



Dear fellow Sinovac shareholders,

On July 8, 2025, Sinovac Biotech Ltd. (NASDAQ: SVA) ("Sinovac" or the "Company") will hold its first meeting of shareholders since 2018 (the "Special Meeting"). At the Special Meeting, you will have an important decision to make regarding the future of your investment in Sinovac.

Called by our fellow shareholder SAIF Partners IV L.P. ("SAIF"), the Special Meeting offers us a choice between two extremely different options for the Company:

- 1 **Restore the success that Sinovac has enjoyed in previous years** by electing a slate of nominees put forward by SAIF with the proven experience, investor perspective and commitment to successfully unlock the Company's full potential value; or
- 2 **Risk Sinovac's future success, and your investment**, by allowing the current Board of Directors (the "Board") – which includes individuals with checkered backgrounds and a concerning disregard for both fellow shareholders and the rule of law – to continue leading the Company down a value-destructive path following years of interference with the Company's governance.

Prime Success L.P. ("Prime Success" or "we") is a long-term investor in Sinovac with approximately 8% ownership. We are deeply concerned by the current Board's actions to undermine Sinovac's stability and potential for long-term value creation.

As a fellow shareholder, our interests are firmly aligned with yours. The choice for shareholders at the upcoming Special Meeting is clear because SAIF's candidates, if elected, intend to take the following value-enhancing actions:

- 1 **Oversee a fair, equitable, and timely distribution of cash dividends**, including fully supporting the payment of the announced dividend of approximately \$55 per share to all shareholders, but also actively advocating for the distribution of future dividends from the subsidiaries. We want to ensure that the value accumulated in the Company under the management team's leadership over the years is rightfully returned to all shareholders in a timely manner.
- 2 **Reinstate normal trading of the Company's shares on NASDAQ and stabilize operations** by resolving the uncertainty created by the current Board and taking steps to put the external auditor back on track.
- 3 **Overhaul governance and rebuild investor trust** by adhering to corporate governance best practices, promoting greater transparency, and enhancing board accountability.
- 4 **Lay the groundwork for sustainable long-term growth** by leveraging the candidates' independence, backgrounds, and expertise to support the Company's continued development and expansion.

In contrast, the current Board members have:

- 1 **Taken actions leading to and prolonging the 2019 NASDAQ halt of trading in the Company's shares**, significantly harming Sinovac's growth.
- 2 **Impeded the Company's ability to issue dividends over the past seven years** through prolonged litigation stemming from 1Globe Capital LLC's ("1Globe") undisclosed efforts to seize board control, causing significant shareholder harm.
- 3 **Wasted Company resources on multiple lawsuits across various forums** at the broader shareholder base's expense.
- 4 **Weaponized Sinovac's allocation of capital as part of their attempt to invalidate the shares of long-term investors** by attempting an unjust and potentially unlawful scheme of dividend distribution.
- 5 **Prioritized personal interests over fiduciary obligations to all shareholders** by seeking to void the Company's contractual obligations to benefit current Board members.
- 6 **Created significant operational uncertainty by attempting to invalidate the decisions made by the prior Board that directly led to the Company's tremendous global commercial success in the past few years**, resulting in the resignation of Sinovac's external auditor.
- 7 **Alienated management to such a significant degree** that the Sinovac management team issued an unprecedented public statement calling for a new Board election.¹
- 8 **Appointed directors with flawed ethics through questionable and potentially unlawful procedures**, resulting in disproportionate representation of investors and eroding shareholder trust.



For the past seven years, shareholders have been forced to endure disenfranchisement in silence due to litigation with 1Globe, which members of the current Board used to paralyze the Company and prevent any shareholder meetings from taking place. The upcoming Special Meeting on July 8 is therefore more critical than ever for shareholders to finally make their voices heard.

SAIF will soon be sending its definitive proxy materials and a proxy card with voting instructions. We urge you to wait for and read SAIF's proxy materials before you cast your vote.

Prime Success is a long-term investor committed to Sinovac's success

Seven years ago, Prime Success and our fellow shareholder, Vivo Capital ("Vivo") helped Sinovac expand by providing capital when the Company lacked other funding sources. That investment positioned Sinovac's management team, overseen not by the current Board but by many of SAIF's nominees, to save lives and generate profits. Under the leadership of the previous Board, four members of which (including Mr. Yin) are now SAIF's nominees, Sinovac grew from a modest market capitalization of approximately US\$500 million to its current net asset value exceeding US\$10 billion.

We are incredibly proud to have contributed to Sinovac's success by making the following investments:

- In July 2018, Prime Success and Vivo demonstrated our confidence in Sinovac's potential by purchasing **US\$86.6 million** (\$43.3 million each) of Sinovac shares.
 - Earlier that year, 1Globe disrupted Sinovac's shareholders' meeting by nominating a previously undisclosed director slate, leading to Securities and Exchange Commission ("SEC") enforcement and penalties for multiple securities violations.²
 - This triggered further consequences, including litigation in several forums and NASDAQ's suspension of Sinovac's stock.
 - By mid-2018, facing limited cash and unable to raise funds from other sources due to 1Globe's actions, Sinovac agreed to an arm's length PIPE transaction with Prime Success and Vivo at a price aligned with market value.
- In May 2020, amid the raging global pandemic while facing tremendous clinical risks and huge uncertainty of commercialization of COVID-19 vaccines, Prime Success and Vivo provided an additional **US\$15 million** to support Sinovac Life Sciences' development of its COVID-19 vaccine, CoronaVac.
 - This funding was especially critical as ongoing litigation by 1Globe hindered the Company's access to bank financing.
 - As a result of the investment, Sinovac was able to advance clinical trials, gain emergency use approval in China, start production, secure orders, and save lives.

