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If you are in any doubt about this circular or as to the action to be taken, you should consult your stockbroker, or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **VIVA BIOTECH HOLDINGS**, you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

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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)

**PROPOSED ADOPTION OF THE VIVA SHANGHAI PHASE I
SHARE OPTION SCHEME AND THE VIVA SHANGHAI PHASE II SHARE
OPTION SCHEME;
PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR
AND
NOTICE OF EGM**

A notice convening the EGM of VIVA BIOTECH HOLDINGS to be held at Meeting Room A615, 735 Ziping Road, Zhoupu Town, Pudong New District, Shanghai, PRC on Thursday, January 18, 2024 at 10:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the website of the Hong Kong Stock Exchange at www.hkexnews.hk and the website of the Company at www.vivabiotech.com. Whether or not you are able to attend the EGM, you are requested to complete the form of proxy in accordance with the instructions printed thereon and return it to the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM (i.e. no later than 10:00 a.m. on Tuesday, January 16, 2024, Hong Kong time) or any adjournment thereof. Completion and return of the form of proxy will not preclude shareholders from attending and voting in person at the EGM or any adjourned meeting thereof if they so wish.

Hong Kong, December 28, 2023

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

“Articles of Association”	the second amended and restated memorandum and articles of association of the Company adopted by special resolution on June 28, 2022, and as amended, supplemented or otherwise modified from time to time
“Board”	the board of Directors
“Company”	Viva Biotech Holdings (维亚生物科技控股集团), an exempted company with limited liability incorporated in the Cayman Islands on August 27, 2008, the Shares of which are listed on the Main Board of the Stock Exchange
“CSRC”	the China Securities Regulatory Commission
“Directors”	the directors of the Company
“EGM”	the second extraordinary general meeting of the Company in 2023 to be held at Meeting Room A615, 735 Ziping Road, Zhoupu Town, Pudong New District, Shanghai, PRC on Thursday, January 18, 2024 at 10:00 a.m., notice of which is set out on pages EGM-1 to EGM-3 of this circular for the Shareholders to consider and, if thought fit, approve the adoption of the Viva Shanghai Phase I Share Option Scheme and Viva Shanghai Phase II Share Option Scheme
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Incentive Participant(s)”	person(s) belong to any of the classes of participants who may be invited to take up options either under the Viva Shanghai Phase I Share Option Scheme and/or Viva Shanghai Phase II Share Option Scheme. Subject to the rules of the relevant scheme, include any directors, senior management, core technical and business personnel and any other core employees of Viva Shanghai who in the opinion of Viva Shanghai will directly contribute towards the business results and future development of Viva Shanghai, but excluding any independent director, supervisors, shareholders singly or collectively holding over 5% of Viva Shanghai’s equity, actual controller of Viva Shanghai or their respective spouse, parents, sons or daughters. Any Incentive Participants (other than directors of Viva Shanghai) must have be employed full-time by and have entered into a labor agreement or employment agreement with Viva Shanghai, its wholly-owned or non-wholly owned subsidiary

DEFINITIONS

“Latest Practicable Date”	December 22, 2023 ¹ , being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time)
“Phase I Connected Grant”	the conditional grant of 1,470,000 Phase I Share Option to certain connected persons pursuant to the Viva Shanghai Phase I Share Option Scheme
“Phase I Share Option(s)”	the share option(s) granted or to be granted pursuant to the Viva Shanghai Phase I Share Option Scheme to subscribe for Viva Shanghai Shares in accordance with the terms thereof
“Phase II Connected Grant”	the conditional grant of 2,000,000 Phase II Share Option to certain connected persons pursuant to the Viva Shanghai Phase II Share Option Scheme
“Phase II Share Option(s)”	the share option(s) granted or to be granted pursuant to the Viva Shanghai Phase II Share Option Scheme to subscribe for Viva Shanghai Shares in accordance with the terms thereof
“PRC”	the People’s Republic of China, and for the purpose of this circular excluding Hong Kong, Taiwan and the Macau Special Administrative Region
“Principal Subsidiary”	has the meaning as defined under Rule 17.14 of the Listing Rules
“Remuneration Committee”	the remuneration committee of the Board
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) in the capital of the Company with a par value of US\$0.000025 each
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

¹ To be updated upon finalization of the circular.

DEFINITIONS

“Viva Shanghai”	Viva Biotech (Shanghai) Ltd. (維亞生物科技(上海)有限公司), a limited liability company established in the PRC and an indirect non-wholly owned subsidiary of the Company
“Viva Shanghai Board”	the board of Viva Shanghai
“Viva Shanghai Group”	Viva Shanghai and its subsidiaries
“Viva Shanghai Phase I Share Option Scheme”	the new phase I share option scheme of Viva Shanghai proposed to be approved at the EGM, a summary of principal terms of which is set out in Appendix I to this circular
“Viva Shanghai Phase I Share Option Scheme Mandate Limit”	the initial maximum number of Viva Shanghai Shares that may be issued in respect of all options to be granted under the Viva Shanghai Phase I Share Option Scheme
“Viva Shanghai Phase II Share Option Scheme”	the new phase II share option scheme of Viva Shanghai proposed to be approved at the EGM, a summary of principal terms of which is set out in Appendix I to this circular
“Viva Shanghai Phase II Share Option Scheme Mandate Limit”	the initial maximum number of Viva Shanghai Shares that may be issued in respect of all options to be granted under the Viva Shanghai Phase II Share Option Scheme
“Viva Shanghai Share(s)”	shares(s) of Viva Shanghai with a nominal value of RMB1.00 each
“%”	per cent

In this circular, the terms “close associate”, “core connected person”, “controlling shareholder”, “subsidiary” and “substantial shareholder” shall have the meanings given to such terms in the Listing Rules, unless the context otherwise requires.

For illustration purposes only, in this circular, the conversion of RMB into US\$ is based on the exchange rate of RMB7.1752 to US\$1.0000.

LETTER FROM THE BOARD



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)

Executive Directors:

Mr. MAO Chen Cheney (*Chairman of the Board*)

Mr. WU Ying

Mr. REN Delin

Non-Executive Director:

Mr. WU Yuting

Independent Non-Executive Directors:

Mr. FU Lei

Ms. LI Xiangrong

Mr. WANG Haiguang

Registered Office:

PO Box 309

Ugland House

Grand Cayman, KY1-1104

Cayman Islands

Corporate Headquarters:

735 Ziping Road

Zhoupu Town

Pudong New District

Shanghai, PRC

Principal place of business in Hong Kong:

Room 1901, 19/F

Lee Garden One

33 Hysan Avenue

Causeway Bay, Hong Kong

December 28, 2023

To the Shareholders

Dear Sir or Madam,

**PROPOSED ADOPTION OF THE VIVA SHANGHAI PHASE I
SHARE OPTION SCHEME AND THE VIVA SHANGHAI PHASE II SHARE
OPTION SCHEME; AND
PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR**

1. INTRODUCTION

The purpose of this circular is to provide you with information relating to the resolutions to be proposed at the EGM for, inter alia, (i) the adoption of the Viva Shanghai Phase I Share Option Scheme and Viva Shanghai Phase II Share Option Scheme; (ii) the proposed appointment of Mr. WANG Stephen Hui as a non-executive Director of the Company; and (iii) a notice of the EGM.

