

**SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NEW YORK**

VIVO CAPITAL FUND VIII, L.P.; VIVO
CAPITAL SURPLUS FUND VIII, L.P.; and VIVO
CAPITAL FUND IX, L.P.,

Plaintiffs,

v.

SVEN H. BORHO; JIANZENG CAO; JIAQIANG
“CHIANG” LI; PENGFEI LI; YUK LAM LO;
DAVID GUOWEI WANG; 1GLOBE CAPITAL
LLC; ORBIMED ADVISORS LLC; ORBIMED
CAPITAL LLC,

Defendants,

and

SINOVAC BIOTECH LTD.,

Nominal Defendant.

Index No. ____/____

COMPLAINT

Plaintiffs Vivo Capital Fund VIII, L.P., Vivo Capital Surplus Fund VIII, L.P., and Vivo Capital Fund IX, L.P. (collectively, “Plaintiffs” or “Vivo”), by and through their undersigned counsel, allege as follows:

INTRODUCTION

1. This action concerns Defendants’ abuse of their control of Nominal Defendant, Sinovac Biotech Ltd. (“Sinovac” or the “Company”), a NASDAQ-listed company, to benefit their own interests in breach of their fiduciary duties and at the expense of Plaintiffs and other Sinovac shareholders.

2. Defendants 1Globe Capital LLC (“1Globe”), OrbiMed Advisors LLC (“OrbiMed Advisors”); OrbiMed Capital LLC (“OrbiMed Capital”; together with OrbiMed Advisors, “OrbiMed” and collectively with 1Globe, “Activist Defendants”) are a group of aggressive shareholder activists who ambushed Sinovac’s Annual General Meeting in February 2018 (the “2018 AGM”), seeking to replace the Company’s incumbent Board of Directors at the time (the “Prior Board”) with their hand-picked slate of Board nominees without providing prior notice. Their scheme was repudiated by the Prior Board, and 1Globe and its owner Defendant Jiaqiang “Chiang” Li were found to have violated the federal securities laws by the United States Securities and Exchange Commission (the “SEC”).

3. Undeterred, 1Globe attempted to seize control of Sinovac’s operating subsidiaries by submitting forged documents in multiple jurisdictions, leading to findings of fraud and a criminal conviction.

4. 1Globe also launched a legal battle against Sinovac in connection with the 2018 AGM Board election, which proceeded through the courts of Antigua and Barbuda, Sinovac’s place of incorporation, for nearly seven years. Both the trial court and the intermediate appellate court ruled against 1Globe.

5. In the meanwhile, Sinovac, with support from Vivo and other longtime shareholders, transformed from a little-known biopharmaceutical company to one of the leading vaccine makers in the world, having successfully developed and commercialized China’s first COVID-19 vaccine, CoronaVac, and enjoying exponential growth in both businesses and shareholder value. Vivo, in particular, provided Sinovac with capital that was critical for the development of CoronaVac through both a private investment in public equity transaction (the

“PIPE”) and loans to Sinovac’s operating entities. Sinovac would not be where it is today without Vivo’s contribution.

6. Although Activist Defendants’ investment in Sinovac enjoyed massive appreciation thanks to the efforts of the Prior Board, the management, and shareholders like Vivo, Activist Defendants remained bitter for their failed attempt to control the Board, and 1Globe continued with their prolonged and incessant war against the Company, which led to, among other costly results, a NASDAQ trading halt of the Company’s stock since February 2019.

7. In February 2025, the Judicial Committee of the Privy Council (the “Privy Council”) in London, sitting as the final appellate court of Antigua, reversed the Antiguan lower courts’ decisions and retroactively installed, on narrow procedural grounds, the slate of directors backed by Activist Defendants at the 2018 AGM. The Privy Council, however, declined 1Globe’s request to void all actions approved by the Prior Board since the 2018 AGM, including the PIPE.

8. Although disappointed by the Privy Council’s decision, the Prior Board and the management accepted it and committed themselves to an orderly transition for the benefit of all Sinovac shareholders.

