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

(Stock code: 1873)

DISCLOSEABLE TRANSACTION DISPOSAL OF EQUITY INTEREST IN AN INCUBATION PORTFOLIO COMPANY

THE MERGER

Viva Incubator, a wholly-owned subsidiary of the Company, hold a minority interest in ArthroSi Therapeutics's share capital, which is recorded as financial assets at fair value through profit or loss in the Company's consolidated financial statements.

The Board is pleased to announce that ArthroSi Therapeutics has informed the Company that on December 13, 2025, the Purchaser has agreed to acquire ArthroSi Therapeutics by way of a Merger. Immediately after the Closing, the Company will cease to hold any equity interests in ArthroSi Therapeutics. The Merger Agreement provides for an upfront payment at Closing of US\$950 million, subject to customary adjustments, and contingent consideration of up to US\$550 million.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Merger are more than 5% but less than 25%, the transaction contemplated under the Merger Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

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THE MERGER AGREEMENT

Set out below are the principal terms of the Merger Agreement:

Date: December 13, 2025

Parties:

- (i) ArthroSi Therapeutics
- (ii) the Purchaser
- (iii) the Merger Sub; and
- (iv) Shareholder Representative (acting for and on behalf of all shareholders of ArthroSi Therapeutics, including Viva Incubator, which is wholly-owned by the Company).

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, the Purchaser, the Merger Sub and their respective ultimate beneficial owners are third parties independent of the Company and its connected persons.

Subject Matter: The board of directors of ArthroSi Therapeutics has approved the sale of ArthroSi Therapeutics to the Purchaser by way of the Merger. Upon completion of the Merger, the Merger Sub will merge into ArthroSi Therapeutics, the separate corporate existence of the Merger Sub will cease and ArthroSi Therapeutics will continue as the surviving corporation of the Merger and as a wholly-owned subsidiary of the Purchaser.

Consideration: The Merger Agreement provides for an upfront payment at Closing of US\$950 million, subject to customary adjustments, and contingent consideration of up to US\$550 million. The contingent payment is conditional upon achievement of certain regulatory and performance milestones.

It is expected that the Group will receive an initial payment of approximately US\$30 million, and contingent consideration of up to approximately US\$17 million.

Conditions Precedent: The Closing of the Merger is subject to the satisfaction or waiver on or prior to the date of customary closing conditions, including regulatory approval where required.

Basis of Determination of the Consideration

To the best knowledge of the Company, the consideration for the Merger was determined after arm's length negotiations between ArthroSi Therapeutics and the Purchaser. Having taken into accounts the factors set out herein, the Company considers that consideration to be paid in connection with the Merger is fair and reasonable.

REASONS FOR AND BENEFITS OF THE MERGER

The Directors are of the view that the Merger will enable the Group to monetize the value in its investment in ArthroSi Therapeutics accumulated over a period of time since investment and represents an opportunity to enhance the financial flexibility of the Group at this point of time. The Group intends to apply proceeds received from the Merger to supplement the Group's working capital and to support the growth and development of the Group's other investment and incubation business.

As of June 30, 2025, the Company has recorded an unrealized fair value gain of US\$4.0 million from its equity interest in ArthroSi Therapeutics. The expected gain that the Group will generate from the Merger will depend on the fulfilment of regulatory and performance milestones. In the event that all the regulatory and performance milestones are fulfilled, the Company expects that the Merger will result in an aggregate gain of approximately US\$40.0 million. The exact amount to be recorded in the consolidated statement of profit or loss of the Group is subject to audit, and therefore may be different from the figure herein.

The Merger signifies confidence in the future prospects of ArthroSi Therapeutics and its technologies for gout treatment. ArthroSi Therapeutics will be able to leverage on the expertise of the Purchaser. The Company anticipates that the Merger will enhance the competitiveness of ArthroSi Therapeutics' technologies. The Directors (including the independent non-executive Directors) consider that the Merger Agreement was negotiated on an arm's length basis between the Purchaser and ArthroSi Therapeutics, was entered into on normal commercial terms, are fair and reasonable, and the terms of the Merger Agreement and the transaction contemplated thereunder is in the interests of the Company and its Shareholders as a whole.

In addition, ArthroSi Therapeutics has also entered into new statement of work (SOW) with the Company's CDMO business unit (Langhua Pharmaceutical) for the supply of active pharmaceutical ingredient, and the Group expects to continue its business cooperation with ArthroSi Therapeutics.

INFORMATION ABOUT THE PARTIES TO THE TRANSACTION

Arthrosi Therapeutics

Arthrosi Therapeutics is a Delaware Corporation is a clinical-stage biotech company focused on the developing pozdeutinurad, a potentially best-in-class, highly potent and selective next generation URAT1 inhibitor to reduce serum urate levels, flares and tophi in patients with progressive gout. As of the date of this announcement, Viva Incubator holds approximately 3.14% of Arthrosi Therapeutics's share capital (calculated on a fully diluted and as converted basis).

