d) Unless otherwise set forth herein, subject to Section 11.4.3 and Section 11.7, the Party that is prosecuting any Infringement action in accordance with this Section 11.4.2 shall have the sole right to manage and settle such action on its own; *provided* that neither Party shall have the right to take any action in, or settle, any Infringement litigation under Section 11.4.2 in a manner that is inconsistent with the terms of this Agreement or imposes any Out-of-Pocket Costs or liability on or involves any admission by the other Party without the prior written consent of such other Party (which consent shall not be unreasonably withheld, conditioned or delayed); *provided*, further, that neither Party shall take any action in, or settle, any Infringement litigation in a manner that would be inconsistent with the terms of this Agreement, or admit the invalidity or unenforceability of any Product Patent or Joint Patent or the non-infringement thereof by any Third Party, without the other Party's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed).

11.4.3 Cooperation. The Parties agree to cooperate fully in any Infringement action pursuant to Section 11.4.2, including by making the inventors, applicable records and documents (including laboratory notebooks) of the relevant Patents available to the controlling Party upon such Party's request. If a Party controls such an action, the other Party shall, and shall cause its Affiliates and any applicable Sublicensees to, assist and cooperate with the controlling Party, as such controlling Party may reasonably request from time to time, in connection with its activities set forth in Section 11.4.2, including where necessary, furnishing a power of attorney solely for such purpose or joining in, or being named as a necessary party to, such action, providing access to relevant documents and other evidence and making its employees available at reasonable business hours. Each Party shall bear its costs and expenses incurred in connection with the cooperation in this Section 11.4.3.

11.4.4 Recovery. Except as otherwise agreed by the Parties in connection with a cost sharing arrangement, any recovery realized as a result of such litigation described in Section 11.4.2 or Section 11.4.5 (whether by way of settlement or otherwise) shall be first allocated to reimburse the Parties for their Out-of-Pocket Costs in making such recovery (which amounts shall be allocated pro rata if insufficient to cover the totality of such expenses), except for any costs and expenses incurred by a Party in connection with its participation in an Infringement action controlled by the other Party at its sole cost and expense as set forth in Section 11.4.2. Any remainder after such reimbursement is made shall be retained by the Party that has exercised its right to bring the enforcement action; *provided*, however, that (a) any remaining amounts retained by AbbVie shall be treated as "**Net Sales**" in the AbbVie Territory in the Calendar Year in which the money is actually received and any royalties pursuant to Section 10.4 shall be payable by AbbVie to I-Mab with respect thereto and (b) any remaining amounts retained by I-Mab and treated as "**Net Sales**" in the I-Mab Territory in the Calendar Year in which the money is actually received and any royalties pursuant to Section 10.7 shall be payable by I-Mab to AbbVie with respect thereto; *provided*, further, that any such recovery shall not be considered for purposes of determining whether any milestones are payable pursuant to Section 10.3.

11.4.5 Biosimilar Litigation.

(a) Notwithstanding anything to the contrary in this Agreement, AbbVie shall have the first right, but not the obligation, to initiate, control, manage, prosecute and settle any litigation with respect to Biosimilar Products, or any applications seeking Regulatory Approval of Biosimilar Products and any proceedings associated therewith, in connection with any Patents, including any invalidity, unpatentability or unenforceability challenges, oppositions and post-grant proceedings in connection therewith (collectively "**Biosimilar Litigation**"), in the AbbVie Territory. If I-Mab receives notice or a copy of an application for a Biosimilar Product (a "**Biosimilar Application**") submitted to FDA or its foreign counterpart in the AbbVie Territory for which a Licensed Product is a "reference product," as such term is used in Section 351(i)(4) of the PHSA or the same or like term used in the foreign counterpart, whether or not such notice or copy is provided under any Applicable Laws, or otherwise becomes aware that such a Biosimilar Application has been submitted to a Regulatory Authority in the AbbVie Territory for Drug Approval Application (such as in an instance described in Section 351(1)(9)(C) of the PHSA), I-Mab shall, within five (5) Business Days of receipt of any such notice or communication, notify and provide AbbVie copies of such notice or communication to the extent permitted by Applicable Law. To the extent AbbVie has elected to prosecute any Biosimilar Litigation, AbbVie shall carry out any such rights and responsibilities of the "reference product sponsor," as defined in Section 351(l)(1)(A) of the PHSA, for purposes of such Biosimilar Application, in consultation with I-Mab to the extent permitted under Applicable Law and at AbbVie's sole expense. If requested by AbbVie, I-Mab shall seek to obtain access to the Biosimilar Application and related confidential information, including in accordance with Section 351(l)(1)(B)(iii) of the PHSA, if applicable.

(b) Notwithstanding anything to the contrary in this Agreement, I-Mab shall have the sole right, but not the obligation, to initiate, control, manage, prosecute and settle any Biosimilar Litigation in the I-Mab Territory and any proceedings associated therewith, in connection with any Product Patents, including any invalidity, unpatentability or unenforceability challenges, oppositions and post-grant proceedings in connection therewith.

(c) If permitted pursuant to Applicable Law, upon AbbVie's request, I-Mab shall assist AbbVie in identifying and listing any Patents pursuant to Section 351(l)(1)(3)(A) or Section 351(l)(7) of the PHSA, in preparing, pursuant to section 351(l)(3)(C) of the PHSA, a detailed statement regarding the reference product sponsor's opinion that the patent will be infringed and a response to the statement by the filer of the Biosimilar Application concerning validity and enforceability, in negotiating with the filer of the Biosimilar Application pursuant to Section 351(l)(4) of the PHSA, and in selecting Patents for and conducting litigation pursuant to Section 351(l)(5), Section 351(l)(6), and Section 351(l)(9) of the PHSA, to the extent applicable, and shall cooperate with AbbVie in responding to relevant communications with respect to such lists and statements from the filer of the Biosimilar Application. Upon AbbVie's request, I-Mab shall assist in seeking an injunction against any commercial marketing by the filer of a Biosimilar Application in the AbbVie Territory as permitted pursuant to Section 351(l)(8)(B) of the PHSA or in filing an action for infringement against the filer of such Biosimilar Application.

11.5 Infringement Claims by Third Parties.

11.5.1 If the Exploitation of a Licensed Product pursuant to this Agreement results in, or is reasonably expected to result in, any claim, suit or proceeding by a Third Party alleging infringement by a Party or any of its Affiliates or its or their Sublicensees, Distributors or customers (a "**Third Party Infringement Claim**"), including any defense or counterclaim in connection with an Infringement action initiated pursuant to Section 11.4.2, the Party first becoming aware of such alleged infringement shall promptly notify the other Party thereof in writing.

11.5.2 Notwithstanding Section 14.3, as between the Parties, (a) except with respect to I-Mab's obligations provided in the following clause (b), AbbVie shall defend and control the defense of any Third Party Infringement Claim at its sole cost and expense, using counsel of its own choice and (b) I-Mab shall defend and control the defense of any Third Party Infringement Claim brought against I-Mab or any of its Affiliates or Sublicensees related to its or their activities in the I-Mab Territory, at its sole cost and expense, using counsel of its own choice; *provided* that (i) each Party's defense or settlement of any such Third Party Infringement Claim in its Territory shall be consistent with the terms of this Agreement, and (ii) each Party shall not admit infringement of such Licensed Product, without the other Party's prior written consent (which consent shall not be unreasonably withheld, conditioned or delayed). The other Party may participate in any such claim, suit or proceeding with counsel of its choice at its sole cost and expense if permitted under Applicable Law. If a Party controls such an action, the other Party shall, and shall cause its Affiliates to, assist and cooperate with the controlling Party, as such controlling Party may reasonably request from time to time, in connection with its activities set forth in this Section 11.5, including if necessary, furnishing a power of attorney solely for such purpose or joining in, or being named as a necessary party to, such action, providing access to relevant documents and other evidence and making its employees available at reasonable business hours; *provided* that the controlling Party shall reimburse such other Party for its reasonable and verifiable Out-of-Pocket Costs incurred in connection therewith; *provided*, further, that neither Party shall take any action in, or settle, any Third Party Infringement Claim under this Section 11.5.2 in a manner that is inconsistent with the terms of this Agreement or imposes any Out-of-Pocket Costs or liability on or involves any admission by the other Party without the prior written consent of such other Party (which consent shall not be unreasonably withheld, conditioned or delayed). Each Party shall keep the other Party reasonably informed of all material developments in connection with any such claim, suit or proceeding. For clarity, the defense of a Third Party Infringement Claim includes filing a declaratory judgement action, a revocation or nullity action, a post-grant proceeding or any challenge in the applicable court or patent authority against a Patent of a Third Party involved in such Third Party Infringement Claim.

11.6 Invalidity or Unenforceability Defenses or Actions.

11.6.1 Notice. Each Party shall promptly notify the other Party in writing of any alleged or threatened assertion of invalidity, unpatentability or unenforceability of any of the Product Patents or Joint Patents, in each case, in the AbbVie Territory or the I-Mab Territory by a Third Party of which such Party becomes aware.

11.6.2 Defense.

(a) As between the Parties, subject to Section 11.6.2(d), AbbVie shall have the first right, but not the obligation, to defend (including the right to settle) and control the defense of the validity, patentability and enforceability of the Joint Patents and the Product Patents, in each case, in the AbbVie Territory, at its sole cost and expense and using counsel of its own choice, including when such invalidity or unenforceability is raised as a defense or counterclaim in connection with an Infringement action initiated pursuant to Section 11.4.2. AbbVie shall promptly inform I-Mab of all material steps with regard to the defense of any Joint Patent or Product Patent in the AbbVie Territory and shall reasonably consider any requests and suggestions of I-Mab with respect to strategies for such defense as well as I-Mab's patenting and patent litigation strategy with respect to the Licensed Compounds and Licensed Products in the I-Mab Territory.

(b) As between the Parties, subject to Section 11.6.2(d), I-Mab shall have the first right, but not the obligation, to defend (including the right to settle) and control the defense of the validity, patentability and enforceability of the Joint Patents and the Product Patents, in each case, in the I-Mab Territory, at its sole cost and expense and using counsel of its own choice, including when such invalidity or unenforceability is raised as a defense or counterclaim in connection with an Infringement action initiated pursuant to Section 11.4.2. I-Mab shall promptly inform AbbVie of all material steps with regard to the defense of any Joint Patent or Product Patent in the I-Mab Territory and shall reasonably consider any requests and suggestions of AbbVie with respect to strategies for such defense as well as AbbVie's patenting and patent litigation strategy with respect to the Licensed Compounds and Licensed Products in the AbbVie Territory.

(c) If the Party with the first right to defend and control the defense of the validity, patentability and enforceability of a Patent or its designee elects not to defend or control the defense of the Joint Patents or Product Patents in a suit brought in its Respective Territory, then (a) such Party shall timely notify the other Party and (b) upon such Party's written consent (such consent not to be unreasonably withheld, conditioned or delayed), the other Party may conduct and control the defense of any such claim, suit or proceeding at its sole cost and expense, subject to Section 11.6.2(d).

(d) Unless otherwise set forth herein, subject to Section 11.6.3 and Section 11.7, the Party that is controlling the defense of an action in accordance with this Section 11.6.2 shall have the sole right to manage and settle such action; *provided* that neither Party shall have the right to take any action in, or settle, any action under Section 11.6.2 in a manner that is inconsistent with the terms of this Agreement or imposes any Out-of-Pocket Costs or liability on or involves any admission by the other Party or any admission of the invalidity or unenforceability of any Product Patent or Joint Patent, without the prior written consent of such other Party (which consent shall not be unreasonably withheld, conditioned or delayed).

11.6.3 Cooperation. If a Party controls such an action, the other Party shall, and shall cause its Affiliates or applicable Sublicensees to, assist and cooperate with the controlling Party, as such controlling Party may reasonably request from time to time in connection with its activities set forth in Section 11.6.2, including furnishing a power of attorney solely for such purpose or joining in, or being named as a necessary party to, such action (where necessary), providing access to relevant documents and other evidence, making its employees available at reasonable business hours and making the inventors, applicable records and documents (including laboratory notebooks) of the relevant Patents available to the controlling Party upon such Party's request. The controlling Party shall keep the other Party reasonably informed of any material steps taken in connection with such defense, claim or counterclaim. Each Party shall bear its costs and expenses incurred in connection with the cooperation in this Section 11.6.3.

11.7 Third Party Rights.

11.7.1 If, in the reasonable opinion of AbbVie after consultation with I-Mab (and consideration of I-Mab's suggestions), the Development, Manufacture, Commercialization or other Exploitation of one or more Licensed Compounds or Licensed Products by AbbVie or any of its Affiliates or any of its or their Sublicensees, Distributors or customers infringes or misappropriates or is reasonably expected to infringe or misappropriate any Patent, trade secret or other intellectual property right of a Third Party in any country or jurisdiction in the AbbVie Territory (such right, a "**Third Party Right**"), then, as between the Parties, AbbVie shall have the sole right, but not the obligation, to negotiate and obtain a license or other rights from such Third Party to such Third Party Right as necessary or desirable for AbbVie or its Affiliates or its and their Sublicensees to Exploit Licensed Products in such country or jurisdiction in the AbbVie Territory. If AbbVie negotiates and obtains any such license from a Third Party, (a) AbbVie shall be entitled to deduct amounts payable to such Third Party from the Milestone Payments under Section 10.3 and royalties payable to I-Mab under Section 10.4.1 in accordance with Section 10.4.3(b) and subject to the applicable reduction floor set forth under Section 10.4.4(b) and (b) AbbVie shall notify I-Mab of the scope of the licensed Third Party Rights. For clarity, I-Mab will have the right under Section 11.7.3 to negotiate for the corresponding I-Mab Territory Third Party Rights.

11.7.2 Notwithstanding anything to the contrary in this Agreement, if in the reasonable opinion of AbbVie, the Development, Manufacture, Commercialization or Exploitation of one or more Licensed Compounds or Licensed Products by AbbVie or its Affiliates or Sublicensees infringes or is reasonably expected to infringe a Third Party Right or any invention or Information claimed therein in the AbbVie Territory, AbbVie or its Affiliates shall have the sole (subject to the following sentence) right, but not the obligation, to challenge the patentability, validity or enforceability of such Patents in any court of competent jurisdiction or before any supra-national, federal, national, regional, state, provincial and local governmental body of competent jurisdiction in the AbbVie Territory, including before the United States Patent and Trademark Office and the European Patent Office. Without AbbVie's prior written consent, I-Mab shall not knowingly challenge the patentability, validity or enforceability of such Patent in any court or governmental body in the AbbVie Territory in aspects covering or directly related to a Licensed Compound, Licensed Product or Exploitation thereof, and shall not challenge the patentability, validity or enforceability of such Patent in any court or governmental body in the AbbVie Territory if such Patent is listed in **Schedule 10.17**, or is a continuation, divisional or national stage entry of, or a Patent that is validated or extended based on a Patent listed in, or a Patent that claims the same priority as a Patent listed in **Schedule 10.17**; *provided* that I-Mab may challenge the patentability, validity or enforceability of such Patent in any court or governmental body in a country within the AbbVie Territory, only if (a) AbbVie has decided not to market a Licensed Product approved in the country because of such Patent, (b) such challenge by I-Mab does not have any estoppel effect against AbbVie and (c) whether or not AbbVie is a real party in interest or a beneficiary in such challenge does not have any effect on or otherwise affect any procedural or substantive issues in such challenge. If I-Mab has challenged the patentability, validity or enforceability of such Patent in the AbbVie Territory before the Effective Date, AbbVie shall have the right, but not the obligation, to manage and control such challenge, at AbbVie's sole cost and expense, after the Effective Date. I-Mab shall assist and cooperate fully with AbbVie as AbbVie may request from time to time in connection with the activities set forth in this Section 11.7.2.

11.7.3 If, in the reasonable opinion of I-Mab, the Development, Manufacture, Commercialization or other Exploitation of one or more Licensed Compounds or Licensed Products by I-Mab or any of its Affiliates or any of its or their Sublicensees, Distributors or customers infringes or is reasonably expected to infringe any Patent of a Third Party in the I-Mab Territory ("**I-Mab Territory Third Party Rights**"), then, I-Mab may negotiate and obtain a license or other rights to I-Mab Territory Third Party Rights in the I-Mab Territory as necessary or desirable for I-Mab to Develop, Manufacture or Commercialize such Licensed Compound or Licensed Product in the I-Mab Territory.

11.8 Product Trademarks.

11.8.1 Ownership of Product Trademarks. As between the Parties, AbbVie shall have the sole right, but not the obligation, to determine and shall own all right, title and interest in and to the Trademarks that are used in connection with the Exploitation of any Licensed Product in the AbbVie Territory (the "**Product Trademarks**"). Prior to the Initiation of the Registration Study for a Licensed Product in the I-Mab Territory, the Parties shall discuss in good faith the Trademark(s) to be used on such Licensed Product in the I-Mab Territory. If the Parties agree that I-Mab shall use a Product Trademark (to which AbbVie may agree in its sole discretion following such discussions), then the Parties shall negotiate and enter into a written license agreement for such Product Trademark (the "**I-Mab Territory Trademark Agreement**") at no additional cost to I-Mab and the following provisions of this Section 11.8 shall be subject to such I-Mab Territory Trademark Agreement with respect to the I-Mab Territory. I-Mab shall not and shall cause its Affiliates or any applicable Sublicensees not to, (a) other than permitted use of any Trademarks pursuant to the I-Mab Territory Trademark Agreement, use in their respective businesses, any Trademark that is confusingly similar to, misleading or deceptive with respect to or that dilutes any (or any part) of the Product Trademarks, and (b) do any act that endangers, destroys, or similarly affects, in any material respect, the value of the goodwill pertaining to the Product Trademarks. I-Mab shall not and shall cause its Affiliates not to and shall not permit its Sublicensees to, attack, dispute or contest the validity of or ownership of any Product Trademarks anywhere in the world or any registrations issued or issuing with respect thereto.

11.8.2 Prosecution and Maintenance of Product Trademarks. As between the Parties, AbbVie shall have the sole right, but not the obligation, at its sole cost and expense, to prosecute and maintain the Product Trademarks. I-Mab shall provide all assistance and documents reasonably requested by AbbVie in support of its prosecution, registration, and maintenance of the Product Trademarks at AbbVie's expense.

11.8.3 Enforcement of Product Trademarks. As between the Parties, AbbVie shall have the sole right, but not the obligation, to take such action as AbbVie deems necessary against a Third Party based on any alleged, threatened, or actual infringement, dilution, misappropriation, or other violation of, or unfair trade practices or any other like offense relating to, the Product Trademarks by a Third Party. AbbVie shall bear the costs and expenses relating to any enforcement action commenced pursuant to this Section 11.8.3 and any settlements and judgments with respect thereto, and shall retain any damages or other amounts collected in connection therewith.

11.8.4 Third Party Claims. As between the Parties, AbbVie shall have the sole right to defend against (including the right to settle) any alleged, threatened, or actual claim by a Third Party that the use or registration of the Product Trademarks infringes, dilutes, misappropriates, or otherwise violates any Trademark or other right of that Third Party or constitutes unfair trade practices or any other like offense, or any other claims as may be brought by a Third Party against a Party in connection with the use of the Product Trademarks with respect to a Licensed Product. AbbVie shall bear the costs and expenses relating to any defense commenced pursuant to this Section 11.8.4 and any settlements and judgments with respect thereto and shall retain any damages or other amounts collected in connection therewith.

11.8.5 Cooperation. I-Mab shall, and shall cause its Affiliates and its and their Sublicensees to assist and cooperate with AbbVie, as AbbVie may reasonably request from time to time, in connection with its activities set forth in this Section 11.8, including where necessary, furnishing a power of attorney solely for such purpose or joining in, or being named as a necessary party to, such action, providing access to relevant documents and other evidence and making its employees available at reasonable business hours; *provided* that AbbVie shall reimburse I-Mab for its reasonable and verifiable Out-of-Pocket Costs incurred in connection therewith.

11.9 I-Mab Territory Trademarks.

11.9.1 Ownership of I-Mab Product Trademarks. On a Licensed Product-by-Licensed Product basis, if the Parties do not agree that I-Mab shall use the Product Trademarks in connection with the Exploitation of such Licensed Product in the I-Mab Territory, then, as between the Parties, I-Mab shall have the sole right, but not the obligation, to determine and shall own all right, title and interest in and to any Trademarks that are solely used in connection with the Exploitation of such Licensed Product in the I-Mab Territory (the "I-Mab **Product Trademarks**"). AbbVie shall not and shall not permit its Affiliates or any applicable Sublicensees to, (a) use in their respective businesses in the I-Mab Territory, any Trademark that is confusingly similar to, misleading or deceptive with respect to or that dilutes any (or any part) of such I-Mab Product Trademark, and (b) do any act in the I-Mab Territory that endangers, destroys, or similarly affects, in any material respect, the value of the goodwill pertaining to such I-Mab Product Trademark. AbbVie shall not and shall not permit its Affiliates to, attack, dispute or contest the validity of or ownership of any I-Mab Product Trademarks in the I-Mab Territory or any registrations issued or issuing with respect thereto in the I-Mab Territory.

11.9.2 Prosecution and Maintenance of I-Mab Product Trademarks. As between the Parties, I-Mab shall have the sole right, but not the obligation, at its sole cost and expense, to prosecute and maintain the I-Mab Product Trademarks in the I-Mab Territory. AbbVie shall provide all assistance and documents reasonably requested by I-Mab in support of its prosecution, registration, and maintenance of the I-Mab Product Trademarks at I-Mab's expense.

11.9.3 Enforcement of I-Mab Product Trademarks. As between the Parties, I-Mab shall have the sole right, but not the obligation, to take such action as I-Mab deems necessary against a Third Party based on any alleged, threatened, or actual infringement, dilution, misappropriation, or other violation of, or unfair trade practices or any other like offense relating to, the I-Mab Product Trademarks by a Third Party. I-Mab shall bear the costs and expenses relating to any enforcement action commenced pursuant to this Section 11.9.3 and any settlements and judgments with respect thereto, and shall retain any damages or other amounts collected in connection therewith.

11.9.4 Third Party Claims. As between the Parties, I-Mab shall have the sole right to defend against (including the right to settle) any alleged, threatened, or actual claim by a Third Party that the use or registration of the I-Mab Product Trademarks infringes, dilutes, misappropriates, or otherwise violates any Trademark or other right of that Third Party or constitutes unfair trade practices or any other like offense, or any other claims as may be brought by a Third Party against a Party in connection with the use of the I-Mab Product Trademarks with respect to a Licensed Product. I-Mab shall bear the costs and expenses relating to any defense commenced pursuant to this Section 11.9.4 and any settlements and judgments with respect thereto and shall retain any damages or other amounts collected in connection therewith.

11.10 International Nonproprietary Name. As between the Parties, AbbVie shall have the sole right and responsibility to select the International Nonproprietary Name or other generic name or identifier for any Licensed Compound or Licensed Product. AbbVie acknowledges that I-Mab has submitted an application for Lemzoparlimab as the International Nonproprietary Name for the Initial Licensed Compound and has received approval therefor. AbbVie shall have the sole right and responsibility to manage and, if applicable, apply for submission to the World Health Organization for the International Nonproprietary Name and submission to the United States Adopted Names Council for the United States Adopted Name. As between the Parties, I-Mab shall have the sole right to select the Chinese-language translation of the (a) International Nonproprietary Name or (b) other generic name or identifier for such Licensed Product and the Licensed Compound contained in such Licensed Product, in either case, for the I-Mab Territory.

11.11 Common Interest. All Information exchanged between the Parties regarding the prosecution, maintenance, enforcement and defense of Patents under this Article 11 will be deemed to be Confidential Information of the disclosing Party. In addition, the Parties acknowledge and agree that, with regard to such prosecution, maintenance, enforcement and defense, the interests of the Parties as collaborators, licensors or licensees are to, for their mutual benefit, obtain patent protection and plan patent defense against potential patentability/invalidity challenges or infringement activities by Third Parties, and as such, are aligned and are legal in nature. Each Party agrees and acknowledges that it has not waived, and nothing in this Agreement constitutes a waiver of, any legal privilege concerning Patents under this Article 11, including privilege under the common interest doctrine and similar or related doctrines. Notwithstanding anything to the contrary in this Agreement, to the extent a Party has a good faith belief that any Information required to be disclosed by such Party to the other Party under this Article 11 is protected by attorney-client privilege or any other applicable legal privilege or immunity, such Party shall not be required to disclose such Information and the Parties shall in good faith cooperate to agree upon a procedure (which may include entering into a specific common interest agreement, disclosing such Information on a "for counsel eyes only" basis or similar procedure) under which such Information may be disclosed without waiving or breaching such privilege or immunity.

ARTICLE 12
CONFIDENTIALITY AND NON-DISCLOSURE

12.1 Confidentiality Obligations.

12.1.1 At all times during the Term and for a period of seven (7) years following termination or expiration of this Agreement in its entirety, each Party shall and shall cause its officers, directors, employees and agents to, keep confidential and not publish or otherwise disclose to a Third Party and not use, directly or indirectly, for any purpose, any Confidential Information furnished or otherwise made known to it, directly or indirectly, by the other Party, except to the extent such disclosure or use is expressly permitted by the terms of this Agreement. "**Confidential Information**" means any technical, business or other information provided by or on behalf of one Party to the other Party in connection with this Agreement, whether prior to, on or after the Execution Date, including the terms of this Agreement (subject to Section 12.5), Information relating to the Licensed Compounds or Licensed Products, any Development, Manufacturing, or Commercialization of any Licensed Product, any Information with respect thereto developed by or on behalf of the disclosing Party or its Affiliates or its or their Sublicensees, or the scientific, regulatory or business affairs or other activities of either Party. Notwithstanding the foregoing, Confidential Information constituting (a) the terms of this Agreement, Joint Know-How and I-Mab Product Information shall be deemed to be the Confidential Information of both Parties (and both Parties shall be deemed to be the receiving Party and the disclosing Party with respect thereto), and (b) any Information contained in any Regulatory Documentation that is assigned by I-Mab to AbbVie pursuant to Section 8.4 shall be the Confidential Information of both Parties and both Parties shall be deemed to be the receiving Party and the disclosing Party with respect thereto.

12.1.2 Notwithstanding Section 12.1.1, the confidentiality and non-use obligations under this Section 12.1 with respect to any Confidential Information shall not apply to any information that:

(a) is or hereafter becomes part of the public domain by public use, publication, general knowledge or the like through no breach of this Agreement by the receiving Party;

(b) can be demonstrated by documentation or other competent proof to have been in the receiving Party's possession prior to disclosure by the disclosing Party without any obligation of confidentiality with respect to such information; *provided* that the foregoing exception shall not apply with respect to Joint Know-How, I-Mab Product Information or Regulatory Documentation assigned by I-Mab pursuant to Section 8.4, or any intellectual property rights assigned by the receiving Party to the other Party pursuant to Section 11.1.4;

(c) is subsequently received by the receiving Party from a Third Party who is not bound by any obligation of confidentiality with respect to such information;

(d) has been published by a Third Party or otherwise enters the public domain through no fault of the receiving Party in breach of this Agreement; or

(e) can be demonstrated by documentation or other competent evidence to have been independently developed by or for the receiving Party without reference to the disclosing Party's Confidential Information; *provided* that the foregoing exception shall not apply with respect to Joint Know-How, I-Mab Product Information or Regulatory Documentation assigned by I-Mab pursuant to Section 8.4, or any intellectual property rights assigned by the receiving Party to the other Party pursuant to Section 11.1.4.

Specific aspects or details of Confidential Information shall not be deemed to be within the public domain or in the possession of the receiving Party merely because the Confidential Information is embraced by more general information in the public domain or in the possession of the receiving Party. Further, any combination of Confidential Information shall not be considered in the public domain or in the possession of the receiving Party merely because individual elements of such Confidential Information are in the public domain or in the possession of the receiving Party unless the combination is in the public domain or in the possession of the receiving Party.

12.2 Permitted Disclosures. Each Party may disclose Confidential Information of the other Party to the extent that such disclosure is:

12.2.1 Subject to Section 12.7, made in response to a valid order of a court of competent jurisdiction or other supra-national, federal, national, regional, state, provincial and local governmental or regulatory body of competent jurisdiction or, if in the reasonable opinion of the receiving Party's legal counsel, such disclosure is otherwise required by Applicable Law, including by reason of filing with securities regulators; *provided*, however, that the receiving Party shall first have given prompt written notice to the disclosing Party and given the disclosing Party a reasonable opportunity to quash such order or to obtain a protective order or confidential treatment requiring that the Confidential Information and documents that are the subject of such order or required to be disclosed be held in confidence by such court or governmental or regulatory body or, if disclosed, be used only for the purposes for which the order was issued or such disclosure was required by law; and *provided*, further, that the Confidential Information disclosed in response to such court or governmental order or as required by law shall be limited to the information that is legally required to be disclosed in response to such court or governmental order or by such Applicable Law;

12.2.2 made by or on behalf of the receiving Party to a patent authority as may be reasonably necessary or useful for purposes of preparing, obtaining, defending or enforcing a Patent; *provided*, however, that reasonable measures shall be taken to assure confidential treatment of such information, to the extent such protection is available;

12.2.3 made to its or its Affiliates' financial and legal advisors who have a need to know such disclosing Party's Confidential Information and are under written agreements containing obligations of confidentiality and non-use, in each case, at least as restrictive as those set forth in this Agreement; *provided* that the receiving Party shall remain responsible for any failure by such financial and legal advisors to treat such Confidential Information as required under this Article 12; or

12.2.4 made by the receiving Party or its Affiliates to potential or actual investors or acquirers as may be necessary in connection with their evaluation of such potential or actual investment or acquisition; *provided* that such Persons shall be subject to written obligations of confidentiality and non-use at least as restrictive as those set forth in this Agreement; and *provided*, further, that (a) this Agreement shall only be initially disclosed to such an investor or acquirer in a redacted form, such redacted form to be mutually agreed by the Parties in good faith, (b) any other such disclosure (including, subject to subsection (c), any unredacted version of this Agreement) shall only be made after negotiations with any such investor or acquirer have progressed so that the disclosing Party reasonably and in good faith believes it will execute a definitive agreement with such Third Party within [Redacted] and (c) promptly after the Effective Date, the Parties shall agree in good faith on a redacted version of the Agreement to be provided by I-Mab to any investor or acquiror that owns or controls, through itself or its affiliates, a Competing Product, which redacted version shall disclose enough of the terms and conditions of the Agreement to enable the investor or acquiror to determine whether or not to participate in such investment or acquisition (including material financial terms and business terms) while redacting competitively sensitive scientific and technical information, including the then current Initial Development Plan, AbbVie Territory Development Plan and I-Mab Territory Development Plan (and any past versions thereof), and I-Mab shall have the right to disclose such approved redacted version (and not the unredacted version of this Agreement) to any such investor or acquiror pursuant to subsection (c) above.

12.3 Additional Permitted Disclosures and Use.

12.3.1 AbbVie and its Affiliates and its and their Sublicensees may disclose and use Confidential Information of I-Mab as may be necessary or useful in connection with the Exploitation of the Licensed Products (including in connection with any filing, application or request for Regulatory Approval by or on behalf of AbbVie or any of its Affiliates or its or their Sublicensees) or otherwise in connection with the performance of its obligations or exercise of AbbVie's rights as contemplated by this Agreement, including to existing or potential Distributors, Sublicensees, collaboration partners or acquirers or transferees; *provided* that any such Person, to the extent applicable, shall be bound in writing to confidentiality and non-use obligations with respect to such Confidential Information under terms substantially similar to those set forth in this Article 12.

12.3.2 I-Mab and its Affiliates and its and their Sublicensees may disclose and use Confidential Information of AbbVie within the AbbVie Technology as may be necessary or useful in connection with the Development, Manufacturing or Commercialization of any Mono Licensed Product that contains the Initial Licensed Compound (or any backup therefor) (other than any Other Active or Other Ingredient) (including in connection with any filing, application or request for Regulatory Approval by or on behalf of I-Mab or any of its Affiliates or its or their Sublicensees in the I-Mab Territory) or otherwise in connection with the performance of its obligations or exercise of I-Mab's rights as contemplated by this Agreement, including to existing or potential Distributors, Sublicensees, collaboration partners or acquirers or transferees; *provided* that any such Person, to the extent applicable, shall be bound in writing to confidentiality and non-use obligations with respect to such Confidential Information under terms substantially similar to those set forth in this Article 12.

12.4 Use of Name. Except as expressly provided herein, neither Party shall mention or otherwise use Trademark (including any name or logo) of the other Party or any of its Affiliates or any of its or their Sublicensees (or any abbreviation or adaptation thereof) in any publication, press release, marketing and promotional material or other form of publicity without the prior written approval of such other Party in each instance. The restrictions imposed by this Section 12.4 shall not prohibit either Party from making any disclosure identifying the other Party (a) to the extent required in connection with its exercise of its rights or obligations under this Agreement, or (b) that is required by Applicable Law or the rules of a stock exchange on which the securities of the disclosing Party are listed (or to which an application for listing has been submitted); *provided* that such Party shall submit the proposed disclosure identifying the other Party in writing to the other Party as far in advance as reasonably practicable (unless a shorter period is required by Applicable Law, at least five (5) Business Days prior to the anticipated date of disclosure) so as to provide a reasonable opportunity to comment thereon.

12.5 Public Announcements. The Parties have agreed upon the content of one (1) or more press releases and investor presentations which shall be issued or presented, as applicable, substantially in the form(s) attached hereto as **Schedule 12.5**, the release or presentation of which the Parties shall coordinate in order to accomplish such release and presentations promptly upon execution of this Agreement. Neither Party shall issue any other public announcement, press release or other public disclosure regarding this Agreement or, except as provided in Section 12.6, its subject matter without the other Party's prior written consent, except for any such disclosure that is, in the opinion of the disclosing Party's counsel, required by Applicable Law or the rules of a stock exchange on which the securities of the disclosing Party (or, if applicable, a parent of such disclosing Party) are listed (or to which an application for listing has been submitted). In the event a Party (or, if applicable, a parent of such Party) is, in the opinion of its counsel, required by Applicable Law or the rules of a stock exchange on which its securities are listed (or to which an application for listing has been submitted) to make such a public disclosure, such Party shall submit the proposed disclosure in writing to the other Party as far in advance as reasonably practicable (and, unless a shorter period is required by Applicable Law, in no event less than [Redacted] prior to the anticipated date of disclosure) so as to provide a reasonable opportunity to comment thereon and the disclosing Party shall consider such other Party's comments in good faith. Neither Party shall be required to seek the permission of the other Party to disclose any information regarding the terms of this Agreement or any amendment hereto that has already been publicly disclosed by such Party or by the other Party, in accordance with this Section 12.5, *provided* that such information remains accurate as of such time and provided the frequency and form of such disclosure are reasonable.