9. Activist Defendants and their Board representatives, however, were not so magnanimous. Rather than assuming their fiduciary roles and acting in the best interests of the Company and all shareholders, they immediately launched a vindictive campaign, starting with excluding from all Board matters Plaintiffs’ affiliated Board representative Mr. Shan Fu, whose Board seat was not affected by the Privy Council’s decision.

10. With Mr. Fu excluded, the new Board, now under the control of Activist Defendants, began to execute a self-interested agenda designed to entrench their control, increase their ownership of the Company, and benefit themselves at the expense of other shareholders.

11. Among other things, without seeking shareholder approval or providing notice to Mr. Fu, Defendants purportedly appointed two of their own, including 1Globe's sole owner Jiaqiang "Chiang" Li and OrbiMed's founder and Managing Partner Sven H. Borho, to the Board as Chairman of the Board and Chairman of the Audit Committee, respectively.

12. Defendants have also been resisting the calling of a special meeting of shareholders that will challenge their control of the Company. On March 18, 2025, SAIF Partners IV L.P. ("SAIF"), a 15% shareholder, submitted a requisition to the Board under Antiguan law (the "Requisition"), formally demanding that the Board call a special meeting of shareholders within 21 days for the purpose of electing a different slate of director nominees to end Activist Defendants' control of Sinovac. To date, the Board has not called a meeting of shareholders or even publicly acknowledged its receipt of the Requisition.

13. On April 1, 2025, the Board announced a "decision" to declare a special cash dividend of US\$55.00 per common share, without actually declaring it or providing necessary information such as record and payment dates (the "Dividend Scheme"). The Board, however, made it clear that they were going to exclude the PIPE shareholders including Vivo from the dividend, robbing them of more than \$600 million. Activist Defendants and their Board representatives achieve two purposes through the Dividend Scheme—they enrich themselves by receiving a bigger distribution after excluding the PIPE shareholders, and they soften opposition to their grip on the Company by promising a bigger payout to SAIF and other shareholders—at the PIPE shareholders' expense.

14. To justify their attempt to disenfranchise the PIPE shareholders, the Board made a vague and ominous statement that it was "assessing certain corporate actions taken by the former board of directors of the Company after they ceded office," including the PIPE.

15. This statement, which called into question Sinovac's corporate actions in the past seven years, has destabilized the Company's capital structure and precipitated a corporate governance crisis. On April 15, 2025, Sinovac's independent auditor, Grant Thornton Zhitong Certified Public Accountants LLP ("Grant Thornton"), resigned because it could no longer rely on the validity of any of the Prior Board's resolutions and actions as well as management representations as "*a result of the Company's announcement on April 1, 2025.*"

16. Because of Director Defendants' self-interested and reckless actions, Sinovac is now without an independent auditor, and will be unable to file its annual Form 20-F by an April 30, 2025 deadline, as required by the SEC, in violation of federal securities laws.

17. Sinovac falling out of compliance with required corporate filings will render it delinquent under SEC regulations, which in turn will jeopardize Sinovac's listing on the NASDAQ and have devastating effects on its business and shareholder value.

18. Activist Defendants and their Board representatives, driven by self-interest and acting in breach of their fiduciary duty, having caused significant and ongoing harm to Sinovac, its shareholders including Vivo, and the investing public on the NASDAQ, necessitating judicial intervention.

THE PARTIES

A. Plaintiffs

19. Plaintiff Vivo Capital Fund VIII, L.P. ("Vivo Fund VIII") is a limited partnership organized under the laws of Delaware and an investment fund affiliated with Vivo Capital, LLC ("Vivo Capital"), an investment firm focusing on making public and private investments in the healthcare and biotechnology industries. Vivo Fund VIII is the record holder of 1,195,465 shares of Sinovac's common stock, which Vivo Capital acquired through the PIPE in July 2018 and subsequently assigned to Vivo Fund VIII.