LETTER FROM THE BOARD

2. PROPOSED ADOPTION OF THE VIVA SHANGHAI PHASE I SHARE OPTION SCHEME AND THE VIVA SHANGHAI PHASE II SHARE OPTION SCHEME

In view to incentivize employees and directors of Viva Shanghai, the Board has resolved to propose the adoption of the Viva Shanghai Phase I Share Option Scheme and Viva Shanghai Phase II Share Option Scheme.

The Viva Shanghai Phase I Share Option Scheme and Viva Shanghai Phase II Share Option Scheme

As at the Latest Practicable Date, Viva Shanghai was a Principal Subsidiary of the Company. Therefore, pursuant to Rule 17.13 of the Listing Rules, Rules 17.02 to 17.04 and Rules 17.06 to 17.09, with appropriate modifications, apply to both the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme as if it was a share scheme of the Company as described in Rule 17.01(1).

The Directors consider the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme will enable Viva Shanghai to incentivize and reward its employees and directors qualifying as Incentive Participants for their contribution to the Viva Shanghai Group and will also assist the Viva Shanghai Group in its recruitment and retention of high calibre professionals who are instrumental to the growth and development of the Viva Shanghai Group. As provided in the terms of the both the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, the subscription price of any share option thereunder cannot in any event fall below the price as stipulated in the Listing Rules or such higher price as may be fixed by the Viva Shanghai Board, it is expected that the Incentive Participant granted option will make an effort to contribute to the growth and development of the Viva Shanghai Group.

The Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme enable Viva Shanghai to grant share options to Incentive Participants who are employees of the Viva Shanghai Group. The Board is of the view that the adoption of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme aligns with the market practice of providing incentives to Incentive Participants to work towards achieving long-term objectives for the benefit of the Viva Shanghai Group as a whole.

Pursuant to the terms of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, the Viva Shanghai Board shall have the right to determine and select Incentive Participant(s) to whom the options shall be granted pursuant to the respective scheme. The eligibility of any of the Incentive Participant(s) to an offer of share options under the respective scheme shall be determined by the Viva Shanghai Board having taken into account their contribution to the development and growth of the Viva Shanghai Group.

LETTER FROM THE BOARD

As at the Latest Practicable Date, the registered share capital of Viva Shanghai is US\$65,971,371, which will be converted into approximately 473,357,781 Viva Shanghai Shares of RMB1.00 each upon Viva Shanghai's completion of its joint stock company conversion. Assuming that there is no change in the registered and/or issued share capital of Viva Shanghai between the period from the Latest Practicable Date and the date of adoption of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, and subject to the passing of the relevant resolutions and actual exchange rate conversion between US\$ and RMB, the Viva Shanghai Phase I Share Option Scheme Mandate Limit and the Viva Shanghai Phase II Share Option Scheme Mandate Limit will each be 7,320,000 Viva Shanghai Shares, representing 1.5% of Viva Shanghai's issued share/registered capital as at the date of approval of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme by the Shareholders at the EGM, in aggregate, the Viva Shanghai Phase I Share Option Scheme Mandate Limit and the Viva Shanghai Phase II Share Option Scheme Mandate Limit represent 14,640,000 Viva Shanghai Shares, representing 3% of Viva Shanghai's issued share/registered capital.

The vesting period of Viva Shanghai Phase I Share Options in accordance with the Viva Shanghai Phase I Share Option Scheme may be shorter than 12 months from the date of grant to an Incentive Participants, the vesting of such Viva Shanghai Phase I Share Options will however remain subject to the performance based target (in lieu of the time based target), and shall also be subject to the post-exercise lock-up requirement and may not be sold down within 3 years of the exercise date. The Board and the remuneration committee of the Board consider that such a shorter vesting period is warranted as it would allow Viva Shanghai to flexibly structure the vesting mechanisms of particular Viva Shanghai Phase I Share Options granted. Having consider that the exercise of any such Viva Shanghai Phase I Share Options will also be subject to a 3 year post-exercise lock-up, the granting of options with such vesting options is appropriate and aligned with the purposes of the Viva Shanghai Phase I Share Option Scheme.

A Incentive Participant under either the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme will be required to hold the option granted to them pursuant to the relevant scheme for a minimum vesting period and achieve the performance targets as specified in the rule of the respective scheme and/or any share option incentive agreement between the Incentive Participant and Viva Shanghai before it can be exercised as detailed in paragraph (6) of Appendix I to this circular. The subscription price for Viva Shanghai Share on exercise of the option under the respective scheme shall initially be set at RMB4.22 per Viva Shanghai Share and shall be subject to the adjustment as set forth in paragraphs (11) and (19) of Appendix I to this circular. The exercise price of share options is determined based on factors such as Viva Shanghai's business conditions and assets, contribution of Incentive Participants to Viva Shanghai, and incentive effect of the Scheme on Incentive Participants. For illustrative purposes, the unaudited consolidated net asset value of Viva Shanghai was approximately RMB1,571 million as of October 31, 2023, and translates to approximately RMB3.32 per Viva Shanghai Share upon Viva Shanghai's completion of its joint stock company conversion, and the subscription price represents a 27.1% premium over the consolidated net asset value of Viva Shanghai as of October 31, 2023.

LETTER FROM THE BOARD

Conditions of the adoption of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme

The adoption of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme are conditional upon:

- (a) the passing of the necessary resolutions of the shareholders of Viva Shanghai to approve and adopt the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, respectively; and
- (b) the passing of the necessary resolutions by the Shareholders at the EGM to approve and adopt the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, respectively.

General

A summary of the principal terms of the rules of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, respectively, which are proposed to be approved by the Company at the EGM is set out in Appendix I to this circular. A copy of the rules of each of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme will be published on the Stock Exchange's website and the Company's website for 14 days from the date of this circular.

As at the Latest Practicable Date, Viva Shanghai has not adopted any share option scheme and/or share award scheme. The terms of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme contains references to plans of listing Viva Shanghai Shares on the Shanghai Stock Exchange or the Shenzhen Stock Exchange. As of the Latest Practicable Date, the Company has no definitive timetable for the proposed listing but intends to make an listing application with the relevant stock exchange on or before December 31, 2024, and subject to factors such as the market conditions and the regulatory approval process, complete the proposed listing on or before December 31, 2026. In the event that the plans of listing Viva Shanghai Shares on the Shanghai Stock Exchange or the Shenzhen Stock Exchange materializes, the Company will comply with the relevant requirements under the Listing Rules, including but not limited to the requirements under Practice Note 15 of the Listing Rules.