12.6 Publications. The Parties recognize the desirability of publishing and publicly disclosing the results of, and information regarding, activities under this Agreement.

12.6.1 I-Mab Publications. I-Mab shall not and shall cause each of its Affiliates and its and their Sublicensees not to, from and after the Execution Date, make any publications or public disclosures regarding any Licensed Compound or Licensed Product without AbbVie's prior written consent (including with respect to the content thereof), which shall not be unreasonably withheld, conditioned or delayed.

12.6.2 AbbVie Publications. From and after the Execution Date, AbbVie, its Affiliates and applicable Sublicensees shall be free to make publications or public disclosures regarding any Licensed Compound or Licensed Product and publicly disclose the results of and information regarding Development activities with respect to any Licensed Compound or Licensed Products under this Agreement, subject to prior review by I-Mab of any disclosure of Confidential Information of I-Mab for issues of patentability and protection of such Confidential Information, in a manner consistent with Applicable Law and industry practices, as provided in this Section 12.6.2. Accordingly, prior to publishing or disclosing any Confidential Information of I-Mab, AbbVie shall provide I-Mab with drafts of proposed abstracts, manuscripts or summaries of presentations that cover such Confidential Information. I-Mab shall respond promptly through its designated representative and in any event no later than [Redacted] after receipt of such proposed publication or presentation or such shorter period as may be required by the publication or presentation. AbbVie shall allow a reasonable period (not to exceed [Redacted]) to permit filings for patent protection and to otherwise address issues of Confidential Information or related competitive harm to the reasonable satisfaction of I-Mab.

12.7 Filing of this Agreement in the I-Mab Territory. If this Agreement is required to be filed or registered with any governmental authority in the I-Mab Territory in accordance with Applicable Law for the purpose of enabling the payments of upfront, milestones, royalties and any other payments between the Parties, or to exercise, enforce and enjoy all of the rights and obligations contained in this Agreement or any amendment thereto, I-Mab shall provide notify AbbVie of such filing or registration requirement and the Parties shall cooperate in good faith to prepare and execute an abbreviated license agreement in form and substance reasonably acceptable to AbbVie. I-Mab shall not submit any abbreviated license agreement with the such governmental authority unless and until such abbreviated license agreement is executed by each Party. The Parties acknowledge and agree that the terms and conditions of this Agreement shall control in the event of any inconsistency in, or any dispute regarding, the interpretation, applicability or enforcement of any abbreviated license agreement executed by the Parties.

12.8 Return of Confidential Information. Upon the effective date of the termination of this Agreement in its entirety for any reason, upon the written request of a Party, the non-requesting Party shall either, at the requesting Party's election: (a) promptly destroy all copies of the requesting Party's Confidential Information (other than Joint Know-How) in the possession or control of the non-requesting Party and confirm such destruction in writing to the requesting Party; or (b) promptly deliver to the requesting Party, at the non-requesting Party's sole cost and expense, all copies of such Confidential Information (other than Joint Know-How) in the possession or control of the non-requesting Party. Notwithstanding the foregoing, the non-requesting Party shall be permitted to retain such Confidential Information (i) to the extent necessary or useful for purposes of performing any continuing obligations or exercising any ongoing rights hereunder and, in any event, a single copy of such Confidential Information for archival purposes and (ii) any computer records or files containing such Confidential Information that have been created solely by such non-requesting Party's automatic archiving and back-up procedures, to the extent created and retained in a manner consistent with such non-requesting Party's standard archiving and back-up procedures, but not for any other uses or purposes. All Confidential Information shall continue to be subject to the terms of this Agreement for the period set forth in Section 12.1.

12.9 Additional I-Mab Obligations.

12.9.1 I-Mab shall maintain a list of each individual (and his/her title) to whom any Confidential Information of AbbVie has been disclosed by or on behalf of I-Mab or any of its Affiliates (or who has had access to any Confidential Information of AbbVie) and upon AbbVie's request, provide AbbVie such list under confidence.

12.9.2 Upon AbbVie's request, I-Mab shall cause each individual to whom any Confidential Information of AbbVie has been disclosed by or on behalf of I-Mab or any of Affiliates (or who has had access to any Confidential Information of AbbVie) to sign a written confidentiality agreement specifically with respect to such Confidential Information that is no less onerous than the confidentiality obligations set forth in this Article 12.

ARTICLE 13
REPRESENTATIONS AND WARRANTIES

13.1 Mutual Representations and Warranties. I-Mab and AbbVie each represents and warrants to the other, as of the Effective Date:

13.1.1 It is duly organized, validly existing and in good standing under the Applicable Laws of the jurisdiction of its incorporation and has full corporate power and authority to enter into this Agreement and to carry out the provisions hereof;

13.1.2 The execution and delivery of this Agreement and the performance by it of the transactions contemplated hereby have been duly authorized by all necessary corporate action and do not violate: (a) such Party's charter documents, bylaws or other organizational documents; (b) in any material respect, any agreement, instrument or contractual obligation to which such Party is bound; (c) any requirement of any Applicable Law; or (d) any order, writ, judgment, injunction, decree, determination or award of any court or governmental agency presently in effect applicable to such Party;

13.1.3 This Agreement is a legal, valid and binding obligation of such Party enforceable against it in accordance with its terms and conditions, subject to the effects of bankruptcy, insolvency or other laws of general application affecting the enforcement of creditor rights, judicial principles affecting the availability of specific performance and general principles of equity (whether enforceability is considered a proceeding at law or equity); and

13.1.4 It is not under any obligation, contractual or otherwise, to any Person that conflicts with or is inconsistent in any material respect with the terms of this Agreement or that would impede the diligent and complete fulfillment of its obligations hereunder.

13.2 Additional Representations and Warranties of I-Mab. In addition to Section 13.1, I-Mab hereby represents, warrants and covenants to AbbVie as of the Execution Date and the Effective Date, as set forth below in this Section 13.2, except as set forth in the disclosure schedules attached hereto as of the Execution Date (the "**Initial Disclosure Schedules**") or the Updated Disclosure Schedules, as applicable.

13.2.1 I-Mab (a) is entitled to grant the licenses specified herein and (b) has the right to use all Regulatory Documentation, Information and Patents necessary for I-Mab to fulfill its obligations hereunder and all such Information and Patents are and will be I-Mab Know-How or I-Mab Patents respectively;

13.2.2 All I-Mab Patents existing (the "**Existing Patents**") are listed on **Schedule 13.2.2**, and each Existing Patent properly identifies each and every inventor of the claims thereof as determined in accordance with the laws of the jurisdiction in which such Existing Patent is issued or such application is pending and is (a) subsisting and, to I-Mab's Knowledge, is not invalid or unenforceable, in whole or in part, (b) solely and exclusively owned by I-Mab, free of any encumbrance, lien or claim of ownership by any Third Party and (c) filed and maintained properly and correctly and all applicable fees have been paid on or before the due date for payment or any extension thereof. The pending applications included in Existing Patents are being diligently prosecuted in the respective patent offices in the I-Mab Territory or AbbVie Territory, as applicable, in accordance with Applicable Law and, with respect to such pending applications, I-Mab and its Affiliates have presented all relevant references, documents and information of which it and the inventors are aware to the relevant patent examiner at the relevant patent office. True, complete and correct copies of the file wrappers and other documents and materials relating to the prosecution, defense, maintenance, validity and enforceability of the Existing Patents have been provided to AbbVie. All inventor assignments with respect to inventions claimed in the Existing Patents have been properly executed as necessary at each respective patent office in the AbbVie Territory in accordance with Applicable Law. Ownership rights with respect to Existing Patents have been sufficiently transferred between I-Mab and any of its Affiliates, and there are no outstanding chain of title issues with respect to any of the Existing Patents;

13.2.3 The Existing Patents represent the entirety of the patents or patent applications, whether published or unpublished, owned or Controlled by I-Mab or any of its Affiliates that cover the Initial Licensed Compound or Exploitation thereof.

13.2.4 All Existing Patents have been properly assigned to either I-Mab Shanghai or I-Mab US.

13.2.5 All of the Existing Patents are either granted or pending, and none have been abandoned without the ability to revive as a matter of right.

13.2.6 There are no pending or, to I-Mab's Knowledge, alleged or threatened, (a) inter partes reviews, post-grant reviews, interferences, re-examinations or oppositions involving the Existing Patents that are in or before any patent authority (or other governmental authority performing similar functions) or (b) any inventorship challenges involving the Existing Patents that are in or before any patent or other governmental authority;

13.2.7 The Existing Patents represent all Patents that I-Mab or its Affiliates own, Control or otherwise have rights to relating to any Licensed Compound or Licensed Product, or the Exploitation thereof as contemplated as of the Execution Date. To I-Mab's Knowledge, there is no Information owned by or otherwise in the possession or control of I-Mab or any of its Affiliates that relates to a Licensed Compound or a Licensed Product that is not within the I-Mab Know-How. Neither I-Mab nor any of its Affiliates has previously entered into any agreement, whether written or oral, with respect to or otherwise assigned, transferred, licensed, conveyed or otherwise encumbered its right, title or interest in or to any Patent or other intellectual property or proprietary right or Information that would be Existing Patents or I-Mab Know-How (including any Regulatory Documentation) but for such assignment, transfer, license, conveyance or encumbrance;

13.2.8 Neither I-Mab nor any of its Affiliates had (a) published, or disclosed to any Third Party, the sequence of the Initial Licensed Compound, or any CD47 binding fragment contained in such Initial Licensed Compound, prior to [Redacted]; or (b) sold, put on sale or in public use, made available to the public, or otherwise commercially exploited the Initial Licensed Compound or any CD47 binding fragment of the Initial Licensed Compound prior to [Redacted];

13.2.9 True, complete and correct copies of all agreements between I-Mab or any of its Affiliates and a Third Party pursuant to which I-Mab or any of its Affiliates receives a license or other rights under any I-Mab Technology (the "**In-License Agreements**") have been provided to AbbVie; *provided* that such copies have been redacted with respect to financial and other sensitive terms that are not applicable to I-Mab's obligations or AbbVie's rights hereunder. All of the In-License Agreements are included in **Schedule 13.2.9**, and (a) the licenses to I-Mab in the In-License Agreements that relate to I-Mab Technology are in full force and effect and by their terms and are sublicensable to AbbVie as contemplated by this Agreement; (b) all intellectual property rights relating to a Licensed Compound or a Licensed Product, or the Exploitation thereof, licensed to I-Mab or its Affiliates pursuant to the In-License Agreements are Controlled by I-Mab and the rights and obligations of the Parties hereunder are fully consistent with and are not limited in any material respect by the In-License Agreements, including such that the rights granted to AbbVie hereunder to intellectual property licensed pursuant to an In-License Agreement are no more restricted than the analogous rights granted to AbbVie hereunder with respect to intellectual property rights wholly owned by I-Mab or its Affiliates; (c) to I-Mab's Knowledge, there are no challenges to or violation of the rights granted to I-Mab thereunder by any Third Party; (d) I-Mab is not in breach under any of the In-License Agreements, nor, to I-Mab's Knowledge, is any counterparty thereto; (e) I-Mab has not received any written notice of breach under any of the In-License Agreements from the counterparty thereto; and (f) to I-Mab's Knowledge, no facts or circumstances exist that would reasonably be expected to give rise to any such challenge, violation or breach;

13.2.10 Neither I-Mab nor any of its Affiliates has entered into any agreement, whether written or oral, (excluding agreements described in Section 13.2.9 and excluding confidentiality and non-disclosure agreements entered into in the normal course) that (a) assigned, transferred, licensed, conveyed or otherwise encumbered its right, title or interest in or to the Existing Patents or I-Mab Know-How, (b) granted any Third Party any rights of reference under or access to the Regulatory Documentation existing as of the Execution Date ("**Existing Regulatory Documentation**"), or (c) expressly pertained to the Development, Manufacture or Commercialization of any Licensed Compound or Licensed Product;

13.2.11 (a) No claim or litigation has been brought or asserted (and I-Mab has no Knowledge of any claim, whether or not brought or asserted) by any Person alleging that (i) the Existing Patents are invalid or unenforceable or (ii) the conception, development, reduction to practice, disclosing, copying, making, assigning or licensing of the Existing Patents or the I-Mab Know-How (including the Existing Regulatory Documentation) or the Exploitation of the Initial Licensed Compound or Existing Product as contemplated herein, violates, infringes, constitutes misappropriation or would violate, infringe any intellectual property or proprietary right of any Person and (b) nor, to I-Mab's Knowledge do any facts or circumstances exist that could give rise to any such claims;

13.2.12 Except with respect to the claims listed in **Schedule 13.2.13**, (a) to I-Mab's Knowledge, AbbVie's Exploitation of the Initial Licensed Compound as the only therapeutically active ingredient, without any additional therapeutically active ingredient, in the indications listed in **Schedule 13.2.12** as contemplated herein will not infringe any Patent of any Person or infringe or misappropriate any other intellectual property or proprietary right of any Person (*provided* that as used herein Knowledge means facts and information known after performing an investigation of Patents in English) and (b) to I-Mab's actual knowledge without any duty of inquiry, AbbVie's Exploitation of the Initial Licensed Compound in any other oncology indication as contemplated herein will not infringe any Patent of any Person or infringe or misappropriate any other intellectual property or proprietary right of any Person;

13.2.13 I-Mab has conducted a reasonably thorough review of every Patent claim listed in **Schedule 13.2.13** and has determined that each such claim listed in **Schedule 13.2.13** is invalid under the Applicable Law of the country or region in which the Patent including such claim is granted;

13.2.14 The conception, development, and reduction to practice of the Existing Patents and I-Mab Know-How existing as of the Effective Date have not constituted or involved the misappropriation of trade secrets or other rights or property of any Person;

13.2.15 There are no amounts that will be required to be paid to a Third Party as a result of the Exploitation of any Licensed Compound or Licensed Product that arise out of any agreement to which I-Mab or any of its Affiliates is a party or, to I-Mab's Knowledge, at all, and the Exploitation of the Licensed Compounds and Licensed Products as contemplated herein will not be subject to any other license or agreement to which I-Mab or any of its Affiliates is a party, other than the In-License Agreements;

13.2.16 To I-Mab's Knowledge, no Person is infringing or threatening to infringe or misappropriating or threatening to misappropriate the Existing Patents or the I-Mab Know-How (including the Existing Regulatory Documentation);

13.2.17 Each Person who has or has had any rights in or to any Existing Patents, any I-Mab Know-How, any Licensed Compound or Licensed Product (including any Information and other materials with respect to a Licensed Compound or Licensed Product developed or delivered by any Third Party under any agreements between I-Mab and any such Third Party) has assigned and has executed an agreement assigning its entire right, title and interest in and to such Existing Patents, I-Mab Know-How, any Licensed Compound or Licensed Product (including any such Information and other materials);

13.2.18 The inventions claimed by the Existing Patents and any other intellectual property with respect to any Licensed Compound or Licensed Product were not conceived, reduced to practice, discovered, developed or otherwise made in connection with any research activities funded, in whole or in part, by any grants, funds, and other money received from any governmental authority, and no governmental authority or academic institution has any right to, ownership of (including any "step-in" or "march-in" rights with respect to), or right to royalties for, or to impose any restriction on the assignment, transfer, grant of licenses or other disposal of the Existing Patents or I-Mab Know-How (including any Existing Regulatory Documentation), or to impose any requirement or restriction on the Exploitation of any Licensed Compound or Licensed Product as contemplated herein;

13.2.19 Without limiting the generality of Section 13.2.18, none of the Existing Patents or I-Mab Know-How (including any Existing Regulatory Documentation) is subject to any restriction or obligation pursuant to any of (a) Article 21 of the PRC Science and Technology Progress Law (中华人民共和国科学技术进步法), (b) the Provisions on Management of National Science & Technology Prominent Project (Civil) (国家科技重大专项(民口)管理暂行规定), and (c) the United States Patent and Trademark Law Amendments Act, 35 U.S.C. § 200 et seq., each of (a)-(c), as may be amended or succeeded from time to time, and the regulations promulgated thereunder, or any similar Applicable Law of any other jurisdiction;

13.2.20 The amino acid sequence of the Initial Licensed Compound set forth in **Schedule 1.193** is identical to the amino acid sequence submitted in the application of the International Nonproprietary Name for the Initial Licensed Compound.

13.2.21 I-Mab has made available to AbbVie before the Execution Date all assignments and, to I-Mab's Knowledge, all agreements that license or otherwise transfer rights or interests related to or in connection with the Initial Licensed Compound to which an inventor for the Initial Licensed Compound, Third Venture Biopharma (Nanjing) Co. Ltd., I-Mab Shanghai or I-Mab US is a party.

13.2.22 Third Venture Biopharma Co, Ltd., I-Mab Biopharma Co., Ltd. are historical and current English names of 天境生物科技(上海)有限公司, respectively.

13.2.23 I-Mab has not granted any commercial license to any Third Party for any Existing Patent, other than for the CTCSA;

13.2.24 With respect to each Existing CTA, no exploratory studies (as defined in such Existing CTA) are being or have been conducted under such Existing CTA;

13.2.25 I-Mab has made available to AbbVie all material I-Mab Know-How (including any Existing Regulatory Documentation) and other Information, including Information regarding the safety or efficacy of any Licensed Compound or Licensed Product in its possession or Control, and all such I-Mab Know-How (including any Existing Regulatory Documentation) and other Information are true, complete and correct;

13.2.26 To the Knowledge of I-Mab, the I-Mab Know-How has been kept confidential or has been disclosed to Third Parties only under terms of confidentiality. To the Knowledge of I-Mab and its Affiliates no breach of such confidentiality has been committed by any Third Party;

13.2.27 I-Mab and its Affiliates have generated, prepared, maintained and retained all Existing Regulatory Documentation that is required to be maintained or retained pursuant to and in accordance with good laboratory and clinical practice and Applicable Law in all material respects and all such information is true, complete and correct;

13.2.28 I-Mab and its Affiliates have conducted, and their respective contractors and consultants have conducted, all Development of the Licensed Compounds and Licensed Products, including any and all pre-clinical studies related thereto, in accordance with good laboratory and clinical practice and Applicable Law;

13.2.29 Neither I-Mab nor any of its Affiliates is currently conducting, or has conducted in the preceding [Redacted] period, any Development activities with respect to any Antibody, molecule, compound or other therapeutic product that is a Licensed Compound (including, for clarity, any Antibody with a CD47 binding fragment) of any Antibody described in clause (a) or (b) of the definition of Licensed Compound other than the Initial Licensed Compound and the Existing Multi-Specific Compounds;

13.2.30 No documents were disclosed to AbbVie after [Redacted] established by or on behalf of I-Mab (or any subfolders thereof).

13.2.31 To I-Mab's Knowledge, there are no facts or circumstances that exist as of the Effective Date that would reasonably be expected to have an adverse effect in any material respect on the Exploitation of the Initial Licensed Compound as contemplated under this Agreement that have not been disclosed to AbbVie in writing, including via [Redacted] established by or on behalf of I-Mab (or any subfolders thereof).

13.2.32 Neither I-Mab nor any of its Affiliates, nor any of its or their respective officers, employees or agents has (a) committed an act, (b) made a statement or (c) failed to act or make a statement, in any case ((a), (b) or (c)), that (i) would be or create an untrue statement of material fact, failure to disclose a material fact, or fraudulent statement to FDA or any other Regulatory Authority with respect to the Exploitation of the Licensed Products or (ii) could reasonably be expected to provide a basis for FDA to invoke its policy respecting "**Fraud, Untrue Statements of Material Facts, Bribery and Illegal Gratuities**", set forth in 56 Fed. Reg. 46191 (September 10, 1991) and any amendments thereto, or any other Regulatory Authority to take similar action under analogous laws or policies in the I-Mab Territory or the AbbVie Territory;

13.2.33 The information, documents and materials furnished to AbbVie in connection with its period of diligence prior to the Execution Date, do not, taken as a whole, (a) contain any untrue statement of a material fact or (b) to I-Mab's Knowledge, omit to state any material fact necessary to make the statements or facts contained therein, in light of the circumstances under which they were made, not misleading.

13.2.34 Neither I-Mab nor any of its Affiliates, nor any officer, employee, or agent of I-Mab or its Affiliates, has ever been or is currently the subject of a proceeding that has or could lead to I-Mab or its Affiliates, or any officer, employee, or agent of I-Mab or its Affiliates, becoming a Restricted Individual or Entity. I-Mab shall not, and shall cause its Affiliates not to, use in any capacity, in connection with the obligations to be performed under this Agreement, any Person who is a Restricted Individual or Entity. I-Mab further covenants that if, during the Term, it or any of its Affiliates becomes a Restricted Individual or Entity, is listed on the FDA's Disqualified/Restricted List, the OIG's List of Excluded Individuals/Entities, or the System for Award Management Exclusions, or becomes subject to a proceeding that could result in it being a Restricted Individual or Entity, or if any officer, employee, or agent who performs any of I-Mab's obligations hereunder becomes a Restricted Individual or Entity, is added to the FDA's Disqualified/Restricted List, OIG's List of Excluded Individuals/Entities, or the System for Award Management Exclusions, or becomes subject to a proceeding that could result in it being a Restricted Individual or Entity, I-Mab shall, upon becoming aware thereof, immediately notify AbbVie and, without limiting any other rights or remedies available to AbbVie, AbbVie shall have the have the option, at its sole discretion, to prohibit such Person from performing work under this Agreement.

13.2.35 I-Mab has adopted, or will adopt, or has caused or will cause each of its Affiliates or its or their Sublicensees to adopt, an inventor reward and remuneration policy that shall be legally sufficient under the Applicable Law. Each of I-Mab, its Affiliates, or its or their Sublicensees has paid all required inventor rewards and remuneration to its or their employees, contractors or other Person in connection with the Existing Patents, as well as any I-Mab Know-How as of the Effective Date, and each inventor for the inventions described in the Existing Patents has confirmed in writing receipt of such reward and remuneration (including the adequacy thereof). Each of I-Mab, its Affiliates or its or their Sublicensees will pay all required inventor reward and remuneration to its or their employees, contractors or other Persons who perform Development activities, or regulatory activities under this Agreement, or who conceive, reduce to practice, discover, develop, invent or otherwise make any Information or other inventions under or in connection with this Agreement.

13.2.36 The collection and processing of clinical data under this Agreement by I-Mab, its Affiliates and its and their permitted subcontractors, and all transfers and sharing of such data and other Information (including I-Mab Know-How and Regulatory Documentation) contemplated hereunder, including any clinical data with respect to any Licensed Compound or Licensed Product (a) among I-Mab, its Affiliates or Third Party subcontractors pursuant to this Agreement, or (b) by I-Mab to AbbVie or its designee, as of the Effective Date, (i) have been valid and in compliance with all Applicable Law, (ii) have received all requisite governmental authority approvals, including applicable HGR Approval(s) (which shall be sufficiently broad to cover all such transfer and sharing of data, Information and Regulatory Documentation contemplated hereunder), and (iii) have not been subject to any revocation, suspension or restriction, or the imposition of any fine, penalty, sanction, or other liability for violation of any Applicable Law.

13.2.37 Neither I-Mab nor any of its Affiliates is (a) state-owned, (b) subject to any state-owned assets administrations or other authorities with respect to the registration of state-owned assets or ownership of scientific data or (c) under a collective ownership.

I-Mab shall have the right to provide AbbVie updated disclosure schedules (the "**Updated Disclosure Schedules**") up to [Redacted] prior to the Effective Date; *provided* that in the event I-Mab submits an Updated Disclosure Schedule in anticipation of the Effective Date occurring but the Effective Date does not occur as reasonably anticipated, then I-Mab shall have the right to submit updates to the Updated Disclosure Schedule up to [Redacted] prior to the Effective Date and if the Effective Date occurs sooner than reasonably expected, I-Mab shall have the right to submit the Updated Disclosure Schedule within [Redacted] after the Effective Date. The disclosures set forth in the Updated Disclosure Schedule shall be limited to (a) updating **Schedule 13.2.2** and (b) any matter arising after the Execution Date that, if existing at the Execution Date, would have been required to be set forth or described in the Initial Disclosure Schedules or that is otherwise necessary to correct any information in the Initial Disclosure Schedule that has been rendered inaccurate by such matter, in either case, solely with respect to the representations and warranties set forth in Section 13.2.6, Section 13.2.9(d) (solely with respect to any breach of an In-License Agreement by the counterparty thereto), Section 13.2.9(e), Section 13.2.11, Section 13.2.16 or Section 13.2.26 (solely with respect to any breach of confidentiality by a Third Party). I-Mab acknowledges and agrees that any disclosure made by I-Mab pursuant to the Updated Disclosure Schedules shall not be deemed to amend or supplement the Initial Disclosure Schedules for any purpose hereunder, including for purposes of the indemnification provisions under Section 14.2. For clarity, an exception made by I-Mab in the Updated Disclosure Schedules may not cure a deficiency in the Initial Disclosure Schedules. I-Mab acknowledges and agrees that any disclosure made in the Updated Disclosure Schedules cannot cure a breach of any covenant or obligation of I-Mab hereunder, including Section 13.5 or Section 13.6, and no disclosure made in the Updated Disclosure Schedules that relates to or reflects any such breach by I-Mab shall be deemed to qualify any representation or warranty hereunder.

13.3 Data Packages. With respect to each Data Package, the Party providing such Data Package to the other Party hereby represents and warrants to such other Party, as of the Delivery Date for such Data Package, that to the providing Party's Knowledge, such Data Package is true, complete and correct.

13.4 Debarment. Neither Party nor any of its Affiliates has been debarred or is subject to debarment and neither it nor any of its Affiliates has employed or otherwise used in any capacity, or will employ or otherwise use in any capacity in connection with the activities to be performed under this Agreement, any Person suspended, proposed for debarment, or debarred under Section 306 of the FFDCA or any foreign equivalent thereof, including the disqualification provisions of the Drug Administration Law in the I-Mab Territory and related regulations and rules, in performing any portion of its obligations hereunder. Each Party agrees to inform the other Party in writing promptly if it or any such Person who is performing activities hereunder is debarred or is the subject of a conviction described in Section 306 of the FFDCA or any foreign equivalent thereof, or if any action, suit, claim, investigation or legal or administrative proceeding is pending or, to the best of its or its Affiliates' Knowledge, is threatened, relating to the debarment or conviction of it or any such Person performing services hereunder.

13.5 Pre-Effective Date Covenants. Promptly following the Execution Date, I-Mab shall, or cause its Affiliates to:

13.5.1 file with the Office of Human Genetic Resource Administration ("**OHGRA**") an amendment to its prior HGR application for the clinical studies of the Existing Product existing as of the Execution Date to include AbbVie as an "other" entity as set forth in the HGR application form; and receive approval from the OHGRA for such amendment; and

13.5.2 take all actions necessary to obtain an official confirmation certificate from the OHGRA that allows I-Mab to transfer and share with AbbVie all Clinical Data generated in clinical trials for the Existing Product as of the Execution Date.

To the extent I-Mab requires AbbVie's reasonable assistance to fulfill its obligations under Section 13.5.1 or Section 13.5.2, AbbVie will use reasonable efforts to provide such assistance.

13.6 Additional Covenants. From and after the Execution Date, (a) neither Party shall, and each Party shall cause its Affiliates and applicable Sublicensees not to, (i) misappropriate any Information of a Third Party or knowingly infringe any valid and enforceable Patents of a Third Party, in each case, in connection with the Development of the Licensed Compounds or Licensed Products under the Initial Development Plan, or (ii) enter into any agreement, whether written or oral, with respect to, or otherwise assign, transfer, license, convey or otherwise encumber (including by granting any covenant not to sue with respect to) any Licensed Compound, Licensed Product, Information or Patent in a manner that is inconsistent with or otherwise diminishes the rights and licenses granted to the other Party and its Affiliates hereunder, and (b) I-Mab shall not, and shall cause its Affiliates and applicable Sublicensees not to (i) commit any acts or permit the occurrence of any omissions that would cause breach or termination of any In-License Agreement or (ii) amend or otherwise modify or permit to be amended or modified, any In-License Agreement without prior written consent of AbbVie.

13.7 Additional Covenants of I-Mab.

13.7.1 From and after the Execution Date, I-Mab shall, and shall cause its Affiliates, its and their permitted Sublicensees, subcontractors and collaboration partners to ensure that, (a) the collection and processing of Clinical Data under this Agreement by itself, its Affiliates and its and their Sublicensees, subcontractors and collaboration partners, and (b) all transfers and sharing of data, Information (including I-Mab Know-How and Regulatory Documentation) contemplated hereunder, including any Clinical Data with respect to any Licensed Compound or Licensed Product (i) among I-Mab, its Affiliates or its and their Sublicensees, subcontractors and collaboration partners pursuant to this Agreement, or (ii) by I-Mab to AbbVie or its designee, in each case ((a) or (b)), are collected, processed, transferred and shared, based on the judgment of I-Mab after reasonable inquiry of HGR personnel with sufficient seniority to provide reliable advice or counsel with appropriate expertise and experience in HGR-related issues, after having received all requisite governmental authority approvals (including applicable HGR Approval(s), which shall be sufficiently broad and filed as many times as needed to cover all such transfer and sharing of Clinical Data, Information and Regulatory Documentation contemplated hereunder to the extent such transfer and sharing is subject to the regulation of governmental authority approvals) or otherwise in compliance with the Applicable Law in the I-Mab Territory. To the extent that any transfer and sharing of data, Information (including Regulatory Documentation and clinical data with respect to any Licensed Compound or Licensed Product) by I-Mab to AbbVie or its designee requires AbbVie's reasonable assistance, AbbVie shall use reasonable efforts to provide such assistance.

13.7.2 With respect to each Existing CTA, I-Mab shall use commercially reasonable efforts to enter into an amendment with the applicable Existing Trial Site to provide that [Redacted].

13.7.3 From and after the Execution Date, with respect to each new clinical trial agreement entered into by a party or any of its Affiliates on the one hand, and a clinical trial site in the I-Mab Territory on the other hand, with respect to the development of a Licensed Product, such Party, as applicable, shall (or shall cause its Affiliate to), unless otherwise agreed by the Parties, subject to Section 13.7.4, use commercially reasonable efforts to cause such agreement to provide that [Redacted].

13.7.4 From and after the Execution Date, neither Party, nor any of its Affiliates, shall initiate any clinical study at any clinical site in the I-Mab Territory without the approval of the JGC [Redacted] unless the applicable clinical trial agreement provides that [Redacted].

13.7.5 [Redacted].

13.7.6 Upon AbbVie's request (not more than [Redacted] unless a prior certification identifies compliance concerns), I-Mab shall promptly deliver to AbbVie a certificate executed by the Chief Compliance Officer or an authorized officer of I-Mab substantially in the form of Exhibit A (*Compliance Certificate*).

13.8 Data Privacy and Security.

13.8.1 Subject to Section 13.8.3, for all Personal Data collected, Processed, hosted, or transmitted in performance of this Agreement, including the conduct of the Development activities under the Initial Development Plan, the I-Mab Territory Development Plan or the AbbVie Territory Development Plan and the preparation and transmission of the Data Packages, each Party shall:

(a) comply at all times with applicable Data Protection Laws;

(b) to the extent permitted by Applicable Law, notify the other Party, as soon as practicable and in any event prior to making the relevant disclosure, if it is obliged to make a disclosure of the Personal Data under any Applicable Law;

(c) make timely notification to and obtain any necessary authorizations from any relevant data protection regulator where required under applicable Data Protection Laws of its collection and other Processing of Personal Data in order to comply with its obligations under this Agreement;

(d) at all times, act in a manner such that it is not subject to any prohibition or restriction which shall (i) prevent or restrict it from disclosing or transferring the Personal Data to the other Party, as may be required under this Agreement; or (ii) prevent or restrict it from Processing the Personal Data as envisaged under this Agreement. If either Party becomes aware of any circumstances which it believes, acting reasonably, may give rise to such a prohibition or restriction, it shall promptly notify the other Party of the same and take all reasonable steps, including following the other Party's reasonable instructions, to ensure that it does not impact its performance of its obligations under this Section 13.8;

(e) implement measures designed to ensure that all fair Processing or informed consent notices have been obtained by the study sponsor and are maintained and are sufficient in scope to enable the other Party to Process the Personal Data as required in order to comply with its obligation under this Agreement to obtain the benefit of its rights and to fulfil its obligations under this Agreement (including the transfer of all applicable Personal Data), in each case in accordance with applicable Data Protection Laws;

(f) implement and maintain commercially reasonable administrative, technical, and physical safeguards designed to (i) maintain the security and confidentiality of the Personal Data; (ii) protect against reasonably anticipated threats or hazards to the security or integrity of the Personal Data; and (iii) protect against unauthorized access to or use of Personal Data;

(g) notify the other Party promptly, and in any event within [Redacted] of receipt of any correspondence from: (i) a data protection regulator in relation to the Processing of Personal Data related to this Agreement, or (ii) a request or notice from a data subject exercising his rights under applicable Data Protection Laws including to access, rectify or delete his Personal Data in relation to the Personal Data Processed under this Agreement; and

(h) refrain from taking actions related to the Processing of the Personal Data, which would be reasonably likely to damage or impair the other Party's reputation.

13.8.2 Security Breach Notification. Each Party shall notify the other Party promptly and without undue delay upon learning of any actual misappropriation or unauthorized access to, or disclosure or use of the Personal Data Processed under the Agreement in its possession, custody or control (a "**Data Breach**"). The Party that experienced the Data Breach shall promptly investigate each Data Breach that it becomes aware of or has reason to suspect may have occurred and, in the case of a Data Breach and shall provide reasonable levels of access and information to the other Party. The Parties shall cooperate in identifying any reasonable steps that should be implemented to limit, stop or otherwise remedy a Data Breach.

13.8.3 Compliance with Applicable Data Protection Laws. In the event either Party reasonably determines that applicable Data Protection Laws require the Parties to execute any additional documents or agreements, the Parties shall negotiate in good faith to execute and implement such documents or agreements, including a cross-border data transfer agreement, a data protection addendum or data protection impact assessment under Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation).

