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Vital Innovations Holdings Limited

維太創科控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 6133)

VOLUNTARY ANNOUNCEMENT

MEMORANDUM OF UNDERSTANDING IN RELATION TO POSSIBLE ACQUISITION OF CERTAIN EQUITY INTEREST IN THE TARGET COMPANY

This announcement was made by Vital Innovations Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

MEMORANDUM OF UNDERSTANDING

The board of directors (the “**Board**”) of the Company is pleased to announce that on 20 December 2024 (after trading hours), the Company and Shenzhen New Fruit Information Partnership Enterprise (Limited Partnership) (深圳市新果實信息合夥企業(有限合夥)) (the “**Vendor**”), a third party independent of the Company and its connected persons, together with the Company, collectively, the “**Parties**” and each a “**Party**”, entered into a non-legally binding memorandum of understanding (the “**MOU**”) in relation to potential acquisition of certain equity interest in New Four Seasons Technology Company Limited* (江西新四季科技有限公司) (the “**Target Company**”), a company incorporated in People’s Republic of China, held by the Vendor, pursuant to which the Company proposed to acquire and the Vendor proposed to dispose not less than 20% of the total equity interest of the Target Company (the “**Proposed Acquisition**”).

The MOU will be valid for a period of 1 year from 20 December 2024 and no deposit payment is required.

Key terms of the MOU

Date: 20 December 2024

Parties: (i) the Vendor; and

(ii) the Company.

Subject Matter: The Company proposed to acquire and the Vendor proposed to dispose not less than 20% of the total equity interest of the Target Company

Conditions Precedent

The conditions precedent for the Parties to proceed with the Proposed Acquisition are as follows:

- (i) the Company being satisfied with the results of the due diligence review on the Target Company and its assets, business operations and documents, as well as on the applicable legal, tax and regulatory requirements for the Proposed Acquisition;
- (ii) the Parties having entered into the formal agreement for sale and purchase in relation to the Proposed Acquisition;
- (iii) the issuance of a PRC legal opinion by the PRC legal advisers approved by the Company;
- (iv) the Proposed Acquisition contemplated having been approved by the shareholders of the Company at a general meeting (if required under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)); and
- (v) the Parties having each obtained all necessary authority, consents and approval from regulatory authorities in relation to the Proposed Acquisition.

INFORMATION OF THE TARGET COMPANY

The Target Company is a company incorporated in the PRC with limited liability, with principal activities of provision of products and services including mobile phones, Artificial Intelligence (AI), smartphone camera modules, iris recognition modules, speakers and receiver, educational equipment: and drone modules. The manufacturing facilities of the Target Company are located in Jiangxi, the PRC. Currently, the Target Company has approximately 20 customers. The major customers of the Target Company include large mobile phone and smart phone manufacturer in the PRC and large drone manufacturer in the PRC.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE MOU

The Company is primarily engaged in the provision of products and services including mobile phones, smartphones, Artificial Intelligence (AI), and other equipment and related business which encompasses research and development, design, engineering, material sourcing, supply chain management, logistics, and services activities to Target Company markets. The Group’s main business is to provide a diverse range of services to wholesalers and resellers by leveraging its extensive understanding of telecommunication technology and a large network of technological and service provider partners.

The Company has continuously been exploring suitable investment opportunities. According to the management of the Company and interim report of the Company for the six months ended 30 June 2024, the management of the Company are of the view that the development of artificial intelligence can leverage the Group's core competencies in advanced manufacturing and technological services.

GENERAL

As at the date of this announcement, the terms and conditions of the Proposed Acquisition are still being negotiated and no legally binding agreement has been entered into. Further announcement(s) will be made by the Company as and when appropriate in compliance with the Listing Rules.

The Board would like to remind that, as at the date of this announcement, no legally binding agreement has been entered into. Accordingly, the transaction contemplated under the MOU may or may not proceed. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Vital Innovations Holdings Limited
Rong Xiuli
Chairperson

Hong Kong, 27 December 2024

As at the date of this announcement, the Board comprises Ms. Rong Xiuli, Mr. Rong Shengli, Mr. Yin Xuquan and Mr. Wong Ho Chun as executive directors; and Mr. Han Xiaojing, Mr. Wong Pong Chun James and Mr. Leung Man Fai as independent non-executive directors.

* *For identification purpose only*