As at the Latest Practicable Date, saved for the proposed conditional grant as detailed in the Company's announcement dated December 22, 2023, Viva Shanghai has not entered into share incentive grant agreement with any Incentive Participant and no share options has been granted under either the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, respectively.

LETTER FROM THE BOARD

3. PROPOSED CONDITIONAL GRANT OF PHASE I SHARE OPTIONS AND PHASE II SHARE OPTIONS

Reference is made to the announcement of the Company dated December 22, 2023, whereby it is disclosed that the Board proposes to, conditional upon adoption of the respective share option schemes and approval by the shareholder of Viva Shanghai, make a grant of Phase I Share Options and Phase II Share Options to certain Incentive Participants. The Phase I Connected Grant and Phase II Connected Grant (being grant made to connected persons of the Company and their associates), has been approved by the independent non-executive Directors on December 22, 2023.

Details of the proposed grant of Phase I Share Options is set forth below:

Date of conditional grant: December 22, 2023

Number of grantees: 11

Number of share options granted: A total of 7,320,000 Phase I Share Options, including:

1. 5,850,000 Phase I Share Option to be granted to 9 Incentive Participants (who are not connected person of the Group); and
2. 1,470,000 Phase I Share Options to be grant to the following connected person:

Name of connected person	Title and connected relationship	Number of share options
Mr. Ren Delin	General manager of Viva Shanghai (an executive Director)	1,100,000
Ms. Zhao Huixin	Vice president of Viva Shanghai (the spouse of Mr. Wu Ying, an executive Director)	370,000

All of the Incentive Participants granted the share options are directors and/or employee of Viva Shanghai and has made significant contribution to the Viva Shanghai Group. The grant of Viva Shanghai Shares to each grantee in the forgoing 12-month period up to the date of this grant will not exceed 1% of the total share capital of Viva Shanghai upon its joint stock company conversion (which is expected to be converted into a total share capital of Viva Shanghai to 473,357,781 Viva Shanghai Shares).

LETTER FROM THE BOARD

Exercise price: RMB4.22 per share in Viva Shanghai (in the event that exercise price of any share option thereunder fall below the price as stipulated in the Listing Rules, the exercise price will be adjusted upward to the minimum exercise price required by the Listing Rules).

Lock-up period and clawback: None of the Viva Shanghai Shares subscribed by Incentive Participants through the exercise of share options may be sold down within three years from the relevant exercise date.

If an Incentive Participant is found incompetent for his/her work position or substandard in performance assessment, or causes serious damage to interests or reputation of Viva Shanghai due to violation of laws or professional ethics, divulgence of Viva Shanghai's trade secrets, violation of Viva Shanghai's internal rules, dereliction of duty or misfeasance, etc., Viva Shanghai may through its internal decision-making procedures legally cancel the Phase I Share Options that have been granted to but not yet exercised by the Incentive Participant and, in case of serious circumstances, claim back the whole or any part of the proceeds from the exercised Phase I Share Options.

Vesting period: The Phase I Share Options may only be exercised after (i) the relevant Incentive Participant having fulfilled the requirements set forth in the paragraph headed "Performance target" below and (ii) the date on which the shares of Viva Shanghai are listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange. Upon exercise of the Phase I Share Options, the Viva Shanghai Shares will remain subject to the lock-up requirement as set forth in the paragraph headed "Lock-up period and clawback" above.

Subject to the conditions set out in the preceding paragraph, the vesting period for the grant of the Phase I Share Options may be shorter than 12 months as vesting is subject to the performance target as well as post-exercise lock-up restrictions as set forth in this section.

Performance target: The grantee must achieve an "excellent (A)" or "great (B)" performance assessment results in their personal performance assessment in order to exercise 100% of the Phase I Share Options, or achieve a "up-to-standard (C)" performance assessment results in order to exercise 80% of the Phase I Share Options.

The board of Viva Shanghai may amend or adjust the performance targets based on market conditions, corporate strategies and other factors.

LETTER FROM THE BOARD

Details of the proposed grant of Phase II Share Options are set forth below:

Date of conditional grant: December 22, 2023

Number of grantees: 20

Number of share options granted: A total of 7,320,000 Phase II Share Options, including:

1. 5,320,000 Phase II Share Option to be granted to 18 Incentive Participants (who are not connected person of the Group); and
2. 2,000,000 Phase II Share Options to be grant to the following connected person:

Name of connected person	Title and connected relationship	Number of share options
Mr. Ren Delin	General manager of Viva Shanghai (an executive Director)	1,700,000
Ms. Zhao Huixin	Vice president of Viva Shanghai (the spouse of Mr. Wu Ying, an executive Director)	300,000

All of the Incentive Participants granted the share options are directors and/or employee of Viva Shanghai and has made significant contribution to the Viva Shanghai Group. The grant of Viva Shanghai Shares to each grantee in the forgoing 12-month period up to the date of this grant will not exceed 1% of the total share capital of Viva Shanghai upon its joint stock company conversion (which is expected to be converted into a total share capital of Viva Shanghai to 473,357,781 Viva Shanghai Shares).

Exercise price: RMB4.22 per share in Viva Shanghai (in the event that exercise price of any share option thereunder fall below the price as stipulated in the Listing Rules, the exercise price will be adjusted upward to the minimum exercise price required by the Listing Rules).

LETTER FROM THE BOARD

Lock-up period and clawback: None of the Viva Shanghai Shares subscribed by Incentive Participants through the exercise of share options may be sold down within three years from the relevant exercise date.

If an Incentive Participant is found incompetent for his/her work position or substandard in performance assessment, or causes serious damage to interests or reputation of Viva Shanghai due to violation of laws or professional ethics, divulgence of Viva Shanghai's trade secrets, violation of Viva Shanghai's internal rules, dereliction of duty or misfeasance, etc., Viva Shanghai may through its internal decision-making procedures legally cancel the Phase II Share Options that have been granted to but not yet exercised by the Incentive Participant and, in case of serious circumstances, claim back the whole or any part of the proceeds from the exercised Phase II Share Options.

Vesting period: The Phase II Share Options may vest in four equal installments from the date of achievement of the performance target for the first, second, third and fourth assessment year (i.e. after the end of 2024, 2025, 2026 and 2027) respectively.