13.9 DISCLAIMER OF WARRANTIES. EXCEPT FOR THE EXPRESS WARRANTIES SET FORTH HEREIN, NEITHER PARTY MAKES ANY REPRESENTATIONS OR GRANTS ANY WARRANTIES, EXPRESS OR IMPLIED, EITHER IN FACT OR BY OPERATION OF LAW, BY STATUTE OR OTHERWISE AND EACH PARTY SPECIFICALLY DISCLAIMS ANY OTHER WARRANTIES, WHETHER WRITTEN OR ORAL OR EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF QUALITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR USE OR PURPOSE.

13.10 Anti-Bribery and Anti-Corruption Compliance. Each Party represents, warrants, and covenants to the other Party in connection with this Agreement that:

13.10.1 it shall, and shall cause its Affiliates and its and their Sublicensees and subcontractors to, conduct their activities and exercise their rights under this Agreement in a manner that complies with Applicable Law, including the PRC Criminal Law and the PRC Anti-unfair Competition Law, the U.S. Foreign Corrupt Practices Act, the UK Bribery Act 2010, each, as may be amended from time to time, and any other applicable anti-corruption laws and laws for the prevention of fraud, racketeering, money laundering or terrorism (collectively, "**Anti-Corruption Laws**"), and good business ethics.

13.10.2 it shall not, and shall cause its Affiliates and its and their Sublicensees and subcontractors not to, directly or indirectly, in connection with its activities under this Agreement pay, offer or promise to pay, or authorize the payment of any money, or give, offer or promise to give, or authorize the giving of anything of value (collectively, a "**Payment**") to any official or employee of any government, or any department, agency, or instrumentality thereof; political party or political party official; official or employee of any international public organizations; candidates for public office; representatives of other businesses; health care professionals; or persons acting on behalf of any of the foregoing (collectively, "**Officials**") if such Payment would constitute a violation of any Anti-Corruption Law. In addition, regardless of legality, neither Party shall, and each Party shall cause its Affiliates and its and their Sublicensees and subcontractors not to, make any Payment, directly or indirectly, in connection with its activities under this Agreement, to any Official if such Payment is for the purpose of (a) improperly influencing or rewarding any act or decision of such Official, (b) inducing such Official to do or omit to do any act in violation of his or her lawful duty, (c) improperly inducing such Official to use its or his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality, or (d) securing any improper advantage for either Party. Each Party acknowledges and agrees that none of it, or any of its Affiliates or its or their respective officers, directors, employees, agents or representatives (collectively, "**Representatives**") is authorized to waive compliance with the provisions of this Section 13.10 and that each Party will be solely responsible for its compliance with the provisions of this Section 13.10 and the Anti-Corruption Laws irrespective of any act or omission of the other Party or any of its Affiliates or Sublicensees or its or their respective Representatives. Without prejudice to any other rights or remedies that may be available to AbbVie under this Agreement or in law or equity, AbbVie may terminate this Agreement in its entirety immediately on notice to I-Mab in the event that [Redacted]. In the event of such termination, AbbVie shall have no liability to I-Mab for any charges, fees, reimbursements, or other compensation or claims under this Agreement, including for services previously performed.

13.10.3 Each Party shall promptly notify the other Party upon becoming aware of and shall keep the other Party reasonably apprised of, (a) any allegation or violation of, or any notice, subpoena, demand, or other communication (oral or written) from any governmental authority regarding such Party's actual, alleged, or possible failure to comply with, any Anti-Corruption Laws or any other Applicable Law by such Party or any of its Affiliates or those acting on such Party's behalf, (b) any confirmed or corroborated violation of Anti-Corruption Laws or any other Applicable Law that are the result of an internal inquiry; and (c) the occurrence of any fact or event that would render any representation, warranty, covenant, or undertaking in Section 13.10.2 or Section 13.10.3 incorrect or misleading, in each case ((a) - (c)), in connection with the matters that are the subject of this Agreement, including the performance by such Party of its obligations hereunder. Following such notification, such Party shall keep the other Party reasonably apprised of the matters described in this Section 13.10.3 throughout the duration of such matters.

ARTICLE 14
INDEMNITY

14.1 Indemnification of I-Mab. Subject to Section 14.3, AbbVie shall indemnify I-Mab, its Affiliates and its and their respective directors, officers, employees and agents (collectively, the "**I-Mab Indemnitees**"), and defend and save each of them harmless, from and against any and all losses, damages, liabilities, costs and expenses (including reasonable attorneys' fees and expenses) (collectively, "**Losses**") in connection with any and all suits, investigations, claims or demands of Third Parties (collectively, "**Third Party Claims**") arising from or occurring as a result of: [Redacted].

14.2 Indemnification of AbbVie. Subject to Section 14.3, I-Mab shall indemnify AbbVie, its Affiliates, its and their respective directors, officers, employees and agents (collectively, the "**AbbVie Indemnitees**"), and defend and save each of them harmless, from and against any and all Losses in connection with any and all Third Party Claims arising from or occurring as a result of: [Redacted].

14.3 Indemnification Procedures.

14.3.1 Notice of Claim. All indemnification claims in respect of an AbbVie Indemnitee or an I-Mab Indemnitee shall be made solely by AbbVie or I-Mab, as applicable (each of AbbVie or I-Mab in such capacity, the "**Indemnified Party**"). The Indemnified Party shall give the indemnifying Party (each of AbbVie or I-Mab in such capacity, the "**Indemnifying Party**") prompt written notice (an "**Indemnification Claim Notice**") [Redacted] after becoming aware of any Third Party Claim asserted or threatened against an AbbVie Indemnitee or an I-Mab Indemnitee, as applicable, that could give rise to a right of indemnification under this Agreement, but in no event shall the Indemnifying Party be liable for any Losses to the extent such Losses result from any delay in the Indemnified Party providing such Indemnification Claim Notice. Each Indemnification Claim Notice must contain a description of the Third Party Claim and the nature and amount of such Loss (to the extent that the nature and amount of such Loss is known at such time). The Indemnified Party shall promptly furnish to the Indemnifying Party copies of all papers and official documents received in respect of any Losses and Third Party Claims.

14.3.2 Control of Defense. At its option, the Indemnifying Party may assume the defense of any Third Party Claim, except for any Third Party Infringement Claim, the procedures for which are set forth in Section 11.5.2, by notifying the Indemnified Party in writing within [Redacted] after the Indemnifying Party's receipt of an Indemnification Claim Notice. The assumption of the defense of a Third Party Claim by the Indemnifying Party shall not be construed as an acknowledgment that the Indemnifying Party is liable to indemnify any AbbVie Indemnitee or I-Mab Indemnitee, as applicable, in respect of such Third Party Claim, nor shall it constitute a waiver by the Indemnifying Party of any defenses it may assert against an AbbVie Indemnitee's or I-Mab Indemnitee's, as applicable, claim for indemnification. Upon assuming the defense of a Third Party Claim, the Indemnifying Party may appoint as lead counsel in the defense of the Third Party Claim any legal counsel reasonably selected by the Indemnifying Party reasonably acceptable to the Indemnified Party. If the Indemnifying Party assumes the defense of a Third Party Claim, the Indemnified Party shall promptly deliver to the Indemnifying Party all original notices and documents (including court papers) received by any AbbVie Indemnitee or I-Mab Indemnitee, as applicable, in connection with such Third Party Claim. If the Indemnifying Party assumes the defense of a Third Party Claim, except as provided in Section 14.3.3, the Indemnifying Party shall not be liable to the Indemnified Party for any legal expenses subsequently incurred by such Indemnified Party or any AbbVie Indemnitee or I-Mab Indemnitee, as applicable, in connection with the analysis, defense or settlement of such Third Party Claim unless specifically requested in writing by the Indemnifying Party. If it is ultimately determined that the Indemnifying Party is not obligated to indemnify, defend or hold harmless an AbbVie Indemnitee or I-Mab Indemnitee, as applicable, from and against a Third Party Claim, the Indemnified Party shall reimburse the Indemnifying Party for any and all reasonable and verifiable costs and expenses (including attorneys' fees and costs of suit) and any Losses incurred by the Indemnifying Party in its defense of such Third Party Claim.

14.3.3 Right to Participate in Defense. The Indemnified Party shall be entitled to participate in, but not control, the defense of a Third Party Claim and to employ counsel of its choice for such purpose; *provided* that such employment shall be at the Indemnified Party's sole cost and expense unless (a) the employment thereof has been specifically authorized in writing by the Indemnifying Party, (b) the Indemnifying Party has failed to assume the defense and employ counsel in accordance with Section 14.3.2 (in which case the Indemnified Party shall control the defense) or (c) the interests of the AbbVie Indemnitee or I-Mab Indemnitee, as applicable, on the one hand, and the Indemnifying Party, on the other hand, with respect to such Third Party Claim are sufficiently adverse to prohibit the representation by the same counsel of all such Persons under Applicable Law, ethical rules or equitable principles (in which case the Indemnifying Party shall control its defense and the Indemnified Party shall control the defense of the AbbVie Indemnitees or the I-Mab Indemnitees, as applicable).

14.3.4 Settlement. With respect to any Third Party Claim for which the Indemnifying Party has assumed the defense of such Third Party Claim in accordance with Section 14.3.2 that relates solely to the payment of money damages in connection with such Third Party Claim and that will not result in any AbbVie Indemnitee or I-Mab Indemnitee, as applicable, becoming subject to injunctive or other relief, and as to which the Indemnifying Party has acknowledged in writing the obligation to indemnify all AbbVie Indemnitees or I-Mab Indemnitees, as applicable, hereunder, [Redacted]. With respect to all other Third Party Claims for which the Indemnifying Party has assumed the defense of the Third Party Claim in accordance with Section 14.3.2, [Redacted]. If the Indemnifying Party has assumed the defense of a Third Party Claim in accordance with Section 14.3.2, [Redacted]. Regardless of whether the Indemnifying Party chooses to defend or prosecute any Third Party Claim, the Indemnified Party [Redacted] under Section 14.1 or Section 14.2, as applicable, without the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld, conditioned or delayed).

14.3.5 Cooperation. Regardless of whether the Indemnifying Party chooses to defend or prosecute any Third Party Claim, the Indemnified Party shall and shall cause each AbbVie Indemnitee or I-Mab Indemnitee, as applicable, to, cooperate in the defense or prosecution thereof and shall furnish such records, information and testimony, provide such witnesses and attend such conferences, discovery proceedings, hearings, trials and appeals as may be reasonably requested in connection therewith. Such cooperation shall include access during normal business hours, afforded to the Indemnifying Party to, and reasonable retention by the Indemnified Party and AbbVie Indemnitee or I-Mab Indemnitee, as applicable, of, records and information that are reasonably relevant to such Third Party Claim and making the AbbVie Indemnitees or I-Mab Indemnitees, as applicable, and other employees and agents available on a mutually convenient basis to provide additional information and explanation of any material *provided* hereunder; *provided* that neither Party shall be required to disclosed legally privileged information unless and until procedures reasonably acceptable to such Party are in place to protect such privilege, and the Indemnifying Party shall reimburse the Indemnified Party for all its reasonable and verifiable Out-of-Pocket Costs in connection therewith, without prejudice to the Indemnifying Party's right to contest any AbbVie Indemnitee's or I-Mab Indemnitee's, as applicable, right to indemnification and subject to refund if the Indemnifying Party is ultimately held not to be obligated to indemnify an AbbVie Indemnitee or an I-Mab Indemnitee, as applicable.

14.4 Special, Indirect and Other Losses. EXCEPT (A) IN THE EVENT OF THE WILLFUL MISCONDUCT OR FRAUD OF A PARTY OR A PARTY'S BREACH OF ITS OBLIGATIONS UNDER SECTION 2.4 OR ARTICLE 12, (B) AS PROVIDED UNDER SECTION 16.11, AND (C) TO THE EXTENT ANY SUCH DAMAGES ARE REQUIRED TO BE PAID TO A THIRD PARTY AS PART OF A CLAIM FOR WHICH A PARTY PROVIDES INDEMNIFICATION UNDER THIS ARTICLE 14, NEITHER PARTY NOR ANY OF ITS AFFILIATES OR SUBLICENSEES SHALL BE LIABLE IN CONTRACT, TORT, NEGLIGENCE, BREACH OF STATUTORY DUTY OR OTHERWISE FOR ANY SPECIAL, PUNITIVE OR CONSEQUENTIAL DAMAGES OR FOR LOSS OF PROFITS SUFFERED BY THE OTHER PARTY.

14.5 Insurance.

(a) I-Mab shall obtain and carry in full force and effect the minimum insurance requirements set forth herein from an insurance company properly licensed to provide the required insurance. Such insurance (i) shall be primary insurance with respect to I-Mab's own participation under this Agreement, (ii) shall be issued by a recognized insurer rated by A.M. Bests "**A-IX**" (or its equivalent) or better, or an insurer pre-approved in writing by AbbVie, (iii) shall list AbbVie as an additional insured thereunder, and (iv) shall require [Redacted]' written notice to be given to AbbVie prior to any cancellation, non-renewal or material change thereof. The types of insurance and minimum limits shall be:

(i) **Required Coverages**: I-Mab shall at all times maintain in force any insurance policy in connection with this Agreement that is required by any Applicable Law and at all times remain fully compliant with any Applicable Law.

(ii) **Clinical Trial Insurance**: Effective at least [Redacted] prior to the launch of any human clinical trials sponsored by I-Mab under this Agreement (including, for clarity, any ongoing trials under the Initial Development Plan), I-Mab shall obtain a clinical trial insurance, with a minimum limit of [Redacted] in the aggregate, in force throughout the life of any such clinical trials, and such insurance shall be effected, maintained and documented to AbbVie in compliance with this Agreement and in compliance with any Applicable Law in the I-Mab Territory.

(iii) Product Liability: Effective at least [Redacted] prior to First Commercial Sale of a Licensed Product in the I-Mab Territory, I-Mab shall obtain a product liability insurance with a minimum limit of [Redacted] in the aggregate, in force throughout the period during which any Licensed Product is sold in the I-Mab Territory.

(b) AbbVie hereby represents and warrants to I-Mab that it is self-insured against liability and other risks associated with its and its Affiliates' and any Sublicensees' activities and obligations under this Agreement, including clinical trials (sponsored by AbbVie in any country or jurisdiction where such coverage is required), the Exploitation of Licensed Products in the AbbVie Territory and AbbVie's indemnification obligations hereunder, in such amounts and on such terms as are (i) reasonably, normal and customary for large pharmaceutical companies in the pharmaceutical industry for the activities to be conducted by it under this Agreement, and (ii) otherwise required by Applicable Law. AbbVie shall furnish to I-Mab evidence of such self-insurance upon I-Mab's reasonable request.

ARTICLE 15
TERM AND TERMINATION

15.1 Term and Expiration. This Agreement shall take effect automatically without further action of either Party on the Effective Date; *provided*, however, that the provisions of Section 2.4, Section 7.2.9, Section 13.5, Section 13.6, Section 13.7.1, Section 13.7.3, Section 13.7.4, Section 15.2.4, Article 12 and Article 16 shall become binding and effective as of the Execution Date. Unless earlier terminated in accordance herewith, this Agreement shall continue in force and effect until the later of (a) the date of expiration of the last Royalty Term for the last Licensed Product, and (b) the date of expiration of the last I-Mab Royalty Term for the last Licensed Product (such period, the "**Term**"). Following the expiration of the Royalty Term for a Licensed Product in a country or jurisdiction, the rights granted in Section 2.1 shall become fully-paid, royalty-free, perpetual and irrevocable for such Licensed Product in such country or jurisdiction. Following the expiration of the I-Mab Royalty Term for an Licensed Product in a country or jurisdiction, the rights granted in Section 2.2 shall become fully-paid, royalty-free, perpetual and irrevocable for such Licensed Product in such country or jurisdiction. For clarity, upon the expiration of the Term, the rights granted in Section 2.1 and Section 2.2 shall become fully-paid, royalty-free, perpetual and irrevocable in their entirety.

15.2 Termination.

15.2.1 Material Breach.

(a) If either Party (the "**Breaching Party**") materially breaches any of its material obligations under this Agreement in a manner that fundamentally frustrates the value or essential characteristics of the transactions contemplated by this Agreement, in addition to any other right and remedy the other Party (the "**Non-Breaching Party**") may have, the Non-Breaching Party may terminate this Agreement in its entirety by providing [Redacted] (the "**Notice Period**") prior written notice (the "**Termination Notice"**) to the Breaching Party and specifying the breach and its claim of right to terminate; [Redacted].

(b) [Redacted].

(c) [Redacted].

15.2.2 Termination by AbbVie. AbbVie may terminate this Agreement: (a) in its entirety immediately upon written notice to I-Mab if AbbVie in good faith determines [Redacted].

15.2.3 Termination for Insolvency. If either Party or a controlling Affiliate (a) makes an assignment for the benefit of creditors, (b) appoints or suffers appointment of a receiver or trustee over all or substantially all of its property that is not dismissed or discharged within [Redacted] after such appointment, (c) proposes a written agreement of composition or extension of its debts and obligations owed to all or substantially all of its creditors, (d) proposes or is a party to any dissolution or liquidation with any government authority, (e) files a petition under any bankruptcy or insolvency law or is the subject of any such petition that is not dismissed within [Redacted] of the filing thereof or (f) admits in writing its inability to meet its obligations as they generally become due, then the other Party may terminate this Agreement in its entirety effective immediately upon written notice to such Party.

15.2.4 Termination for Failure or Delay to Obtain HSR Clearance. This Agreement shall terminate (a) upon notice given by AbbVie to I-Mab if either Party receives a second request for additional information under the HSR Act (a "**Second Request**"), or (b) upon notice given by AbbVie to I-Mab if the Effective Date has not occurred within one hundred eighty (180) days after the date on which the HSR Filing is made.

15.2.5 Termination by I-Mab. I-Mab shall have the right to terminate this Agreement in its entirety in accordance with Section 2.6.

15.2.6 Termination for Patent Challenge. Except to the extent the following is unenforceable or prohibited under Applicable Law or is in violation of public policy in a particular jurisdiction, I-Mab may terminate this Agreement upon [Redacted] prior written notice to AbbVie if AbbVie or its Affiliates, individually or together with any other Person, commences a legal action challenging the validity or enforceability of any I-Mab Patents that are Product Patents and specified in **Schedule 15.2.6** anywhere in the world (a "**Patent Challenge**"); *provided*, however, that I-Mab shall not have the right to terminate this Agreement if, [Redacted] after receipt of written notice from I-Mab, AbbVie or its Affiliate, as applicable, rescinds any and all of such Patent Challenge (or in the case of ex-parte proceedings, multi-party proceedings, or other Patent Challenges that AbbVie or such Affiliate does not have the power to unilaterally withdraw or cause to be withdrawn, AbbVie and its Affiliate, as applicable, knowingly ceases providing any direction to any Person with respect to such Patent Challenge and, to the extent AbbVie or any of its Affiliates is a party to such Patent Challenge, it withdraws from such Patent Challenge) [Redacted].

15.3 Rights in Bankruptcy.

(a) The Parties intend to take advantage of the protections of Section 365(n) (or any successor provision) of the U.S. Bankruptcy Code or any analogous provisions in any other country or jurisdiction to the maximum extent permitted by Applicable Law. All rights and licenses granted under or pursuant to this Agreement, but only to the extent they constitute licenses of a right to "intellectual property" as defined in Section 101 of the U.S. Bankruptcy Code or in any analogous provisions in any other country or jurisdiction (as the case may be) shall be deemed to be "intellectual property" for the purposes of Section 365(n) or any analogous provisions in any other country or jurisdiction (as the case may be). The Parties shall retain and may fully exercise all of their rights and elections under the U.S. Bankruptcy Code or any analogous provisions in any other country or jurisdiction, including the right to obtain the intellectual property from another entity.

(b) In the event of the commencement of a bankruptcy proceeding by or against either Party under the U.S. Bankruptcy Code or any analogous provisions in any other country or jurisdiction, the Party that is not subject to such proceeding shall be entitled to a complete duplicate of (or complete access to, as appropriate) all such intellectual property (including all embodiments of such intellectual property), which, if not already in the non-subject Party's possession, shall be promptly delivered to it upon the non-subject Party's written request (i) upon commencement of a bankruptcy proceeding, unless the Party subject to such proceeding continues to perform all of its obligations under this Agreement, or (ii) if not delivered pursuant to clause (i) above because the subject Party continues to perform, upon the rejection of this Agreement by or on behalf of the subject Party.

(c) Unless and until the subject Party rejects this Agreement, the subject Party shall perform this Agreement or provide the intellectual property (including all embodiments of such intellectual property) to the non-subject Party, and shall not interfere with the rights of the non-subject Party to such intellectual property, including the right to obtain the intellectual property from another entity.

(d) The Parties acknowledge and agree that payments made under Section 10.3 are not intended to be and shall not (i) constitute royalties within the meaning of Section 365(n) of the U.S. Bankruptcy Code or any analogous provisions in any other country or jurisdiction or (ii) relate to licenses of intellectual property hereunder.

15.4 Termination of this Agreement in its Entirety. In the event that this Agreement is terminated in its entirety for any reason, then, subject to Section 15.6, the following terms shall apply:

15.4.1 All licenses and rights granted by I-Mab to AbbVie under Section 2.1 shall terminate.

15.4.2 All licenses and rights granted by AbbVie to I-Mab under Section 2.2 shall terminate.

15.4.3 AbbVie shall, upon termination of this Agreement, wind down its ongoing Development, regulatory or Commercialization activities under this Agreement in an orderly fashion, [Redacted].

15.4.4 In the event that this Agreement is terminated in its entirety by I-Mab pursuant to Section 15.2.1, Section 15.2.3, Section 15.2.5 or Section 15.2.6, or by AbbVie pursuant to Section 15.2.2(a) or Section 15.2.2(b), with respect to each Terminated Product:

(a) AbbVie shall, and hereby does effective as of the effective date of termination, grant I-Mab an exclusive, royalty-bearing license, with the right to grant multiple tiers of sublicenses, under the AbbVie Terminated Product Technology and the Product Trademarks applicable to such Terminated Product, to Exploit in the Terminated Territory such Terminated Product and any Permitted Modifications thereof; *provided* that: (i) the foregoing license shall, unless the Parties otherwise enter a separate agreement in writing, exclude any license or other rights with respect to any Other Active or Other Ingredient or any active ingredient or moiety that is contained in such Terminated Product but is not a Licensed Compound; (ii) I-Mab shall pay to AbbVie any applicable Reverse Royalty in accordance with Section 15.6 with respect to the Exploitation of the Terminated Products in the Terminated Territory; and (iii) with respect to each Third Party agreement for any AbbVie Terminated Product Technology, (A) I-Mab shall be responsible for (x) making any payments (including royalties, milestones and other amounts) payable by AbbVie to Third Parties under such Third Party agreement with respect to the applicable Terminated Product(s) of which AbbVie has notified I-Mab and that result from I-Mab's practice of the license granted by AbbVie to I-Mab pursuant to this Section 15.4.4(a), by making such payments directly to AbbVie and, in each instance, I-Mab shall make the requisite payments to AbbVie and provide the necessary reporting information to AbbVie in sufficient time to enable AbbVie to comply with its obligations under such Third Party agreement, and (y) complying with any other obligations included in such Third Party agreement of which AbbVie has notified I-Mab and that are applicable to the grant to I-Mab of such license or to the exercise of such license by I-Mab or any of its Affiliates or Sublicensees and (B) AbbVie shall be responsible for paying or providing to the applicable Third Party any payments or reports made or provided by I-Mab under this Section 15.4.4(a).

(b) AbbVie shall, to the extent allowed by Applicable Law and upon I-Mab's reasonable request and at I-Mab's cost and expense (including for AbbVie's FTE Costs and Out-of-Pocket Costs), transfer and assign all Regulatory Approvals, INDs, CTA Approvals, ethics committee approvals, and HGR Approvals, in each case, with respect to any Terminated Product in AbbVie's possession and control to I-Mab or its designee.

(c) To the extent AbbVie is Manufacturing such Terminated Product for I-Mab at the time of such termination and I-Mab is not also Manufacturing such Terminated Product at such time, the Parties shall, upon I-Mab's reasonable request, negotiate in good faith and agree upon a reasonable mechanism for I-Mab to Manufacture or obtain supply of such Terminated Product, which mechanism may include (i) AbbVie continuing to Manufacture such Terminated Product beyond the [Redacted] time period set forth in Section 15.4.4(d), (ii) to the extent not jeopardizing the proprietary nature of the AbbVie Manufacturing Process, AbbVie providing access to such AbbVie Manufacturing Process for such Terminated Product directly to [Redacted] mutually agreed upon Third Party contract manufacturers and AbbVie authorizing such Third Party(ies) to Manufacture such Terminated Product for I-Mab, subject to terms and conditions in order to protect the proprietary nature thereof, or (iii) AbbVie transferring the AbbVie Manufacturing Process for such Terminated Product to I-Mab on terms and conditions agreed upon by the Parties, including terms and conditions in order to protect the proprietary nature of such AbbVie Manufacturing Process.

(d) If AbbVie was Manufacturing or having Manufactured such Terminated Product at the time of such termination and I-Mab is not Manufacturing or having Manufactured such Terminated Product at the time of such termination, at I-Mab's request, for a reasonable period of time (not to exceed [Redacted]) after such termination until I-Mab establishes an alternative supplier, AbbVie shall Manufacture or have Manufactured and supply or have supplied reasonable quantitates of the Terminated Product to I-Mab at the AbbVie Supply Price.

15.5 Termination of this Agreement in a Terminated Territory. In the event of a termination of this Agreement with respect to a Terminated Territory by AbbVie pursuant to Section 15.2.2(b) or I-Mab pursuant to Section 15.2.1(b), with respect to a Terminated Territory (but not in the case of any termination of this Agreement in its entirety), then, subject to Section 15.6, the following terms shall apply:

15.5.1 All licenses and other rights granted by I-Mab to AbbVie pursuant to Section 2.1 shall automatically be deemed to be amended to exclude, if applicable, the right to Exploit any Licensed Product in such Terminated Territory, *provided* that such licenses and other rights with respect to the Development and Manufacture of Terminated Products shall survive and continue in effect in such Terminated Territory solely for the purpose of furthering the Exploitation of the corresponding Licensed Product in the AbbVie Territory.

15.5.2 AbbVie shall, upon termination of this Agreement, wind down its ongoing Commercialization activities in any Terminated Territory under this Agreement in an orderly fashion, at its sole cost and expense.

15.5.3 I-Mab and AbbVie shall negotiate in good faith the terms and conditions of a written agreement ("**Terminated Territory Agreement**") to govern the Exploitation of Licensed Products in such Terminated Territory, including any pharmacovigilance or other information sharing that may be required. The Parties use good faith efforts to include in the Terminated Territory Agreement any provisions necessary to coordinate the Development, Manufacture and Commercialization of the Terminated Products in the Terminated Territory, on the one hand, and the Development, Manufacture and Commercialization of the Licensed Products in and for the AbbVie Territory, on the other hand, as needed. Without limiting the foregoing, as of the effective date of termination:

(a) AbbVie shall, and hereby does effective as of the effective date of termination, with respect to each Terminated Product, grant to I-Mab a royalty-bearing license, with the right to grant multiple tiers of sublicenses, under the AbbVie Terminated Product Technology with respect to such Terminated Product and the Product Trademarks applicable to such Terminated Product in such Terminated Territory, to Exploit such Terminated Product solely in such Terminated Territory and any Permitted Modifications thereof; *provided* that: (i) the foregoing license shall, unless the Parties otherwise enter a separate agreement in writing, exclude any license or other rights with respect to any Other Active or Other Ingredient or any active ingredient or moiety that is contained in such Terminated Product but is not a Licensed Compound; (ii) I-Mab shall pay to AbbVie any applicable Reverse Royalty in accordance with Section 15.6 with respect to the Exploitation of the Terminated Products in the Terminated Territory; (iii) with respect to each Third Party agreement for any AbbVie Terminated Product Technology, (A) I-Mab shall be responsible for (x) making any payments (including royalties, milestones and other amounts) payable by AbbVie to Third Parties under such Third Party agreements with respect to the applicable Terminated Product(s) that are the subject of the license granted by AbbVie to I-Mab pursuant to this Section 15.5.3 by making such payments directly to AbbVie and, in each instance, I-Mab shall make the requisite payments to AbbVie and provide the necessary reporting information to AbbVie in sufficient time to enable AbbVie to comply with its obligations under such Third Party agreement, and (y) complying with any other obligations included in any such Third Party agreements that are applicable to the grant to I-Mab of such license or to the exercise of such license by I-Mab or any of its Affiliates or Sublicensees and (B) AbbVie shall be responsible for paying or providing to the applicable Third Party any payments or reports made or provided by I-Mab under this Section 15.5.3.

(b) AbbVie shall, to the extent allowed by Applicable Law and upon I-Mab's reasonable request and at I-Mab's cost and expense (including for AbbVie's FTE Costs and Out-of-Pocket Costs), transfer and assign all Regulatory Approvals, INDs, CTA Approvals, ethics committee approvals, and HGR Approvals, in each case, with respect to any Terminated Product in the Terminated Territory in AbbVie's possession and control to I-Mab or its designee.

(c) To the extent AbbVie is Manufacturing such Terminated Product for I-Mab at the time of such termination and I-Mab is not also Manufacturing such Terminated Product at such time, the Parties shall, upon I-Mab's reasonable request, negotiate in good faith and agree upon a reasonable mechanism for I-Mab to Manufacture or obtain supply of such Terminated Product, which mechanism may include (i) AbbVie continuing to Manufacture such Terminated Product beyond the [Redacted] time period set forth in Section 15.5.3(d) (ii) to the extent not jeopardizing the proprietary nature of the AbbVie Manufacturing Process, AbbVie providing access to such AbbVie Manufacturing Process for such Terminated Product directly to [Redacted] mutually agreed upon Third Party contract manufacturers and AbbVie authorizing such Third Party(ies) to Manufacture such Terminated Product for I-Mab, subject to terms and conditions in order to protect the proprietary nature thereof, or (iii) AbbVie transferring the AbbVie Manufacturing Process for such Terminated Product to I-Mab on terms and conditions agreed upon by the Parties, including terms and conditions in order to protect the proprietary nature of such AbbVie Manufacturing Process.

(d) If AbbVie was Manufacturing or having Manufactured such Terminated Product at the time of such termination and I-Mab is not Manufacturing or having Manufactured such Terminated Product at the time of such termination, at I-Mab's request, for a reasonable period of time (not to exceed [Redacted]) after such termination until I-Mab establishes an alternative supplier, AbbVie shall Manufacture or have Manufactured and supply or have supplied reasonable quantities of the Terminated Product to I-Mab at the AbbVie Supply Price.

15.5.4 The Parties agree and acknowledge that, Exploitation of any Terminated Product or any Permitted Modifications in and solely for the Terminated Territory by I-Mab shall not constitute a breach of Section 2.4.1.

15.6 Reverse Royalty. If this Agreement is terminated in its entirety or with respect to one (1) or more Terminated Territories (other than any termination of this Agreement by I-Mab pursuant to Section 15.2.1), then I-Mab shall pay AbbVie for all Terminated Products sold in the Terminated Territory royalties on Net Sales of Terminated Products sold by I-Mab, its Affiliates or Sublicensees on a Terminated Product-by-Terminated Product and country (or jurisdiction)-by-country (or jurisdiction basis) until [Redacted]. For purposes of this Section 15.6, the provisions of Section 10.4 through Section 10.6 shall apply mutatis mutandis to the calculation and payment of I-Mab's obligations to pay royalties under this Section 15.6 as they apply to AbbVie and, solely for such purpose, each reference in each such Sections (and any related definitions) to (i) AbbVie shall be deemed to be a reference to I-Mab, and (ii) a Sublicensee of AbbVie shall be deemed to be a reference to a Sublicensee of I-Mab or its Affiliates.

15.7 Remedies. Except as otherwise expressly provided herein, termination of this Agreement (either in its entirety or with respect to one (1) or more Licensed Products or Terminated Territories) in accordance with the provisions hereof shall not limit remedies that may otherwise be available in law or equity.

15.8 Rights of AbbVie In Lieu of Termination. In the event that AbbVie has the right to terminate this Agreement in its entirety pursuant to Section 15.2.1 (for clarity, after the Notice Period and subject to the provisions of Section 15.2.1 with respect to cure and tolling and being a remedy of last resort) or Section 15.2.3, AbbVie may, in lieu of termination, elect to continue this Agreement as modified by this Section 15.8 in which case, effective as of the date AbbVie delivers a written notice of such election to I-Mab:

15.8.1 as liquidated damages, any amounts, after giving effect to any deductions allowable hereunder, that would have been due to I-Mab by AbbVie with respect to any Licensed Product pursuant to Section 10.3 (with respect to any Milestone Events achieved thereafter) and Section 10.4 (with respect to any Net Sales thereafter), [Redacted];

15.8.2 AbbVie's diligence obligations pursuant to Section 5.4 and exclusivity obligation pursuant to Section 2.4.2 shall all terminate; and

15.8.3 AbbVie shall have the right to disband the JGC and terminate the activities of the JGC, and (a) any requirement of I-Mab to provide Information or other materials to the JGC shall be deemed a requirement to provide such Information or other materials to AbbVie, and (b) AbbVie shall have the right to solely decide, without consultation with I-Mab, all matters with respect to the AbbVie Territory that are subject to the review or approval by the JGC hereunder.

All other provisions of this Agreement shall remain in full force and effect without change. The remedies set forth in this Section 15.8 shall be without limitation to any other rights or remedies that may be available to AbbVie under this Agreement or at law.

15.9 Accrued Rights; Surviving Obligations.

15.9.1 Termination or expiration of this Agreement (either in its entirety or with respect to one (1) or more countries or jurisdictions) for any reason shall be without prejudice to any rights that shall have accrued to the benefit of a Party prior to such termination or expiration; *provided* that in no event shall I-Mab accrue any rights to, and AbbVie shall have no obligation to make, any Milestone Payment under Section 10.3 based on any Milestone Event with respect to, or any Net Sales of, any Terminated Product in a Terminated Territory that occurs on or after the date of delivery by either Party of any Termination Notice pursuant to Section 15.2.1 or any other notice of termination pursuant to Section 15.2, in each case, with respect to such Terminated Territory. Such termination or expiration shall not relieve a Party from obligations that are expressly indicated to survive the termination or expiration of this Agreement. Without limiting the foregoing, Sections 3.1.4, 5.2.2, 6.2.2, 10.2 - 10.9 (only to the extent related to a payment arising prior to the effective date of termination or expiration of this Agreement), 10.10 - 10.12, 10.15.2 and 10.15.3 (in each case, only in the case of expiration or, in case of termination, to the extent related to Net Sales arising prior to the effective date of termination or pursuant to Section 15.9.2), 11.1, 15.1 (only in the event of expiration and not termination of this Agreement), 15.3 - 15.7, and this Section 15.9 and Articles 1 (only to the extent such defined terms are used in the surviving provisions), 12 (other than Section 12.6 and 12.9), 14 and 16 of this Agreement shall survive the termination or expiration of this Agreement for any reason.

