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VIVA BIOTECH HOLDINGS

维亚生物科技控股集团

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

(Stock code: 1873)

POSITIVE PROFIT ALERT

This announcement is made by Viva Biotech Holdings (the “**Company**”, together with its subsidiaries, collectively referred to as the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the “**Board**”) wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended June 30, 2021 (the “**Period**”) and information currently available, the Group expects that the revenue for the Period will increase by no less than RMB800 million or over 400% to approximately RMB1,000 million as compared to that of the six months ended June 30, 2020 (the “**Corresponding Period Last Year**”). The Group expects to record a net profit of no less than RMB85 million for the Period as compared with a net loss of RMB530.3 million for the Corresponding Period Last Year. The Group expects to record a net profit attributable to the equity shareholders of the Company of no less than RMB75 million for the Period as compared with a net loss attributable to the equity shareholders of the Company of RMB530.3 million for the Corresponding Period Last Year. The Group expects that the adjusted non-International Financial Reporting Standards (“**non-IFRS**”) net profit for the Period (after excluding the fair value loss on financial liabilities at fair value through profit or loss, interest expenses on the debt component of the convertible bonds, amortization of acquired assets and loss on disposal of non-recurring fixed assets) will not be less than RMB190 million, an increase of no less than 50% over the Corresponding Period Last Year, such increase was mainly due to (i) the significant increase in the revenue from the drug discovery services; and (ii) the expansion of the Group’s business scope from front-end drug discovery to small molecule CDMO business, forming an integrated platform for the research, development and production of drugs; and was offset by a decrease of fair value gain on financial assets at fair value through profit or loss as compared to the Corresponding Period Last Year.

The Company is in the process of preparing the unaudited consolidated financial results of the Group for the Period. The information contained in this announcement is based on a preliminary assessment of the unaudited consolidated management accounts currently available to the Company, which is subject to finalization and other potential adjustments (if any) and has not been audited or reviewed by the Company's auditors or the audit committee of the Company. Details of the Group's performance will be disclosed in the interim results announcement of the Company for the Period, which is expected to be published by the end of August 2021.

The Company believes that the above adjusted Non-IFRS financial measures are useful for understanding and assessing underlying business performance and operating trends of the Company by the Company's management and investors, and that the Company's management and investors may benefit from referring to these adjusted financial measures in assessing the Group's financial performance by eliminating the impact of certain unusual and non-recurring items that the Group does not consider indicative of the performance of the Group's business. However, the presentation of these non-IFRS financial measures is not intended to be considered in isolation or as a substitute for the financial information prepared and presented in accordance with the International Financial Reporting Standards ("IFRS"). You should not view the adjusted results on a stand-alone basis or as a substitute for results under the IFRS. Shareholders and potential investors are advised to exercise caution when dealing in shares of the Company.

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

Hong Kong, August 9, 2021

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; a Non-executive Director, namely, Ms. Sun Yanyan; and three Independent Non-executive Directors, namely, Mr. Fu Lei, Ms. Li Xiangrong and Mr. Wang Haiguang.