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**维亚生物科技控股集团**  
**VIVA BIOTECH HOLDINGS**

*(Incorporated in the Cayman Islands as an exempted company with limited liability)*

**(Stock code: 1873)**

## **COMPLETION OF ISSUE OF CONVERTIBLE BONDS UNDER GENERAL MANDATE**

Reference is made to the announcement of Viva Biotech Holdings (the “**Company**”) dated June 11, 2023 in relation to the proposed issue of Convertible Bonds under the General Mandate (the “**Announcement**”). Unless otherwise defined, capitalized terms used in this announcement shall have the same meanings as those defined in the Announcement.

### **COMPLETION OF ISSUE OF CONVERTIBLE BONDS**

The Board is pleased to announce that all the conditions precedent under the Bond Subscription Agreements have been fulfilled. Completion of the Bond Subscription Agreements has taken place on July 7, 2023 and the Convertible Bonds in the aggregate principal amount of HK\$470 million have been issued to the Investors in accordance with the terms and conditions thereof.

### **USE OF PROCEEDS**

As disclosed in the Announcement, the net proceeds from the Bond Subscription, being approximately HK\$443.1 million (equivalent to approximately RMB400.4 million), will be fully applied for conducting the Internal Corporate Restructuring.

The Internal Corporate Restructuring involves transfer of equity interests in the subsidiaries within the Group onshore and offshore at different stages. Although these transactions will be conducted within the Group, the Company has to arrange sufficient funding for settlement of the transfer consideration (the “**Transfer Consideration**”) and payment of applicable tax and administrative expenses (including the incorporation fees for the investment holding companies) for the Internal Corporate Restructuring.

The Company is also applying for annexation loans from licensed banks for the purpose of settling part of the Transfer Consideration. Meanwhile, the remaining proceeds from the issue of the Convertible Bonds (after deduction of the relevant tax and administrative expenses and the professional parties’ fees) (the “**Remaining Proceeds**”) will be served as a bridging loan for settling part of the Transfer Consideration in order to complete the Internal Corporate Restructuring.

The Remaining Proceeds will remain with the Group upon completion of the Internal Corporate Restructuring. In case that no conversion of the Convertible Bonds into the Shares is triggered, the Company shall redeem the Convertible Bonds on the Maturity Date with the Remaining Proceeds. In case that the Internal Corporate Restructuring is completed and the Convertible Bonds have been converted into the Shares, the Company will repay short-term borrowings of the Group with maturity dates falling within six months and 12 months from the completion date of the Internal Corporate Restructuring with the Remaining Proceeds. The current bank borrowings of the Group amounted to approximately RMB405.3 million as of December 31, 2022.

## **CONVERSION SHARES**

Based on the initial conversion price of HK\$2.0, 235,000,000 Conversion Shares will be allotted and issued upon exercise in full of the conversion right attaching to the Convertible Bonds, representing (i) approximately 12.14% of the existing issued share capital of the Company as of the date of this announcement; and (ii) approximately 10.83% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon full conversion of the Convertible Bonds at the initial conversion price. Each of HLC SPV, Huangshan Investments and True Light H will become a Shareholder holding 85,000,000, 120,000,000 and 30,000,000 Shares, respectively, representing approximately 3.92%, 5.53% and 1.38% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon such full conversion (assuming that there is no change in the share capital of the Company and no adjustment to the initial conversion price of HK\$2.0).

Upon becoming a Shareholder, subject to compliance with the provisions of the memorandum and articles of association of the Company (the “**M&A**”) and the applicable Listing Rules, (1) HLC SPV shall have the right from time to time to nominate an Investor Director by giving notice in writing to the Company upon the conversion of the Convertible Bonds; and (2) each of the Company and Mr. Mao (as the founder) shall undertake to use its best efforts to procure the appointment of such Investor Director, who shall be suitable for acting as a director of a company listed on the Stock Exchange, from time to time as long as HLC SPV holds such number of Shares representing no less than 50% of its initial investment under the respective Bond Subscription Agreement.

Pursuant to article 16.4 of the M&A, any Shareholder has the right to nominate Director (the “**Director Nomination Right**”), and they may propose a Director candidate by giving notice in writing in accordance with the relevant procedures as set out therein. HLC SPV is entitled to such Director Nomination Right as other Shareholders when it becomes a Shareholder upon conversion of the Convertible Bonds. Pursuant to the Bond Subscription Agreements, the Company has undertaken to use its best effort to procure the appointment of such Investor Director by facilitating the nomination and appointment process in accordance with the M&A and the applicable Listing Rules (including obtaining the approval of the nomination committee, remuneration committee and the Board, and convening general meeting for such appointment); Mr. Mao, as the founder, has undertaken to use his best effort to procure the appointment of the Investor Director by voting for the relevant resolution as a Shareholder at the general meeting in respect of such appointment. The right of HLC SPV to nominate an Investor Director will not constitute a special right to HLC SPV, and all Shareholders are treated fairly and equally in relation to the Director Nomination Right.

By Order of the Board  
**VIVA BIOTECH HOLDINGS**  
**MAO Chen Cheney**  
*Chairman and Chief Executive Officer*

Hong Kong, July 7, 2023

*As of the date of this announcement, the Board comprises three Executive Directors, namely, Mr. Mao Chen Cheney (Chairman), Mr. Wu Ying and Mr. Ren Delin; a Non-executive Director, namely, Mr. Wu Yuting; and three Independent Non-executive Directors, namely, Mr. Fu Lei, Ms. Li Xiangrong and Mr. Wang Haiguang.*