Prime Success took real risks to help build Sinovac's value. The Board's attempt to erase this history jeopardizes the Company's future business and financing opportunities.

The current Board demonstrates a lack of accountability and disregard for shareholder interests

In January 2025, the UK Privy Council ruled that an alternative slate of directors secretly nominated at the Company's 2018 Annual General Meeting had been validly appointed. Without explanation, and in violation of the Privy Council's ruling, the current Board includes directors who were not approved by the Privy Council, possess concerning track records, and lack alignment with other shareholders, including:

- **Dr. Chiang Li**, who has never been elected and was installed as Chairman. He is a representative of 1Globe and has already been found by the SEC to have committed more than a dozen violations in connection with an effort to take over the Sinovac Board in 2018.
- **Mr. Sven H. Borho** and **Dr. David Guowei Wang**, both partners at OrbiMed, an investment firm that controls two of the four Board seats, even though OrbiMed **holds only a 3.8% stake in Sinovac**.

Until May 2025, the Board also included:

- **Mr. Pengfei Li**, who was sentenced to prison in February 2024 for committing crimes of embezzlement, forging government documents and seals, and forging company seals in connection with 1Globe's attempt to seize control of Sinovac's PRC subsidiaries. In 2018, he interfered with operations by shutting off the electricity to Sinovac's facility in Beijing, resulting in huge financial losses to Sinovac, and was permanently restrained by the High Court of the Hong Kong Special Administrative Region from purporting to act or hold himself out as a director of Sinovac HK.

In short, the Board's questionable manner of appointment and checkered backgrounds should give all shareholders pause when considering the future of their investment in Sinovac.



The current Board has created significant instability, leading to the resignation of the Company's external auditor and prompting management's public rebuke of the Board

The current Board sought and failed to obtain a declaration from the courts of Antigua that "any actions taken on behalf of the Company at [the prior Board's] direction after the AGM were null and void."³ Despite the Antiguan courts' refusal to declare the prior Board's actions null and void, the current Board announced its intent to revisit and potentially seek to overturn seven years of established operations. This announcement led to the resignation of the Company's external auditor and subsequently placed shareholders' investments at significant risk.

The consequences of this have been immediate. Last month, Sinovac received a notice of non-compliance with NASDAQ listing standards due to its failure to timely file its 2024 Annual Report given it had no auditor.⁴ If the Company fails to submit a compliance plan by July 15, it risks being delisted from the exchange. Whereas the SAIF nominees are determined to see Sinovac's shares resume trading, the current Board's actions appear to be taking the Company further away from that goal.

Other stakeholders have also shared their concerns. In a highly unusual move, Sinovac's management team issued a public statement regarding the auditor resignation.⁵ Highlighting the "serious concerns" raised by multiple shareholders regarding "the current Board's qualifications, legitimacy and its authority to act as the Company's Board," the management team called for a shareholder meeting "as soon as practicable" to elect a new Board. Management's loss of confidence in the Board highlights the urgent need for independent oversight and intervention.

The Board's proposed dividend distribution is unbalanced and puts the rights of all shareholders at risk

Prime Success supports returning value to Sinovac shareholders through fair and equal treatment for all. However, the Board's proposed dividend is an attempt to pit shareholders against each other by falsely depicting Prime Success and Vivo as standing in the way of a special dividend. The reality is: the Board's decision to distribute the dividend disproportionately to only certain shareholders is unlawful. It is the Board's decision to unequally distribute the special dividend that stands in the way of shareholders' payment, not Prime Success and Vivo.

The Board is fully aware that overturning the PIPE transaction harms the interests of all shareholders, risks new litigation, delays capital returns, and extends Sinovac's NASDAQ trading halt. Its willingness to renege on prior agreements may also deter future investors or raise the Company's cost of capital. Despite these risks, the Board continues to pursue a self-serving agenda that threatens shareholder value.

Boardroom change is critical to rebuild trust, overhaul governance, and deliver sustainable value to shareholders

Prime Success remains fully committed to Sinovac's success. It was management, the prior Board, and shareholders – not the current directors – who built Sinovac into a US\$10 billion company. In contrast, the current Board and its affiliates have acted reprehensibly to steal from shareholders: defying legal and regulatory orders in the U.S. and Hong Kong, seeking to divide shareholders, and enriching themselves at others' expense.

We believe these actions reflect a Board that wants to manipulate – not protect – shareholder interests. Put simply: the current Board has demonstrated it cannot be trusted to uphold their fiduciary duties or act in your best interests.

While we strongly disagree with Chiang Li's actions, we recognize the importance of fair and proportionate board representation. SAIF's slate reflects that principle – ensuring all shareholders with over 5% ownership, including 1Globe, are treated equitably.

Supporting SAIF's slate is essential for the future success of Sinovac, and yours

Supporting SAIF's slate is a crucial step toward establishing strong corporate governance, facilitating the resumption of share trading, and promoting sustainable growth for the benefit of all shareholders.

We urge you to wait for and read SAIF's proxy materials before voting for the Special Meeting.

For more information, visit: www.SaveSinovac.com.

Sincerely,

Prime Success, L.P.

¹ Press Release: SINOVAR Management Statement Regarding Auditor Resignation (April 22, 2025)

² Administrative Proceeding: SEC Charges Activist Investors for Participation in Undisclosed Plan to Replace the Board of China-Based Biopharmaceutical Company (May 13, 2020)

³ 1Globe Capital LLC (Appellant) v Sinovac Biotech Ltd (Respondent) (Antigua and Barbuda). Case ID: JCPC/2022/0041

⁴ Press Release: SINOVAR Receives Nasdaq Notification Regarding Late Filing of 2024 Annual Report (May 23, 2025)

⁵ Press Release: SINOVAR Management Statement Regarding Auditor Resignation (April 22, 2025)