20. Plaintiff Vivo Capital Surplus Fund VIII, L.P. (“Vivo Surplus Fund VIII”) is a limited partnership organized under the laws of Delaware and an investment fund affiliated with Vivo Capital. Vivo Surplus Fund VIII is the record holder of 165,079 shares of Sinovac’s common stock, which Vivo Capital acquired through the PIPE in July 2018 and subsequently assigned to Vivo Surplus Fund VIII.

21. Plaintiff Vivo Capital Fund IX, L.P. (“Vivo Fund IX”) is a limited partnership organized under the laws of Delaware and an investment fund affiliated with Vivo Capital. Vivo Fund IX is a record holder of 4,539,456 shares of Sinovac’s common stock, which Vivo Capital acquired through the PIPE in July 2018 and subsequently assigned to Vivo Fund IX.

22. A copy of Plaintiffs’ share certificates, with the certificate numbers redacted, is attached hereto as Exhibit 1.

B. Nominal Defendant

23. Nominal Defendant Sinovac Biotech Ltd. is an exempted company incorporated with limited liability under the laws of Antigua and Barbuda. Sinovac’s registered address is Unit #4 Bryson’s Complex, Friars Hill Road, St. John’s, Antigua, and its principal executive offices are located in Beijing, China. Its agent for service of process in the United States is Cogency Global Inc., located at 122 East 42nd Street, 18th Floor, New York, NY 10168. Sinovac’s common shares are listed on the NASDAQ under the ticker symbol “SVA.” The trading of Sinovac’s stock has been halted since February 2019.

C. Activist Defendants

24. Upon information and belief, Defendant 1Globe Capital LLC is a Delaware limited liability company with its principal place of business at One International Place, 44th Floor, Boston, MA 02110. Upon information and belief, 1Globe is a family office of Defendant Chiang

Li that purchases and sells securities listed on U.S. exchanges including the NASDAQ. According to its most recent public disclosures, 1Globe beneficially owns 18,515,315 shares of Sinovac's common stock which represents approximately 25.8% of the outstanding common stock of Sinovac, based on 71,860,702 shares outstanding as reported in Sinovac's Form 20-F filed with the SEC on April 29, 2024.

25. Upon information and belief, Defendant OrbiMed Advisors LLC is a Delaware limited liability company with its principal place of business at 601 Lexington Avenue, 54th Floor, New York City, NY 10022. Upon information and belief, OrbiMed Advisors invests in companies in the biopharmaceutical and healthcare industries. According to its most recent public disclosures, OrbiMed Advisors beneficially owns 1,219,500 shares of Sinovac's common stock, which represents approximately 1.7% of the outstanding common stock of Sinovac, based on 71,860,702 shares outstanding as reported in Sinovac's Form 20-F filed with the SEC on April 29, 2024.

26. Upon information and belief, Defendant OrbiMed Capital LLC is a Delaware limited liability company with its principal place of business at 601 Lexington Avenue, 54th Floor, New York City, NY 10022. Upon information and belief, OrbiMed Capital invests in companies in the biopharmaceutical and healthcare industries. According to its most recent public disclosures, OrbiMed Capital beneficially owns 1,448,000 shares of Sinovac's common stock, which represents approximately 2% of the outstanding common stock of Sinovac, based on 71,860,702 shares outstanding as reported in Sinovac's Form 20-F filed with the SEC on April 29, 2024.

D. Director Defendants

27. Defendant Jiaqiang “Chiang” Li is a purported Director of Sinovac and Chairman of the Board, purportedly appointed on or around February 28, 2025. Defendant Chiang Li is the sole owner of 1Globe. Upon information and belief, Defendant Chiang Li resides at 8 Museum Way, #1606, Cambridge, MA 02141-1889 and at 22 Liberty Dr., Unit 9B, Boston, MA 02210.

28. Defendant Pengfei Li is a Director of Sinovac, appointed on or around February 28, 2025. Upon information and belief, Defendant Pengfei Li is the nephew of and assistant to Defendant Chiang Li, as well as the president of 1Globe’s China region. Upon information and belief, Defendant Pengfei Li is a resident of China.