The Phase II Share Options may also only be exercised after (i) the relevant Incentive Participant having fulfilled the requirements set forth in the paragraph headed "Performance target" below and (ii) the date on which the shares of Viva Shanghai are listed on either the Shanghai Stock Exchange or the Shenzhen Stock Exchange. Upon exercise of the Phase II Share Options, the Viva Shanghai Shares will remain subject to the lock-up requirement as set forth in the paragraph headed "Lock-up period and clawback" above.

Performance target: The Viva Shanghai Group must achieve the following financial results at the end of each vesting period:

Exercise Period

Stage 1	The audited net profit after non-recurring items for 2024 is not less than RMB210 million
Stage 2	The audited net profit after non-recurring items for 2025 is not less than RMB259 million
Stage 3	The audited net profit after non-recurring items for 2026 is not less than RMB319 million
Stage 4	The audited net profit after non-recurring items for 2027 is not less than RMB400 million

LETTER FROM THE BOARD

In the event that the Viva Shanghai Group performance target cannot be met, the grantee may still subsequently exercise part of the Phase II Share Options in accordance with the terms of the Viva Shanghai Phase II Share Option Scheme if the Viva Shanghai Group is able to meet an aggregate performance target.

The board of Viva Shanghai may amend or adjust the performance targets based on market conditions, corporate strategies and other factors.

The aggregate grant of Phase I Share Options and Phase II Share Options to Mr. Ren Delin and Ms. Zhao Huixin (an associate of Mr. Wu Ying, an executive Director) is 2,800,000 Viva Shanghai Shares and 670,000 Viva Shanghai Shares, representing approximately 0.59% and 0.14% of Viva Shanghai's expected total share capital upon its joint stock company conversion (of 473,357,781 Viva Shanghai Shares), respectively. The Phase I Connected Grant and Phase II Connected Grant in respect of each of the connected person will therefore not exceed the 1% individual limit as it is applied to Viva Shanghai by application of Rule 17.15(1) of the Listing Rules.

4. PROPOSED APPOINTMENT OF NON-EXECUTIVE DIRECTOR

Reference is made to the announcement of the Company dated December 22, 2023 in relation to the proposed appointment of a non-executive Director to the Board.

Mr. WANG Stephen Hui has been nominated as a non-executive Director of the Company. Such appointment is subject to the approval by the Shareholders at the EGM. An ordinary resolution is being proposed at the EGM to consider and approve the proposed appointment of Mr. Wang as a non-executive Director for a term of three years commencing the date upon which the Shareholders of his appointment at the EGM and is subject to retirement and re-election at the annual general meetings of the Company pursuant to the articles of association of the Company.

The biographical details of Mr. Wang are set out below:

Mr. Wang, aged 50, has served as the chief executive officer of HighLight Capital since 2014, leading the fund in investments in the healthcare and consumer technology industries. Prior to joining HighLight Capital, he served as a partner and a member of investment committee of CDH Investments from 2009 to 2014. He is currently a non-executive director of Zylox-Tonbridge Medical Technology Co., Ltd. (歸創通橋醫療科技股份有限公司), a company listed on the main board of The Stock Exchange of Hong Kong Limited with the stock code 2190.

Mr. Wang received a bachelor's degree in biology from the University of Science and Technology of China in the PRC in July 1996 and a master's degree in chemistry from New York University in the United States in May 1998, and an M.B.A. degree from London Business School in the United Kingdom in August 2007.

LETTER FROM THE BOARD

As of the date of this announcement, Mr. Wang is interested in 85,000,000 shares of the Company through HLC VGC Partners HK II Limited (“**HLC SPV**”), HLC SPV is in turn owned and controlled by VGC Fund IV L.P. (an exempted limited partnership formed under the laws of the Cayman Islands) whose general partner is HLC VGC GP IV Limited, which is ultimately owned by Mr. Wang. In Addition, HLC SPV is also interested in US\$2.891 million of the registered capital (representing approximately 4.38% of the total registered capital) of Viva Biotech (Shanghai) Ltd. (維亞生物科技(上海)有限公司), a non-wholly owned subsidiary of the Company.

Mr. Wang has entered into an appointment letter with the Company which shall take effect upon the Shareholders’ approval of his appointment at the upcoming extraordinary general meeting, Mr. Wang will not be entitled to an annual director’s fee in relation to his proposed appointment.

As at the Latest Practicable Date and save as disclosed above, Mr. Wang confirms that he did not have any relationship with any director, senior management, chief executive or substantial shareholder or controlling shareholder of the Company and hold no other position within the Group. Mr. Wang also confirms that saved as disclosed above, he does not have any interest in the shares or underlying shares of the Company and he has not held any directorship in other listed public companies in Hong Kong or overseas in the last three years and he does not have any major appointments and professional qualifications. There is no other matter that needs to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to any of the requirements of rule 13.51(2) of the Listing Rules.

5. EGM

The notice convening the EGM to be held on Meeting Room A615, 735 Ziping Road, Zhoupu Town, Pudong New District, Shanghai, PRC at 10:00 a.m. is set out on pages EGM-1 to EGM-3 of this circular.

At the EGM, ordinary resolutions will be proposed to approve (i) the adoption of the Viva Shanghai Phase I Share Option Scheme and Viva Shanghai Phase II Share Option Scheme; (ii) the appointment of Mr. WANG Stephen Hui as a non-executive Director of the Company.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquires, no Shareholder is required to abstain from voting on the resolutions to be proposed at the EGM under the Listing Rules.

6. ACTION TO BE TAKEN

The proxy form for use at the EGM is attached to this circular and published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.vivabiotech.com). Whether or not you intend to attend the EGM, you are requested to complete the proxy form and return it to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the EGM. Completion and delivery of the proxy form will not preclude Shareholders from attending and voting in person at the EGM if they so wish.

LETTER FROM THE BOARD

7. VOTING BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting (save for certain procedural or administrative matters) must be taken by poll. The Chairman of the EGM shall therefore demand voting on the resolution set out in the notice of EGM be taken by way of poll pursuant to article 13.5 of the Articles of Association.

On a poll, every Shareholder present in person or by proxy or, in the case of a Shareholder being a corporation, by its duly authorized representative shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote on a poll needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

8. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this document misleading.

9. RECOMMENDATION

The Directors consider that (i) the adoption of the Viva Shanghai Phase I Share Option Scheme and Viva Shanghai Phase II Share Option Scheme; and (ii) appointment of Mr. WANG Stephen Hui as a non-executive Director of the Company are in the interests of the Company and Shareholders as a whole. The Directors therefore recommend the Shareholders to vote in favour of the relevant resolutions to be proposed at the EGM.

10. GENERAL INFORMATION

Your attention is also drawn to the additional information set out in the Appendix to this circular.