15.9.2 Notwithstanding the termination of AbbVie's licenses and other rights under this Agreement, AbbVie shall have the right [Redacted] after the effective date of such termination to sell or otherwise dispose of all Licensed Products then in its inventory and any in-progress inventory as though this Agreement had not terminated and such sale or disposition shall not constitute infringement of I-Mab's or its Affiliates' Patent or other intellectual property or other proprietary rights. For clarity, AbbVie shall continue to make payments thereon as provided in Section 10.4 and comply with Section 10.15.2 and Section 10.15.3 with respect to any such sales or dispositions of Licensed Products.

ARTICLE 16
MISCELLANEOUS

16.1 Force Majeure.

16.1.1 Neither Party shall be held liable or responsible to the other Party or be deemed to have defaulted under or breached this Agreement for failure or delay in fulfilling or performing any term of this Agreement when such failure or delay is caused by or results from events beyond the reasonable control of the non-performing Party, including fires, floods, earthquakes, hurricanes, embargoes, shortages, epidemics, pandemics, quarantines, war, acts of war (whether war be declared or not), terrorist acts, insurrections, riots, civil commotion, strikes, lockouts or other labor disturbances (whether involving the workforce of the non-performing Party or of any other Person), acts of God or acts, omissions or delays in acting by any governmental authority (except to the extent such delay results from the breach by the non-performing Party or any of its Affiliates of any term or condition of this Agreement). The non-performing Party shall notify the other Party of such force majeure [Redacted] after such occurrence by giving written notice to the other Party stating the nature of the event, its anticipated duration and any action being taken to avoid or minimize its effect. The suspension of performance shall be of no greater scope and no longer duration than is necessary and the non-performing Party shall use commercially reasonable efforts to remedy its inability to perform.

16.1.2 If either Party is not able to Manufacture any Licensed Compounds or Licensed Products in accordance with this Agreement or the AbbVie Supply Agreement or I-Mab Supply Agreement, as applicable, because all or part of the Manufacturing capacity or relevant materials thereto required to Manufacture such Licensed Compounds or Licensed Products are required to manufacture products for supply to, or at the request of, a governmental authority in connection with a pandemic, epidemic or other public health crisis, such Party shall not be required to Manufacture or supply such Licensed Compounds or Licensed Products and will not be held liable or responsible to the other Party nor be deemed to have defaulted under or breached this Agreement for such failure or any delay in Manufacturing or supplying such Licensed Compounds or Licensed Products. In such event, the applicable Party shall allocate its available capacity and supply for the Manufacture of such Licensed Compounds and Licensed Products in a reasonable manner and will consult with the other Party with respect to such allocation.

16.2 Export Control. This Agreement is made subject to any restrictions concerning the export of products or technical information from the United States or other countries that may be imposed on the Parties from time to time. Each Party agrees that it will not export, directly or indirectly, any technical information acquired from the other Party under this Agreement or any products using such technical information to a location or in a manner that at the time of export requires an export license or other governmental approval, without first obtaining the written consent to do so from the appropriate agency or other governmental entity in accordance with Applicable Law.

16.3 I-Mab Change of Control.

16.3.1 In the event of a Change of Control of I-Mab, I-Mab covenants that, following such Change of Control, there shall be no material change in the level or nature of efforts or resources expended by I-Mab and its Affiliates, or the qualifications and experience of the assigned personnel (including with respect to the allocation of their time), in each case, that would reasonably be expected to result in an adverse impact on I-Mab's ability to perform its obligations under this Agreement, or the Exploitation of any Licensed Product by AbbVie. Without limiting the foregoing, I-Mab shall ensure that, if such Change of Control occurs during the Initial Development Term, each employee of I-Mab or any of its Affiliates who worked on the Development activities (including any regulatory activities) with respect to a Licensed Product during the six (6) month-period immediately prior to such Change of Control or who would reasonably be expected to work on such activities thereafter, shall continue to work on such activities until the end of the Initial Development Term, so long as such Person remains an employee of I-Mab or any of its Affiliates.

16.3.2 I-Mab's obligations and AbbVie's rights with respect to the I-Mab Non-C4 Multi-Specific Product ROFN pursuant to Section 2.7, the Existing Multi-Specific Product ROFN pursuant to Section 4.2, the Existing Multi-Specific Product right of first refusal pursuant to Section 4.3 and the Mono Licensed Product ROFN pursuant to Section 6.6 shall not be triggered solely based on a Change of Control of I-Mab.

16.4 Assignment.

16.4.1 Neither Party may assign its rights or, except as provided in Section 3.1.3, Section 4.1.2, Section 5.5 and Section 6.5 and Article 11, delegate its obligations under this Agreement, whether by operation of law or otherwise, in whole or in part without the prior written consent of the other Party, which consent shall not be unreasonably withheld, conditioned or delayed, except that (a) AbbVie shall have the right, without such consent, (i) to perform any or all of its obligations and exercise any or all of its rights under this Agreement through any of its Affiliates or Sublicensees or Distributors, and (ii) assign any or all of its rights and delegate any or all of its obligations hereunder to any of its Affiliates or any successor in interest (whether by merger, acquisition, asset purchase or otherwise) to one or more Licensed Products or its business generally, and (b) I-Mab shall have the right, without such consent, to assign any or all of its rights and delegate any or all of its obligations hereunder to any of its Affiliates (*provided* that with respect to any such assignment or delegation of all of its obligations outside of a Change of Control transaction, such Affiliate has at least a comparable level of expertise, resources, capabilities and compliance controls as I-Mab has as of the Execution Date and with respect to any such delegation of some (but not all) of its obligations hereunder, such Affiliate has at least a comparable level of expertise, resources, capabilities and compliance controls as I-Mab has as of the Execution Date with respect to such delegated obligations) or to its successor in interest in the event of a Change of Control of I-Mab. All validly assigned rights of a Party shall inure to the benefit of and be enforceable by, and all validly delegated obligations of such Party shall be binding on and be enforceable against, the permitted successors and assigns of such Party; *provided* that, in the case of a Change of Control of such Party in which such Party survives, as between the other Party on the one hand and such surviving Party and the acquiror on the other hand, such surviving Party and the acquiror shall remain jointly and severally liable for the performance of such delegated obligations under this Agreement; *provided*, further that, without limiting such surviving Party's and the acquiror's obligations to the other Party hereunder, the foregoing shall not be construed as overriding or changing any allocation of liability that such surviving Party and acquiror may agree as between such surviving Party and its acquiror. Notwithstanding the preceding sentence, any permitted successor of a Party or any permitted assignee of all of a Party's rights under this Agreement that has also assumed all of such Party's obligations hereunder in writing shall, upon any such succession or assignment and assumption, be deemed to be a party to this Agreement as though named herein in substitution for the assigning Party, whereupon the assigning Party shall cease to be a party to this Agreement and shall cease to have any rights or obligations under this Agreement. Any attempted assignment or delegation in violation of this Section 16.4 shall be void and of no effect. Notwithstanding any other provision of this Section 16.4, the terms of this Agreement may be varied, amended or modified or this Agreement may be suspended, canceled or terminated without the consent of any assignee or delegate that is not deemed pursuant to the provisions of this Section 16.4 to have become a party to this Agreement.

16.4.2 Each Party acknowledges and agrees that, notwithstanding any provision of this Agreement to the contrary, if the other Party undergoes a Change of Control, assignment this Agreement in connection with a Change of Control or acquires a Third Party (such other Party, the "**Change of Control Party**") any Patent, Know-How or other intellectual property or other proprietary rights that are owned or otherwise controlled by any Third Party (including such Third Party's Affiliates) that becomes an Affiliate or assignee of the Change of Control Party after the Execution Date as a result of such Change of Control, assignment, or acquisition, shall be excluded from the licenses granted by Change of Control Party to the non-Change of Control Party under this Agreement, as long as such Patent, Know-How or other intellectual property or other proprietary rights (1) is not incorporated into, or used in the Exploitation of, a Licensed Compound or Licensed Product and (2) was not generated through any use of, or access to (in more than a de minimis fashion) the AbbVie Technology or the I-Mab Technology.

16.5 Severability. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law and if the rights or obligations of either Party under this Agreement will not be materially and adversely affected thereby, (a) such provision shall be fully severable, (b) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (c) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom and (d) in lieu of such illegal, invalid or unenforceable provision, there shall be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible and reasonably acceptable to the Parties. To the fullest extent permitted by Applicable Law, each Party hereby waives any provision of law that would render any provision hereof illegal, invalid or unenforceable in any respect.

16.6 Dispute Resolution. Except for disputes resolved by the procedures set forth in Section 9.2.3 or 10.12.2, if a dispute arises between the Parties in connection with or relating to this Agreement or any document or instrument delivered in connection herewith (a "**Dispute**"), it shall be resolved pursuant to this Section 16.6.

16.6.1 General. Any Dispute shall first be referred to the Senior Officers of the Parties, who shall confer in good faith on the resolution of the issue. Any final decision mutually agreed to by the Senior Officers shall be conclusive and binding on the Parties. If the Senior Officers are not able to agree on the resolution of any such Dispute within [Redacted] (or such other period of time as mutually agreed by the Senior Officers) after such Dispute was first referred to them, then, except as otherwise set forth in Section 16.6.2, either Party shall have the right to commence arbitration pursuant to the procedures set forth in **Schedule 16.6.3** for purposes of having such Dispute resolved.

16.6.2 Intellectual Property Disputes. In the event that a Dispute arises with respect to the scope, validity, patentability or enforceability of any Patent, Trademark or other intellectual property rights (other than inventorship, as set forth below), and such Dispute cannot be resolved by the Senior Officers in accordance with Section 16.6.1, unless otherwise agreed by the Parties in writing, such Dispute shall not be submitted to arbitration in accordance with Section 16.6.3 and instead, either Party may initiate litigation in a court or governmental agency of competent jurisdiction, notwithstanding Section 16.7.2, in any country or jurisdiction in which such rights apply. In case of a Dispute between the Parties with respect to inventorship, and such Dispute cannot be resolved by the Senior Officers in accordance with Section 16.6.1, unless otherwise agreed by the Parties in writing, such Dispute shall not be submitted to arbitration in accordance with Section 16.6.3 and instead, the Parties shall jointly select a patent attorney registered before the United States Patent and Trademark Office and submit such Dispute to the mutually-selected patent attorney for resolution under the United States patent law, and the decision of such patent attorney with respect to the inventorship shall be final and unchallengeable and bind both Parties, and the Parties shall share equally the expenses of such patent attorney. For clarity, the patent attorney shall conduct an independent inventorship analysis and shall not act as an arbitrator.

16.6.3 Arbitration. Any arbitration proceeding under this Agreement shall take place pursuant to the procedures set forth in **Schedule 16.6.3**. The Parties agree that any dispute concerning the propriety of the commencement of the arbitration or the scope and applicability of the agreement to arbitrate shall be determined by the sole arbitrator.

16.6.4 Adverse Ruling. Any determination pursuant to this Section 16.6 that a Party is in material breach of its material obligations hereunder shall specify a (nonexclusive) set of actions to be taken to cure such material breach, if feasible.

16.6.5 Interim Relief. Notwithstanding anything herein to the contrary, nothing in this Section 16.6 shall preclude either Party from seeking interim or provisional relief, including a temporary restraining order, preliminary injunction or other interim equitable relief concerning any Dispute, if necessary to protect the interests of such Party. This Section 16.6.5 shall be specifically enforceable.

16.7 Governing Law, Jurisdiction and Service.

16.7.1 Governing Law. This Agreement and the performance, enforcement, breach or termination hereof shall be interpreted, governed by and construed in accordance with the laws of the State of New York, United States, excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Agreement to the substantive law of another jurisdiction; *provided* that all questions concerning (a) inventorship and ownership of Patents under this Agreement shall be determined in accordance with Section 11.1 and (b) the construction or effect of Patents shall be determined in accordance with the laws of the country or jurisdiction in which the particular Patent has been filed or granted, as the case may be. The Parties agree to exclude the application to this Agreement of the United Nations Convention on Contracts for the International Sale of Goods.

16.7.2 Jurisdiction. Subject to Section 16.6, Section 16.11 and **Schedule 16.6.3**, the Parties hereby irrevocably and unconditionally consent to the exclusive jurisdiction of the state and federal courts located in the State of New York for any action, suit or proceeding (other than appeals therefrom) arising out of or relating to this Agreement and agree not to commence any action, suit or proceeding (other than appeals therefrom) related thereto except in such courts. The Parties irrevocably and unconditionally waive their right to a jury trial.

16.7.3 Service. Each Party further agrees that service of any process, summons, notice or document by registered mail to its address set forth in Section 16.8.2 shall be effective service of process for any action, suit or proceeding brought against it under this Agreement in any such court.

16.8 Notices.

16.8.1 Notice Requirements. Any notice, request, demand, waiver, consent, approval or other communication permitted or required under this Agreement shall be in writing, shall refer specifically to this Agreement and shall be deemed given only if delivered by hand or sent by internationally recognized overnight delivery service that maintains records of delivery, addressed to the Parties at their respective addresses specified in Section 16.8.2 or to such other address as the Party to whom notice is to be given may have provided to the other Party in accordance with this Section 16.8.1. Such notice shall be deemed to have been given as of the date delivered by hand or on the second Business Day (at the place of delivery) after deposit with an internationally recognized overnight delivery service. This Section 16.8.1 is not intended to govern the day-to-day business communications necessary between the Parties in performing their obligations under the terms of this Agreement.

16.8.2 Address for Notice.

If to AbbVie, to:

AbbVie Ireland Unlimited Company
c/o PricewaterhouseCoopers Financial Services Limited
4th Floor, Washington House
16 Church Street
Hamilton HM11, Bermuda
Attention: Vice President, Tax & Treasury

with a copy (which shall not constitute notice) to:

AbbVie Inc.

1 North Waukegan Road
North Chicago, Illinois 60064
United States
Attention: Vice Chairman, External Affairs, Chief Legal Officer and Corporate Secretary

If to I-Mab, to:

I-MAB Biopharma US Limited
Suite 516, 2275 Research Boulevard,
Rockville, Maryland, 20850
United States
Attention: [Redacted]

with a copy (which shall not constitute notice) to:

I-Mab Biopharma Co., Ltd.
天境生物科技(上海)有限公司
Suite 802, West Tower, OmniVision
88 Shangke Road, Pudong District
Shanghai, 201210
P.R. China
Attention: Legal

with an additional copy (which shall not constitute notice) to:

Cooley LLP
3175 Hanover Street
Palo Alto, CA 94304
United States
Attention: [Redacted]

16.9 Entire Agreement; Amendments. This Agreement, together with the Schedules attached hereto sets forth and constitutes the entire agreement and understanding between the Parties with respect to the subject matter hereof and all prior agreements, understandings, promises and representations, whether written or oral, with respect thereto are superseded hereby. Each Party confirms that it is not relying on any representations or warranties of the other Party except as specifically set forth in this Agreement. No amendment, modification, release or discharge shall be binding upon the Parties unless in writing and duly executed by authorized representatives of both Parties. In the event of any inconsistencies between this Agreement and any schedules or other attachments hereto, the terms of this Agreement shall control.

16.10 English Language.

16.10.1 This Agreement shall be written and executed in, and all other communications under or in connection with this Agreement shall be in, the English language. Any translation into any other language shall not be an official version thereof and in the event of any conflict in interpretation between the English version and such translation, the English version shall control.

16.10.2 [Redacted]

16.11 Equitable Relief. Each Party acknowledges and agrees that the restrictions and obligations set forth in Section 2.4, Section 7.3, Article 11 and Article 12 are reasonable and necessary to protect the legitimate interests of the other Party and that such other Party would not have entered into this Agreement in the absence of such restrictions and that any breach or threatened breach of any provision of such Section or Articles shall result in irreparable injury to such other Party for which there will be no adequate remedy at law. In the event of a breach or threatened breach of any provision of such Section or Articles, the Non-Breaching Party shall be authorized and entitled to seek from any court of competent jurisdiction injunctive relief, whether preliminary injunctive or permanent, specific performance and an equitable accounting of all earnings, profits and other benefits arising from such breach, which rights shall be cumulative and in addition to any other rights or remedies to which such Non-Breaching Party may be entitled in law or equity. Each Party hereby waives any requirement that the other (a) post a bond or other security as a condition for obtaining any such relief and (b) show irreparable harm, balancing of harms, and consideration of the public interest or inadequacy of monetary damages as a remedy. Nothing in this Section 16.11 is intended or should be construed, to limit either Party's right to equitable relief or any other remedy for a breach of any other provision of this Agreement.

16.12 Waiver and Non-Exclusion of Remedies. Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. The waiver by either Party of any right hereunder or of the failure to perform or of a breach by the other Party shall not be deemed a waiver of any other right hereunder or of any other breach or failure by such other Party whether of a similar nature or otherwise. The rights and remedies provided herein are cumulative and do not exclude any other right or remedy provided by Applicable Law or otherwise available except as expressly set forth herein.

16.13 No Benefit to Third Parties. Except as provided in Article 14, the covenants and agreements set forth in this Agreement are for the sole benefit of the Parties and their successors and permitted assigns and they shall not be construed as conferring any rights on any other Persons.

16.14 Further Assurance. Each Party shall duly execute and deliver or cause to be duly executed and delivered, such further instruments and do and cause to be done such further acts and things, including the filing of such assignments, agreements, documents and instruments, as may be necessary or as the other Party may reasonably request in connection with this Agreement or to carry out more effectively the provisions and purposes hereof or to better assure and confirm unto such other Party its rights and remedies under this Agreement.

16.15 Relationship of the Parties. It is expressly agreed that I-Mab, on the one hand, and AbbVie, on the other hand, shall be independent contractors and that the relationship between the two Parties shall not constitute a partnership, joint venture or agency, including for all tax purposes. Neither I-Mab, on the one hand, nor AbbVie, on the other hand, shall have the authority to make any statements, representations or commitments of any kind, or to take any action that will be binding on the other, without the prior written consent of the other Party to do so. All persons employed by a Party shall be employees of such Party and not of the other Party and all costs and obligations incurred by reason of any such employment shall be for the account and expense of such first Party. The Parties shall not treat or report the relationship between the Parties arising under this Agreement as a partnership or entity for United States tax purposes, without the prior written consent of the other Party unless required pursuant to a determination within the meaning of Section 1313 of the Internal Revenue Code of 1986, as amended.

16.16 HSR Act Compliance.

16.16.1 HSR Filing. Each of AbbVie and I-Mab shall make an HSR Filing within ten (10) Business Days after the Execution Date or such later date upon the mutual agreement of the Parties, unless the Parties together determine that no HSR Filing is required for the activities and licenses contemplated under the Agreement. The Parties shall cooperate with one another to the extent necessary in the preparation of any such filings. Each Party shall be responsible for its own costs and expenses associated with any such filings, *provided* that AbbVie will be solely responsible for the HSR filing fee.

16.16.2 HSR Clearance. In connection with obtaining HSR Clearance, AbbVie and I-Mab shall use their respective commercially reasonable efforts to resolve as promptly as practicable any objections that may be asserted by the FTC or the DOJ with respect to the transactions notified in the HSR Filing. The term "commercially reasonable efforts" as used in this Section 16.16 shall not require AbbVie to (a) sell, divest (including through a license or a reversion of licensed or assigned rights), hold separate, transfer, or dispose of any assets, operations, rights, product lines, or businesses, or interests therein, of itself or any of its Affiliates (or consent to any of the foregoing actions), or (b) litigate or otherwise formally oppose any determination (whether judicial or administrative in nature) by a governmental authority seeking to impose any of the restrictions referenced in clause (a) above (such litigation or judicial or administrative proceeding, an "**HSR Proceeding**"). Neither Party may seek early termination (or early determination) of HSR Clearance without the other Party's prior written consent.

16.16.3 Cooperation. In connection with obtaining HSR Clearance, each of AbbVie and I-Mab shall (a) cooperate with each other in connection with any investigation or other inquiry relating to an HSR Filing and the transactions contemplated by this Agreement; (b) keep the other Party or its counsel informed of any communication received from or given to the FTC or DOJ relating to the HSR Filing and the transactions contemplated by this Agreement (and provide a copy to the other Party if such communication is in writing); (c) reasonably consult with each other in advance of any meeting or conference with the FTC or DOJ, and, to the extent permitted by the FTC or DOJ, give the other Party or its counsel the opportunity to attend and participate in such meetings and conferences; and (d) permit the other Party or its counsel to review in advance, and in good faith consider the views of the other Party or its counsel concerning, any submission, filing or communication (and documents submitted therewith) intended to be given to the FTC or DOJ. Without limiting the foregoing, I-Mab shall cooperate fully in any HSR Proceeding initiated by AbbVie; *provided* that I-Mab shall not agree to or effectuate any remedy without the prior written consent of AbbVie.

16.17 References. Unless otherwise specified, (a) references in this Agreement to any Article, Section or Schedule shall mean references to such Article, Section or Schedule of this Agreement, (b) references in any Section to any clause are references to such clause of such Section and (c) references to any agreement, instrument or other document in this Agreement refer to such agreement, instrument or other document as originally executed or, if subsequently amended, replaced or supplemented from time to time, as so amended, replaced or supplemented and in effect at the relevant time of reference thereto.

16.18 Construction. Except where the context otherwise requires, wherever used, the singular shall include the plural, the plural the singular, the use of any gender shall be applicable to all genders and the word "or" is used in the inclusive sense (and/or). Whenever this Agreement refers to a number of days, unless otherwise specified, such number refers to calendar days. The captions of this Agreement are for convenience of reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision contained in this Agreement. The term "including," "include," or "includes" as used herein shall mean including, without limiting the generality of any description preceding such term. All references to "will" are interchangeable with the word "shall" and shall be understood to be imperative or mandatory in nature. The language of this Agreement shall be deemed to be the language mutually chosen by the Parties and no rule of strict construction shall be applied against either Party.

16.19 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. This Agreement may be executed by facsimile, .pdf format via email or other electronically transmitted signatures and such signatures shall be deemed to bind each Party as if they were original signatures.

[SIGNATURE PAGE FOLLOWS.]

THIS AGREEMENT IS EXECUTED by an authorized representative of each Party as of the Execution Date.

ABBVIE IRELAND UNLIMITED COMPANY

By: /s/ Roopal Thakkar
Name: Roopal Thakkar
Title: Director

I-Mab Biopharma Co., Ltd.

By: /s/ Jingwu Zhang Zang
Name: Jingwu Zhang Zang
Title: Founder, Honorary Chairman and Director

I-Mab Biopharma US Limited

By: /s/ Jingwu Zhang Zang
Name: Jingwu Zhang Zang
Title: Founder, Honorary Chairman and Director

EXHIBIT A
[ALL EXHIBITS/SCHEDULES REDACTED]

THE SYMBOL "[REDACTED]" DENOTES PLACES WHERE CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (i) NOT MATERIAL, AND (ii) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED

I-Mab Biopharma (Hangzhou) Co., Ltd.

Equity Transfer and Investment Agreement

September 15, 2020

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EQUITY TRANSFER AND INVESTMENT AGREEMENT

This EQUITY TRANSFER AND INVESTMENT AGREEMENT (this "**Agreement**") is entered into in the PRC on Sep 15, 2020 (the "**Signing Date**") by and among the following parties:

1. **I-Mab Biopharma (Hangzhou) Co., Ltd.**, a limited liability company legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330100MA2GNANB49 (the "**Company**");

2. **I-MAB BIOPHARMA HONG KONG LIMITED**, a limited company legally established and existing in accordance with the laws of the Hong Kong Special Administrative Region of the PRC, whose registration number is 2400410 ("**I-Mab HK**" or "**Warrantor**");

3. **Hangzhou Fushi Investment Management Partnership (Limited Partnership) (杭州赋实投资管理合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330102MA2AYYBD4Q ("**Fushi Capital**");

4. **Shenzhen Tsingsong Shengrui Investment Partnership (Limited Partnership)(深圳市青松晟睿投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91440300MA5FYAQD4R ("**Tsingsong Shenzhen**");

5. **Nanjing Tsingsong Healthcare Investment Partnership (Limited Partnership)(南京清松医疗健康产业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91320113MA21DH7W5M ("**Tsingsong Nanjing**");

6. **Hangzhou Heda Biotech Investment Partnership (Limited Partnership)(杭州和达生物医药创业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330101MA2AXNXM21 ("**Heda Investment**");

7. **Xiamen Ronghui Derong Equity Investment Partnership (Limited Partnership) (厦门融汇德润股权投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91350211MA34071K50 ("**Ronghui Derong**");

8. **Ningbo Yanyuan Yaoshang Chanrong Equity Investment Partnership (Limited Partnership)(宁波燕园姚商产融股权投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330281MA2H6M3084 ("**Yanyuan Chanrong**");

9. **Ningbo Yanchuang Yaoshang Yangming Investment Partnership (Limited Partnership)(宁波燕创姚商阳明创业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330281MA2H6M3084 ("**Yanchuang Yangming**");

10. **Jiangsu Yanyuan Dongfang Investment Partnership (Limited Partnership)(江苏燕园东方创业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91320300MA1UQURD8F ("**Yanyuan Dongfang**");

11. **Ningbo Rongshun Yanyuan Investment Partnership (Limited Partnership)(宁波荣舜燕园投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330201MA2AJPJ617 ("**Rongshun Yanyuan**");

12. **Ningbo Yanyuan Innovation Investment Partnership (Limited Partnership)(宁波燕园创新创业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 9133020134062251 9X ("**Yanyuan Innovation**");

13. **Zhuzhou Guochuang Junyao Investment Partnership (Limited Partnership)(株洲市国创君垚投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91430200MA4RGB014A ("**Guochuang Junyao**");

14. **Ningbo Hanhai Qianyuan Equity Investment Partnership (Limited Partnership)(宁波瀚海乾元股权投资基金合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330212MA2GW05H0A ("**Hanhai Qianyuan**");

15. **Hangzhou Haibang Yigu Investment Partnership (Limited Partnership)(杭州海邦羿谷创业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330101MA2B02RD4R ("**Haibang Yigu**");

16. **Jialiang Shan**, a Chinese citizen, whose ID number is [REDACTED];

17. **Zhejiang Silu Industry Investment Fund Partnership (Limited Partnership)(浙江丝路产业投资基金合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330101MA28WHW02L ("**Silu Fund**");

18. **Viva Biotech (Shanghai) Ltd. (维亚生物科技(上海)有限公司)**, a limited company legally established and existing in accordance with the PRC laws, whose unified social credit code is 91310115677881436W ("**Viva Biotech**");

19. **Tianjin Huatian Enterprise Management Consultation Limited Partner (Limited Partner) (天津华天企业管理咨询合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91120118MA0727C0X0 ("**Huatian Enterprise Management**"; together with Fushi Capital, Tsingson Shenzhen, Tsingsong Nanjing, Heda Investment, Ronghui Derong, Yanyuan Chanrong, Yanhuang Yangming, Yanyuan Dongfang, Rongshun Yanyuan, Yanyuan Innovation, Guochuang Junyao, Hanhai Qianyuan, Haibing Yigu, Jialiang Shan, Silu Fund and Viva Biotch, collectively referred to as the "**Investors**");

20. **Lili Qian**, a Chinese citizen, whose ID number is [REDACTED];

21. **Zhengsong Zhang**, a Chinese citizen, whose ID number is [REDACTED];

22. **Yunfei Zhang**, a Chinese citizen, whose ID number is [REDACTED];

23. **Lihong Lou**, a Chinese citizen, whose ID number is [REDACTED];

24. **Kai Zhou**, a Chinese citizen, whose ID number is [REDACTED];

25. **Fang Yin**, a Chinese citizen, whose ID number is [REDACTED] (together with Lili Qian, Zhengsong Zhang, Yunfei Zhang, Lihong Lou and Kai Zhou, collectively referred to as the "**Management**");

26. **Hangzhou Yijing Biotech Partnership (Limited Partnership)(杭州伊境生物科技合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330100MA2HY0AEXX ("**Management Holdco**"); and

27. **Hangzhou Lanjing Biotech Partnership (Limited Partnership)(杭州阑境生物科技合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330100MA2HY07T3Q ("**ESOP Holdco**").

The above parties are hereinafter collectively referred to as the "Parties". When any party hereto is referred to as a "Party", the other parties hereto will be referred to as the "**Other Parties**".

WHEREAS:

1. The Company is a limited liability company legally established and existing in accordance with PRC laws, which was established on 26 June, 2019. The Company's unified social credit code is 91330100MA2GNANB49, its current registered capital is US$30 million, and its business scope is: technology development, technology services, technology consulting, and transfer of results: biotechnology, pharmaceutical technology (with respect to the above, except for the development and application of human stem cells, gene diagnosis and treatment technology); production: drugs; drugs, pharmaceutical intermediates, Category I medical device wholesale and import and export business (except for those subject to special access control regulations stipulated by the state).

2. As of the Signing Date of this Agreement, I-Mab HK holds 100% of the equity in the Company, represented by the Company's registered capital of US$30 million, of which the paid-in registered capital is US$0. I-Mab HK is a wholly owned Subsidiary of I-Mab天境生物 (NASDAQ: IMAB; hereinafter referred to as "**I-Mab**"). I-Mab and its Subsidiaries are collectively referred to as the "**Group**".

3. The Management Holdco is a limited partnership jointly established by the Management, which is used to hold restricted equity of the Company issued to the Management. The Parties agree that the Management Holdco will acquire 10% of the equity of the Company from I-Mab HK for a total price of US$0, which equity is represented by the Company's unpaid registered capital of US$3 million, and that after acquiring such equity, it will pay RMB equivalent to US$3 million to the Company in accordance with terms of this Agreement to fulfil its capital contribution obligations to the Company. Such capital contribution of RMB equivalent to US$3 million will be fully booked to the Company's registration capital.

4. The Parties agree that the ESOP Holdco will acquire 5% of the equity of the Company from I-Mab HK for a total price of US$0, which equity is represented by the Company's unpaid registered capital of US$1.5 million. All of such equity will be used to implement the Company's equity incentive plan.

5. The Parties agree that the Investors, in accordance with the terms of this Agreement, will acquire a total of 40% of the equity of the Company from I-Mab HK for a total price of US$0, which equity is represented by the Company's unpaid registered capital of US$12 million, and after acquiring such equity of the Company, it will pay RMB equivalent to US$120 million (with respect to each Investor, calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) (collectively referred to as the "**Investors Investment Amount**" to the Company in accordance with the terms of this Agreement to fulfil its capital contribution obligations to the Company. Among the capital contribution of RMB equivalent to US$120 million, RMB equivalent to US$12 million will be booked to the Company's registration capital, and the remaining RMB equivalent to US$108 million will be booked to the Company's capital reserve.

6. After completion of the foregoing equity transfer, I-Mab HK will hold the remaining 45% of the equity in the Company, which equity will be represented by the Company's registered capital of US$13.5 million. I-Mab HK agrees to transfer to the Company the Pipeline Intangible Assets with a total valuation of US$105 million and pay to the Company US$30 million in cash, to fulfil its capital contribution obligations to the Company, of which US$13.5 million cash will be booked to the Company's registered capital, and the Pipelines Intangible Assets valued at US$105 million and the remaining US$16.5 million cash will be booked to the Company's capital reserve.

7. On the Signing Date of this Agreement, the Parties will also sign a Shareholder Agreement (the "**Shareholder Agreement**") to further provide for the rights and obligations of the shareholders of the Company after the Closing Date.

THEREFORE, the Parties have entered into the following agreement through negotiation:

Article 1 Definitions

1.1 **Definitions** The following terms shall have the following meanings when used in this Agreement:

Affiliate	With respect to a Party, refers to any enterprise that controls or is controlled by such Party, or is under common control by the same entity with such Party. "**Control**" means directly or indirectly owning more than fifty percent (50%) of equity, voting rights, or directly or indirectly owning more than fifty percent (50%) of any other equivalent assets of the enterprise, or other power or right that can independently determine the management of the enterprise. "Entities" may include but are not limited to individuals, partnerships, companies and other legal entities.

Target Pipelines	Refer to the pipelines listed in **Schedule 1** to this Agreement; the "**Intangible Assets**" of Pipelines refer to the ownership and/or the intellectual property rights related to the pipeline listed in **Schedule 1** of this Agreement, in which the ownership and/or licensing rights of the pipeline related intellectual property rights are proposed to be contributed by I-Mab HK to the company under this agreement. Respective names of the six pipelines are listed in **Schedule 1** of this Agreement; the six pipelines are collectively referred to as the "**Target Pipelines**".
Senior Officers	Refer to general manager, deputy general manager, financial controller and other VP or above level officers.
Working Day	Refers to any day except Saturdays, Sundays or Chinese legal holidays.
Qualified IPO	The public offering of the Company's shares on the China Stock Exchange's Science and Technology Board, Main Board, Small and Medium-Sized Enterprise Board, Growth Enterprise Board, or Hong Kong Stock Exchange, U.S. Stock Exchange, or other stock exchanges approved by the Shareholders of the Company in accordance with provisions of the Shareholders Agreement.
Transaction Documents	Refer to this Agreement, the Shareholders Agreement, the Amended and Restated Articles of Association of the Company in form and substance attached hereto as **Schedule 7** (referred to as the "**Amended Articles of Association**"), and any other agreement or document in connection with the transactions contemplated hereunder which is entered into pursuant to any of the foregoing documents.
Person	Refers to any natural person, legal person, partnership, limited liability company, company limited by shares, association, trust, unincorporated organisation, or any other legal entity of any nature established in accordance with any Applicable Law, or any Government Agency.
MOFCOM	Refers to the Ministry of Commerce of China and its counterparts at all levels that exercise similar powers.
Market Regulation Bureau	Refers to the PRC's State Administration for Market Regulation and its local counterparts that exercise similar powers at all levels.