29. Defendant David Guowei Wang is a Director of Sinovac, appointed on or around February 28, 2025. Defendant Wang is a Partner and Senior Managing Director at OrbiMed Advisors. Upon information and belief, Defendant Wang is a resident of New York County.

30. Defendant Sven H. Borho is a purported Director of Sinovac and Chair of the Audit Committee, purportedly appointed on or around March 28, 2025. Defendant Borho is a founder and Managing Partner of OrbiMed Advisors. Upon information and belief, Defendant Borho is a resident of New York County.

31. Defendant Jianzeng Cao was appointed as a Director of Sinovac on or around February 28, 2025 and purportedly resigned on or around March 28, 2025. Upon information and belief, Defendant Cao is a resident of China.

32. Defendant Yuk Lam Lo is a Director of Sinovac, appointed in or around 2006. Upon information and belief, Defendant Lo is a resident of Hong Kong.

JURISDICTION AND VENUE

33. The Court has personal jurisdiction over Defendants OrbiMed Advisors and OrbiMed Capital under CPLR § 301 because both reside in New York County and have sufficient

jurisdictional contacts with New York County for the conducts alleged herein. As a result, Defendants OrbiMed Advisors and OrbiMed Capital have sufficient minimum contacts with New York to render the exercise of jurisdiction by the Court permissible under the notions of fair play and substantial justice.

34. The Court has personal jurisdiction over Defendants Wang and Borho under CPLR § 301 because Defendants Wang and Borho are residents of New York and have sufficient jurisdictional contacts with New York for the conducts alleged herein. As a result, Defendants Wang and Borho have sufficient minimum contacts with New York so to render the exercise of jurisdiction by the Court permissible under the notions of fair play and substantial justice.

35. The Court has personal jurisdiction over Defendants Sinovac, 1Globe, Chiang Li, Pengfei Li, Cao, and Lo under CPLR § 302(a)(1) because the derivative claims asserted herein arise out of business transactions in New York by those parties and/or their jurisdictional agents.

36. Plaintiffs' derivative claims arise out of Defendants' breach of fiduciary duty in several interrelated self-interested transactions involving Sinovac that are inseparable from many New York jurisdictional contacts and New York's stock market, including its announcement of the Dividend Scheme, listing and trading status on the NASDAQ, and communications with the NASDAQ.

37. In connection with Sinovac's current attempts to resume trading on the NASDAQ, Defendants have been in close contact with New York-based actors. For example, Director Defendants disclosed that they have been engaging "in communication with Nasdaq and [are] working diligently to respond to Nasdaq's questions and requests so as to provide for continued listing of the Company's shares." Meanwhile, Director Defendants have "initiated the process

to . . . determine the valid shares issued and outstanding in order to achieve trading resumption.”

A copy of Sinovac’s February 28, 2025 press release is attached hereto as Exhibit 2.

38. Defendants are eager to illegally distribute a cash dividend to Plaintiffs’ exclusion before trading potentially resumes on the NASDAQ. On April 1, 2025, Director Defendants announced in a press release that they had decided to declare a special cash dividend of \$55.00 per common share and are assessing certain corporate actions taken by the Prior Board of Sinovac after they ceded office, including the issuance of shares to Plaintiffs. A copy of Sinovac’s April 1, 2025 press release is attached hereto as Exhibit 3.

39. Defendants’ self-serving plan to nullify decisions made by the Prior Board and to distribute an illegal cash dividend at the expense of Plaintiffs and other shareholders has spiraled into a series of New York-centered events.

40. Sinovac’s independent auditor, Grant Thornton, resigned on April 15, 2025 due to Director Defendants’ reckless and irresponsible statements calling into question the validity of Sinovac’s corporate actions in the last seven years. Sinovac is now confronted with delayed securities filings with the SEC due to the auditor’s resignation, which in turn has jeopardized Sinovac’s listing status on the NASDAQ.