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

The following is a summary of the principal terms of the Viva Shanghai Phase I Share Option Scheme and Viva Shanghai Phase II Share Option Scheme proposed to be adopted at the EGM. Saved as specifically set forth herein, there are no material difference to the terms of the Viva Shanghai Phase I Share Option Scheme and Viva Shanghai Phase II Share Option Scheme:

(1) PURPOSE OF THE VIVA SHANGHAI PHASE I SHARE OPTION SCHEME AND VIVA SHANGHAI PHASE II SHARE OPTION SCHEME

The Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme are designed to establish and improve the long-term incentive mechanism of Viva Shanghai, better retain and motivate employees of Viva Shanghai Group, share the growth benefits of Viva Shanghai Group with Incentive Participants, enhance cohesion and sustain the long-term stable development of Viva Shanghai.

(2) WHO MAY JOIN

Incentive Participants of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme include directors, senior management, core technical and business personnel and any other core employees of Viva Shanghai who in the opinion of Viva Shanghai will directly contribute towards the business results and future development of Viva Shanghai and deserve for incentives, but for the purpose of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, exclude any independent director, supervisors, shareholders singly or collectively holding over 5% of Viva Shanghai's equity/shares, actual controller of Viva Shanghai or their respective spouse, parents, sons or daughters. Any Incentive Participants (other than directors of Viva Shanghai) must have been employed by and have entered into a labor agreement or employment agreement with Viva Shanghai, its wholly-owned or non-wholly owned subsidiary on a full-time basis.

(3) MAXIMUM NUMBER OF VIVA SHANGHAI SHARES AVAILABLE FOR SUBSCRIPTION

The number of Viva Shanghai Shares issuable under the share options available for Incentive Participants shall not exceed 7,320,000 for each of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme (i.e. 14,640,000 Viva Shanghai Shares in aggregate, representing approximately 3% of Viva Shanghai's share capital in aggregate). The aggregate number of Viva Shanghai Shares issuable under all share incentive schemes of Viva Shanghai within their validity periods shall in no event exceed 3% of Viva Shanghai's registered share capital at the time of adopting the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, and any limit shall be also be subject to compliance of applicable laws and rules of relevant regulatory body and stock exchanges.

(4) GRANT OF OPTIONS TO INCENTIVE PARTICIPANTS

The quantity of any grant made to the Incentive Participants shall be proposed by the Viva Shanghai Board and approved by the shareholders of Viva Shanghai. The aggregate number of Viva Shanghai Shares subscribed by any Incentive Participant under all share incentive schemes of Viva Shanghai within their validity periods shall not exceed 1% of Viva Shanghai's total share capital.

(5) GRANT OF OPTIONS TO CONNECTED PERSONS

Unless approved by independent non-executive directors (excluding those granted with share options), no share options may be granted to any director, chief executive or substantial shareholder of the Company or their respective associates.

Unless approved by a general meeting of the Company and satisfying all other approval requirements of the Listing Rules (including the approval of independent non-executive Directors where applicable), the number of shares issuable under the share options granted within any 12 consecutive months to any independent non-executive Director or substantial shareholder of the Company or their respective associates shall not exceed 0.1% of Viva Shanghai's total share capital.

(6) TIME OF ACCEPTANCE OF AN OFFER OF THE GRANT OF OPTION AND EXERCISE OF OPTION

Subject to and within 30 days after consideration and approval of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, the share options will be granted in full by the Viva Shanghai Board as authorized, to eligible Incentive Participants in accordance with the share option incentive agreement between Incentive Participants and Viva Shanghai. If Viva Shanghai fails to complete the aforesaid process within the 30 days above, any share options for which the agreement has not been signed shall not be granted after the expiry of such 30-day period.

Subject to the vesting conditions for the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, Incentive Participants may exercise the share options only after the expiry of the vesting period and not later than the 10 years after the grant of the share options. An Exercise Date must be a trading day within the Validity Period of the Scheme, and the first Exercise Date must not be earlier than the date on which Viva Shanghai Shares are listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange. The share options may not be exercised until the fulfillment of such listing, and the share options not exercised at the expiration of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme shall be cancelled in accordance with the terms of the scheme.

(7) VESTING PERIOD**Viva Shanghai Phase I Share Option Scheme**

Incentive Participants may exercise the share options as qualified for exercise in one lump sum after the expiry of the vesting period and within the Validity Period (for the avoidance of doubt, an Incentive Participant has only one opportunity to exercise the share options during the aforesaid period). An Incentive Participant may elect to exercise all or part of the share options, and in the case of exercising in part, the unexercised share options shall be terminated and automatically lapse.

**SUMMARY OF THE PRINCIPAL TERMS OF THE VIVA
SHANGHAI PHASE I SHARE OPTION SCHEME AND VIVA
SHANGHAI PHASE II SHARE OPTION SCHEME**

Subject to the Incentive Participant fulfilling the performance targets and lock-up restrictions under the Viva Shanghai Phase I Share Option Scheme, the vesting period of share options granted may be shorter than 12 months from the date of the relevant grant.

Viva Shanghai Phase II Share Option Scheme

Incentive Participants may exercise the share options as qualified for exercise by stages after the expiry of the vesting period, which shall be completed within the Validity Period, as scheduled below:

	Exercise Period	Exercisable Percentage
Stage 1	From the date of achievement of the performance target for the first assessment year (2024) as included in the vesting conditions after the listing date of VIVA Shanghai, to the expiry of the Validity Period of the Scheme	25%
Stage 2	From the date of achievement of the performance target for the second assessment year (2025) as included in the vesting conditions after the listing date of VIVA Shanghai, to the expiry of the Validity Period of the Scheme	25%
Stage 3	From the date of achievement of the performance target for the third assessment year (2026) as included in the vesting conditions after the listing date of VIVA Shanghai, to the expiry of the Validity Period of the Scheme	25%
Stage 4	From the date of achievement of the performance target for the fourth assessment year (2027) as included in the vesting conditions after the listing date of VIVA Shanghai, to the expiry of the Validity Period of the Scheme	25%

In any event, the vesting period of the Phase II Share Options will not be less than 12 months.

(8) VESTING CONDITIONS

The share options of Viva Shanghai may be vested to Incentive Participants in accordance with the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme only upon satisfaction of all of the following conditions; otherwise, no share options shall be vested to Incentive Participants if any of the following conditions is not satisfied.

1. None of the following occurred to Viva Shanghai:

- 1) an audit report stating adverse opinion or disclaimer of opinion is issued by the certified public accountants in respect of the financial statements for the latest financial year;
- 2) an audit report stating adverse opinion or disclaimer of opinion is issued by the certified public accountants in respect of the internal controls over financial reporting for the latest financial year;
- 3) Viva Shanghai fails to implement a profit distribution in accordance with laws and regulations, the Articles of Association or public undertakings during the last 36 months;
- 4) the implementation of share incentives is prohibited by laws and regulations;
- 5) other circumstances as determined by the CSRC.

