

April 25, 2025

Dear Shareholder:

We write to you in our capacity as fellow shareholders of Sinovac Biotech Ltd. (“Sinovac” or the “Company”).

As you are aware, trading of the Company’s shares has been suspended for the past six years. In the meantime, the Company sits on more than USD 10 billion in cash or cash equivalents. It is therefore crucial that the board of directors (“Board”) of the Company stays accountable to us shareholders as a whole during this period of time. In this regard, we note that:

(a) in a judgment dated January 16, 2025 (the “Privy Council Judgment”),¹ the Judicial Committee of the Privy Council decided that Mr. Yuk Lam Lo, Dr. David Guowei Wang, Mr. Jianzeng Cao, **Mr. Hoi Fung Qui** and Mr. Pengfei Li (“New Directors”) were duly elected and validly appointed as directors of the Company during the 2018 annual shareholders meeting (“2018 AGM”);

(b) following the Privy Council Judgment, the Company announced on February 28, 2025 that it had “begun to implement” the Privy Council Judgment and that its new board of directors would be **Dr. Chiang Li (Chairman)**, Mr. Yuk Lam Lo, Dr. David Guowei Wang, Mr. Pengfei Li and Mr. Jianzeng Cao.² No reasons were given as to why Dr. Chiang Li was appointed in place of Mr. Hoi Fung Qui; and

(c) in a recent announcement dated March 28, 2025, the Company stated that Board has appointed Mr. Sven H. Borho “to fill in a vacancy created by a recent resignation”.³ No reasons were given for Mr. Jianzeng Cao’s apparent resignation.

As things stand, the Board apparently comprises Dr. Chiang Li (Chairman), Mr. Yuk Lam Lo, Dr. David Guowei Wang, Mr. Pengfei Li and Mr. Sven H. Borho.

Dr. Chiang Li is the owner of 1Globe Capital LLC (“1Globe”). Mr. Pengfei Li is or was a member of senior management at 1Globe or its subsidiary.⁴ Meanwhile, Mr. Borho is a founder and Managing Partner of OrbiMed Advisors LLC (“OrbiMed”), and Dr. David Guowei Wang is a partner of OrbiMed. Following Mr. Borho’s purported appointment to the Board, OrbiMed, with a 3.8% stake in Sinovac, secured two board seats, a representation significantly disproportionate to its shareholding. This imbalance undermines the Board’s ability to effectively represent the broader shareholder base.

¹ 1Globe Capital LLC v Sinovac Biotech Ltd [2025] UKPC 3, paragraph 88.

² The Company’s announcement is accessible at: <https://www.sinovac.com/en-us/news/id-3396>.

³ The Company’s announcement is accessible at: <https://www.sinovac.com/en-us/news/SINOVAC-Announces-New-Board-Member-and-Chairman-of-the-Audit-Committee>.

⁴ A share purchase agreement signed by Mr. Pengfei Li on behalf of 1Globe Biomedical (Hong Kong) Company Limited is accessible at: https://www.sec.gov/Archives/edgar/data/1084201/000121465920010560/ex99_1.htm

The composition of the current Board is materially different from the slate of New Directors specified in the Privy Council Judgment. The lack of explanation and reasons given for (i) Dr. Chiang Li's appointment, (ii) Mr. Hoi Fung Qui's absence from the board, and (iii) the subsequent resignation of Mr. Jianzeng Cao raises serious doubts about (among other things) the legality of Dr. Chiang Li and Mr. Sven H. Borho's appointments or the legitimacy of the current Board. We will continue to assess the legitimacy of these appointments based on available information, in accordance with the Privy Council Judgment, applicable laws, regulations, and listing rules.

In addition, it is noteworthy here that 1Globe and certain (past and present) directors were sanctioned by various authorities across multiple jurisdictions that call into question their suitability and fitness to serve as directors. We believe the Board is obligated to disclose these facts to shareholders, but it has conspicuously failed to do so. To foster transparency, accountability and good corporate governance of Sinovac, we hereby keep you apprised of these matters:

(a) In a cease-and-desist order dated May 13, 2020, the Securities and Exchange Commission ("SEC") found that **1Globe** and **Dr. Chiang Li** had committed multiple violations of Section 13(d) of the Exchange Act and related rules by failing to disclose (i) their full beneficial ownership of the Company's stock by the end of 2017, inclusive of substantial shares held by related parties, and (ii) their participation in an activist plan to replace four of five incumbent directors through a shareholder vote at the 2018 AGM, thereby depriving existing and potential shareholders of information necessary to make fully informed decisions.⁵

(b) In a judgment dated November 28, 2018, the High Court of the Hong Kong Special Administrative Region ("Hong Kong High Court") granted declaratory orders and permanent injunctive relief against **Mr. Pengfei Li** and **Mr. Jianzeng Cao** based on their submission of fraudulent documents to the Hong Kong Companies Registry.