41. Sinovac’s risk of delisting in New York is the direct consequence of Director Defendants’ attempts to nullify decisions made by the Prior Board in contrary to the Privy Council’s decision and to serve both Director Defendants’ and Activist Defendants’ interests.

42. Sinovac is Defendants’ jurisdictional agent because Defendants exercise control over Sinovac in the Dividend Scheme and in its retributive decision to calling into question the validity of the Prior Board’s actions.

43. Defendants, directly or indirectly through their affiliates, will significantly benefit from the actions at issue including the Dividend Scheme. As primary actors that knew about, exercised control over, and will benefit from Sinovac's transactions, Defendants are subject to this Court's jurisdiction under CPLR § 302(a)(1).

44. Venue is proper in this Court under CPLR §§ 503 and 509 because a substantial portion of the events giving rise to Plaintiffs' claims occurred or will occur in New York County, and because certain Defendants reside in, conduct business in, and maintain operations in New York.

FACTUAL BACKGROUND

A. Aggressive Activists' Attempts to Seize Control of Sinovac

45. For years, Sinovac and the Prior Board have been resisting a take-over attempt by Activist Defendants. Prior to the AGM held on February 6, 2018, Activist Defendants had formed an undisclosed group in carrying out a secret plan to replace the Board of Sinovac. Activist Defendants ambushed the Company and its other shareholders at the 2018 AGM and proposed a slate of new directors without providing required prior notice.

46. Activist Defendants contended that its directors were validly elected to the Board at the 2018 AGM, but Sinovac maintained that the Prior Board were validly in place and had not been replaced at the 2018 AGM.

47. At the time, Sinovac's shares were publicly traded on the NASDAQ.

48. Activist Defendants' attempt to clandestinely seize control of Sinovac alarmed the SEC, which initiated an enforcement proceeding against Defendants 1Globe and Chiang Li for secretly amassing Sinovac shares. The SEC found that their conduct had violated U.S. securities laws and regulations, imposing a cease-and-desist order and assessing monetary penalties against both 1Globe and Chiang Li.

49. Defendants' hijacking of the 2018 AGM was not their only attempt to seize control of Sinovac. As found by the High Court of Hong Kong, Defendants Pengfei Li and Cao filed forged documents with the Hong Kong Companies Registry, in an attempt to unlawfully change the directors of Sinovac's Hong Kong subsidiary. Based on its findings, the High Court of Hong Kong prohibited Defendants Pengfei Li and Cao from, among other things, holding themselves out as directors of Sinovac's Hong Kong subsidiary.

50. 1Globe similarly filed forged documents with the Industry and Commerce Bureau of Haidian District of Beijing, in an attempt to unlawfully change the directors of Sinovac's Beijing subsidiary. The Chinese regulator discovered the forgery, thwarting 1Globe's scheme.

51. In 2024, a Chinese court convicted Defendant Pengfei Li in connection with his attempt to steal from, and obtain control of, a minority shareholder of Sinovac's Beijing subsidiary and sentenced him to eight years' imprisonment.

52. In the meanwhile, 1Globe sued Sinovac in the High Court of Justice in Antigua, seeking, among other others, a declaration that the Activist Defendants' new slate of directors had been elected as directors of Sinovac at the 2018 AGM, and an order that any actions taken on behalf of Sinovac at the direction of the Prior Board since the 2018 AGM were null and void.

53. 1Globe's claims were dismissed by both the High Court and the Eastern Caribbean Supreme Court in the Court of Appeal. 1Globe then appealed to the Privy Council, the court of last resort for Antigua.

54. On January 16, 2025, the Privy Council issued a judgment reversing the decision of the Antiguan Court of Appeal on narrow grounds that focused on the procedural aspects of the 2018 AGM. The Privy Council retroactively installed the directors backed by the Activist

Defendants at the 2018 AGM. The Privy Council, however, declined to nullify the Prior Board's decisions since the 2018 AGM.