2. None of the following occurred to Incentive Participants:

- 1) he/she has been identified as an inappropriate candidate by a sock exchange within the last 12 months;
- 2) he/she has been identified as an inappropriate candidate by the CSRC and its local offices within the last 12 months;
- 3) he/she has been subject to administrative punishment or market ban measures by the CSRC and its local offices due to material violation of laws and regulations within the last 12 months;
- 4) he/she is prohibited from acting as a director or a senior management member of the Company pursuant to the Company Law of the People's Republic of China;
- 5) he/she is prohibited from participating in share incentives of listed companies pursuant to laws and regulations;
- 6) other circumstances as determined by the CSRC.

(9) PERFORMANCE TARGET**Viva Shanghai Phase I Share Option Scheme**

In addition to the vesting conditions, Viva Shanghai will through its human resources and business departments organize and implement annual assessment on Incentive Participants in accordance with relevant performance assessment requirements, and determine the actual exercisable percentage of Incentive Participants based on their performance assessment results. Set out below are the exercisable percentages based on the individual assessment results of Incentive Participants for the year preceding the validity period of, and specific to, each batch of share options:

Assessment Grade	Individual Exercisable Percentage
Excellent (A)/Good (B)	100%
Up-to-standard (C)	80%
Substandard (D)	0%

Viva Shanghai Phase II Share Option Scheme

In addition to the vesting conditions and at least up-to-standard performance assessment results of Incentive Participants for the year preceding the exercise of share options, no share options may be exercised by Incentive Participants before the business performance of Viva Shanghai meets the following criteria:

Exercise Period	
Stage 1	The audited net profit after non-recurring items for 2024 is not less than RMB210 million
Stage 2	The audited net profit after non-recurring items for 2025 is not less than RMB259 million
Stage 3	The audited net profit after non-recurring items for 2026 is not less than RMB319 million
Stage 4	The audited net profit after non-recurring items for 2027 is not less than RMB400 million

A performance target not met for any given exercise period above may be deferred to a subsequent exercise period for further assessment. In other words, when the performance target for a subsequent exercise period (after cumulating with the audited net profit after non-recurring items for the previous exercise periods) meets or exceeds the cumulative prior performance targets, Incentive Participants are allowed to exercise the cumulative outstanding share options.

If the performance targets for 2024 to 2027 are not met, but the cumulative performance target for each of the exercise periods ultimately reaches 90% or above, Incentive Participants may exercise 85% of their exercisable share options for the current stage; if the actual performance fails to reach 90% of the performance target, the share options for the current stage may not be exercised by Incentive Participants, and shall be cancelled by Viva Shanghai.

The Viva Shanghai Board may amend or adjust the performance targets based on market conditions, corporate strategies and other factors.

(10) LOCK-UP PERIOD AND CLAWBACK MECHANISM

The shares subscribed by Incentive Participants under the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme are subject to a lock-up period in accordance with the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and other relevant laws, administrative regulations, regulatory documents, and the Articles of Association of Viva Shanghai, as detailed below:

1. Lock-up period: None of the shares subscribed by Incentive Participants after the listing of Viva Shanghai through the exercise of share options under the Scheme may not be sold down within three years from the respective Exercise Date.
2. The sell-down restrictions on directors, supervisors and senior management shall apply, mutatis mutandis, to Incentive Participants after the expiry of the lock-up period, pursuant to which an Incentive Participant shall not transfer more than 25% per year of the total number of Viva Shanghai Shares held by him/her, and shall not transfer any Viva Shanghai Shares held by him/her within six months from the date on which his/her resignation comes into effect.
3. Any gains from sale of Viva Shanghai Shares by an Incentive Participant who is a director or senior management member of Viva Shanghai within six months after purchase of the same or from purchase of Viva Shanghai Shares within six months after sale of the same shall be disgorged and paid to Viva Shanghai after forfeited by the Viva Shanghai Board.
4. Sell-down of Viva Shanghai Shares by Incentive Participants shall also be in accordance with the Several Provisions on Share Sell-down by Shareholders, Directors, Supervisors and Senior Management of Listed Companies, the Implementation Rules on Share Sell-down by Shareholders, Directors, Supervisors and Senior Management of Listed Companies on the Shanghai Stock Exchange and the Shen Zhen Stock Exchange and the undertakings issued by such parties.
5. Within the validity periods of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, the transfer of shares held by applicable Incentive Participants shall be in accordance with any potentially revised requirements on the transfer of shares held by directors and senior management of Viva Shanghai as provided in the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China and other relevant laws, regulations, regulatory documents, and the Articles of Association of Viva Shanghai.

6. The transfer of Viva Shanghai Shares held by Incentive Participants shall be governed by any further requirements on the lock-up period of shares from share incentives as expressly provided in the Company Law of the People's Republic of China, the Securities Law of the People's Republic of China, and other relevant laws, regulations, regulatory documents, and securities regulatory rules applicable to Viva Shanghai.

In addition, if an Incentive Participant is found incompetent for his/her work position or substandard in performance assessment, or causes serious damage to interests or reputation of Viva Shanghai due to violation of laws or professional ethics, divulgence of Viva Shanghai's trade secrets, violation of Viva Shanghai's internal rules, dereliction of duty or misfeasance, etc., Viva Shanghai may through its internal decision-making procedures legally cancel the share options that have been granted to but not yet exercised by the Incentive Participant and, in case of serious circumstances, claim back the whole or any part of the proceeds from the exercised share options.

(11) SUBSCRIPTION PRICE FOR VIVA SHANGHAI SHARES

The exercise price of share options is RMB4.22 per share for each of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme. Subject to the requirements of the Listing Rules, if the exercise price above does not meet the level required by the Listing Rules (specifically, Rule 17.15(2) of the Listing Rules), it shall be adjusted upward to the minimum exercise price so required. Incentive Participants are not required to make any payment as the consideration for accepting the share options.

The exercise price of share options, which shall not be lower than the audited net assets or valuation of Viva Shanghai in the most recent year, is determined based on factors such as Viva Shanghai's business conditions and assets, contribution of Incentive Participants to Viva Shanghai, and incentive effect of the Scheme on Incentive Participants.

(12) RANKING OF VIVA SHANGHAI SHARES

Before exercised, the share options are not entitled to any voting power or right, or any distribution of bonus shares or dividends or any right arising from liquidation. After the exercise of share options, Incentive Participants will receive Viva Shanghai Shares, which shall rank pari passu in all respects with other shares issued by Viva Shanghai.

(13) VALIDITY PERIOD OF SCHEMES

The validity period of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme shall commence from the date of approval of these schemes by the general meeting of Company and Viva Shanghai (whichever is later) and end on the date when all share options granted to Incentive Participants are exercised or canceled, up to a maximum of 10 years.