Applicable Law	With respect to any Person, refers to any public, valid and applicable treaties, laws, administrative regulations, local regulations, rules, decisions, orders, judicial interpretations, judgments, rulings, arbitration awards or other normative documents that is applicable to that Person or binding on that Person or any of its assets.
Subsidiary	With respect to any Person, refers to any legal person, partnership, limited liability company, company limited by shares, association, trust, or other entity in which the Person (alone or through or in collaboration with any other Person) directly or indirectly owns securities or other interests in it, so that the Person generally has more than fifty percent (50%) of the voting rights in the election of the board of directors or other similar decision-making bodies, or in which the Person is given the right to control by other means.
Intellectual Property	Refers to patents, trademarks, service marks, registered designs, domain names, utility models, copyrights, inventions, confidential information, trade secrets, proprietary production processes and equipment, brand names, database rights, trade names, or a right similar to any of the above, and the interest of any of the above (whether registered or unregistered, and including the application for the authorisation of the above items and the right to apply for any of the above items anywhere in the world).
Material Adverse Change	Refers to any material adverse impact or change that has caused a significant adverse effect on the Company's Target Pipelines, business, management, financial condition, Intellectual Property, debt, Key Employees, governmental approval, qualifications or expected future development (but in each case does not include any such material adverse impact or change that has been remedied or corrected); in case the Company incurs or is reasonable expected to incur a loss of RMB5 million or more, it shall be deemed as a Material Adverse Change.
Government Agency	Refers to any government or its affiliates with jurisdiction, any department or agency of any government or its affiliates, any legislative body, court or arbitral tribunal, and any stock exchange regulatory agency.
PRC	Refers to the People's Republic of China. For the purpose of this Agreement, it does not include the Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan.

Greater China	Refers to the People's Republic of China. For the purposes of this Agreement, it includes the Hong Kong Special Administrative Region, Macau Special Administrative Region and Taiwan.
Force Majeure Event	Refers to any objective event or circumstance that is unforeseeable, inevitable and unavoidable, including without limitation earthquake, typhoon, flood, fire or other natural disasters, strike, pandemic (including COVID-19), riot, war. For the avoidance of doubt, any change of laws, regulations, policies, government orders of any national, regional or local Government Agency that is unforeseeable on the Signing Date hereof shall be deemed as Force Majeure.

Article 2 Equity Transfer

2.1 On the Signing Date of this Agreement, the Company's registered capital is US$30 million, all of which is subscribed by I-Mab HK, and the paid-in registered capital is US$0. After completion of the transaction contemplated hereunder, the registered capital of the Company will remain to be US$30 million, among which the amount of registered capital respectively subscribed by the shareholders of the Company and their respective shareholding percentage in the Company are reflected in **Schedule 2**.

2.2 Fushi Capital agrees to, on the Closing Date (as defined below), acquire 8.33% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$2.5 million ("**Fushi Capital Target Equity**").

2.3 Tsingsong Shenzhen agrees to, on the Closing Date, acquire 5.52% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$1.655 million ("**Tsingsong Shenzhen Target Equity**").

2.4 Tsingsong Nanjing agrees to, on the Closing Date, acquire 2.82% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.845 million ("**Tsingsong Nanjing Target Equity**").

2.5 Heda Investment agrees to, on the Closing Date, acquire 6.67% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$2 million ("**Haibang Fenghua Target Equity**").

2.6 Ronghui Derong agrees to, on the Closing Date, acquire 3.33% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$1 million ("**Ronghui Derong Target Equity**").

2.7 Yanyuan Chanrong agrees to, on the Closing Date, acquire 0.67% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.2 million ("**Yanyuan Chanrong Target Equity**").

2.8 Yanchuang Yangming agrees to, on the Closing Date, acquire 1.07% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.32 million ("**Yanchuang Yangming Target Equity**").

2.9 Yanyuan Dongfang agrees to, on the Closing Date, acquire 0.93% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.28 million ("**Yanyuan Dongfang Target Equity**").

2.10 Rongshun Yanyuan agrees to, on the Closing Date, acquire 0.83% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.25 million ("**Rongshun Yanyuan Target Equity**").

2.11 Yanyuan Innovation agrees to, on the Closing Date, acquire 0.83% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.25 million ("**Yanyuan Innovation Target Equity**").

2.12 Guochuang Junyao agrees to, on the Closing Date, acquire 2.33% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.7 million ("**Guochuang Junyao Target Equity**").

2.13 Hanhai Qianyuan agrees to, on the Closing Date, acquire 2.33% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.7 million ("**Hanhai Qianyuan Target Equity**").

2.14 Haibang Yigu agrees to, on the Closing Date, acquire 1% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.3 million ("**Haibang Yigu Target Equity**").

2.15 Jialiang Shan agrees to, on the Closing Date, acquire 1% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.3 million ("**Jialiang Shan Target Equity**").

2.16 Silu Fund agrees to, on the Closing Date, acquire 1% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.3 million ("**Silu Fund Target Equity**").

2.17 Viva Biotech agrees to, on the Closing Date, acquire 1% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.3 million ("**Viva Biotech Target Equity**").

2.18 Huatian Enterprise Management agrees to, on the Closing Date, acquire 0.67% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$0.2 million ("**Huatian Enterprise Management Target Equity**").

2.19 The Management Holdco agrees to, on the Closing Date, acquire 10% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which equity is represented by the Company's unpaid registered capital of US$3 million ("**Management Target Equity**"), and each member of the Management agrees to procure the Management Holdco to acquire such equity.

2.20 The ESOP Holdco agrees to, on the Closing Date, acquire 5% of the equity of the Company from I-Mab HK for the price of US$0 according to the terms and conditions stipulated herein, which is represented by the Company's unpaid registered capital of US$1.5 million ("**ESOP Target Equity**", together with Management Target Equity, Fushi Capital Target Equity, Tsingson Shenzhen Target Equity, Tsingsong Nanjing Target Equity, Heda Investment Target Equity, Ronghui Derong Target Equity, Yanyuan Chanrong Target Equity, Yanhuang Yangming Target Equity, Yanyuan Dongfang Target Equity, Rongshun Yanyuan Target Equity, Yanyuan Innovation Target Equity, Guochuang Junyao Target Equity, Hanhai Qianyuan Target Equity, Haibing Yigu Target Equity, Jialiang Shan Target Equity, Silu Fund Target Equity and Viva Biotch Target Equity, collectively referred to as the "**Target Equity**").

2.21 I-Mab HK agrees to transfer the Target Equity to the above-mentioned Parties in accordance with the above mentioned terms and conditions (collectively referred to as "**Equity Transfer**"). The Equity Transfer shall take effect on the Closing Date. After completion of the above-mentioned Equity Transfer, I-Mab HK will hold the remaining 45% of the equity in the Company, represented by the Company's registered capital of US$13.5 million.

Article 3 Closing Conditions

3.1 **Conditions Precedent**. Each Investor's obligation to complete the equity transfer related to it and pay its respective portion of the Investors Investment Amount and I-Mab HK's obligation to transfer corresponding Target Equity of the Company to the Investors pursuant to Article 2 (collectively, the "**Closing**") shall be subject to the following conditions (each of which is referred to as a "**Condition Precedent**") being satisfied or waived in writing by the Investors of whom the subscribed capital contribution exceeds two thirds of the total subscribed capital contribution of all Investors, and who shall include the Investors who are entitled to appoint Investor Directors (as defined in the Shareholders Agreement) pursuant to the Shareholders Agreement (collectively, the "**Majority Investors**"), on or prior to the Closing Date:

(1) The Investors have completed the business, legal, and financial due diligence on the Company;

(2) The representations and warranties made by the Company herein are true, accurate, complete and not misleading in all material respects on the Signing Date and the Closing Date, there is no Material Adverse Change in the Company, and the Company shall have delivered a Closing Certificate to the Investor in the form and substance as attached hereto as **Schedule 4**;

(3) Except the relevant Market Regulation Bureau Registration (as defined below), tax registration, MOFCOM foreign invested companies information reporting and change of foreign exchange registration, the Company has obtained and completed all necessary authorisations, consents and approvals required for the execution, delivery and performance of the Transaction Documents and the transactions contemplated thereunder (including but not limited to the Shareholders Resolutions of the Company's Shareholders in the form and substance as attached hereto as **Schedule 5**; and the competent authority of I-Mab shall have duly approved the transactions contemplated hereunder, including, it shall have duly approved transfer of all Intangible Assets of the Licensed Pipelines to the Company);

(4) This Agreement has been duly executed and delivered by the Parties, has become effective, and remains fully effective on the Closing Date;

(5) The Shareholder Agreement in the form and substance attached hereto as **Schedule 6** has been duly executed and delivered by the Parties, and shall take effect on and from the Closing Date;

(6) The Amended Articles of Association in the form and substance attached hereto as **Schedule 7** has been duly executed and delivered by I-Mab HK, the Investors, the Management Holdco and the ESOP Holdco, and shall take effect on and from the Closing Date;

(7) The Parties shall have duly executed and delivered other Transaction Documents (if any) which, according to terms thereof, shall be executed on or prior to the Closing Date;

(8) All the rights and interests of the of Target Pipelines listed in the first part of **Schedule 1** (the "**Licensed Pipelines**") have been transferred to the Company by I-Mab HK, and there is no pledge or other incumbrance on such rights and interests; more specifically, (i) the rights and interests of Pipeline TJ301 shall have been exclusively sublicensed by I-Mab to I-Mab HK, and then exclusively sublicensed by I-Mab HK to the Company; (ii) with respect to the rights and interests of Pipeline TJL1A3, I-Mab Biopharma (Shanghai) Co., Ltd. ("**I-Mab Shanghai**") shall have assigned all of its rights and obligations under the agreement related to Pipeline TJL1A3 (the "**TJL1A3 Agreement**") to I-Mab HK, and then I-Mab HK shall have assigned all of its rights and obligations under the TJL1A3 Agreement to the Company; and (iii) with respect to the Intangible Assets of Pipeline TJ102, I-Mab Bio-Tech (Tianjin) Co., Ltd. and I-Mab Shanghai shall have respectively assigned all of their rights and obligations under the agreement related to TJ102 (the "**TJ102 Agreement**") to I-Mab HK, and then I-Mab HK shall have assigned all of its rights and obligations under the TJ102 Agreement to the Company; notification and approval procedures (if applicable) for the foregoing transfer shall have been duly performed;

(9) For the Intangible Assets of Target Pipelines listed in the second part of **Schedule 1** (the "**Independently Developed Pipelines**"), I-Mab HK shall have signed a binding agreement with the Company to the satisfaction of the Investors, stipulating that such Target Pipelines Intangible Assets will be transferred to the Company after the Closing Date within a limited period of time (including without limitation, to register relevant Intellectual Property of the Independently Developed Pipelines under the Company's name); more specifically, such agreement shall stipulate that: (i) all patents and patent applications of TJA3, TJM2 and TJT6 in the Greater China, the United States, the European Union, Japan, the Republic of Korea, Australia and Canada (collectively, the "**Tier One Countries**") shall be transferred to the Company within twelve (12) months of the Closing Date, provided that the Parties acknowledge that completion time of the transfer of such patents and patent applications may be impacted by COVID-19 and other factors out of I-Mab HK and the Company's control, and that if the transfer of any or all of such patents and patent applications cannot be completed within the aforesaid period due to impact of COVID-19 or other Force Majeure Event, then the aforesaid period shall be reasonably extended, I-Mab HK will promptly notify the Investors, and I-Mab HK and the Majority Investors shall negotiate in good faith on extension of the aforesaid period; and (ii) with respect to patents and patent applications of TJA3, TJM2 and TJT6 in the countries and regions other than the Tier One Countries, I-Mab HK shall, within twelve (12) months of the Closing Date, submit applications to the patent authorities of these countries and regions for transfer of such patents and patent applications to the Company, and shall complete the procedures for transfer of such patents and patent applications as soon as practicable; provided that if any or all of the applications for transfer of such patents and patent applications cannot be submitted within the aforesaid period due to impact of COVID-19 or other Force Majeure Event, then the aforesaid period shall be reasonably extended, I-Mab HK will promptly notify the Investors, and I-Mab HK and the Majority Investors shall negotiate in good faith on extension of the aforesaid period.

(10) The Company's key employees (list of whom is attached to as **Schedule 3**) (the "**Key Employees**") have signed labour contracts, non-compete and intellectual property assignment agreements with the Company.

3.2 **Long-Stop Date**. All Parties shall exert their best efforts to ensure that all Conditions Precedent be satisfied no later than 30 September, 2020. If any of the Conditions Precedent is not met within such time limit and is not waived by the Majority Investors in writing, any Party has the right to terminate this Agreement by giving a written notice to the Other Party. The termination of this Agreement shall be effective on and from the date of such written notice of termination. Notwithstanding the foregoing, the Party who bears the main responsibility or fault to which the failure of satisfaction of any Condition Precedent within the above-mentioned deadline is attributable shall not have the right to terminate this Agreement in accordance with the provisions of this Article 3.2. At the Closing, if any of the Conditions Precedent are waived in writing by the Majority Investors, unless expressly and permanently waived by all Investors, such Conditions Precedent shall automatically become post-Closing obligations under Article 4.3 of this Agreement, and such obligations shall be fulfilled within the time limit otherwise agreed in writing by the Investors.

Article 4 Closing and Related Matters

4.1 **Time of Closing**. Closing shall occur on the date of fulfilment of all the Conditions Precedent listed in Article 3.1 of this Agreement (except for those Conditions Precedent that, according to their nature, must be achieved on the Closing Date) or waiver of the same by the Majority Investors in writing (the "**Closing Date**").

4.2 **Closing**. The Investors shall remit their respective Investors Investment Amount to the Company's designated bank account to be provided by the Company at least two (2) Working Days prior to the Closing Date by wire transfer within ten (10) Working Days after the Closing Date or at the time otherwise agreed by the Parties. The amount of Investors Investment Amount payable by each Investor shall be as follows:

(1) Fushi Capital shall pay RMB equivalent to US$25,000,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$2,500,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$22,500,000.00 shall be booked to the Company's capital reserve as a premium.

(2) Tsingsong Shenzhen shall pay RMB equivalent to US$16,550,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$1,655,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$14,895,000.00 shall be booked to the Company's capital reserve as a premium.

(3) Tsingsong Nanjing shall pay RMB equivalent to US$8,450,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$845,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$7,605,000.00 shall be booked to the Company's capital reserve as a premium.

(4) Heda Investment shall pay RMB equivalent to US$20,000,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$2,000,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$18,000,000.00 shall be booked to the Company's capital reserve as a premium.

(5) Ronghui Derong shall pay RMB equivalent to US$10,000,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$1,000,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$9,000,000.00 shall be booked to the Company's capital reserve as a premium.

(6) Yanyuan Chanrong shall pay RMB equivalent to US$2,000,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$200,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$1,800,000.00 shall be booked to the Company's capital reserve as a premium.

(7) Yanchuang Yangming shall pay RMB equivalent to US$3,200,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$320,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$2,880,000.00 shall be booked to the Company's capital reserve as a premium.

(8) Yanyuan Dongfang shall pay RMB equivalent to US$2,800,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$280,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$2,520,000.00 shall be booked to the Company's capital reserve as a premium.

(9) Rongshun Yanyuan shall pay RMB equivalent to US$2,500,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$250,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$2,250,000.00 shall be booked to the Company's capital reserve as a premium.

(10) Yanyuan Innovation shall pay RMB equivalent to US$2,500,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$250,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$2,250,000.00 shall be booked to the Company's capital reserve as a premium.

(11) Guochuang Innovation shall pay RMB equivalent to US$7,000,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$700,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$6,300,000.00 shall be booked to the Company's capital reserve as a premium.

(12) Hanhai Qianyuan shall pay RMB equivalent to US$7,000,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$700,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$6,300,000.00 shall be booked to the Company's capital reserve as a premium.

(13) Haibang Yigu shall pay RMB equivalent to US$3,000,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$300,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$2,700,000.00 shall be booked to the Company's capital reserve as a premium.

(14) Jialiang Shan shall pay RMB equivalent to US$3,000,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$300,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$2,700,000.00 shall be booked to the Company's capital reserve as a premium.

(15) Silu Fund shall pay RMB equivalent to US$3,000,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$300,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$2,700,000.00 shall be booked to the Company's capital reserve as a premium.

(16) Viva Biotech shall pay RMB equivalent to US$2,000,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$200,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$1,800,000.00 shall be booked to the Company's capital reserve as a premium.

(17) Huatian Enterprise Management shall pay RMB equivalent to US$2,000,000.00 (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company, so as to fulfil its capital contribution obligations in connection with the Target Equity acquired by it. Among such investment amount, RMB equivalent to US$200,000.00 shall be booked to the Company's registered capital, and the remaining RMB equivalent to US$1,800,000.00 shall be booked to the Company's capital reserve as a premium.

I-Mab HK shall transfer the Intangible Assets of Target Pipelines listed in part 2 of **Schedule 1** to the Company after the Closing Date within the timelines set forth in this Agreement and in the binding agreement between I-Mab and the Company, and shall pay the Company US$30 million in cash on the Closing Date, so as to fulfil its capital contribution obligation in connection with the equity held by it in the Company after the Equity Transfer. The Parties agree that the total value of the Intangible Assets of all Target Pipelines to be contributed by I-Mab HK to the Company shall be US$105 million. Among the above capital contributions of I-Mab HK, US$13.5 million in cash shall be booked to the Company's registered capital, and the remaining US$16.5 million in cash and the Intangible Assets of Target Pipelines valued at US$105 million shall be booked to the Company's capital reserve. For the avoidance of doubt, notwithstanding anything to the contrary in the Transaction Documents, the Equity Transfer contemplated in these transactions (if take effect) shall be deemed as taking effect on the Closing Date before any capital contribution by I-Mab HK to the Company.

The Management Holdco shall pay RMB equivalent to US$3 million (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment) to the Company in accordance with the provisions of Article 4.3(8) of this Agreement, so as to fulfil its capital contribution obligation in connection with the Target Equity acquired by it.

4.3 Post-Closing Covenants

The Company, I-Mab HK, the Management and the Management Holdco hereby represent and covenant to the Investors as follows:

(1) The Company shall, within one (1) month after the Closing, complete the registration of changes with the Market Regulation Bureau (including the registration of Equity Transfer, shareholders change and shareholding percentage change, as well as filing for the Amended Articles of Association and the Company's new Board of Directors, collectively referred to as the "**Market Regulation Bureau Registration**") for the transactions contemplated hereunder, obtain an updated business licence, and complete the necessary tax registration, MOFCOM foreign invested companies information reporting, change of foreign exchange registration, and other registrations or filings required by Applicable Laws of the PRC.

(2) The Company and I-Mab HK covenant to complete the transfer of Intangible Assets of the Independently Developed Pipelines from I-Mab HK to the Company as soon as practicable after the Closing Date in accordance with the provisions of this Agreement and relevant agreement of the Independently Developed Pipelines, and shall cause the Group to, prior to such transfer, exert all efforts to maintain such Intangible Assets and avoid transferring any Intangible Assets or Ancillary Assets in connection with the Independently Developed Pipelines to any third party other than the Company or creating any incumbrances on such assets. As of the Closing Date, the Group owns the complete and valid title of the Intellectual Property of the Independently Developed Pipelines that are required to be transferred to the Company pursuant to this Agreement and agreement related to such Independently Developed Pipelines, and, to the knowledge of the Company, I-Mab HK and the Management, no disputes exist in connection with ownership of such Intellectual Property; such Intellectual Property is reasonably expected to adequately meet the Company's need to operate the Independently Developed Pipelines in a normal way, with no incumbrances existing on such Intellectual Property. To the knowledge of the Company, I-Mab HK and the Management, as of the Closing Date, there exist no Intellectual Property related litigation, opposition, appeal, interference, invalidation or cancellation procedures in connection with Intangible Assets of the Independently Developed Pipelines; and as of the Closing Date, the Group has not received any allegation, complaint, claims, demand or notice on any infringement, improper use or violation in connection with such Intellectual Property. The Company shall validly obtain all approval, permit, license, certificate, consent or other approval documents of the Government Agencies that are necessary for its operation of the Independently Developed Pipelines.

(3) I-Mab HK shall, as soon as practicable after the Closing, obtain an appraisal report on Intangible Assets of the Target Pipelines issued by a qualified appraiser, and shall guarantee that the total valuation of Intangible Assets of the Target Pipelines in the appraisal report be not lower than US$105 million. If the total valuation of Intangible Assets of the Target Pipelines in the appraisal report is lower than US$105 million, I-Mab HK shall make up for the deficiency in full by making additional cash contribution to the Company.

(4) With respect to clinical trials of Pipeline TJ301, I-Mab HK and the Company shall use reasonable efforts to obtain renewed approval from the Human Generic Resource Office as soon as practicable within two (2) months of the Closing Date. However, the Parties understand that the time of receiving such renewed approval may be impacted by COVID-19, efficiency of the regulatory authority in its approval process, and other factors out of I-Mab HK and the Company's control, and that if the renewed approval cannot be obtained within two (2) months of the Closing Date, unless caused by I-Mab HK or the Company's fault, the aforesaid time limit shall be reasonably extended, the Company shall promptly notify the Investors, and the Company and the Majority Investors shall negotiate in good faith on extension of the aforesaid time limit.

(5) With respect to the joint patent applications of the Group and ABL Bio under Pipeline TJL1A3, the Group shall transfer the relevant patent application rights to the Company and complete the corresponding Intellectual Property registration within twelve (12) months of the Closing Date; with respect to any intangible assets (if any) that are licensed by the Group to ABL Bio under the TJL1A3 Agreement, the Group shall transfer such intangible assets to the Company and have the Company to license the same to ABL Bio.

(6) Subject to the Company having met objective conditions for receipt, all ancillary assets related to the Target Pipelines and necessary for implementation and operation of the Target Pipelines, such as registration materials, samples, cell line and cell bank, technical platform, technical documents, etc. of the Target Pipelines (the "**Ancillary Assets**"), shall be transferred to the Company prior to June 30, 2021, and all team handover, technology handover and technology matching in connection with the Intangible Assets and Ancillary Assets of the Target Pipelines shall be completed prior to June 30, 2021, so as to ensure normal operation of the Target Pipelines in the Company. In the event of failure to transfer any part of the Ancillary Assets prior to June 30, 2021 as a result of any objective reasons (e.g., the Company does not meet conditions for storage), such part of the Ancillary Assets shall be transferred to the Company as soon as practicable, and in any event immediately after elimination of the said objective reasons, which Ancillary Assets shall, prior to IPO of the Company, meet the then applicable regulatory requirements for the Qualified IPO (as defined in the Shareholders Agreement) and requirements of the IPO intermediaries, and shall not create obstacles to the Qualified IPO of the Company.

(7) After the Closing, the Company shall use commercially reasonable efforts to optimize terms of its existing and future business contracts, with a view to achieve best interests of the Company; and if any such agreements contain any terms (if any) that create material obstacles to the Qualified IPO of the Company, the Company shall proactively communicate with the counter parties to the relevant agreements, and adjust any terms (if any) under such agreements that create or may create material obstacles to the Qualified IPO of the Company in the manner acceptable to the then engaged IPO intermediaries of the Company.

(8) Each member of the Management shall, through the Management Holdco, subscribe and hold its respective share of the equity in the Company represented by US$3 million of the Company's registered capital acquired by the Management Holdco hereunder, whose share of such equity shall be the proportion of its capital contribution obligations subscribed in the Management Holdco to the total capital contribution obligations subscribed by all members of Management in the Management Holdco (hereinafter referred to as the "**Share of Equity**" of such member of the Management). The unit subscription price of the Share of Equity subscribed by each member of the Management shall be US$1 for each unit equity of the Company represented by per US$1 registered capital of the Company. Each member of the Management shall pay RMB equivalent to 25% of the total subscription price of its Share of Equity to the Management Holdco on every one (1) year anniversary of the Closing Date (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of payment), which payment shall be made in four (4) years; provided, however, if the Company's listing plan requires the Management Holdco to pay up the registered capital subscribed by it in the Company in advance, all members of the Management shall fully fulfil the capital contribution obligations in connection with their respective Share of Equity in advance. The Management Holdco shall, upon receiving any of the above-mentioned capital contribution from members of the Management, immediately pay such capital contribution to the Company, so as to fulfil its capital contribution obligations to the Company.

(9) Prior to the Company's application for Qualified IPO, the Company shall cooperate with the then engaged intermediaries to eliminate the potential independence issues and fulfil the commitment on restructuring of the relevant business, personal, assets, etc. between the Company and the Group (excluding the Company and its Subsidiaries). The Group shall, in accordance with requirements of this Agreement, use commercially reasonable efforts to transfer employment of the personal listed in **Schedule 8** to the Company within the scheduled timelines.

(10) After the Closing, I-Mab HK and the Company shall cause the directors, supervisor, Senior Officers of the Company and the controlling shareholder and actual controller (if any) of I-Mab HK to, prior to the Company's application for Qualified IPO, cooperate with the then engaged IPO intermediaries in eliminating circumstance that may constitute obstacles to the Qualified IPO such as potential horizontal competition etc.; transactions between the Company and its Affiliated Company(ies), and between the Company and its directors, officers, managers, shareholders or other Affiliates, shall be conducted in compliance with requirements of relevant securities regulatory rules such as reasonableness, necessity, fairness, etc..

(11) After the Closing, the Company shall construct the project of Hangzhou industrial base in accordance with the applicable laws or requirements of Government Agencies, and shall, based on process of the construction, complete procedures required by the applicable laws such as relevant approval, registration or filing.

(12) After the Closing, the Company shall, within six (6) months, select the person in charge of clinical and the person in charge of research and development (for the avoidance of doubt, the person in charge of research and development is also responsible for clinical) and sign labor contract, non-compete agreement and intellectual property ownership agreement with such person.

Article 5 Representations and Warranties

5.1 **Company Representations and Warranties**. The Company and I-Mab HK jointly represent and warrant to the Investors as follows: except for the exceptional circumstances as disclosed by the Company to the Investors in the disclosure schedules attached hereto as **Schedule 9** ("**Disclosure Schedules**", the specific items set forth in the Disclosure Schedules shall qualify the corresponding representations and warranties hereunder), the Company and I-Mab HK make the following representations and warranties in connection with this Agreement on the Signing Date and the Closing Date of this Agreement (or, for representations and warranties made on a specific date, such representations and warranties are deemed to be made on that specific date), and the Company and I-Mab HK acknowledge and agree that the Investors rely on the authenticity, completeness and accuracy of these representations and warranties to sign this Agreement and consummate the transactions contemplated under this Agreement.

(1) Due Organization. The Company is a limited liability company established and validly established in accordance with the conditions and legal procedures prescribed by the PRC laws. It has obtained all necessary approvals and permits from Government Agencies for its establishment.

(2) Constitutional Documents. The constitutional documents of the Company that have been delivered to the Investors are true and complete. On the Signing Date and the Closing Date of this Agreement, the above-mentioned constitutional documents are valid and have not been replaced by other documents (provided that at Closing, such constitutional documents will be superseded by the Amended Articles of Association). All legal and procedural requirements and other procedures related to the above-mentioned constitutional documents have been properly complied with and performed in accordance with the law.

(3) Authorization and Enforceability. As of the Closing Date, this Agreement and the other Transaction Documents are duly authorized, and with respect to the Agreement and the other Transaction Documents to which the Company and the Warrantor are parties, such agreements, after executed by the relevant parties, shall constitute valid and legally binding agreements on the Company and the Warrantor. The form of this Agreement is lawful, and is enforceable upon the Company and the Warrantor. The Company or the Warrantor's execution, delivery and perform of this Agreement and other Transaction Documents to which it is a party, and the rights and obligations under such Transaction Documents, will not violate laws and regulations of the PRC nor the articles of association or other constitutional documents of the Company or the Warrantor, will not violate court judgments, rulings, arbitral awards, administrative decisions, orders which are binding on or applicable to the Company or the Warrantor, and will not violate any document, contract or agreement to which the Company or the Warrantor is a party.

(4) Capital Contribution. As of the Signing Date of this Agreement, the Company's registered capital is not paid in.

(5) Equity Ownership. The Warrantor has the title to the equity held by it, and there is no pledge or any other incumbrance on the equity. Upon acquiring the relevant Target Equity and making capital contributions in accordance with this Agreement, the Investor shall obtain complete and valid ownership of such equity. Except as stipulated in this Agreement and other Transaction Documents and as required by applicable laws, there is no pre-emptive rights, convertible securities or other outstanding equity commitments for issuance of additional equity or other similar commitments in the Company's registered capital. There is no effective control agreement or similar arrangement against the Company and its equity or assets. Except provided in the Shareholders Agreement and the articles of association of the Company, the Company is not subject to any obligation to repurchase, redeem or otherwise purchase any equity. The Company is not subject to any legal or contractual obligation to provide any capital investment to any other person (no matter in the form of loan, capital contribution or otherwise).

(6) Government Approval. As of the Closing Date, the Company has full power and authority to hold, lease or operate its property (including without limitation Intangible Assets of the Licensed Pipelines) and operate its existing business (including without limitation the Licensed Pipelines), and has all the required approvals, permits, licenses, certificates, consents, or other approval documents from government agencies ("**Approval Documents**") for holding, leasing or operating its property (including without limitation Intangible Assets of the Licensed Pipelines) and operating its existing business (including without limitation the Licensed Pipelines), there is no ongoing or potential government agency Approval Documents that may be suspended or revoked, unless the absence of such Approval Documents of the government agency, or the potential revocation or cancellation of such Approval Documents from the government agency will not prevent the Company from fulfilling this Agreement or cause material negative effects. The Company has always complied with the requirements of these Approval Documents, and has not violated these Approval Documents in any material respect. The Company has never received any written or oral notice from any government department informing it that it has violated any provisions under any such Approval Documents.

(7) Company's External Investment. The Company does not have any Subsidiaries, branches, or entities that the Company invest in other forms, nor does it have any other investment commitments.

(8) Financial Statements; Off-Balance Sheet Liabilities. The Company has delivered the unaudited Company's balance sheet and related income statement and cash flow statement (hereinafter collectively referred to as "**Management Statements**") as of the financial statement date (that is, 30 April, 2020). The Management Statements (a) are prepared based on the Company's books and other financial records, (b) in material respects fairly reflect the Company's financial status and operating results as of the financial statement date or the corresponding period, and (c) have been prepared in accordance with China's general accounting principles and following the principle of consistency in line with the Company's previous practice.

The Company does not have any other material off-balance sheet transactions, debts, arrangements and obligations, including but not limited to relationships with non-consolidated reporting entities.

(9) Related Party Transactions. There are no material transactions between the Company and the Company and/or Affiliated Companies and their directors, officers, managers, shareholders, or other related parties (hereinafter collectively referred to as "**Related Parties**") that contain terms different from those terms entered into with unrelated third parties based on the fair trade. As of the Closing Date, except for the Transaction Documents (including the agreement or documents required or contemplated by the Transaction Documents) and labour-related contracts, there is no contract, agreement or other transaction between the Company and any Related Parties that is still within the validity period or has not been completed, and there are no due or outstanding debts, liabilities nor any other payables and receivables with the Related Parties, except for those that will not cause Material Adverse Changes in the Company's production and operation.

(10) No Material Adverse Change. From the financial statement date of the Company to the Closing Date, the Company's business operations are normal, specifically:

(a) There is no Material Adverse Change to the Company's financial situation, assets, liabilities, and net business value, except for changes in the ordinary course of operation;

(b) There are no strikes, labour disputes, or any new or continuation of events or circumstances that cause or may cause Material Adverse Change to the Company;

(c) There is no cancellation or waiver of right that may have a material adverse impact on the business operations, nor is there cancellation or waiver of any rights or claims with material value, nor is there cancellation or waiver of any rights or claims against Related Parties;

(d) No Material Adverse Change to the relationship between the Company and its suppliers, clients or customers has occurred or may occur;

(e) No Material Adverse Change in the accounting or bookkeeping methods or accounting practices related to or affecting the business of the Company has occurred;

(f) There is no sale, transfer or lease of any material property or asset (whether tangible or intangible), nor any incumbrance created on such assets, and there is no payment, loan or prepayment obligation related to such material property or asset.

(11) Tax Matters. All tax statements, reports and forms ("**Tax Reports**") that need to be submitted by the Company have been provided to the competent government authorities in a timely manner, and all Tax Reports accurately reflect the Company's tax burden in all material respects for the period, property, or event recorded. All taxes, including tax in Tax Reports or taxes that any government agency believes shall be paid by the Company, or taxes levied on the Company's property, assets, capital, turnover, or income have been paid in full (except for taxes fully reserved in the relevant Tax Reports). At present, there is no unfinished or potential inspection, inquiry or audit by a competent department on the Company. The tax that the Company shall withhold in accordance with the law has been withheld and handed over to the competent government agency, or the Company shall keep it properly. The Company does not have any material tax liability or obligation of any nature, unless such tax liability or obligation is (a) fully reflected in the Tax Reports; or (b) occurs during the normal operating activities of the Company since its establishment.

(12) Property Ownership/No Incumbrance. Article 1.12 of the Disclosure Schedules lists all real estate currently used by the Company. Except for the leased real estate, the Company has the complete and marketable rights of all other real estate (if any) listed in Article 1.12 of the Disclosure Schedules, and there is no liens or other incumbrances over these rights. With respective to the leased real estate, all leases of the Company are fully effective; all the rent and additional payments due have been paid; since the beginning of the original lease period, the Company has occupied properly, and there has not been any material violation of the provisions of the lease contract, nor has there been any material breach of contract or any event, situation or behaviour that may lead to violation of the lease contract. The Company's leased real estate is in good maintenance condition, and is sufficient to meet the current purpose of use (except for normal wear and tear).

The Company legally owns the material tangible movable property (or have legal right to use such tangible movable property) required to engage in the main business and is able to operate its tangible movable property independently. To the knowledge of the Company and the Warrantor, there is no contracts, agreements, commitments, documents or laws and regulations, government regulations, government requirements, measures, litigation or other legal procedures that may affect the Company's legal and complete ownership or use of its tangible movable property in material respects. To the knowledge of the Company and the Warrantor, the Company's use of the tangible movable property for business operation is in compliance with PRC laws and will not infringe the rights and interests of any third parties.