55. The prolonged legal battle between Sinovac and 1Globe over the latter's predatory efforts to seize control of Sinovac's Board has led the NASDAQ to suspend the trading of Sinovac's stocks since February 2019.

B. Defendants' Self-Dealing Acts Since Constitution of the New Board

a. Director Defendants' Purported Appointment to Sinovac's Board

56. Following the Privy Council's judgement, the directors installed by Activist Defendants immediately seized control of Sinovac from the Prior Board. Having declared victory as to their hostile takeover, over the following months, Director Defendants have authorized and engaged in a systematic campaign of self-interested Board actions—in breach of fiduciary duties owed to Sinovac—to the detriment of the Company and its shareholders.

57. On February 28, 2025, Sinovac, now under the grip of Defendants, announced the purported appointment of Defendants Chiang Li, Pengfei Li, Cao, Wang, and Lo as Directors on the new Board and purportedly confirmed Defendant Chiang Li as the Chairman of the new Board, even though he was not nominated at the 2018 AGM. In contrast, Sinovac's press release did not mention Hoi Fung Qui, who was part of the slate of nominees at the 2018 AGM. The press release also deliberately excluded Mr. Shan Fu, the Board designee affiliated with Plaintiffs, even though the Privy Council declined to invalidate Mr. Fu's appointment to the Board. Director Defendants have since denied Mr. Fu from participating in all Board matters.

58. In response to the chaos at Sinovac caused by Defendants' reckless acts, shareholders have taken actions. On March 18, 2025, SAIF, a minority (15%) shareholder of Sinovac, requisitioned the new Board to call a special meeting of shareholders, for the purposes of

ending Activist Shareholders' control and electing a new slate of directors. The Board has not called a meeting of shareholders, nor has it publicly acknowledged receipt of SAIF's Requisition.

59. Instead, Defendants doubled down, seeking to entrench their control of Sinovac. Without requesting approval from shareholders (or providing notice to Mr. Fu), on March 28, 2025, Sinovac issued another press release announcing the purported resignation of Defendant Cao and the purported appointment of yet another conflicted and non-independent director—Defendant Borho (the founder and Managing Partner of OrbiMed), to the Sinovac Board, and Borho's purported appointment as Chairman of the Board's Audit Committee. Sinovac incorrectly stated that the Board currently consists of Defendants Chiang Li, Pengfei Li, Wang, Lo, and Borho, and yet again deliberately excluded Mr. Fu. A copy of Sinovac's March 28, 2025 press release is attached hereto as Exhibit 4.

b. Defendants' Announcement of the Dividend Scheme

60. Sinovac disclosed in the February 28, 2025 press release that the new Board has been in communications with the NASDAQ in order to achieve a resumption of trading of Sinovac's shares. For the purpose of resuming trading, new Board also initiated a process to purportedly determine which shares of Sinovac are validly issued and outstanding.

61. On April 1, 2025, Sinovac announced in a public press release that the current Board had decided to declare a special cash dividend of \$55.00 per common share. and that "the current members of the Board are assessing certain corporate actions taken by the former board of directors of the Company after they ceded office" including the PIPE shares issued to Plaintiffs and their co-investor. While this press release noted that "an amount equal to the aggregate amount of cash" payable to Plaintiffs will "be set aside and retained by the Company pending final resolution of any issues with respect of [Plaintiffs'] shares based on the Board's assessment in

accordance with the [Privy Council's] Order and under the laws of Antigua and Barbuda," the promise is illusory—Defendants did not provide any details as to how this would be effected and appeared to suggest that they were prepared to unilaterally cancel Vivo's shares without a judicial determination.

62. If the Dividend Scheme is effectuated, Activist Defendants and Director Defendants together will receive more than one billion dollars.

c. Resignation of Sinovac's Auditor and Forthcoming Delisting Proceedings

63. In the same April 1, 2025 press release, Defendants also announced that the Board will "assess[] certain corporate actions taken by the former board of directors of [Sinovac]," as a pretext for the Dividend Scheme. This statement has destabilized Sinovac and precipitated a corporate governance crisis, leading to the resignation of Sinovac's independent auditor, Grant Thornton on April 15, 2025, after it had served as the company's auditor for four years. A copy of Sinovac's Form 6-K filed on April 21, 2025 announcing Grant Thornton's resignation is attached as Exhibit 5 to this Complaint.