(14) RIGHTS ON CEASING EMPLOYMENT

1. For an Incentive Participant whose labor agreement or employment agreement is expired and no longer renewed or who resigns voluntarily, his or her shares options already exercised or qualified for exercise shall remain unchanged, and the share options that have been granted but not yet vested shall not be exercised and shall be cancelled by Viva Shanghai. For the avoidance of doubt, an employee in such circumstance shall exercise his/her share options qualified for exercise within one month from the date of termination of the employment; otherwise the share options shall be disqualified for exercise and automatically lapse.
2. In case of an employment termination for any reason, if an Incentive Participant is or is found related to violation of non-compete obligations, confidentiality obligations or other activities detrimental to the interests of Viva Shanghai during his/her tenure, Viva Shanghai has the right to claim back all his/her proceeds before tax from the Scheme.
3. For an Incentive Participant who resigns involuntarily due to downsizing or other reasons on the part of Viva Shanghai, his or her shares options already exercised shall remain unchanged, and the share options that have been granted but not yet exercised shall not be exercised and shall be cancelled by Viva Shanghai.

(15) RIGHTS ON DEATH OR INCAPACITY

For an Incentive Participant who resigns due to incapacity after injured, his or her shares options already exercised or qualified for exercise shall remain unchanged, and the share options that have been granted but not yet vested shall not be exercised and shall be cancelled by Viva Shanghai.

In the case of death of an Incentive Participant, his or her shares options already exercised shall be held by the designated or legal successor and dealt with in accordance with the procedures of the Scheme prevailing prior to his/her death, and the share options that have been granted but not yet exercised shall not be exercised and shall be cancelled by Viva Shanghai.

(16) RIGHTS ON DISMISSAL

For an Incentive Participant who is dismissed for any reason, his or her share options that have been granted but not yet exercised shall not be exercised and shall be cancelled by Viva Shanghai.

(17) RIGHTS ON A GENERAL OFFER, A COMPROMISE OR ARRANGEMENT

If a general or partial offer, whether by way of take-over offer, share repurchase offer, or scheme of arrangement or otherwise in like manner is made to all the holders of Viva Shanghai Shares, or all such holders other than the offeror and/or any person controlled by the offeror and/or any person acting in association or concert with the offeror, Viva Shanghai shall use all reasonable endeavors to procure that such offer is extended to all Incentive Participants on the same terms, mutatis mutandis, and assuming that they will become, by the exercise in full of the share options granted to them, shareholders of Viva Shanghai. If such offer becomes or is declared unconditional or such scheme of arrangement is formally proposed to shareholders, the Incentive Participant shall be entitled to exercise his/her share options (to the extent vested but not yet exercised) to its full extent or to the extent specified in the Incentive Participant's notice to Viva Shanghai in exercise of his/her share options at any time thereafter and up to the close of such offer (or any revised offer) or the record date for entitlements under scheme of arrangement. Subject to the above, the share options will lapse automatically (to the extent not exercised) on the expiry of the said period.

In the event of a compromise or arrangement between Viva Shanghai and its creditors (or any class of them) or between Viva Shanghai and its shareholders (or any class of them), in connection with a scheme for the reconstruction or amalgamation of Viva Shanghai, Viva Shanghai shall give notice thereof to all Incentive Participants on the same day as it gives notice of the meeting to its shareholders or creditors to consider such scheme or arrangement, and thereupon any Incentive Participant may forthwith and until the expiry of the period commencing with such date and ending with the earlier the date falling two calendar months thereafter or the date on which such compromise or arrangement is sanctioned by the Court be entitled to exercise his/her share options (to the extent vested but not yet exercised), but the exercise of the share options shall be conditional upon such compromise or arrangement being sanctioned by the Court and becoming effective. Viva Shanghai may thereafter require such Incentive Participant to transfer or otherwise deal with the Viva Shanghai Shares issued as a result of such exercise of his/her share options so as to place the Incentive Participant in the same position as nearly as would have been the case had such shares been subject to such compromise or arrangement. Subject to the above, all share options (whether vested or unvested) then outstanding shall lapse and determine on the date the proposed compromise or arrangement becomes effective.

(18) RIGHTS ON WINDING UP

In the event of a resolution being proposed for the voluntary winding-up/liquidation of Viva Shanghai during the validity period of share options, the Incentive Participants may, subject to the provisions of all applicable laws, by notice in writing to Viva Shanghai at any time not less than two business days prior to the date on which such resolution is to be considered and/or passed, exercise his/her share options (to the extent vested but not yet exercised) either to its full extent or to the extent specified in such notice in accordance with the provisions of the Scheme and Viva Shanghai shall issue to the Incentive Participants the relevant shares not less than one business day before the date on which such resolution is to be considered and/or passed whereupon the Incentive Participants shall accordingly be entitled to participate in the distribution of the assets of Viva Shanghai available in liquidation pari passu with the holders of Viva Shanghai Shares in issue on the day prior to the date of such resolution. Subject thereto, all share options (whether vested or unvested) then outstanding shall lapse and determine on the commencement of the winding-up of Viva Shanghai.

(19) ADJUSTMENTS TO THE SUBSCRIPTION PRICE

The Viva Shanghai Board is authorized by Viva Shanghai Shareholders to adjust the number and exercise price of share options according to the reasons set out in the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme. After adjusting the number and exercise price of share options to be granted in accordance with the requirements above, the Viva Shanghai Board shall promptly publish an announcement and notify the Incentive Participants. The triggering events for adjustment to the number of share options or exercise price include capitalization of capital reserves, bonus issue, share subdivision and share consolidation by VIVA Shanghai.

The Viva Shanghai Board is authorized by Viva Shanghai Shareholders to adjust the number and exercise price of share options in any of the above ways according to the reasons set out in relevant share option scheme to achieve the fairness. Before making any adjustment other than an adjustment for capitalization issue, the Viva Shanghai Board shall seek confirmation from an independent financial advisor or auditors of the Company that the adjustment is in accordance with the requirements of the Listing Rules. After adjusting the number and exercise price of share options to be granted in accordance with the requirements above, the Viva Shanghai Board shall promptly publish an announcement and notify the Incentive Participants.

(20) CANCELLATION AND LAPSE OF OPTIONS

Except for the cancellation in accordance with the terms stipulated in the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, any share options may be cancelled only through negotiation between Incentive Participants and the Viva Shanghai Board.

All share options under the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme shall automatically lapse in accordance with relevant provisions and the terms of the share option incentive agreement upon the expiry of their validity periods or any other events that may result in the lapse of share options as agreed upon.

(21) TERMINATION

A proposed termination of the Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme, if before consideration and adoption by the general meeting, is subject to consideration and approval by the Viva Shanghai Board. A proposed termination of the Schemes, if after consideration and adoption by the general meeting, is subject to consideration and approval by the Viva Shanghai Board and the general meeting.