In summary, the Hong Kong High Court held that it was beyond dispute that the documents in respect of Sinovac Biotech (Hong Kong) Limited ("Sinovac HK") had been forged and unlawfully filed with the Hong Kong Companies Registry, and that **Mr. Pengfei Li** and **Mr. Jianzeng Cao** were not the lawful directors of Sinovac HK. The Hong Kong High Court also granted a permanent injunction restraining them from purporting to act or hold themselves out as directors of Sinovac HK or its subsidiaries, purporting to take any actions as directors of Sinovac HK or its subsidiaries, and relying on or using the forged documents in any way whatsoever. The Hong Kong High Court further ordered the Hong Kong Companies Registry to remove the forged documents in respect of Sinovac HK that had been unlawfully filed.⁶

⁵ A copy of the SEC Order is accessible at: <https://www.sec.gov/files/litigation/admin/2020/34-88864.pdf>.

⁶ The Company's announcement in respect of these matters is accessible at: <https://www.sinovac.com/en-us/news/id-2817>.

(c) On February 19, 2024, it was reported that Shandong Sinobioway Biomedicine Co., Ltd. (山东未名生物医药股份有限公司) (“Shandong Sinobioway”) had received a criminal judgment from the People’s Court of Zhangdian District, Zibo City, Shandong Province (“Shandong Court”), in which **Mr. Pengfei Li** was a named defendant.⁷ Shandong Sinobioway made an announcement concerning the Shandong Court’s judgment on February 20, 2024.⁸

The Shandong Court found that Mr. Pengfei Li had committed the crimes of embezzlement, forging government documents and seals, and forging company seals, and sentenced him to eight years in prison and ordered that he pay a fine of RMB 780,000.

In addition, the Shandong Court ruled that Hangzhou Qiangxin Biotechnology Co., Ltd. (杭州强新生物科技有限公司), a PRC subsidiary of 1Globe, had illegally acquired a 34% equity interest in Sinobioway Biomedicine Co., Ltd. (未名生物医药有限公司), a wholly owned subsidiary of Shandong Sinobioway.

These matters, coupled with the Board’s blatant failure to disclose them to shareholders, raise serious corporate governance issues. The inadequate governance of the current Board is further exemplified by the resignation of the Company’s auditor which was prompted by the Board’s contentious announcement on April 1, 2025.⁹ This development will inevitably delay the Company’s annual report. If not resolved promptly, it could lead to more severe consequences, including, but not limited to, delays in dividend distribution, delays in resumption of trading, and the potential delisting of the Company.

The need to resolve Sinovac’s corporate governance issues is long overdue. We believe that a shareholders’ meeting is the ideal forum for resolving these issues, allowing shareholders to voice their concerns and elect trustworthy directors. Together with our fellow shareholders, we have endured painful consequences of the protracted legal disputes between 1Globe and Sinovac. One of the consequences has been the absence of a shareholders’ meeting for over seven years. We urge the Company to convene a shareholders’ meeting as soon as possible to restore effective corporate governance, rebuild trust, and foster sustainable growth for the benefit of all shareholders. In the meantime, we believe that our fellow shareholders deserve full transparency regarding the matters raised in this letter to make informed decisions to safeguard their interests.

Yours faithfully,

Prime Success, L.P.

⁷ <https://stcn.com/article/detail/1124124.html>.

⁸ https://vip.stock.finance.sina.com.cn/corp/view/vCB_AllBulletinDetail.php?stockid=002581&id=9834205.

⁹ A copy of the management statement regarding auditor resignation is accessible at: <https://www.globenewswire.com/news-release/2025/04/22/3065123/0/en/SINOVAC-Management-Statement-Regarding-Auditor-Resignation.html>