64. As Sinovac disclosed, Grant Thornton resigned because, in light of the Board's reckless and vague statement casting doubt on the Company's prior corporate actions, Grant Thornton could no longer rely on the Company's resolutions and management representations for the past seven years in auditing Sinovac's financials and issuing opinions. Indeed, Grant Thornton stated that its "*non-reliance decision is a result of the Company's announcement on April 1, 2025.*"

65. Sinovac acknowledged that it has not been able to secure a replacement auditor and could not provide an expected timeline to do so.

66. Under the relevant SEC disclosure requirements, Sinovac is required to file its 20-F for the year ended December 31, 2024 by April 30, 2025, a deadline that Sinovac admitted that it would not be able to meet. Sinovac could not provide a date by which it would be able to file its 20-F. It instead stated that “the filing of such Form 20-F will be delayed until such audited financial statements are available.”

67. Because of its failure to timely file its 20-F, Sinovac must seek an extension from the SEC to file within 15 calendar days following the original due date. Accordingly, Sinovac will have (at most) until May 15, 2025 to file its 20-F, less than a month from now.

68. Given the strict timeline and Director Defendants’ unwillingness to course correct, Sinovac will almost certainly fail to file the 20-F even within the extended time period, under which circumstance the SEC will not allow further extensions and will consider Sinovac to be delinquent as of the original due date of the 20-F, *i.e.*, April 30, 2025.

69. Sinovac’s failure to timely file its 20-F will constitute a violation of Section 13(a) of the Exchange Act. As a result, the SEC may institute an administrative proceeding against Sinovac, among other things, seeking revocation of its registration under the Exchange Act.

70. Sinovac will also risk triggering a delisting proceeding from the NASDAQ. After Sinovac is deemed delinquent by the SEC, the NASDAQ will send a notification of deficiency to Sinovac and requests it to submit a plan of compliance within 60 calendar days, which may be shortened at the NASDAQ’s discretion. If Sinovac again fails to file its delayed 20-F prior to expiration of the grace period or if the NASDAQ does not accept Sinovac’s plan of compliance, the NASDAQ will then trigger the delisting proceedings.

71. As a result, Defendants' reckless and self-interested actions not only delay a potential resumption of NASDAQ trading of Sinovac's common stock, but also jeopardize the Company's ability to comply with U.S. securities laws and maintain its NASDAQ listing status.

72. This turn of events shocked Sinovac's management team, who were compelled by their fiduciary duty to issue a separate press release, a copy of which is attached hereto as Exhibit 6. In their press release, Sinovac's management team stated that the auditor's resignation "is deeply concerning, as it reflects that the actions taken by the current Board have caused disruption to the Company's compliant operations and governance."

73. As Sinovac's management team further noted, "it was under the leadership of the former board that SINOVAC achieved tremendous growth, expanded into multiple international markets, and significantly increased both revenue and shareholder value" and that "[a]ny attempt to unravel or reverse corporate actions taken by the former board would not only create operational chaos and legal uncertainty but would also undermine the Company's future growth."

74. On information and belief, Defendants have intentionally and recklessly casted doubt on the decisions made by the Prior Board since the 2018 AGM for the purpose of cancelling Vivo's shares in advance of the Dividend Scheme, and to award more cash distributions to themselves. Their self-dealing and breaches of fiduciary duty have jeopardized Sinovac's listing on the NASDAQ and compliance with federal securities laws, which will irreparably harm Vivo and Sinovac's other numerous shareholders by decreasing the value of their shares and depriving them of the ability to trade the shares on the NASDAQ.

75. To remedy the injuries caused by their actions and to prevent further irreparable harm to Sinovac and its shareholders, Defendants must be ordered to take all actions necessary to

validate Sinovac's status quo capital structure, file audited financials forthwith, and avoid delisting of the Company's stock from the NASDAQ.