Set out below is the audited consolidated financial information of Arthrosi Therapeutics for the two financial years ended December 31, 2024:

	For the year ended December 31,	
	2023	2024
	(audited)	(audited)
	<i>US\$'000</i>	<i>US\$'000</i>
Net loss before taxation	25,262	43,249
Net loss after taxation	25,264	43,252

As of December 31, 2024, Arthrosi Therapeutics has a total asset value of approximately US\$44.56 million and a net stockholders' deficit of approximately US\$118.72 million. The financial figures set out herein were extracted from the financial statements of Arthrosi Therapeutics that were prepared under U.S. GAAP, whereas the financial figures of the Company are reported under IFRS. The Company believes that there are no material differences between the financial figures as reported under U.S. GAAP and such financial figures if reported under IFRS.

The Purchaser and the Merger Sub

The Purchaser is a Delaware Corporation. The Purchaser is a wholly-owned subsidiary and US-division of Swedish Orphan Biovitrum AB, a company listed on Nasdaq Stockholm (STO: SOBI), a global biopharma company unlocking the potential of breakthrough innovations, transforming everyday life for people living with rare diseases.

The Merger Sub is a corporation organized in the State of Delaware of the United States and is formed for the purpose of effecting the Merger. As of the date of this announcement, the Merger Sub is wholly-owned by the Purchaser and to the best knowledge of the Company, the Merger Sub has not commenced any business of its own.

Shareholder Representative

The Shareholder Representative is a Colorado limited liability company, acting solely in its capacity as the representative, agent and attorney-in-fact of the security holders of Arthrosi Therapeutics, which includes Viva Incubator.

The Group

The Group provides one-stop services, consisting of CRO business and CDMO business, ranging from early-stage structure-based drug research and development to commercial drug delivery to global biopharmaceutical innovators.

Viva Incubator is an indirect wholly-owned subsidiary of the Group and is the investment holding vehicle for the Group's investment and incubation businesses.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio in respect of the Merger are more than 5% but less than 25%, the transaction contemplated under the Merger Agreement constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules and is subject to the reporting and announcement requirements pursuant to Chapter 14 of the Listing Rules.

GENERAL

Shareholders and potential investors in the Company should note that the consummation of the Merger is subject to the satisfaction or waiver of the conditions set forth in the Merger Agreement and the Merger Agreement may be terminated in certain circumstances. Accordingly, there is no assurance that the Merger will be completed. Shareholders and potential investors in the Company should exercise caution when dealing in the Shares.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise.

“ArthroSi Therapeutics”	ArthroSi Therapeutics Inc., a Delaware corporation focused on the developing pozdeutinurad, a potentially best-in-class, highly potent and selective next generation URAT1 inhibitor to reduce serum urate levels, flares and tophi in patients with progressive gout and the target company of the Merger
“Board”	the board of Directors of the Company
“Closing”	closing of the Merger as contemplated in the Merger Agreement
“Company”	Viva Biotech Holdings (维亚生物科技控股集团), a company incorporated in the Cayman Islands as an exempted company with limited liability, the issued shares of which are listed on the Main Board of the Hong Kong Stock Exchange (stock code: 1873)
“Director(s)”	the director(s) of the Company

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“independent third party(ies)”	the independent third party who is, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, independent of and not connected with the Company and the connected person(s) of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Merger”	the merger of Merger Sub into ArthroSi Therapeutics with ArthroSi Therapeutics surviving as a wholly-owned subsidiary of the Purchaser as contemplated under the Merger Agreement
“Merger Agreement”	the merger agreement dated December 13, 2025 entered into between the Purchaser, the Merger Sub, ArthroSi Therapeutics and the Shareholder Representative in relation to the acquisition by merger of all of the equity interests of ArthroSi Therapeutics by the Purchaser
“Merger Sub”	Selene Acquisition Corp., a Delaware corporation and a wholly-owned subsidiary of the Purchaser
“PRC”	the People’s Republic of China, excluding for the purpose of this announcement, Hong Kong, Macau Special Administrative Region of the PRC and Taiwan
“Purchaser”	Sobi US Holding Corp., a Delaware corporation and the purchaser under the Merger Agreement
“Share(s)”	the shares of the Company
“Shareholder(s)”	the holders of Shares
“Shareholder Representative”	Shareholder Representative Services LLC, a Colorado limited liability company acting as representative of the security holders of ArthroSi Therapeutics for the purpose of the Merger
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“US\$”	US dollar(s), the lawful currency of the United States of America
“U.S. GAAP”	U.S. Generally Accepted Accounting Principles
“Viva Incubator”	Viva Incubator Investment Management Limited, an indirect wholly-owned subsidiary of the Company
“%”	percentage.

By order of the Board
Viva Biotech Holdings
Mao Chen Cheney
Chairman and Chief Executive Officer

Hong Kong, December 14, 2025

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