(13) Employees. The Company does not violate the applicable PRC labour laws in any material respects (including but not limited to labour contracts, wages, working hours, social insurance and housing provident fund payment, etc.) nor is there any material liabilities, contingent liabilities or unpaid fees due to the requirements of applicable PRC labour laws. The Company has paid withholding tax on behalf of the employees to the relevant Government Agency, or has withheld and reserved on behalf of its employee payable amount that is not yet due for these Government Agencies. The Company does not have any material amounts of unpaid wages, taxes, penalties or any material payments due to violation of the above mentioned obligations. The Company does not have any unpaid economic compensation that should be paid for the termination of labour relations or other material payment obligation for similar compensation or compensation costs related to the employment relationship.

Except for social insurance and housing provident funds as required by the PRC laws, the Company has not participated and is not subject to any other pension, retirement, profit sharing, deferred compensation or other employee benefit plan, arrangement, agreement or understanding, nor is there any other pension, retirement, profit sharing, deferred compensation, or other employee benefit plan, arrangement, agreement, or understanding that any employee or former employee (or its beneficiaries, if any) has the right to participate in or enjoy. The Company has been paying social insurance and housing provident funds for all employees in accordance with the law.

There are no pending labour controversy or disputes between the Company and its existing or former employees, and to the knowledge of the Company and the Warrantor, there are no potential labour controversy or disputes, except those that will not cause Material Adverse Change to the Company's business and financial conditions.

The Company currently has no intention to terminate the labour relationship with any Key Employees. To the knowledge of the Company and the Warrantor, the Key Employees of the Company are not subject to any other contract (including licenses, commitments or other obligations) or decree, judgment, order of government agencies or courts other than the contracts entered into with the Company, which materially impact the employee's ability to serve the Company's interests, or will be in conflict with the Company's business. The Company has not entered into any collective contract or similar contract or arrangement with employees.

(14) Material Contracts. Any Material Contract was executed under normal commercial conditions. Any Material Contract is a contract that is valid and binding in accordance with its terms (except for those that cannot be enforced due to bankruptcy, liquidation, reorganisation or other similar laws that affect the general rights of creditors); there is no violation or breach of any Material Contracts in material respects by the Company, nor is there any matter that will constitute a material breach of contract by the Company; the Group has not violated any agreement or arrangement in connection with the Target Pipelines; the Company has not received any notice on termination or cancellation of any Material Contract or in connection with breach under any Material Contract; and to the knowledge of the Company and the Warrantor, there is no violation or breach of any Material Contracts in material respects by the counter party(ies) thereof, nor is there any matter that will constitute a material breach of contract by the counter party(ies); in addition, the consummation of the transaction contemplated in this Agreement will not (and will not give anyone the right to) terminate or modify the Company's rights under any Material Contracts, or accelerate the performance or increase the Company's obligations under any Material Contracts, or create any liens or other incumbrances therefrom.

"**Material Contracts**" refer to any material contracts to which the Company is a party, or involving any property or assets of the Company, including: (a) contract under which any party has obligation to pay RMB1,000,000 or more; (b) real estate lease contract; (c) exclusive cooperation/license contract, or contract involving non-compete or other clauses that restrict or interfere with the Company's capacity of operation in any manner or in any jurisdiction; (d) contract stipulating line of credit; (e) contract stipulating securities provided by the Company; (f) contract granting power of attorney or similar authorization to any person; (g) contract involving right of first refusal; (h) contract involving any transaction between the Company and its Related Party(ies); (i) collective contract or contract providing severance (except statutory severance) to any officers, directors or employees, (j) contract that materially affects operation of the Company, or contract that is material to the Company's operation; (k) contract stipulating that the Company shall make payment or provide benefits to third party(ies) as a result of consummation of the transactions contemplated under this Agreement; (l) material license agreement (including agreement under which the Company licenses Intellectual Property to other person(s), and agreement under which the other person(s) license Intellectual Property to the Company) or transfer agreement in connection with Intellectual Property; (m) contract that is not entered into in normal commercial terms; (n) contract to transfer, sell or dispose of material assets of the Company; (o) contract involving equity sale, equity acquisition, investment, financing, joint venture, merger and acquisition, restructure, profit sharing or change in control; (p) contract that creates incumbrances on the equity or material property of the Company; (q) strategic cooperation agreement entered into with any partner that is material to the operation and development of the Company; and (r) any memorandum of understanding, letter of intent, contract or agreement entered into with government departments (including enterprises solely owned or controlled by the State).

(15) Intellectual Property.

(a) As of the Closing Date, the Company and I-Mab HK have obtained all proper Intellectual Property or relevant license in connection with business operation and the Licensed Pipelines, and have the complete and valid rights to own all Intellectual Property or relevant licensed rights necessary to own and operate the Licensed Pipelines, and to the knowledge of the Company, I-Mab HK and the Management, there are no disputes on such rights.

(b) As of the Closing Date, all Intellectual Property in connection with the business operation of the Company and the Licensed Pipelines are legally and beneficially owned by the Company or legally used with the permission of the owner(s) (as the case may be), and there are no incumbrances over such Intellectual Property. The Company's Intellectual Property is sufficient to enable it to operate its business in its current state.

(c) Article 1.15 of the Disclosure Schedules sets forth a complete and accurate list of Intellectual Property registered under the Company's name and Intellectual Property licensed to the Company under Intellectual Property licensing. To the knowledge of the Company, I-Mab HK and the Management as of the Signing Date and the Closing Date, there are no notices, statements, claims, opposition, cancellation or litigation by third parties that allege the Intellectual Property used by the Company as invalid.

(d) All licenses of Intellectual Property used by the Company are fully effective. The Company has not, as of the Signing Date and the Closing Date, breached any of the material terms of the licences, and the counter party(ies) to the licences have not stated in writing that it will breach the contract.

(e) To the knowledge of the Company and the Warrantor as of the Signing Date and the Closing Date, the Company has not interfered with, infringed, improperly used or violated the Intellectual Property of third parties due to the use of Intellectual Property or licensed Intellectual Property, nor has it received any allegations, complaints, claims, demands or notices claiming any such interference, infringement, improper use or violation. In addition, to the knowledge of the Company and the Warrantor, no third party has interfered with the Company's Intellectual Property, or infringed, improperly used or violated the same.

(16) Litigation. There are no pending or threatened litigation, arbitration or other legal proceedings against the Company or its property or rights by any court or arbitral tribunal, and there are no pending or threatened administrative or other proceedings by any Government Agency (including investigations by such Government Agency), which may cause Material Adverse Changes to the Company's right or ability to continue its current business, or to the Company's financial or other conditions, property or assets; there is no valid basis for initiating such litigation, arbitration, legal proceedings, administrative and other procedures or investigations. The Company is not bound by any judgment, order or ruling made in any litigation, arbitration or other legal proceedings that may cause material adverse changes to its operations. The Company has not received any notice of material disputes or claims under any contract.

(17) Compliance. The Company has not (a) materially violated the law, (b) materially violated approval of any relevant Government Agency, (c) violated the provisions of its articles of association, or (d) failed to perform or comply with any material obligations, agreements, covenants or conditions in any contract on which it is a party or which binds it or any of its property. The Company has not received any notification of such breach of contract, violation or omission, whether have occurred or may occur.

(18) Books and Records. The Company's books and records are true and accurate in all material respects, without any material inaccuracies or inconsistencies, and are prepared and maintained in accordance with applicable laws and good business practices, so as to enable the Company to prepare its financial statements in accordance with the generally accepted accounting principles of the PRC. The Company's meeting minutes book accurately reflects in all material aspects all the important actions and legal procedures that have been taken by the Company's shareholders and the Board of Directors as of the record date.

(19) External Shareholdings by Senior Officers. Except as expressly stated in Article 1.19 of the Disclosure Schedules, to the knowledge of the Company and the Warrantor, no Senior Officers or Key Employees of the Company directly or indirectly own, manage, control, or invest in any business that competes with the business of the Company ("**Competing Business**"), act as a director, management, advisor or employee of any company or entity engaged in such business, or hold any equity or share in any company or entity engaged in such business (except holding not more than 5% of all outstanding shares of a listed company).

(20) Disclosure. All documents, materials and information provided by the Company in the course of due diligence by the Investors are true, accurate, complete and valid, and are not misleading. Documents, statements and information related to the Company that would be reasonably expected to materially affect the Investors' intention to consummate the transaction contemplated hereunder have been disclosed to the Investors without material omissions.

5.2 **Investors Representations and Warranties**. Each Investor separately but not jointly represents and warrants to Other Parties as follows:

(1) Due Organization. Such Investor is a [limited partnership or limited liability company] established and validly existing under the PRC laws.

(2) Authorization and Enforceability. This Agreement is duly authorized, and after executed by the Parties, shall constitute a valid and legally binding agreement on the Investor. The form of this Agreement is lawful, and is enforceable upon the Investor in the PRC.

Article 6 Transitional Period Covenants

6.1 **Business Operation**

(1) The Company covenants that from the Signing Date of this Agreement to the Closing Date, except for implementing the transactions contemplated hereunder, the Company and the Management shall take, and I-Mab HK shall procure the Company and the Management to take the following actions:

(a) In the normal course of business, conduct business in a manner that is in compliance with Applicable Laws and is consistent with past practices and prudent business practices;

(b) Ensure the integrity of the existing business organisation;

(c) Maintain all operating assets and equipment (including any owned or licensed Intellectual Property) in normal operation and good maintenance;

(d) Renew and update registered Intellectual Property rights in the normal course of business;

(e) Promptly notify the Investors of any material violation of the Company and the Warrantor's representations and warranties, or any material violation of other terms of this Agreement.

(2) The Company, the Warrantor and the Management covenant that from the Signing Date of this Agreement to the Closing Date, except for implementing the transactions contemplated hereunder, none of the Company or its shareholders or the Management shall take any of the following actions without the Investors' prior written consent:

(a) Terminate the operation of the Company's existing business or substantially change any part of its business behaviour;

(b) Sell or dispose of all or most of the Company's intangible assets or assets;

(c) Distribute any profits among shareholders through payment of dividends, capitalization of capital reserve or otherwise;

(d) Create or amend terms and conditions of any employee equity incentive plan without the written consent of the Investors;

(e) Amend the Company's previously adopted financial rules or change the Company's fiscal year;

(f) Increase or reduce registered capital, change of equity (except for matters for purposes of the transactions contemplated hereunder), or attract any investment or obtain any investment commitments other than those contemplated hereunder;

(g) Change the company form;

(h) Sell, transfer, licence, mortgage, create any incumbrance or otherwise dispose of any trademarks, patents, copyrights or other Intellectual Property owned by the Company;

(i) Adopt any resolution to terminate the Company or conduct any merger, division, bankruptcy, reorganization, liquidation, dissolution or designation of receiver or similar events of the Company;

(j) Except for purpose of performing this Agreement, amend or restate the Company's articles of association;

(k) Except for purpose of performing this Agreement, approve any transfer of equity of the Company; or

(l) Enter into commercial cooperation with any third party on the Pipelines to be injected into the Company, including but not limited to joint development, external licensing and other cooperation.

6.2 **Exclusivity**. The Company, the Warrantor and the Management covenant that from the Signing Date of this Agreement to the earlier to occur of: (1) the Closing Date; (2) the date of termination of this Agreement, without the Investors' prior written consent or unless otherwise agreed in this Agreement, the Company, the Warrantor and the Management may not, and shall procure their Affiliates and their respective directors, supervisors, officers, employees, representatives or agents not to:

(1) Initiate, induce or instigate sale or other disposal of equity in the Company, or any inquiry, quotation or offer related to acquisition or merger of the Company (each referred to as an "**Alternative Transaction**");

(2) Participate in any discussions or negotiations on any Alternative Transactions, or provide or disclose any information about the Company or the business for any Alternative Transactions; or

(3) Enter into any binding or non-binding written or oral agreement, arrangement or understanding for any Alternative Transactions.

6.3 **Notification of Specific Matters**. Each Party to this Agreement covenants that from the Signing Date to the Closing Date of this Agreement, it shall notify the Other Parties and provide the corresponding supporting documents immediately after knowledge of the following matters:

(1) Any facts or circumstances that constitute a material violation of its representations and warranties made in this Agreement; or

(2) Become aware of the occurrence of certain facts or circumstances after the Signing Date of this Agreement, and the occurrence of these facts or circumstances will or may cause material violation of such representations and warranties made by the Party.

Article 7 Other Agreements and Covenants

7.1 **Equity Incentive Plan**. The Parties agree that, within five (5) months after the Closing, the Company will implement its employee equity incentive plan (the "**ESOP**") based on all ESOP Target Equity held by the ESOP Holdco. For such ESOPs: (a) the unit exercise price for equity represented by per US$1 of registered capital is the RMB equivalent of US$1, (b) subject to the grantees of incentives continuing to work in the Company and passing the relevant annual performance assessment tests, 50% of the relevant award granted under the ESOP will be vested on the two (2) years' anniversary of the grant date (i.e. the date when the Company and the grantee of incentives signed the equity incentive award document), and 100% of the relevant award will be vested on the three (3) years' anniversary of the grant date; however, upon occurrence of a Deemed Liquidation Event (as defined in the Shareholders Agreement), all unvested award then held by the grantees of equity incentive will be fully vested. Adoption and amendment of the ESOP and its specific implementation plan shall be subject to approval by a majority of members of the Company's Board of Directors (including consent of both Director Investors). The Parties hereby acknowledge and agree that any equity of the Company held by the ESOP Holdco may only be used for issuance of equity incentives under the ESOP in accordance with the decision of the Board of Directors, and except for the purpose of implementing the ESOP and upon resolution of the Board of Directors, the ESOP Holdco shall not directly or indirectly transfer, pledge, create incumbrance or otherwise dispose of any equity of the Company by it.

7.2 **Protection of Intellectual Property**. After the Closing, the Company shall exert all commercially reasonable efforts to obtain lawful ownership or right of use of Intellectual Property (including but not limited to patents, trademarks, copyrights, know-how, domain names and trade secrets, etc.) required for the Company's business and operation activities, and exert all efforts to protect the Company's Intellectual Property from infringement by any third party.

7.3 **Operation in Compliance with Laws**. After the Closing, the Company shall comply with relevant Applicable Laws in all material aspects, continuously improve corporate governance of the Company in various aspects (including without limitation clinical trials, human generic resources, environmental protection, health and security, finance, labour, Intellectual Property, social insurance, housing provident fund, taxes and business) and maintain the validity of the licenses required to operate its business. If, after the Closing Date, in accordance with the relevant Applicable Laws or the requirements of Government Agencies, there is a need to obtain relevant concessions, licenses, permits, approvals, waivers, consents, authorisations, registrations or filings ("**Government Licenses**") for any matter or action involved in the Company's business or its business operations, the Company shall take all necessary measures and actions to obtain such Government Licenses in a timely manner. The Company shall maintain insurance for its business and Target Pipelines in compliance with the laws.

7.4 **Tax Payment**. Each Party shall be responsible for the taxes in connection with the transactions contemplated hereunder on which it is levied or which it is responsible to pay. For the avoidance of any doubt, the Parties further acknowledge that notwithstanding the foregoing, if the Investors are imposed on extra taxes in connection with these transactions (i.e. taxes in connection with these transactions except stamp tax) as a result of the Equity Transfer of these transactions, I-Mab HK shall indemnify the Investors against such extra taxes. The Company will conduct business operation in compliance with the laws and regulations, and shall not engage in any activities or behaviours that involve violations of laws and regulations, including but not limited to any violations of laws and regulations related to taxation and tax collection.

Article 8 Liability for Breach of Contract; Indemnification.

8.1 **Breach of Contract**. If any Party fails to duly or fully fulfil its obligations, covenants or other agreements under this Agreement or other Transaction Documents, or the representations and warranties made by the Party under this Agreement and other Transaction Documents are untrue, inaccurate or incomplete, then such Party shall be regarded as having breached the contract.

8.2 **Liability for Breach of Contract; Indemnification**. When the breach of contract described in Article 8.1 above occurs, the breaching Party shall indemnify the non-breaching Parties for any direct losses suffered by the non-breaching Parties as a result of the breach by the breaching Party ("**Loss**"). The breaching Party's indemnification against the non-breaching Parties' Loss or its taking of liability for breach shall not affect the non-breaching Parties' right to require the breaching Party to continue to perform the Agreement or their rights to terminate this Agreement. For the avoidance of any doubt, in the event the Company fails to close a Qualified IPO within four (4) years after the Closing Date of these transactions as a result of any Party's rejection to perform its obligations, covenants or other agreement under this Agreement or under other Transaction Documents to resolve issues of horizontal competition and/or related party transactions to the extent such issues create obstacles to the Qualified IPO, then if the Investors are non-breaching Parties, notwithstanding provisions of Article 3.5 of the Shareholders Agreement, the repurchase price which the Investors are entitled to will be the higher of the repurchase price set forth in Article 3.5 of the Shareholders Agreement, and the value of relevant equity based on appraisal by an appraiser to be jointly designated by the Parties at that time; or if the shareholders other than the Investors are non-breaching Parties, the breaching Party shall indemnify the non-breaching Parties against Losses incurred by them.

Article 9 Effectiveness, Amendment and Termination of this Agreement

9.1 **Effectiveness**. This Agreement shall take effect on the date when it is executed by the Parties or their authorised representatives (Chinese legal persons and unincorporated organizations must also affix their official seals).

9.2 **Amendment**. Any amendment or alteration to this Agreement shall be negotiated by all Parties, and shall be effective only after a written contract on such amendments or alteration have been signed by the Parties

9.3 **Termination**. This Agreement may be terminated prior to the Closing Date under any of the following circumstances:

(1) With the unanimous written consent of all Parties;

(2) Terminated pursuant to Article 3.2;

(3) Any Party breaches this Agreement as described under Article 8 hereof, and does not cure the breach within thirty days (30), or the breach have occurred for twice or more cumulatively, then the non-breaching Parties shall have the right to unilaterally terminate this Agreement;

(4) If force majeure occurs and as a result the fundamental purpose of this Agreement cannot be achieved, any Party may terminate this Agreement.

9.4 **Effect of Termination**. When this Agreement is terminated in accordance with Article 9.3, except Article 1 (Definitions), Article 8 (Liability for Breach of Contract; Indemnification), Article 10 (Miscellaneous) and this Article 9.4, this Agreement shall be invalid and shall no longer be binding or effective on the Parties who terminate the Agreement, and such Parties will be no longer required to bear the responsibilities and obligations under this Agreement; provided, however, despite termination of this Agreement, a Party shall still be liable for any losses incurred by the Other Parties as a result of its breach of this Agreement before the termination. For the avoidance of any doubt, in case of termination due to circumstances under Article 9.3(2) or Article 9.3(3) hereof, such termination of the Agreement shall take effect only between the Investor(s) to who such termination is related and the Company, and effectiveness of the Agreement between the other Investor(s) and the Company shall not be impacted; in such case, this Agreement shall be correspondingly adjusted so as to remove the Investors to whom the termination is related.

Article 10 Miscellaneous

10.1 **Fees**. The Investors shall respectively bear their own transaction costs that are incurred by the Investor due to transactions contemplated under this Agreement, including but not limited to, professional services fees incurred by the Investors and their consultant (including but not limited to accountants, lawyers, etc.) to carry out due diligence, draft Transaction Documents, or participate in negotiations; provided, however, the Company agrees that, (a) if the Closing is completed successfully, or (b) if the Closing fails to occur due to reasons attributable to the Company, then the Company will bear the Investors' transaction costs up to an aggregate amount of RMB Six Hundred Thousand (600,000) Yuan. For the avoidance of doubt, if multiple Investors conduct due diligence at the same time, the relevant costs that may be borne by the Company shall only be calculated once, and the amount of the transaction costs of all Investors that may be borne by the Company shall not exceed RMB [Six Hundred Thousand (600,000)] Yuan in the aggregate. Subject to the Company's receipt of a legal invoice for the relevant fees provided by a third party service organisation designated by the Investors, the Company will pay such fees to the third party service organisation designated by the Investors.

10.2 **Notice**.

(1) All notices, claims, requests, consents, waivers and other communications required or permitted under this Agreement shall be in writing (including telegram, fax or similar written form) and shall be sent, delivered or mailed, e-mailed or faxed to the following addresses:

Company:	**I-Mab Biopharma (Hangzhou) Co., Ltd.**	
	Attention:	[REDACTED]
	Phone:	[REDACTED]
	E-mail:	[REDACTED]
	Address:	[REDACTED]
I-Mab HK:	**I-MAB BIOPHARMA HONGKONG LIMITED**	
	Attention:	[REDACTED]
	Phone:	[REDACTED]
	E-mail:	[REDACTED]
	Address:	[REDACTED]
Investors:	**Hangzhou Fushi Investment Management Partnership (Limited Partnership)**	
	Attention:	[REDACTED]
	Phone:	[REDACTED]
	Fax:	[REDACTED]
	E-mail:	[REDACTED]
	Address:	[REDACTED]
	Shenzhen Tsingsong Shengrui Investment Partnership (Limited Partnership)	
	Attention:	[REDACTED]
	Phone:	[REDACTED]
	E-mail:	[REDACTED]
	Address:	[REDACTED]
	Nanjing Tsingsong Healthcare Investment Partnership (Limited Partnership)	
	Attention:	[REDACTED]
	Phone:	[REDACTED]
	E-mail:	[REDACTED]
	Address:	[REDACTED]

Hangzhou Heda Biotech Investment Partnership (Limited Partnership)

Attention:	[REDACTED]
Phone:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

Xiamen Ronghui Derong Equity Investment Partnership (Limited Partnership)

Attention:	[REDACTED]
Phone:	[REDACTED]
Fax:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

Ningbo Yanyuan Yaoshang Chanrong Equity Investment Partnership (Limited Partnership)

Attention:	[REDACTED]
Phone:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

Ningbo Yanchuang Yaoshang Yangming Investment Partnership (Limited Partnership)

Attention:	[REDACTED]
Phone:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

Jiangsu Yanyuan Dongfang Investment Partnership (Limited Partnership)

Attention: [REDACTED]

Phone: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Ningbo Rongshun Yanyuan Investment Partnership (Limited Partnership)

Attention: [REDACTED]

Phone: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Zhuzhou Guochuang Junyao Investment Partnership (Limited Partnership)

Attention: [REDACTED]

Phone: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Ningbo Hanhai Qianyuan Equity Investment Partnership (Limited Partnership)

Attention: [REDACTED]

Phone: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Hangzhou Haibang Yigu Investment Partnership (Limited Partnership)/Jialiang Shan

Attention: [REDACTED]

Phone: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Zhejiang Silu Industry Investment Fund Partnership (Limited Partnership)

Attention:	[REDACTED]
Phone:	[REDACTED]
Fax:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

Viva Biotech (Shanghai) Ltd.

Attention:	[REDACTED]
Phone:	[REDACTED]
Fax:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

Tianjin Huatian Enterprise Management Consultation Limited Partner (Limited Partner)

Attention:	[REDACTED]
Phone:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

Management / Management Holdco:

Attention:	[REDACTED]
Phone:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

ESOP Holdco:

Attention:	[REDACTED]
Phone:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

(2) Each notice, request or other communication delivered or served in accordance with the provisions of Article 10.2(1) shall be deemed as delivered or served as follows: (a) if sent by a courier company or personally delivered, it shall be deemed as delivered when the relevant notice, request or communication is sent to the above-mentioned address; (b) if sent by fax, then the relevant notice, request or communication shall be deemed as delivered when it is transmitted to the above fax number and the report of successful fax transmission is obtained; (c) if sent by e-mail, it shall be deemed as delivered twenty-four hours after the date on which the e-mail containing the relevant notice, request or communication as recorded by the sender's computer is sent, provide, however, if the sender does not receive the recipient's confirmation of receipt of the above e-mail within twenty-four hours (except for automatic email confirmation of receipt), the above notice, request or other communication shall be sent by courier or fax by the end of the same day.

10.3 **Governing law**. This Agreement shall be governed by and be construed in accordance with the PRC laws.

10.4 **Dispute Resolution**. In the event of is a dispute over the interpretation or performance of this Agreement, the Parties shall firstly attempt to resolve the dispute through friendly consultation. If the dispute cannot be resolved through consultation within thirty (30) days after one Party delivers written notice to the Other Parties requesting the commencement of consultation, then any Party may submit the dispute to the China International Economic and Trade Arbitration Commission for arbitration, and the arbitration shall be conducted in Hangzhou according to the said commission's arbitration rules then in force. The arbitration award shall be final and binding on all Parties and cannot be appealed. The arbitration costs shall be borne by the losing party unless the arbitration award provides otherwise. When any dispute occurs and when any dispute is under arbitration, except the matter under disputes, the Parties shall continue to exercise their other rights and perform their other obligations under this Agreement.

10.5 **Confidentiality**. Each of the Parties shall not, and shall cause its respective Affiliates, shareholders, directors, officers, employees, representatives or agents not to, directly or indirectly disclose the existence of this Agreement or any information related to the transactions contemplated hereunder (including any information obtained by the Party during the course of the negotiation and execution of this Agreement), unless (a) it has obtained the prior written consent of the non-disclosing Parties, or (b) such information is required to be disclosed by the applicable laws and is only disclosed to the extent necessary to comply with the applicable laws or any regulations or policies of any stock exchange, provided, however that the disclosing Party shall, within a reasonable time before the disclosure or submission of the relevant information, seek opinions of the Other Parties on such disclosure and submission, and that if required by the Other Parties, the disclosing Party shall seek for confidential treatment of the disclosed or submitted information to the extent possible. Before the Closing, without the written consent of the Investors, the Company shall not disclose the investment that the Investors intend to make to the Company according to this Agreement to the public through press conferences, industry or professional media, marketing materials or other means; however, each Investor has the right to disclose to the investors of its fund or its consultant in a non-public manner about the investment that such Investor intends to make in the Company under this Agreement, provided that the recipients shall have agreed to maintain the confidentiality of the relevant confidential information. Notwithstanding the foregoing, I-Mab 天境生物, I-Mab HK's parent company, being a company listed in the United States, shall have the right to disclose the Company's financing information in accordance with the requirements of U.S. securities laws without the need for separately obtaining the Parties' consent. After the Closing, each of the Company, I-Mab HK and the Investors shall have the right to disclose the existence of the Investors' investment in the Company to third parties or the public; provided, however, the Investors shall seek the opinions of I-Mab HK when disclosing information related to the Company's investment matters, with a view to comply with the information disclosure requirements under the U.S. securities laws.

10.6 **Severability**. The obligations under this Agreement shall be regarded as separate obligations and be independently enforceable. When one or more obligations of this Agreement are unenforceable, the enforceability of other obligations shall not be affected. If this Agreement is not enforceable against any Party, the enforceability of this Agreement among the Other Parties shall not be affected. If one or more of the provisions of this Agreement are found to be invalid, illegal or unenforceable in any respect according to any applicable law, or a government agency requests amendment of one or more provisions of this Agreement, the validity, legality and enforceability of the remaining provisions shall not be affected or damaged in any way. The Parties shall endeavour to replace these invalid, illegal or unenforceable provisions with valid provisions through sincere consultations, and the economic effects of such valid provisions shall be as similar as possible to those of the invalid, illegal or unenforceable provisions.

10.7 **Entire Agreement**. This Agreement (including the other Transaction Documents and any other documents referred to or contemplated hereunder or thereunder) constitutes the entire agreement among the Parties with regard to the subjects hereof, and supersedes any other agreements or intentions previously reached by the Parties on the same subjects.

10.8 **Assignment**. Prior to completion of its capital contribution obligations, an Investor may assign its rights and obligations under this Agreement to its Affiliates, and such assignment does not require prior consent of Other Parties or the Company. After completion of its capital contribution obligations, an Investor has the right to assign its rights and obligations under this Agreement to any third party along with the sale or transfer (if any) of its equity in the Company to such third party; provided, however, such equity transfer shall be subject to the other Investors' right of first refusal under the Shareholders Agreement. Notwithstanding anything to the contrary herein, after completion of its capital contribution obligation, any Investor may transfer its then effective rights and obligations under the Agreement to its Affiliates along with the sale or transfer (if any) of its equity in the Company, which transfer or assignment shall not be subject to any other shareholders' consent, right of first offer, right of first refusal, co-sale rights or similar rights. Except the foregoing, without the prior written consent of each other Party, no Party shall assign its rights or obligations under this Agreement; any assignment without the Other Parties' consent shall be invalid.

10.9 **Counterparts**. This Agreement is written in Chinese. This Agreement shall be signed in thirty (30) original copies. Each Party shall hold one (1) original copy, and the remaining original copies shall be held by the company. Each copy of this Agreement shall be equally effective.

10.10 **Priority**. If, in order to request any government agency to carry out any specific act, separate agreements in connection with the transactions contemplated hereunder (including but not limited to, equity transfer agreement, the Company's articles of association or amendments to the articles of association, as may be amended from time to time, etc.) have to be signed in accordance with the standard templates or requirements of the government agency, this Agreement shall control over any such agreements, and such agreements shall only be used to request the government agency to implement the specific act, and shall not be used to establish or as an evidence of any rights or obligations of the relevant parties on matters that may be stipulated in such agreements.

(No text below)

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Company:

I-Mab Biopharma (Hangzhou) Co., Ltd.
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

I-Mab HK:

I-MAB BIOPHARMA HONGKONG LIMITED

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Hangzhou Fushi Investment Management Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Shenzhen Tsingsong Shengrui Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Nanjing Tsingsong Healthcare Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Hangzhou Heda Biotech Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Xiamen Ronghui Derong Equity Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Ningbo Yanyuan Yaoshang Chanrong Equity Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Ningbo Yanchuang Yaoshang Yangming Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Jiangsu Yanyuan Dongfang Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Ningbo Rongshun Yanyuan Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Ningbo Yanyuan Innovation Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Zhuzhou Guochuang Junyao Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Hangzhou Haibang Yigu Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Jialiang Shan
(Seal)

/s/ Jialiang Shan

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Zhejiang Silu Industry Investment Fund Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Viva Biotech (Shanghai) Ltd.
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Tianjin Huatian Enterprise Management Consultation Limited Partner (Limited Partner)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Lili Qian

/s/ Lili Qian

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Zhengsong Zhang

/s/ Zhengsong Zhang

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Yunfei Zhang

/s/ Yunfei Zhang

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Lihong Lou

/s/ Lihong Lou

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Kai Zhou

/s/ Kai Zhou

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Fang Yin

/s/ Fang Yin

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Hangzhou Yijing Biotech Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Hangzhou Lanjing Biotech Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

Schedule 1:
List of Target Assets

1. Target Assets to be transferred to the Company on or before Closing Date:

Asset Name	Rights of Indications to Be Transferred to Company	Source	Territory of License	Classification for Drug Registration
TJ301	All indications licensed under TJ301 Agreement (i.e. "any indication for medicinal use in humans")	Licensed from Ferring Pharmaceuticals	Greater China and the Republic of Korea	Therapeutic biological products - Class 1 - innovative biological products
TJL1A3	All indications under TJL1A3 Agreement (i.e. "all uses and indications")	Co-development with ABL BIO	Greater China	Therapeutic biological products - Class 1 – innovative biological products
TJ102	All indications licensed under TJ102 Agreement (i.e. "treatment of any disease")	Licensed from GENEXINE, INC.	Greater China, except Macau S.A.R.	Therapeutic biological products - Class 1 – innovative biological products

2. Target Assets to be transferred to the Company after Closing Date:

Pipeline Name	Rights of Indications to Be Transferred to Company	Source	Territory of Rights	Classification for Drug Registration
TJM2	All indications except COVID-19/CRS	Developed by I-Mab Group	Global	Therapeutic biological products - Class 1 – innovative biological products
TJA3	All indications	Developed by I-Mab Group	Global	Therapeutic biological products - Class 1 – innovative biological products
TJT6	All indications	Developed by I-Mab Group	Global	Therapeutic biological products - Class 1 – innovative biological products

Schedule 2:

Shareholding Structures of the Company

Before Completion of the Transactions

Name of Shareholder	Amount of Registered Capital Subscribed (unit: USD)	Shareholding Percentage
I-MAB BIOPHARMA HONG KONG LIMITED	30,000,000	100%
Total	30,000,000	100%

After Completion of the Transactions

Name of Shareholders	Amount of Registered Capital Subscribed (unit: USD)	Shareholding Percentage
I-MAB BIOPHARMA HONGKONG LIMITED	13,500,000	45%
Hangzhou Fushi Investment Management Partnership (Limited Partnership)	2,500,000	8.33%
Shenzhen Tsingsong Shengrui Investment Partnership (Limited Partnership)	1,655,000	5.52%
Nanjing Tsingsong Healthcare Investment Partnership (Limited Partnership)	845,000	2.82%
Hangzhou Heda Biotech Investment Partnership (Limited Partnership)	2,000,000	6.67%
Xiamen Ronghui Derong Equity Investment Partnership (Limited Partnership)	1,000,000	3.33%
Ningbo Yanyuan Yaoshang Chanrong Equity Investment Partnership (Limited Partnership)	200,000	0.67%
Ningbo Yanchuang Yaoshang Yangming Investment Partnership (Limited Partnership)	320,000	1.07%
Jiangsu Yanyuan Dongfang Investment Partnership (Limited Partnership)	280,000	0.93%
Ningbo Rongshun Yanyuan Investment Partnership (Limited Partnership)	250,000	0.83%
Ningbo Yanyuan Innovation Investment Partnership (Limited Partnership)	250,000	0.83%
Zhuzhou Guochuang Junyao Investment Partnership (Limited Partnership)	700,000	2.33%
Ningbo Hanhai Qianyuan Equity Investment Partnership (Limited Partnership)	700,000	2.33%
Hangzhou Haibang Yigu Investment Partnership (Limited Partnership)	300,000	1%
Jialiang Shan	300,000	1%
Zhejiang Silu Industry Investment Fund Partnership (Limited Partnership)	300,000	1%
Viva Biotech (Shanghai) Ltd.	200,000	0.67%
Tianjin Huatian Enterprise Management Consultation Limited Partner (Limited Partner)	200,000	0.67%
Hangzhou Yijing Biotech Partnership (Limited Partnership)	3,000,000	10%
Hangzhou Lanjing Biotech Partnership (Limited Partnership)	1,500,000	5%
Total	30,000,000	100%

Schedule 3:

Key Employees List

Schedule 3

Schedule 4:

Closing Certificate

Schedule 4

Schedule 5:

Shareholders Resolutions

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Schedule 6:

Shareholders Agreement

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Amended Articles of Association

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Schedule 8:

Employees Transfer Plan

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Disclosure Schedules

Schedule 9

THE SYMBOL "[REDACTED]" DENOTES PLACES WHERE CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (i) NOT MATERIAL, AND (ii) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF PUBLICLY DISCLOSED

I-Mab Biopharma (Hangzhou) Co., Ltd.