The independent directors (if any) and supervisions or the Supervisory Committee of the Company shall issue clear opinions as to whether termination of the Scheme is beneficial to sustainable development of the Company and whether it is significantly detrimental to the interests of the Company and its shareholders as a whole.

Upon termination of the Scheme, the share options that have been granted but not yet exercised shall be cancelled by Viva Shanghai.

(22) RIGHTS ARE PERSONAL TO THE PARTICIPANTS

The share options granted to Incentive Participants shall not be transferred, pledged or used for repayment of debts during the vesting period.

(23) OTHERS

- (a) The Viva Shanghai Phase I Share Option Scheme and the Viva Shanghai Phase II Share Option Scheme shall come into effect from the date of approval by the Company and the shareholders' meeting/general meeting of Viva Shanghai (whichever is later).
- (b) A proposed amendment to the Schemes, if before consideration and adoption by the general meeting, is subject to consideration and approval by the Viva Shanghai Board. A proposed amendment to the Schemes, if after consideration and adoption by the general meeting, is subject to consideration and approval by the general meeting and shall not include any terms that may lead to the accelerated exercise of share options or lower exercise price. Subject to relevant requirements of the Listing Rules, any significant amendment to the Scheme or any amendment thereto related to the matters set out in Rule 17.03 of the Listing Rules (which are beneficial to Incentive Participants) are subject to consideration and approval by the general meeting of the Company. If the first grant of share options to Incentive Participants is approved by the Board, Remuneration Committee, independent non-executive directors and/or shareholders (as the case may be) of the Company, any subsequent amendment to the terms of share options shall also be approved by the Board, Remuneration Committee, independent non-executive directors and/or shareholders (as the case may be) of the Company. The requirement above shall not apply if the amendment takes effect automatically in accordance with the existing terms of the Scheme.

- (c) Any disputes between Viva Shanghai and Incentive Participants shall be resolved in accordance with provisions of the Scheme and the share option incentive agreement. Disputes which are not clearly covered by the provisions shall be resolved in accordance with PRC laws through arm's length negotiation. Where the disputes cannot be settled through negotiation, they shall be referred to the People's Court with jurisdiction over the domicile of Viva Shanghai.

NOTICE OF THE EGM



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)

NOTICE OF EGM

NOTICE IS HEREBY GIVEN that the second extraordinary general meeting (the “**EGM**”) of VIVA BIOTECH HOLDINGS (the “**Company**”) will be held at Meeting Room A615, 735 Ziping Road, Zhoupu Town, Pudong New District, Shanghai, PRC on Thursday, January 18, 2024 at 10:00 a.m. to consider and, if thought fit, approve, with or without amendments, the following resolution of the Company. Unless otherwise defined, capitalized terms used in this notice shall have the same meanings as those defined in the circular of the Company dated December 28, 2023 (the “**Circular**”).

ORDINARY RESOLUTIONS

1. “**THAT** the rules of the new phase I share option scheme of Viva Shanghai, a non-wholly owned subsidiary of the Company (the “**Viva Shanghai Phase I Share Option Scheme**”, the rules of which are summarized in the Circular), the rules of the Viva Shanghai Phase I Share Option Scheme (a copy of which is marked “A” and signed by the chairman of the EGM for identification purpose and has been tabled at the EGM) be and are hereby approved and adopted and that the board of directors of Viva Shanghai or a committee thereof be and are hereby authorized to:
 - (a) administer the Viva Shanghai Phase I Share Option Scheme under which options will be granted to eligible Incentive Participants to subscribe for Viva Shanghai Shares;
 - (b) modify and/or amend the rules of the Viva Shanghai Phase I Share Option Scheme from time to time subject to the provisions of such rules; and
 - (c) grant options under the Viva Shanghai Phase I Share Option Scheme and issue from time to time such number of Viva Shanghai Shares as may be required to be issued pursuant to the exercise of the options under the Viva Shanghai Phase I Share Option Scheme, subject to the Viva Shanghai Phase I Share Option Scheme Mandate Limit.”

NOTICE OF THE EGM

2. “**THAT** the rules of the new phase II share option scheme of Viva Shanghai, a non-wholly owned subsidiary of the Company (the “**Viva Shanghai Phase II Share Option Scheme**”, the rules of which are summarized in the Circular), the rules of the Viva Shanghai Phase II Share Option Scheme (a copy of which is marked “B” and signed by the chairman of the EGM for identification purpose and has been tabled at the EGM) be and are hereby approved and adopted and that the board of directors of Viva Shanghai or a committee thereof be and are hereby authorized to:
- (a) administer the Viva Shanghai Phase II Share Option Scheme under which options will be granted to eligible Incentive Participants to subscribe for Viva Shanghai Shares;
 - (b) modify and/or amend the rules of the Viva Shanghai Phase II Share Option Scheme from time to time subject to the provisions of such rules; and
 - (c) grant options under the Viva Shanghai Phase II Share Option Scheme and issue from time to time such number of Viva Shanghai Shares as may be required to be issued pursuant to the exercise of the options under the Viva Shanghai Phase II Share Option Scheme, subject to the Viva Shanghai Phase II Share Option Scheme Mandate Limit.”
3. “**THAT** the appointment of Mr. WANG Stephen Hui as a non-executive Director of the Company for a term of three years commencing the date upon which the Shareholders of his appointment at the EGM, and he shall not be entitled to receive any remuneration for his position as a non-executive Director.”

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

Hong Kong, December 28, 2023

NOTICE OF THE EGM

Notes:

- (i) A shareholder entitled to attend and vote at the EGM is entitled to appoint another person as his/her proxy to attend and vote instead of him/her; a proxy need not be a shareholder of the Company. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf at the EGM. On a poll, votes may be given either personally or by proxy.
- (ii) In the case of joint holders, any one of such joint holders may vote at the EGM, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the EGM, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the vote(s) of the other joint holder(s) and for this purpose seniority shall be determined as that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
- (iii) Completion and delivery of the form of proxy will not preclude a member from physically attending and voting in person at the EGM if the member so desires.
- (iv) In order to be valid, a form of proxy must be deposited at the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong together with the power of attorney or other authority (if any) under which it is signed (or a notarially certified copy thereof) not less than 48 hours before the time appointed for the holding of the above meeting (i.e. no later than 10:00 a.m. on Tuesday, January 16, 2024, Hong Kong time) or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the above meeting (or any adjourned meeting thereof) if they so wish.
- (v) The transfer books and register of members of the Company will be closed from Monday, January 15, 2024 to Thursday, January 18, 2024, both days inclusive, during which period no share transfers can be registered. In order to qualify for attending EGM, all transfers accompanied by the relevant share certificates must be lodged with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Friday, January 12, 2024.