FIRST CAUSE OF ACTION

(Breach of Fiduciary Duty Against Director Defendants)

76. Plaintiffs repeat and reallege each and every allegation contained above, as though fully set forth herein.

77. As directors of Sinovac and members of its corporate Board, Director Defendants owe fiduciary duties to Sinovac under the laws of Antigua and Barbuda.

78. As described herein, Director Defendants breached their fiduciary duties to Sinovac and have continued to breach their duties by knowingly and intentionally voting to approve the self-serving Dividend Scheme that benefits Director Defendants (and Activist Defendants) and places Directors Defendants' personal interests over those of Sinovac.

79. By approving the Dividend Scheme for solely self-interested purposes, Director Defendants have knowingly, intentionally, recklessly, and/or negligently breached their fiduciary duties owed to Sinovac, and will thereby cause Sinovac to waste its assets or expend funds to the express benefit of Director Defendants.

80. In addition, as described herein, Director Defendants breached their fiduciary duties to Sinovac and have continued to breach their duties by intentionally and reckless casting doubt on the validity of Board actions taken over the last seven years, causing the resignation of Sinovac's independent auditor, thereby jeopardizing Sinovac's compliance with federal securities laws and NASDAQ rules, and diminishing the value of the Company.

81. The chaos caused by Director Defendants' intentional and reckless actions has been severely detrimental to Sinovac, and the risks the Company now faces in light of Director Defendants' breaches of fiduciary duty do not have any adequate remedy at law.

SECOND CAUSE OF ACTION

(Aiding and Abetting Breach of Fiduciary Duty Against Activist Defendants)

82. Plaintiffs repeats and realleges each and every allegation contained above, as though fully set forth herein.

83. Activist Defendants have, at all times, directed the actions of Director Defendants, including as to the approval of the Dividend Scheme in breach of Director Defendants' fiduciary duties to Sinovac.

84. Activist Defendants have also, at all times, directed the actions of Director Defendants, including as to Director Defendants' intentional and reckless decision to cast doubt on the validity of Sinovac's corporate actions for the past seven years, causing the Company's auditor to resign, thereby jeopardizing its compliance with federal securities laws and NASDAQ rules, and diminishing the value of the Company.

85. As a result, Activist Defendants aided and abetted Director Defendants' breach of fiduciary duty and are liable for such breach.

NOTICE OF INTENT TO RAISE ISSUES UNDER FOREIGN LAW

86. Pursuant to CPLR 3016 and CPLR 4511, Plaintiffs hereby give notice of their intent to raise issues under the laws of Antigua and Barbuda, including but not limited to, the law governing Plaintiffs' derivative standing, Director Defendants' and Activist Defendants' fiduciary duties to Sinovac, and their breach of such duties. Specifically, Plaintiffs will demonstrate that Plaintiffs have derivative standing to assert causes of action for breach of fiduciary duty and aiding and abetting breach of fiduciary duty under the exception to the *Foss v. Harbottle* rule permitting derivative claims where there has been a fraud on minority shareholders. Plaintiffs intend to offer expert testimony, documents, and other relevant materials or sources to the Court to determine the foreign law at issue.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray for relief as follows:

- a. A mandatory injunction, temporarily, preliminarily, and permanently directing Director Defendants to take all actions necessary to (1) validate Sinovac's status quo capital structure and (2) file audited financials forthwith in order to avoid delinquency of its SEC filing status and delisting of Sinovac's stock from the NASDAQ;
- b. A mandatory injunction temporarily, preliminarily, and permanently enjoining Defendants from effectuating the Dividend Scheme;
- c. In the alternative, an award of compensatory damages against Defendants, jointly and severally, to Sinovac in an amount to be determined at trial;
- d. An award of attorneys' fees and costs; and
- e. Such other and further relief as the Court deems just and proper.

Dated: April 22, 2025

Respectfully submitted,

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