Shareholders Agreement

September 15, 2020

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SHAREHOLDERS AGREEMENT

This SHAREHOLDERS AGREEMENT (this "**Agreement**") is entered into in the PRC on September 15, 2020 (the "**Signing Date**") by and among the following parties:

1. **I-Mab Biopharma (Hangzhou) Co., Ltd.**, a limited liability company legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330100MA2GNANB49 (the "**Company**" or "**Project Company**");

2. **I-MAB BIOPHARMA HONG KONG LIMITED**, a company limited by law established in accordance with the laws of the Hong Kong Special Administrative Region of the PRC, whose registration number is 2400410 ("**I-Mab HK**") ;

3. **Hangzhou Fushi Investment Management Partnership (Limited Partnership) (杭州赋实投资管理合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330102MA2AYYBD4Q ("**Fushi Capital**");

4. **Shenzhen Tsingsong Shengrui Investment Partnership (Limited Partnership)(深圳市青松晟睿投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91440300MA5FYAQD4R ("**Tsingsong Shenzhen**");

5. **Nanjing Tsingsong Healthcare Investment Partnership (Limited Partnership)(南京清松医疗健康产业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91320113MA21DH7W5M ("**Tsingsong Nanjing**");

6. **Hangzhou Heda Biotech Investment Partnership (Limited Partnership)(杭州和达生物医药创业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330101MA2AXNXM21 ("**Heda Investment**");

7. **Xiamen Ronghui Derong Equity Investment Partnership (Limited Partnership) (厦门融汇德润股权投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91350211MA34071K50 ("**Ronghui Derong**");

8. **Ningbo Yanyuan Yaoshang Chanrong Equity Investment Partnership (Limited Partnership)(宁波燕园姚商产融股权投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330281MA2H6M3084 ("**Yanyuan Chanrong**");

9. **Ningbo Yanchuang Yaoshang Yangming Investment Partnership (Limited Partnership)(宁波燕创姚商阳明创业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330281MA2H6M3084 ("**Yanchuang Yangming**");

10. **Jiangsu Yanyuan Dongfang Investment Partnership (Limited Partnership)(江苏燕园东方创业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91320300MA1UQURD8F ("**Yanyuan Dongfang**");

11. **Ningbo Rongshun Yanyuan Investment Partnership (Limited Partnership)(宁波荣舜燕园投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330201MA2AJPJ617 ("**Rongshun Yanyuan**");

12. **Ningbo Yanyuan Innovation Investment Partnership (Limited Partnership)(宁波燕园创新创业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 9133020134062251 9X ("**Yanyuan Innovation**");

13. **Zhuzhou Guochuang Junyao Investment Partnership (Limited Partnership)(株洲市国创君垚投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91430200MA4RGB014A ("**Guochuang Junyao**");

14. **Ningbo Hanhai Qianyuan Equity Investment Partnership (Limited Partnership)(宁波瀚海乾元股权投资基金合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330212MA2GW05H0A ("**Hanhai Qianyuan**");

15. **Hangzhou Haibang Yigu Investment Partnership (Limited Partnership)(杭州海邦羿谷创业投资合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330101MA2B02RD4R ("**Haibang Yigu**");

16. **Jialiang Shan**, a Chinese citizen, whose ID number is [REDACTED];

17. **Zhejiang Silu Industry Investment Fund Partnership (Limited Partnership)(浙江丝路产业投资基金合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330101MA28WHW02L ("**Silu Fund**");

18. **Viva Biotech (Shanghai) Ltd. (维亚生物科技(上海)有限公司)**, a limited company legally established and existing in accordance with the PRC laws, whose unified social credit code is 91310115677881436W ("**Viva Biotech**");

19. **Tianjin Huatian Enterprise Management Consultation Limited Partner (Limited Partner) (天津华天企业管理咨询合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91120118MA0727C0X0 ("**Huatian Enterprise Management**"; together with Fushi Capital, Tsingson Shenzhen, Tsingsong Nanjing, Heda Investment, Ronghui Derong, Yanyuan Chanrong, Yanhuang Yangming, Yanyuan Dongfang, Rongshun Yanyuan, Yanyuan Innovation, Guochuang Junyao, Hanhai Qianyuan, Haibing Yigu, Jialiang Shan, Silu Fund and Viva Biotch, collectively referred to as the "**Investors**");

20. **Lili Qian**, a Chinese citizen, whose ID number is [REDACTED];

21. **Zhengsong Zhang**, a Chinese citizen, whose ID number is [REDACTED];

22. **Yunfei Zhang**, a Chinese citizen, whose ID number is [REDACTED];

23. **Lihong Lou**, a Chinese citizen, whose ID number is [REDACTED];

24. **Kai Zhou**, a Chinese citizen, whose ID number is [REDACTED];

25. **Fang Yin**, a Chinese citizen, whose ID number is [REDACTED] (together with Lili Qian, Zhengsong Zhang, Yunfei Zhang, Lihong Lou and Kai Zhou, collectively referred to as the "**Management**");

26. **Hangzhou Yijing Biotech Partnership (Limited Partnership)(杭州伊境生物科技合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330100MA2HY0AEXX ("**Management Holdco**"); and

27. **Hangzhou Lanjing Biotech Partnership (Limited Partnership)(杭州阑境生物科技合伙企业(有限合伙))**, a limited partnership legally established and existing in accordance with the PRC laws, whose unified social credit code is 91330100MA2HY07T3Q ("**ESOP Holdco**").

The above parties are hereinafter collectively referred to as the "Parties". When any party hereto is referred to as a "Party", the other parties hereto will be referred to as the "**Other Parties**".

WHEREAS:

1. The Company is a limited liability company legally established and existing in accordance with PRC laws, which was established on 26 June, 2019. The Company's unified social credit code is 91330100MA2GNANB49, its current registered capital is US$30 million, and its business scope is: technology development, technology services, technology consulting, and transfer of results: biotechnology, pharmaceutical technology (with respect to the above, except for the development and application of human stem cells, gene diagnosis and treatment technology); production: drugs; drugs, pharmaceutical intermediates, Category I medical device wholesale and import and export business (except for those subject to special access control regulations stipulated by the state).

2. On September 15, 2020, the Parties entered into that certain Equity Transfer and Investment Agreement (the "**Investment Agreement**"). According to the Investment Agreement, the Investors agree to collectively acquire 40% of the equity interest of the Company from I-Mab HK, corresponding to the unpaid registered capital of the Company in the amount of US$12 million, and invest a total amount in RMB equivalent to US$120 million (collectively referred to as the "**Investors Investment Amount**") to the Company after acquiring such equity interest; the Management agree, through the Management Holdco, to acquire 10% of the equity interest of the Company from I-Mab HK, corresponding to the unpaid registered capital of the Company in the amount of US$3 million, and invest a total amount in RMB equivalent to US$3 million to the Company after acquiring such equity interest; the ESOP Holdco agrees to acquire 5% of the equity interest of the Company from I-Mab HK, corresponding to the unpaid registered capital of the Company in the amount of US$1.5 million, which equity interest will be used to implement the Company's employee equity incentive plan; I-Mab HK agrees to transfer to the Company the Pipeline Intangible Assets with a total valuation of US$105 million and pay to the Company US$30 million in cash, so as to complete its capital contribution obligations with respect to the 45% remaining equity interest of the Company held by I-Mab HK (corresponding to registered capital of the Company in the amount of US$13.5 million). The aforementioned transactions are referred to as the "**Transactions**". Immediately after the completion of the Transactions, the Company's shareholding structure is reflected in Schedule 1.

THEREFORE, in order to further stipulate the rights and obligations of the shareholders of the Company after completion of the Transactions, the Parties have entered into the following agreement (unless otherwise provided in this Agreement, the terms used in this Agreement shall have the same meaning as that of the terms in the Investment Agreement):

Article 1 Information and Inspection Rights

1.1 **Information and Inspection Rights**. The Parties agree that, as long as an Investor holds equity in the Company, the Investor or person designated by the Investor in writing shall have the right, to (a) inspect the assets and account capital flow records, financial statements, financial books, financial documents and other related documents of the Company and its Subsidiaries during the Company's normal office hours, or (b) communicate with directors, supervisor(s), officers, key employees, employees of the Company, and professional service organisations engaged by the Company such as auditors and legal consultants on affairs of the Company; in each case, provided that notice is delivered to the Company five (5) Working Days in advance. At the same time, the Company shall provide the Investors with the following information with respect to the Company and its Subsidiaries:

(1) Within twenty-one (21) days after the end of each fiscal month, provide Investors with unaudited monthly financial statements;

(2) Within one hundred and twenty (120) days after the end of each fiscal year, provide Investors with annual financial statements and annual audit report audited by an auditor acceptable to the Investors Directors;

(3) Within thirty (30) days before the commencement of each fiscal year, provide Investors with the financial budget for such fiscal year;

(4) Provide copies of documents and other materials given to any other shareholders;

(5) Other information and materials reasonably requested by the Investors.

The aforesaid financial statements shall be prepared in accordance with China's generally accepted accounting principles, and shall include balance sheets, profit and loss statements, and cash flow statements. All of the aforesaid audits must be conducted in accordance with China's generally accepted accounting principles by an auditor acceptable to the Investors Directors.

1.2 **Termination**. The above-mentioned information and inspection right will terminate upon completion of the Qualified IPO (as defined in the Investment Agreement).

Article 2 Equity Lockup

2.1 I-Mab HK, the Management, Management Holdco and ESOP Holdco hereby agree that before the Qualified IPO of the Company and as long as the Investors still hold equity in the Company, without consent of the Majority Investors (as defined in the Investment Agreement) and consent of the Investors who have the rights to appoint Investor Directors, none of I-Mab HK, the Management, Management Holdco and ESOP Holdco shall dispose of any equity of the Company directly or indirectly held by them through transfer, gift, pledge or otherwise, or create any incumbrance on such equity in favour of any third party. However, (i) I-Mab HK may transfer equities in the Company to its Affiliated Company(ies) (as defined in the Investment Agreement), provided that such equity transfer shall not affect I-Mab HK's obligations hereunder; for the avoidance of doubt, in such case, the equity transfer shall not take effect unless and until the relevant Affiliated Company(ies) of I-Mab HK have agreed to assume all covenants, representations, obligations and responsibilities which are owed by I-Mab HK to the Investors hereunder; (ii) in case of joinder of new Management members (the list of Management members to join after the Closing Date has been disclosed in Schedule 2 attached hereto), the existing Management members may transfer equity to the new Management members as listed in Schedule 2; for the avoidance of doubt, in such case, the equity transfer between Management members shall not take effect unless and until the new Management member(s) have agreed to subject themselves to the provisions of this Article 2.1 and have executed relevant joinder agreement; and (iii) for purposes of implementing the ESOP or other incentive arrangement that may be approved by the Investor Directors, the grantee(s) of incentives may be granted option or may accept transfer of equity; and (iv) any member of the Management may exercise the repurchase rights in accordance with Article 2.2 (the foregoing are collectively referred to as the "**Exempt Transfer**"). The Exempt Transfer shall not be subject to the Company's or other shareholders' consent, right of first refusal, right of co-sale or similar rights.

2.2 The Parties hereby acknowledge and agree that the Share of Equity held by each member of Management through the Management Holdco shall be restricted equity. After a member of the Management pays in an instalment of capital contribution for his/her Share of Equity in accordance with the provisions of Article 4.3(8) of the Investment Agreement, such paid-in portion of Share of Equity shall be vested one (1) year from the relevant paid-in date (however, if the date on which such member of the Management paid in the relevant instalment is earlier than the due date of such instalment as provided in Article 4.3(8) of the Investment Agreement, the relevant portion of Share of Equity shall be vested one (1) year from such due date instead) (for the avoidance of doubt, the Share of Equity, after being vested, shall still be subject to the provisions of Article 2.1 hereof), till all portion of the Share of Equity is vested. However, upon a successful Qualified IPO of the Company or occurrence of a Deemed Liquidation Event, then all unvested Share of Equity held by the Management shall be immediately and fully vested. If, before the Share of Equity held by a member of Management is fully vested, (a) such member of the Management departs for any reason, or (b) the Board of Directors has determined that there is a material violation of labour contract, or non-compete and intellectual property assignment agreement by such member of Management, or material failure to perform his/her duties, or other material fault of such member of the Management, and therefore resolves to forfeit his/her Share of Equity, then other members of Management shall have the pro rata rights to purchase all Share of Equity directly or indirectly held by such member of Management who departed or committed a material fault, which pro rata rights are in proportion to the Share of Equity then held by the relevant members of Management. The purchase price shall be calculated based on the amount actually paid by the selling member of Management plus interest accrued at an annualised simple interest of 5%. Upon occurrence of aforesaid termination of employment or material fault of any Management member before his/her Share of Equity is fully vested, if the other Management members fail to exercise their repurchase rights or fail to fully exercise their pro rata repurchase rights in proportion to their respective Share of Equity, then QIAN Lili and ZHANG Zhengsong shall be responsible for repurchasing Share of Equity of the said Management member that are not repurchased. For the avoidance of doubt, in such case, the other shareholders of the Company do not have any right of first refusal, co-sale right or any other similar rights with respect to such purchase.

2.3 The Parties hereby acknowledge and agree that any equity held by the ESOP Holdco in the Company shall only be used for grant of equity incentives under equity incentive plan in accordance with the decision of the Board of Directors, and unless for the purpose of implementing the equity incentive plan and approved by resolution of the Board of Directors, the ESOP Holdco shall not directly or indirectly transfer, pledge, create incumbrance or otherwise dispose of any equity held by it in the Company.

Article 3 Investors' Preferred Rights

3.1 **Pre-emptive Rights.**

(1) From the Closing Date of the Transactions and prior to the Qualified IPO of the Company, if the Company intends to increase its registered capital or issue new shares in any form, arrangement shall be made in accordance with provisions of this Agreement and the Company's articles of association, and the Investors shall have the right to subscribe for the Company's new registered capital or new shares at the same price and conditions up to a percentage of such new registered capital or new shares equal to its then shareholding percentage in the Company ("**First Round Pre-emptive Rights**"). If any Investor gives up exercise of its First Round Pre-emptive Rights in whole or in part, then Investors who have fully exercised the First Round Pre-emptive Rights shall have the right to subscribe for the part of the new registered capital or new shares of the Company against which the other Investors had the right to exercise their pre-emptive rights but have gave up exercise of such rights, up to a percentage which is equal to the proportion of the equity of the Company held by it to the total equity of the Company held by all Investors who have fully exercised the First Round Pre-emptive Rights ("**Second Round Pre-emptive Rights**"; together with the First Round Pre-emptive Rights, the "**Pre-emptive Rights**").

(2) If the Company intends to increase registered capital or issues new shares in any form, the Company shall serve a written notice ("**Capital Increase Notice**") to all Investors at least fifteen (15) Working Days in advance. The Capital Increase Notice shall include the price and conditions of the plan to increase registered capital or issue new shares (including the amount/number of new registered capital/shares), and at the same time, issue an offer to invite Investors to subscribe for the Company's new registered capital or new shares at such price and conditions.

(3) An Investor shall notify the Company in writing within ten (10) Working Days after receipt of the above offer (the "**First Participation Period**") whether to exercise its First Round Pre-emptive Rights. If the Investor decides to exercise its Pre-emptive Rights, a written commitment to exercise the Pre-emptive Rights shall also be made, in which the amount to be exercised shall be indicated.

(4) If after expiration of the First Participation Period, any Investor fails to exercise or does not fully exercise its First Round Pre-emptive Rights, the Company shall promptly notify the Investors who have fully exercised their First Round Pre-emptive Rights, and each Investor who has fully exercised its First Round Pre-emptive Rights shall have the right to send a written notice to the Company within five (5) Working Days after receipt of such notice of the Company (the "**Second Participation Period**"), and, based on the proportion of its equity in the Company to equity of the Company held by all Investors who have fully exercised their First Round Pre-emptive Rights, has the pro rata priority rights over other shareholders of the Company and third parties to subscribe for the part of Company's proposed new registered capital or new shares against that the other Investors may exercise the First Round Participation Rights but have gave up exercise of such rights.

(5) Within ninety (90) Working Days after the expiration date of the First Participation Period or the Second Participation Period (if applicable, as the case may be), the Company may enter into a corresponding capital increase contract or similar agreement for the remaining part of the proposed new registered capital or proposed new shares which are not subject to the above-mentioned Pre-emptive Rights or against which no Pre-emptive Rights are exercised; provided, however, such capital increase contract or similar agreement cannot stipulate terms and conditions that are more favourable than those stated in the Capital Increase Notice. If the Company fails to enter into a capital increase contract or a similar agreement within ninety (90) Working Days, then the remaining part of the above-mentioned new registered capital or new shares shall again be subject to the Pre-emptive Rights in accordance with the provisions of this Article 3.1.

(6) This Article 3.1 does not apply to any capital increase for purposes of implementation of employee equity incentive plans or other incentive plan approved by the Investors Directors, capital increase for purposes of adjustments under Article 3.6, nor capital increase allocated to all shareholders on a pro rata basis for realisation of profits or for converting capital reserve to registered capital as approved by resolution of the Shareholders.

3.2 Right of First Refusal.

(1) Subject to the provisions of Article 2 of this Agreement, if any shareholder of the Company (the "**Selling Shareholder**") wishes to transfer any equity of the Company directly or indirectly held by it (the "**Offered Equity**") to any third party (the "**Proposed Transferee**"), the Selling Shareholder shall issue a written notice to the Company and the Investors (the "**Transfer Notice**"), indicating its transfer intention, transfer price and conditions, and identity of the Proposed Transferee. The Investors (except for the investor who is a Selling Shareholder) have the right of first refusal to purchase all or part of the Offered Equity at the same price and conditions, in proportion to the amount of equity then held by them in the Company (the "**Right of First Refusa**l"). The Investors have the right to, within ten (10) Working Days after receiving the Transfer Notice (the "**First RoFR Exercise Period**"), respond in writing to the Company and the Selling Shareholder requesting to exercise the Right of First Refusal. If the Investors have responded in writing requesting to exercise the Right of First Refusal within the First RoFR Exercise Period, such Investors have the right to purchase all or part of the Offered Equity at the same price and conditions with priority over other shareholders of the Company other than the Investors and any third parties. If any Investor fails to exercise or does not fully exercise its Right of First Refusal, then the Investors who have fully exercised their Right of First Refusal have the right to purchase the remaining Offered Equity against which no Right of First Refusal of Investors is exercised or Investors fail to fully exercise the Right of First Refusal, in proportion to the amount of equity then held by them in the Company; such Investors shall have five (5) days after expiration of the First RoFR Exercise Period (the "**Second RoFR Exercise Period"**) to decide whether to exercise such further Right of First Refusal.

(2) Within ninety (90) Working Days after the expiration of the First RoFR Exercise Period or the Second RoFR Exercise Period (if applicable, as the case may be), the Selling Shareholder may enter into a corresponding equity transfer contract for the remaining part (if any) of the Offered Equity which is not subject to the above-mentioned Right of First Refusal or against which no Right of First Refusal is exercised; provide, however, the equity transfer contract cannot stipulate terms and conditions that are more favourable than the prices and conditions stated in the Transfer Notice. If the Selling Shareholder fails to enter into an equity transfer contract within the above-mentioned ninety (90) Working Days' period, then the remaining part of the above-mentioned Offered Equity shall again be subject to the Right of First Refusal under this Article 3.2.

(3) For the avoidance of any doubt, the Parties confirm that transfer equity held by any Investor in the Company to its Affiliates is not subject to the Company's or other shareholders' consent, right of first refusal, right of co-sale or similar rights. Without the prior written consent of I-Mab HK, each shareholder shall not, and shall cause its respective Affiliates not to, directly or indirectly transfer all or any part of equity of the Company to any person who directly competes with the Company's principal business (i.e., early stage discovery, development and commercialization of innovative biological drugs in the field of tumour immunology and autoimmune diseases) (the "**Competitors of the Company**"; the number of Competitors of the Company shall be not greater than 20). The initial list of the Competitors of the Company is set forth in Schedule 3 hereto, which list may be updated by approval of the Board (including consent of both Investor Directors).

(4) This Article 3.2 does not apply to any Exempt Transfer listed in Article 2.1, the repurchase under Article 3.5, or implementation of the compensation measures described in Article 3.6.

3.3 Co-Sale Right.

(1) Subject to Article 2.1 hereof, when I-Mab HK (including any Affiliate of I-Mab HK who acquires equity of the Company through Exempt Transfer pursuant to Article 2.1(i) hereof) and/or any Management member and/or the Management Holdco and/or the ESOP Holdco propose to transfer any equity of the Company held by them, if any Investor decides not to exercise the Right of First Refusal specified in Article 3.2 of this Agreement, such Investor shall have the right to, within five (5) Working Days after expiration of the First RoFR Exercise Period, respond in writing to the Company and I-Mab HK and/or any Management member and/or the Management Holdco and/or the ESOP Holdco (as the Selling Shareholder(s)) requesting to participate in the sale of equity of the Company by such Selling Shareholder(s) under the same conditions of sale (the "**Co-Sale Rights**"). Except for the situation described in Article 3.3(2), the amount of equity that any Investor who intends to exercise the Co-Sale Rights by participating in the sale shall not exceed the product of the following: (i) the quantity of the Offered Equity, multiplied by (ii) a fraction, the numerator of which is the amount of equity of the Company held by the Investor who intends to exercise the Co-Sale Rights, the denominator of which is the total number of equity of the Company held by all Investors who intend to exercise the Co-Sale Rights and the amount of equity of the Company held by the said Selling Shareholder(s) at that time. The said Selling Shareholder(s) shall procure the Proposed Transferee to agree to the above-mentioned co-sale by the Investors; if the Proposed Transferee does not agree to the above-mentioned co-sale, the said Selling Shareholder(s) shall not transfer Offered Equity to the Proposed Transferee unless prior written consent of the Investors who intend to exercise the Co-Sale Rights is obtained or the said Selling Shareholder(s) agree to purchase the equity to be sold by the Investors who intend to exercise the Co-Sale Rights at the same price and conditions.

(2) Subject to other terms of this Agreement, when I-Mab HK (including any Affiliate of I-Mab HK who acquires equity of the Company through Exempt Transfer pursuant to Article 2.1(i) hereof) and/or the Management and/or the Management Holdco and/or the ESOP Holdco have already cumulatively sold equity held by them in the Company in excess of 6% of the then total registered capital of the Company, and I-Mab HK and/or the Management and/or the Management Holdco and/or the ESOP Holdco wish to further sell equity directly or indirectly held by them in the Company to any Proposed Transferee, and any Investor decides not to exercise its Right of First Refusal as specified in Article 3.2 of this agreement, then such Investor has the right to, within five (5) Working Days after expiration of the First RoFR Exercise Period, respond in writing to the Company and I-Mab HK and/or the Management and/or the Management Holdco and/or the ESOP Holdco (as the Selling Shareholder(s)), requesting to sell any part or all equity of the Company held by it to the Proposed Transferee under the same conditions of sale (the "**Full Co-Sale Rights**"). If the Proposed Transferee does not agree to purchase any part or all equity that any Investor requests to sell by exercising the Fully Co-Sale Rights, I-Mab HK and/or the Management and/or the Management Holdco and/or the ESOP Holdco (as the Selling Shareholder(s)) shall purchase all equity requested to be sold by the Investors who intend to exercise the Full Co-Sale Rights at the same conditions, otherwise they shall not transfer Offered Equity to the Proposed Transferee.

(3) This Article 3.3 does not apply to any Exempt Transfer listed in Article 2.1, the repurchase under Article 3.5, or implementation of the compensation measures described in Article 3.6.

3.4 Liquidation Preference.

Before the Qualified IPO of the Company, in the event of the Company's liquidation, dissolution, termination of the Company's principal business, or occurrence of a Deemed Liquidation Event (as defined below), the Company's property shall be used to pay off liquidation expenses, employee salaries and social insurance expenses, statutory compensation, taxes owed by the Company and the Company debts in the order prescribed by law. If there is any remaining property after the Company's liquidation property is liquidated in accordance with the above mentioned provisions, or in case of a Deemed Liquidation Event, the Company or all shareholders have surplus after deduction of relevant taxes (collectively referred to as the "**Remaining Property**"), the Remaining Property shall be allocated in the following order:

(1) An Investor has the right to take precedence over other shareholders of the Company to receive the higher of ("**Liquidation Preference Amount**"): (i) x) the Investors Investment Amount paid by the Investor, plus y) investment return accrued from the date on which the Investor actually paid the relevant Investors Investment Amount until the payment date of the relevant Liquidation Preference Amount, calculated on the basis of the annualised 10% simple interest rate on the Investor Investment Amount so paid, plus z) the Company's undistributed profits (if any) corresponding to the Investor's equity; or (ii) among the Remaining Property, the part that the Investor would be entitled to receive base on its shareholding percentage in the Company. If the Remaining Property is insufficient to pay all Investors their Liquidation Preference Amount in full, the Company shall allocate the Remaining Property among the Investors in proportion of each Investor's Liquidation Preference Amount. The aforesaid Liquidation Preference Amount shall be paid to the Investors by RMB cash.

(2) If there is any assets remaining after the Investors' Liquidation Preference Amount has been paid in full, the remaining assets shall be distributed ratably among the other shareholders of the Company according to the relative proportion of equity held by them in the Company.

(3) Each Party shall take all effective measures in compliance with the applicable PRC laws to ensure that the Investors obtain their priority proceeds from the distributable Remaining Property in the above-mentioned order, in a manner consistent with applicable PRC laws. I-Mab HK shall complete procedures that are required under the applicable laws for performance of obligations under this Article 3.4.

(4) For the purposes of this Agreement, "**Deemed Liquidation Events**" shall mean (i) all or substantially all of the Company's assets, business or equity are sold, transferred or otherwise disposed of in a transaction or series of related transactions ; or (ii) all or substantially all of the Company's intellectual property rights are transferred or exclusively licensed to third parties for use in a transaction or series of related transactions; or (iii) more than fifty percent (50%) of the Company's equity is sold, transferred or otherwise disposed of in a transaction or series of related transactions, or due to the merger, reorganisation, business integration, or any other form of transaction between the Company and other entities, resulting in shareholders of the Company that accounted for fifty percent (50%) or more of the voting rights before such transactions no longer hold fifty percent (50%) or more of the Company's voting rights after such mergers, reorganisations, business integration, or any other form of transaction, or due to any of the above transactions, I-Mab HK (with its Affiliates) is no longer the Company's single largest shareholder, or (iv) any shareholder (with its Affiliates) of the Company holds or exceeds fifty percent (50%) of equity in the Company in a transaction or series of related transactions.

3.5 Repurchase

(1) If the Company fails to close a Qualified IPO within four (4) years after the Closing Date of the Transactions, then within three (3) years after the expiration of such four (4) year period, or other period that may then be agreed between I-Mab and the Investors through consultation, any Investor will have the right to elect to request I-Mab HK to repurchase all or any part of the equity held by such Investor in the Company by cash. The unit repurchase price of the corresponding equity represented by per 1 U.S. dollar of registered capital of the Company shall be (a) the Investor's Original Unit Investment Price (as defined below; or if the Original Unit Investment Price has been adjusted in accordance with Article 3.6, the Adjusted Unit Investment Price shall be applied instead), plus (b) accrued from the date that the Investor actually paid the relevant Investors Investment Amount till the date when the repurchase price is paid, interest calculated at the annualised 10% simple interest rate on the Original Unit Investment Price (or the Adjust Unit Investment Price), plus (c) the Company's undistributed profits (if any) corresponding to such equity (collectively referred to as the "**Repurchase Price**"). The total Repurchase Price that an Investor is entitled to shall be a product obtained by multiplying the unit Repurchase Price of per 1 U.S. dollar of registered capital calculated pursuant to the preceding provisions, by the total amount of registered capital corresponding to equity of the Company which the Investor requests to be repurchased.

(2) I-Mab HK and the Investors hereby agree that if any Investor intends to exercise the Repurchase Right in accordance with the provisions of Article 3.5(1) above, subject to the approval procedures of I-Mab 天境生物 (NASDAQ: IMAB; hereinafter referred to as "**I-Mab**") and the then applicable U.S. securities laws and regulatory rules on public companies, if it is then intended to have I-Mab to use its stock as consideration to repurchase the equity of the Company against which the Investor intends to exercise the Repurchase Right (hereinafter referred to as "**Repurchase by Stock**"), the relevant repurchase agreement shall be negotiated separately by the Investors and I-Mab. If the value of I-Mab stock obtained by an Investor through Repurchase by Stock has reached an amount equal to the product obtained by multiplying the unit Purchase Price under Article 3.5(1) by the quantity of equity held by such Investor, I-Mab HK shall no longer bear the repurchase obligations under this Article 3.5 with respect to such equity of the Company held by the Investor. From expiration of the four (4) years period after the Closing Date and within three (3) years thereafter, or within exercising period that may be otherwise agreed between I-Mab HK and the Investors through consultation, with consent of the Majority Investors, negotiation may be initiated with I-Mab on I-Mab's repurchase of equity of the Company held by the Investors by issuance of I-Mab stock as consideration.

(3) I-Mab HK and Company shall complete procedures that are required under the applicable laws for performance of obligations under this Article 3.5. I-Mab HK guarantees that, within 1 year from the date on which any Investor delivers request of repurchase to the Company in writing, the Investor will receive Repurchase Price for all equity with respect to which it has exercised right of repurchase. Before I-Mab HK has paid the Investors the Repurchase Price in full, the Investors shall still be entitled to the full shareholder rights under the laws of the PRC and this Agreement for the equity in which it has not obtained relevant portion of Repurchase Price. If I-Mab HK disposes of all or substantially all of the equity directly or indirectly held by it in I-Mab Bio-Tech (Tianjin) Co., Ltd. and I-Mab Biopharma (Shanghai) Co., Ltd. and such disposal of equity may impact I-Mab HK's capability to perform its repurchase obligations under this Article 3.5, I-Mab HK shall cause other company(ies) within the Group who have capacity of repurchase to jointly covenant to perform the repurchase obligations, so as to make up for deficiency in the Warrantor's capacity of repurchase.

(4) The Repurchase Price shall be adjusted according to stock split, dividend distribution, capital reorganisation and other similar situations.

3.6 Anti-Dilution

If, after the Closing Date and before the Company's Qualified IPO, the Company issues new registered capital (or securities that can be converted into or can be exercised as the Company's equity) with a unit price of per 1 U.S. dollar of registered capital (the "**New Unit Price**") that is lower than any Investor's Original Unit Investment Price at its investment in the Company in the Transactions, the Investor will have the right to require the Original Unit Investment Price of its equity held in the Company to be reduced to an amount that is equal to the New Unit Price (the Original Unit Investment Price, after such adjustment, shall be referred to as the "**Adjusted Unit Investment Price**"), and recalculate the amount of equity in the Company that it should have been entitled to obtain based on its Adjusted Unit Investment Price. After the recalculation, the amount of Company registered capital held by such Investor shall be equal to the quotient obtained by dividing the Investors Investment Amount paid by such Investor in the Transactions, by the Adjusted Unit Investment Price ("**Equity after Adjustment**"). The difference between the Investor's Equity after Adjustment and the Investor's then actual equity shall, to the extent permitted by the applicable laws, be compensated (i) by the Company by issuing additional registered capital to the Investor at the lowest price permitted by law, or (ii) by I-Mab HK by transferring equity of the Company to the Investor at the lowest price permitted by law. For the avoidance of doubt, the "**Original Unit Investment Price**" of the equity held by each Investor is initially RMB equivalent to US$10 per US$1 of registered capital (calculated according to the USD to RMB central parity rate announced by the People's Bank of China on the day of such Investor's payment of its Investors Investment Amount). However, equity/shares issuance for implementation of employee equity incentive plans or other incentive arrangements approved by the Investors Directors shall not trigger the adjustments under this Article 3.6. For the avoidance of doubt, if, in accordance with Shareholders' resolution, the Company uses capital reserve fund to increase the registered capital of all shareholders on a pro rata basis, the Original Unit Investment Price of the anti-dilution right investor under this Article shall be diluted and reduced proportionally.

3.7 **Most Favoured Nation**. In the event any Investor is entitled to, with respect to its investment in these Transactions, any terms that are more favourable than other Investors except terms under the applicable laws and regulations or under the Transaction Documents (as defined in the Investment Agreement) (the "**More Favourable Terms**"), the other Investors shall, with respect to their investment in these Transaction, automatically be entitled to the same More Favourable Terms.

3.8 **Effect of Preferred Rights**. The foregoing special rights of Investors as stipulated in Article 3 of this Agreement shall automatically lapse at the time as necessary for initial public offering of the Company and in accordance with requirements of the regulatory authority for initial public offering; provided, however, such rights shall be automatically reinstated as if such rights had never expired or terminated, when (i) the Company withdraws the application for initial public offering, (ii) the Company fails to successfully complete the issuance with eighteen (18) months after submission of application for initial public offering (this period can be extended by the Parties through written agreement before the expiration), or (iii) the relevant regulatory authority overrules or rejects the Company's application for Qualified IPO (based on the earliest occurrence of the preceding three events).

3.9 **New Shareholders**. If, after execution of this Agreement, any shareholder of the Company intends to transfer all of the equity held by it in the Company to any third party, the transferee of the equity shall sign an agreement with the Parties to this Agreement simultaneously with the transfer of the equity, stipulating that the transferee shall be assigned rights and obligations of the transferring shareholder. If, after execution of this Agreement, any shareholder of the Company intends to transfer a part of the equity held by it in the Company to any third party, the transferee of the equity shall sign an agreement with the Parties to this Agreement simultaneously with the transfer of the equity, stipulating that the transferee and the transferor shall respectively be entitled to the rights of the transferor hereunder immediately prior to the transfer, and be subject to the obligations of the transferor hereunder immediately prior to the transfer, with respect to equity of the Company respectively held by each of them. Rights and obligations of the transferee(s) of equity shall be subject to agreement among the transferee(s) and all shareholders of the Company at that time.

Article 4 Corporate Governance

4.1 **Composition of Board**. The Company shall establish a Board of Directors. As of the Closing Date, the Board of Directors shall consist of seven (7) persons, of which: I-Mab HK has the right to appoint three (3) directors; Fushi Capital has the right to appoint one (1) director; Tsingsong Shenzhen and Nanjing Tsingsong have the right to appoint one (1) director jointly (together with the director appointed by Fushi Capital, collectively referred to as the "**Investors Directors**"); the Management Holdco has the right to appoint one (1) director; I-Mab HK also has the right to nominate one (1) independent director. The Company shall have a Chairman of the Board, who shall be appointed by I-Mab HK. Each Shareholder of the Company shall exert affirmative votes on election of the aforesaid nominees of Director s, so as to ensure persons nominated by the Parties who are entitled to appoint Directors pursuant to this Article 4.1 be elected as Directors of the Company. The Company shall have the right to appoint observers to the Board. Each Board observer shall be entitled to: (i) simultaneously with the Directors of the Company, receive all notices for Board meetings, meeting materials and other documents that the Company delivers to the Directors; (ii) attend Board meetings and make speech, and receive copies of Board resolutions and meeting minutes, provided that the observer shall have no voting rights on any matter reviewed by the Board; and (ii) customary information rights of Directors.

4.2 **Shareholders' Power**. The Shareholders shall exercise the following powers to:

(1) Decide the Company's business policy and investment plan;

(2) Elect and replace directors, and decide on matters related to the remuneration of directors;

(3) Elect and replace supervisors who are representatives of the Shareholders, and determine matters related to the remuneration of supervisors;

(4) Review and approve the report of the Board of Directors;

(5) Review and approve the report of the supervisors;

(6) Review and approve the Company's annual financial budget plan and final account plan;

(7) Review and approve the Company's profit distribution plan and loss make-up plan;

(8) Adopt resolutions on issuance of corporate bonds;

(9) Adopt resolutions on the Company's public offering of shares, determination or amendment of the Company's IPO plan (including without limitation jurisdiction of IPO);

(10) Adopt resolutions on shareholders' transfer of equity interest or change of shareholding structure of the Company (provided that in the event any Party transfers equity in compliance with this Agreement, the other Parties shall cooperate to pass the relevant Shareholders resolutions);

(11) Adopt resolutions on the increase or decrease of the registered capital of the Company or its Subsidiaries;

(12) Adopt resolutions on matters of the Company or its Subsidiaries such as mergers, divisions, changes in organisational form, dissolution, termination, liquidation, ceasing to operate principal business of the Company, or Deemed Liquidation Events;

(13) Amend the Company's or its Subsidiaries' articles of association.

In shareholders meetings, the shareholders shall exercise their voting power in accordance with the proportion of registered capital respectively subscribed by them. When the shareholders adopt resolutions on items (9)-(13) above, such resolutions must be passed by shareholders representing more than two-thirds (2/3) of the voting power (including the consent of the Majority Investors (as defined in the Investment Agreement; for the avoidance of doubt, shall include consent of the Investors who are entitled to appoint Directors)). Except for the above mentioned circumstances, the resolution of the shareholders shall be passed by shareholders representing more than one-half (1/2) of the voting power.

4.3 **Board of Directors' Power**. The Board of Directors shall exercise the following power to:

(1) Decide the business plan and investment plan of the Company and its Subsidiaries;

(2) Formulate the annual financial budget plan and final account plan of the Company and its Subsidiaries;

(3) Formulate profit distribution plan and loss make-up plan of the Company and its Subsidiaries;

(4) Formulate plans for the Company and/or its Subsidiaries to increase or decrease the registered capital;

(5) Approve, implement or amend the Company's employee equity incentive plan and specific plans thereof;

(6) Formulate merger, division, change of company organisation form, and dissolution plan of the Company and/or its Subsidiaries;

(7) Approve, extend or amend related party transactions or agreements between the Company and/or its Subsidiaries and any of its shareholders, directors and officers or their respective Affiliates (except related party transactions or agreements necessary for the Exempt Transfer described in Article 2.1 hereof, or execution, extension or amendment of any related party transaction or agreement to the extent such execution, extension or amendment is made in accordance with related party transaction / agreement framework plan approved in advance by the Board of Directors (including the Investors Directors);

(8) Approve the Company and/or its Subsidiaries to sell, mortgage, pledge, transfer or dispose of the intellectual property related to the Pipelines as contributed by I-Mab HK to the Company in the Transaction, or sale or disposal of all or substantially all of assets related to any Target Pipeline of the Company;

(9) Any commercial cooperation between the Company or its Subsidiaries and any third party regarding the intellectual property related to the Pipelines as contributed by I-Mab HK to the Company in the Transaction, including but not limited to joint development, external licensing, etc.;

(10) Company's or its Subsidiaries' provision of securities to third parties;

(11) Amendment of the list of the Competitors of the Company as attached to this Agreement;

(12) The Company's obtainment of license from any third party under any Intellectual Property, or the license of any Intellectual Property of the Company to any third party, or change of any existing license agreement or arrangement in connection with any Target Pipeline (as defined in the Investment Agreement);

(13) Decide on the establishment of the internal management organisation of the Company and its Subsidiaries;

(14) Formulate the Company's basic management policies (including without limitation policies on the Company's provision of securities or lending of loans to third parties, borrowing of loans, related party transactions); and

(15) Other powers granted under the applicable laws, the Company's articles of association, or by the Shareholders.

4.4 Each member of the Board of Directors shall have one vote. The quorum for meetings of Board of Directors shall exceed two-thirds (2/3) of the total number of directors, and the Board of Directors resolutions reached are valid only if with affirmative votes of a majority of the directors. Notwithstanding the foregoing, the Board of Directors shall not adopt resolutions on the matters listed in item (5) above without the affirmative votes of over two-thirds (2/3) of the directors, including affirmative votes of at least one Investor Director; and the Board of Directors shall not adopt resolutions on the mattes listed in items (6) to (12) above without the affirmative votes of a majority of the directors, including affirmative votes of both Investors Directors.

Article 5 Act in Concert

5.1 I-Mab HK, Management Holdco and ESOP Holdco agree that, unless otherwise agreed to among such three Parties, as long as each of Management Holdco and ESOP Holdco respectively holds equity in the Company, each of Management Holdco and ESOP Holdco irrevocably agrees to, when exercising the following rights as a shareholder of the Company, act in concert with I-Mab HK and follow I-Mab's instruction:

(1) the right to convene, hold and attend Shareholders' meetings;

(2) the right to make proposals as a Shareholder;

(3) the right to exercise voting rights on the matters which, according to the laws and regulations, the Company's articles of association, and provisions of this Agreement, shall be reviewed by Shareholders (except the matters set forth in Article 4.2(9) hereof).

5.2 I-Mab HK and Management Holdco agree that, unless otherwise agreed to between such two Parties, as long as Management Holdco holds equity in the Company, Management Holdco irrevocably agrees to cause any Director appointed by it to, when exercising the following rights as a director of the Company, act in concert with majority of the directors appointed by I-Mab HK and follow the instruction of majority of the directors appointed by I-Mab HK:

(1) The right to convene, hold and attend Board meetings;

(2) The right to make proposals as a director;

(3) The right to exercise voting rights on the matters which, according to the laws and regulations, the Company's articles of association, and provisions of this Agreement, shall be reviewed by the Board of Directors.

5.3 Except the shareholders' rights subject to the foregoing commitment to act in concert, the provisions of this Article 5 shall not affect other rights of I-Mab HK, Management Holdco and ESOP Holdco that they are entitled to under the laws and regulations, the Company's articles of association and provisions of this Agreement as shareholders, including without limitation information rights, dividend rights, economic rights, etc..

Article 6 Liability for Breach of Contract; Indemnification

6.1 If any Party to this Agreement breaches the provisions of this Agreement, the Other Parties shall have the right to claim indemnification for the losses suffered by them as a result of the breach in addition to other rights that they may be entitled to under this Agreement.

6.2 Subject to other provisions of this Agreement, a Party to this Agreement (hereinafter referred to as the "**Indemnifying Party**") shall indemnify and hold harmless the Other Parties (hereinafter referred to as the "**Indemnified Parties**") against losses or payment incurred in connection with any of the following circumstances: (a) any representation or statement made by the Indemnifying Party in this Agreement is false, untrue or misleading, (b) the Indemnifying Party has violated or failed to fully fulfil the covenants, warranties or obligations under this Agreement, in each case except the circumstances which have been waived by the Other Parties in writing. The Indemnifying Party shall indemnify the Indemnified Parties against any and all losses directly or indirectly suffered by the Indemnified Parties as a result of the foregoing circumstances.

6.3 If any Party to this Agreement breaches the provisions of this Agreement, in addition to any other rights under this Agreement, the Other Parties shall have the right to require the breaching Party to specifically and completely perform the obligations under this Agreement.

6.4 Notwithstanding anything to the contrary herein, the provisions of this Article shall survive termination of the Parties' rights and obligations hereunder, and survive the termination of this Agreement.

Article 7 Effectiveness, Amendment and Termination of the Agreement

7.1 **Effectiveness**. This Agreement shall take effect on the Closing Date, subject to the due execution of this Agreement by the Parties or their authorised representatives (Chinese non-natural persons must also affix their official seals).

7.2 **Amendment**. Any amendment or alteration to this Agreement shall be negotiated by all Parties, and shall be effective only after a written contract on such amendments or alteration have been signed by the Parties.

7.3 **Termination**. This Agreement may be terminated prior to expiration under any of the following circumstances:

(1) With the unanimous written consent of all Parties;

(2) Any Party breaches this Agreement and does not cue the breach within thirty days (30), or the breach have occurred for twice or more cumulatively, then the non-breaching Parties shall have the right to unilaterally terminate this Agreement;

(3) If force majeure occurs and as a result the fundamental purpose of this Agreement cannot be achieved, any Party may terminate this Agreement.

7.4 **Effect of Termination**. When this Agreement is terminated in accordance with Article 7.3, except the provisions in Article 5 (Liability for Breach of Contract; Indemnification), Article 8 (Miscellaneous) and this Article 7.4, this Agreement shall be invalid and shall no longer be binding or effective, and the Parties will be no longer required to bear the responsibilities and obligations under this Agreement; provided, however, despite termination of this Agreement, a Party shall still be liable for any losses incurred by the Other Parties as a result of its breach of this Agreement before the termination.

Article 8 Miscellaneous

8.1 **Notice**.

(1) All notices, claims, requests, consents, waivers and other communications required or permitted under this Agreement shall be in writing (including telegram, fax or similar written form) and shall be sent, delivered or mailed, e-mailed or faxed to the following addresses:

Company:	**I-Mab Biopharma (Hangzhou) Co., Ltd.**	
	Attention:	[REDACTED]
	Phone:	[REDACTED]
	Fax:	[REDACTED]
	E-mail:	
	Address:	[REDACTED]
I-Mab HK:	**I-MAB BIOPHARMA HONGKONG LIMITED**	
	Attention:	[REDACTED]
	Phone:	[REDACTED]
	Fax:	[REDACTED]
	E-mail:	
	Address:	[REDACTED]

Investors:

Hangzhou Fushi Investment Management Partnership (Limited Partnership)

Attention: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail:

Address: [REDACTED]

Shenzhen Tsingsong Shengrui Investment Partnership (Limited Partnership)

Attention: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail:

Address: [REDACTED]

Nanjing Tsingsong Healthcare Investment Partnership (Limited Partnership)

Recipient: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Hangzhou Heda Biotech Investment Partnership (Limited Partnership)

Recipient: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Xiamen Ronghui Derong Equity Investment Partnership (Limited Partnership)

Attention:	[REDACTED]
Phone:	[REDACTED]
Fax:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

Ningbo Yanyuan Yaoshang Chanrong Equity Investment Partnership (Limited Partnership)

Attention:	[REDACTED]
Phone:	[REDACTED]
Fax:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

Ningbo Yanchuang Yaoshang Yangming Investment Partnership (Limited Partnership)

Attention:	[REDACTED]
Phone:	[REDACTED]
Fax:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

Jiangsu Yanyuan Dongfang Investment Partnership (Limited Partnership)

Attention:	[REDACTED]
Phone:	[REDACTED]
Fax:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

Ningbo Rongshun Yanyuan Investment Partnership (Limited Partnership)

Attention: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Zhuzhou Guochuang Junyao Investment Partnership (Limited Partnership)

Attention: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Ningbo Hanhai Qianyuan Equity Investment Partnership (Limited Partnership)

Attention: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Hangzhou Haibang Yigu Investment Partnership (Limited Partnership)/Jialiang Shan

Attention: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Zhejiang Silu Industry Investment Fund Partnership (Limited Partnership)

Attention: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Viva Biotech (Shanghai) Ltd.

Attention: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Tianjin Huatian Enterprise Management Consultation Limited Partner (Limited Partner)

Attention: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail: [REDACTED]

Address: [REDACTED]

Management / Management Holdco:

Attention: [REDACTED]

Phone: [REDACTED]

Fax: [REDACTED]

E-mail:

Address: [REDACTED]

ESOP Holdco:

Attention:	[REDACTED]
Phone:	[REDACTED]
Fax:	[REDACTED]
E-mail:	[REDACTED]
Address:	[REDACTED]

(2) Each notice, request or other communication delivered or served in accordance with the provisions of Article 8.1(1) shall be deemed as delivered or served as follows: (a) if sent by a courier company or personally delivered, it shall be deemed as delivered when the relevant notice, request or communication is sent to the above-mentioned address; (b) if sent by fax, then the relevant notice, request or communication shall be deemed as delivered when it is transmitted to the above fax number and the report of successful fax transmission is obtained; (c) if sent by e-mail, it shall be deemed as delivered twenty-four hours after the date on which the e-mail containing the relevant notice, request or communication as recorded by the sender's computer is sent, provide, however, if the sender does not receive the recipient's confirmation of receipt of the above e-mail within twenty-four hours (except for automatic email confirmation of receipt), the above notice, request or other communication shall be sent by courier or fax by the end of the same day.

8.2 **Governing law**. This Agreement shall be governed by and be construed in accordance with the PRC laws.

8.3 **Dispute Resolution**. In the event of is a dispute over the interpretation or performance of this Agreement, the Parties shall firstly attempt to resolve the dispute through friendly consultation. If the dispute cannot be resolved through consultation within thirty (30) days after one Party delivers written notice to the Other Parties requesting the commencement of consultation, then any Party may submit the dispute to the China International Economic and Trade Arbitration Commission for arbitration, and the arbitration shall be conducted in Hangzhou according to the said commission's arbitration rules then in force. The arbitration award shall be final and binding on all Parties and cannot be appealed. The arbitration costs shall be borne by the losing party unless the arbitration award provides otherwise. When any dispute occurs and when any dispute is under arbitration, except the matter under disputes, the Parties shall continue to exercise their other rights and perform their other obligations under this Agreement.

8.4 **Confidentiality**. Each of the Parties shall not, and shall cause its respective Affiliates, shareholders, directors, officers, employees, representatives or agents not to, directly or indirectly disclose the existence of this Agreement or any information related to the Transactions (including any information obtained by the Party during the course of the negotiation and execution of this Agreement), unless (a) it has obtained the prior written consent of the non-disclosing Parties, or (b) such information is required to be disclosed by the applicable laws and is only disclosed to the extent necessary to comply with the applicable laws or any regulations or policies of any stock exchange, provided, however that the disclosing Party shall, within a reasonable time before the disclosure or submission of the relevant information, seek opinions of the Other Parties on such disclosure and submission, and that if required by the Other Parties, the disclosing Party shall seek for confidential treatment of the disclosed or submitted information to the extent possible. Notwithstanding the foregoing, I-Mab, being a company listed in the United States, shall have the right to disclose the Company's financing information in accordance with the requirements of U.S. securities laws without the need for separately obtaining the Parties' consent. After the Closing, each of the Company, I-Mab HK and the Investors shall have the right to disclose the existence of the Investors' investment in the Company to third parties or the public; provided, however, the Investors shall seek the opinions of I-Mab HK when disclosing information related to the Company's investment matters, with a view to comply with the information disclosure requirements under the U.S. securities laws.

8.5 **Severability**. The obligations under this Agreement shall be regarded as separate obligations and be independently enforceable. When one or more obligations of this Agreement are unenforceable, the enforceability of other obligations shall not be affected. If this Agreement is not enforceable against any Party, the enforceability of this Agreement among the Other Parties shall not be affected. If one or more of the provisions of this Agreement are found to be invalid, illegal or unenforceable in any respect according to any applicable law, or a government agency requests amendment of one or more provisions of this Agreement, the validity, legality and enforceability of the remaining provisions shall not be affected or damaged in any way. The Parties shall endeavour to replace these invalid, illegal or unenforceable provisions with valid provisions through sincere consultations, and the economic effects of such valid provisions shall be as similar as possible to those of the invalid, illegal or unenforceable provisions.

8.6 **Entire Agreement**. This Agreement (including the other Transaction Documents and any other documents referred to or contemplated hereunder or thereunder) constitutes the entire agreement among the Parties with regard to the subjects hereof, and supersedes any other agreements or intentions previously reached by the Parties on the same subjects.

8.7 **Assignment**. Without prejudice to the provisions of the PRC laws and the other provisions of this Agreement, the Investors have the right to assign their rights and obligations under this Agreement to their respective Affiliates, and such assignment does not require prior consent of Other Parties or the Company. An Investor has the right to assign its rights and obligations under this Agreement to any third party along with the sale or transfer (if any) of its equity in the Company to such third party; provided, however, such equity transfer shall be subject to the other Investors' Right of First Refusal under Article 3.2 hereof. Notwithstanding anything to the contrary herein, after completion of its capital contribution obligation, any Investor may transfer its then effective rights and obligations under the Agreement to its Affiliates along with the sale or transfer (if any) of its equity in the Company, which transfer or assignment shall not be subject to any other shareholders' consent, right of first refusal, right of co-sale or similar rights. Except the foregoing, without the prior written consent of each other Party, no Party shall assign its rights or obligations under this Agreement; any assignment without the Other Parties' consent shall be invalid.

8.8 **Counterparts**. This Agreement is written in Chinese. This Agreement shall be signed in thirty (30) original copies. Each Party shall hold one (1) original copy, and the remaining original copies shall be held by the company. Each copy of this Agreement shall be equally effective.

8.9 **Priority**. If, in order to request any government agency to carry out any specific act, separate agreements in connection with the Transactions (including but not limited to, equity transfer agreement, the Company's articles of association or amendments to the articles of association, as may be amended from time to time) have to be signed in accordance with the standard templates or requirements of the government agency, this Agreement shall control over any such agreements, and such agreements shall only be used to request the government agency to implement the specific act, and shall not be used to establish or as an evidence of any rights or obligations of the relevant parties on matters that may be stipulated in such agreements.

(No text below)

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Company:

I-Mab Biopharma (Hangzhou) Co., Ltd.
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

I-Mab HK:

I-MAB BIOPHARMA HONGKONG LIMITED

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Hangzhou Fushi Investment Management Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Shenzhen Tsingsong Shengrui Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Nanjing Tsingsong Healthcare Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Hangzhou Heda Biotech Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Xiamen Ronghui Derong Equity Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Ningbo Yanyuan Yaoshang Chanrong Equity Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Ningbo Yanchuang Yaoshang Yangming Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Jiangsu Yanyuan Dongfang Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Ningbo Rongshun Yanyuan Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Ningbo Yanyuan Innovation Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Zhuzhou Guochuang Junyao Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Hangzhou Haibang Yigu Investment Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Jialiang Shan
(Seal)

/s/ Jialiang Shan

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Zhejiang Silu Industry Investment Fund Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Viva Biotech (Shanghai) Ltd.
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Investors:

Tianjin Huatian Enterprise Management Consultation Limited Partner (Limited Partner)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Lili Qian

/s/ Lili Qian

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Zhengsong Zhang

/s/ Zhengsong Zhang

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Yunfei Zhang

/s/ Yunfei Zhang

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Lihong Lou

/s/ Lihong Lou

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Kai Zhou

/s/ Kai Zhou

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Management:

Fang Yin

/s/ Fang Yin

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Hangzhou Yijing Biotech Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

IN WITNESS WHEREOF, the Parties have caused their respective authorized representatives to execute this Agreement on the date first above written.

Hangzhou Lanjing Biotech Partnership (Limited Partnership)
(Seal)

/s/ Authorized Signatory
Name: Authorized Signatory
Position:

Schedule 1 Shareholding Structure Immediately After Completion of the Transactions

Schedule 1

Schedule 2 List of Management Members to Join After the Closing Date

Schedule 2

Schedule 3 List of Competitors of the Company

Schedule 3

Exhibit 21.1

List of Principal Subsidiaries of I-MAB

Subsidiaries	Place of Incorporation
I-Mab Biopharma Hong Kong Limited	Hong Kong
I-Mab Biopharma US Ltd.	United States
I-Mab Bio-tech (Tianjin) Co., Ltd.	People's Republic of China
I-Mab Biopharma Co., Ltd.	People's Republic of China

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Registration Statement on Form F-1 of I-Mab of our report dated April 29, 2020 relating to the financial statements of I-Mab, which appears in this Registration Statement. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/PricewaterhouseCoopers Zhong Tian LLP
Shanghai, the People’s Republic of China
December 1, 2020

君合律师事务所 JUNHE

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Shanghai 200041, P.R.China
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F: (86-21) 5298-5492
junhesh@junhe.com

LEGAL OPINION

To **I-Mab 天境生物**

Suite 802, West Tower, OmniVision Tech Park
88 Shangke Road
Pudong New District, Shanghai
People's Republic of China

RE **PRC Legal Opinion on Certain PRC Law Matters**

December 1, 2020

Dear Sirs or Madams:

We are lawyers qualified in the People's Republic of China (the "PRC") and are qualified to issue opinions on the PRC Laws (as defined in Section 1). For the purpose of this legal opinion (this "Opinion"), the PRC does not include the Hong Kong Special Administrative Region, the Macau Special Administrative Region and Taiwan.

We act as PRC counsel to I-Mab 天境生物 (the "Company"), a company incorporated under the laws of the Cayman Islands and listed on the Nasdaq Stock Market, in connection with a shelf registration statement on Form F-1, including all amendments or supplements thereto (the "Registration Statement" which term does not include any other document or agreement whether or not specifically referred to therein or attached as an exhibit or schedule thereto), filed with the U.S. Securities and Exchange Commission (the "Commission") on or about the date hereof relating to the registration under the U.S. Securities Act of 1933 (the "Securities Act"), as amended to date relating to the offering (the "Offering") by certain shareholders of the Company (the "Selling Shareholders") of certain number of ordinary shares of the Company, par value US$0.0001 per share (the "Ordinary Shares"), including the Ordinary Shares represented by American depositary shares (the "ADSs"). The Registration Statement is filed using a "shelf" registration process to register the resale by the shareholders identified therein. Under the shelf Registration Statement, the selling shareholders may, from time to time, offer and sell, in one or more offerings, the ordinary shares or the ADSs.

In so acting, we have examined the originals or copies certified or otherwise identified to our satisfaction, of documents provided to us by the Company and such other documents, corporate records, certificates, approvals and other instruments as we have deemed necessary for the purpose of rendering this Opinion, including, without limitation, originals or copies of the agreements and certificates issued by PRC authorities and officers of the Company (collectively, the "Documents"). In such examination, we have assumed the accuracy of the factual matters described in the Documents will be executed by the parties in the forms provided to and reviewed by us. We have also assumed (i) the genuineness of all signatures, seals and chops, the authenticity of all documents submitted to us as originals, and the conformity with the originals of all documents submitted to us as copies, and the truthfulness, accuracy and completeness of all factual statements in the documents; (ii) no amendments, revisions, modifications or other changes have been made with respect to any of the Documents after they were submitted to us for the purposes of this Opinion; and (iii) each of the parties to the Documents (except that we do not make such assumptions about the PRC Subsidiaries) is duly organized and validly existing in good standing under the laws of its jurisdiction of organization and/or incorporation, and has been duly approved and authorized where applicable by the competent governmental authorities of the relevant jurisdiction to carry on its business and to perform its obligations under the Documents to which it is a party.

1. The following terms as used in this Opinion are defined as follows:

"Government Authority"	means any national, provincial, municipal or local governmental authority, agency or body having jurisdiction over any of the PRC Subsidiaries in the PRC.
"Governmental Authorization"	means all consents, approvals, authorizations, permissions, orders, registrations, filings, licenses, clearances and qualifications of or with any Government Authority.
"M&A Rules"	means the Rules on Mergers and Acquisitions of Domestic Enterprises by Foreign Investors jointly promulgated by the Ministry of Commerce, the State Assets Supervision and Administration Commission, the State Administration of Taxation, the State Administration of Industry and Commerce, China Securities Regulatory Commission (the "CSRC") and the State Administration of Foreign Exchange of the PRC on August 8, 2006 and as amended by the Ministry of Commerce on June 22, 2009.
"PRC Subsidiaries"	means the PRC Subsidiaries as set out in Schedule 1 attached hereto.

"PRC Laws"	means any and all laws, regulations, statutes, rules, decrees, notices, and supreme court's judicial interpretations currently in force and publicly available in the PRC as of the date hereof.
"Prospectus"	means the prospectus, including all amendments or supplements thereto, that forms part of the Registration Statement.
"I-Mab Tianjin"	means I-Mab Bio-Tech (Tianjin) Co., Ltd. (天境生物技术（天津）有限公司).
"I-Mab Biopharama"	means I-MAB Biopharma (Shanghai) Co., Ltd. (天境生物科技（上海）有限公司).
"Tasgen Chengdu"	means Tasgen (Chengdu) Bio-Tech Co., Ltd. (成都天视珍生物技术有限公司).
"Shanghai Tianyunjian"	means Shanghai Tianyunjian Bio-Tech Co., Ltd. (上海天韵健生物技术有限公司).
"Sanjing Beijing"	means Sanjing (Beijing) Biotechnology Co., Ltd. (三境（北京）生物科技有限公司).

Capitalized terms used herein and not otherwise defined herein shall have the same meanings described in the Registration Statement.

2. Based upon and subject to the foregoing and subject to the qualifications set out below, we are of the opinion that:

   (1) *Incorporation and Existence of the PRC Subsidiaries.* Each of the PRC Subsidiaries has been duly incorporated and is validly existing as a limited liability company and has legal person status under the PRC Laws and its business license and articles of association are in full force and effect under, and in compliance with the PRC Laws. All the equity interests of each of the PRC Subsidiaries are legally owned by its respective shareholders as the shareholding status set forth in Schedule 1 attached hereto, and to our best knowledge after due and reasonable inquiries, such equity interests are free and clear of all security interest, encumbrances, mortgage, pledge, liens, equities or claims. All Governmental Authorizations required for the ownership by the shareholders of their respective equity interests in each of the PRC Subsidiaries have been duly obtained.

(2) *Corporate Structure*. The descriptions of the corporate structure of the PRC Subsidiaries set forth in "Corporate History and Structure" section of the Prospectus are true and accurate and nothing has been omitted from such description which would make the same misleading in any material respect. The descriptions of the events and transactions set forth in "Corporate History and Structure" section and "Related Party Transactions" section of the Prospectus, to the extent that such descriptions are related to matters of the PRC Laws or documents, agreements or proceedings governed by the PRC Laws, are true and accurate and nothing has been omitted from such description which would make the same misleading in any material respects. To our best knowledge after due and reasonable inquiries, the transactions of acquisition and restructuring involving the PRC Subsidiaries as described in the "Corporate History and Structure" section of the Prospectus are not in violation of, and immediately after the consummation of the Offering will not result in violation of, any PRC Laws currently in effect, and no Governmental Authorization or any other necessary steps required under the PRC Laws other than those already obtained is required under the existing PRC Laws for the establishment of such shareholding structures.

(3) *M&A Rules.* The M&A Rules, in particular the relevant provisions thereof, purport, among other things, to require offshore special purpose vehicles formed for the purpose of obtaining a stock exchange listing outside of the PRC and controlled directly or indirectly by Chinese companies or natural persons, to obtain the approval of the CSRC prior to the listing and trading of their securities on any stock exchange located outside of the PRC.

Based on our understanding of the PRC Laws, we are of the opinion that the CSRC's approval is not required for the Offering, including, but not limited to, the listing and trading of the Company's ADSs on the Nasdaq Stock Market, given that (i) the CSRC currently has not issued any definitive rule or interpretation concerning whether offerings like the proposed Offering are subject to the regulation, (ii) I-Mab Tianjin was not acquired by connected merger or acquisition of equity interest or assets of a PRC domestic company owned by PRC companies or individuals as defined under the M&A Rules, (iii) I-Mab Biopharma was incorporated as a wholly foreign-owned enterprise by means of direct investment, and (iv) Tasgen Chengdu, Shanghai Tianyunjian and Sanjing Beijing belong to the reinvestment enterprises of foreign investment enterprises.

The statements set forth in the Prospectus under the captions "Risk Factors —Risks Related to Doing Business in China —The approval of the CSRC may be required in connection with this offering, and, if required, we cannot predict whether we will be able to obtain such approval" are fair and accurate summaries of the matters described therein, and nothing has been omitted from such summaries that would make the same misleading in any material respect.

(4) *Enforceability of Civil Procedures.* There is uncertainty as to whether the courts of the PRC would: (i) recognize or enforce judgments of United States courts obtained against the Company or directors or officers of the Company predicated upon the civil liability provisions of the securities laws of the United States or any state in the United States; or (ii) entertain original actions brought in each respective jurisdiction against the Company or directors or officers of the Company predicated upon the securities laws of the United States or any state in the United States.

The recognition and enforcement of foreign judgments are provided for under the PRC Civil Procedures Law. PRC courts may recognize and enforce foreign judgments in accordance with the requirements of the PRC Civil Procedures Law based either on treaties between the PRC and the country where the judgment is made or on reciprocity between jurisdictions. The PRC does not have any treaties or other agreements with the United States or the Cayman Islands that provide for the reciprocal recognition and enforcement of foreign judgments. In addition, according to the PRC Civil Procedures Law, courts in the PRC will not enforce a foreign judgment against the Company or the directors and officers of the Company if they decide that the judgment violates the basic principles of PRC Laws or national sovereignty, security or public interest.

(5) *Taxation.* The statements set forth under the caption "Taxation" in the Prospectus insofar as they constitute statement of PRC tax law, are accurate in all material respects and that such statements constitute our opinion. We do not express any opinion herein concerning any law other than PRC tax law.

(6) *Statements in the Prospectus.* The statements in the Prospectus under the headings "Prospectus Summary", "Risk Factors", "Corporate History and Structure", "Management's Discussion and Analysis of Financial Condition and Results of Operations", "Enforceability of Civil Liabilities", "Dividend Policy", "Business", "Management", "Related Party Transactions", "Regulation", "Taxation" and "Legal Matters" (other than the financial statements and related schedules and other financial data contained therein to which we express no opinion), to the extent such statements relate to matters of the PRC Laws or documents, agreements or proceedings governed by the PRC Laws, are accurate in all material respects, and fairly present and fairly summarize in all material respects the PRC Laws, documents, agreements or proceedings referred to therein, and nothing has been omitted from such statements which would make the statements, in light of the circumstance under which they were made, misleading in any material aspect.

3. This Opinion is subject to the following qualifications:

(1) This Opinion relates only to the PRC Laws and we express no opinion as to any other laws and regulations. There is no guarantee that any of the PRC Laws, or the interpretation thereof or enforcement therefor, will not be changed, amended or replaced in the immediate future or in the longer term with or without retrospective effect.

(2) This Opinion is intended to be used in the context which is specifically referred to herein and each section should be looked on as a whole regarding the same subject matter and no part shall be extracted for interpretation separately from this Opinion.

(3) This Opinion is subject to the effects of (i) certain legal or statutory principles affecting the enforceability of contractual rights generally under the concepts of public interest, national security, good faith and fair dealing, applicable statutes of limitation, and the limitations by bankruptcy, insolvency, reorganization or similar laws affecting the enforcement of creditor's rights generally; (ii) any circumstance in connection with formulation, execution or performance of any legal documents that would be deemed materially mistaken, clearly unconscionable or fraudulent; (iii) judicial discretion with respect to the availability of injunctive relief, the calculation of damages, and the entitlement of attorneys' fees and other costs; and (iv) the discretion of any competent PRC legislative, administrative or judicial bodies in exercising their authority in connection with the interpretation, implementation and application of relevant PRC Laws.

This Opinion is rendered to you for the purpose hereof only, and save as provided herein, this Opinion shall not be quoted nor shall a copy be given to any person (apart from the addressee and its legal counsel) without our express prior written consent, except where such disclosure is required to be made by the applicable law or is requested by the SEC or any other regulatory agencies.

We hereby consent to the use of this Opinion in, and the filing hereof as an exhibit to, the Registration Statement, and to the use of our firm's name under the captions "Risk Factors," "Enforceability of Civil Liabilities," "Corporate History and Structure," "Taxation," and "Legal Matters" in the Registration Statement. In giving such consent, we do not thereby admit that we fall within the category of the person whose consent is required under Section 7 of the U.S. Securities Act of 1933, as amended, or the regulations promulgated thereunder.

The remainder of this page is intentionally left blank.

Yours faithfully,

/s/ JuneHe LLP
JunHe LLP

SCHEDULE 1

List of the PRC Subsidiaries

1. I-Mab Bio-Tech (Tianjin) Co., Ltd. ("天境生物技术（天津）有限公司" in Chinese), with its shareholding status as follows:

No.	Shareholder	Percentage(s) of Equity Interests Owned
1.	I-Mab Biopharma Hong Kong Limited	100.00
	Total	**100.00**

2. I-Mab Biopharma (Shanghai) Co., Ltd. ("天境生物科技（上海）有限公司" in Chinese), with its shareholding status as follows:

No.	Shareholder	Percentage(s) of Equity Interests Owned
1.	I-Mab Bio-Tech (Tianjin) Co., Ltd.	100.00
	Total	**100.00**

3. Tasgen (Chengdu) Bio-Tech Co., Ltd. ("成都天视珍生物技术有限公司" in Chinese), with its shareholding status as follows:

No.	Shareholder	Percentage(s) of Equity Interests Owned
1.	I-Mab Bio-Tech (Tianjin) Co., Ltd.	100.00
	Total	**100.00**

4. Shanghai Tianyunjian Bio-Tech Co., Ltd. ("上海天韵健生物技术有限公司" in Chinese), with its shareholding status as follows:

No.	Shareholder	Percentage(s) of Equity Interests Owned
1.	I-MAB Biopharma (Shanghai) Co., Ltd.	100.00
	Total	**100.00**

5. Sanjing (Beijing) Biotechnology Co., Ltd. ("三境（北京）生物科技有限公司" in Chinese), with its shareholding status as follows:

No.	Shareholder	Percentage(s) of Equity Interests Owned
1.	I-MAB Biopharma (Shanghai) Co., Ltd.	100.00
	Total	**100.00**

SCHEDULE 1