OUR CONNECTED PERSON

Prior to the **[REDACTED]**, our Group will enter into certain transaction with the following connected person, which will constitute our continuing connected transaction upon **[REDACTED]**:

Names of our connected person	Connected Relationship
Mr. Mo	Mr. Mo is the chairman of the Board and executive Director, and one of our Controlling Shareholders, and therefore a connected person of our Company
Ms. Cheung	Ms. Cheung is an executive Director and one of our Controlling Shareholders, and therefore a connected person of our Company
ACME HEALTHTECH	ACME HEALTHTECH is owned as to 70% and 30% by Mr. Mo and Ms. Cheung respectively. Therefore, ACME HEALTHTECH is an associate of Mr. Mo and Ms. Cheung, and hence a connected person of our Company

FULLY-EXEMPT CONTINUING CONNECTED TRANSACTION

Licensing Agreement

Background

On [•], VG Zenith, as licensee, entered into a licensing agreement (the "**Licensing Agreement**") with Mr. Mo, Ms. Cheung and ACME HEALTHTECH, as licensors (collectively, the "**Licensors**"), pursuant to which (i) Mr. Mo and Ms. Cheung agreed to grant to VG Zenith a non-exclusive and worldwide license of the relevant registered patents, registered designs and patent and design applications as notified by Mr. Mo and Ms. Cheung to VG Zenith from time to time (the "**Licensed Patent and Design**") in relation to the manufacture and use of certain treatment devices for pain management and function enhancement used by VG Zenith for its business and operations (the "**Licensed Products**") on a royalty-free basis; and (ii) ACME HEALTHTECH agreed to grant to VG Zenith a non-exclusive and worldwide license of the relevant registered trademarks and trademark applications as notified by ACME HEALTHTECH to VG Zenith from time to time (the "**Licensed Trademark**") in relation to the manufacture and use of the Licensed Products on a royalty-free basis. The term of the Licensing Agreement will be effective from the **[REDACTED]** and continue in force for a period of ten years from the **[REDACTED]**, unless terminated in accordance with its terms.

Listing Rules implications

As the license of the Licensed Patent and Design and the Licensed Trademark (collectively, the "**Licensed IP**") under the Licensing Agreement are granted to us on a royalty-free basis and on normal commercial terms or better, the transactions contemplated under the Licensing Agreement fall within the de minimis threshold under Rule 14A.76(1) of the Listing Rules, and the entering into of the Licensing Agreement will be fully exempt from the reporting, annual review, announcement and independent shareholders' approval requirements under Chapter 14A of the Listing Rules pursuant to Rule 14A.76(1) of the Listing Rules.

As required by Rule 14A.52 of the Listing Rules, the period for the agreement for a continuing connected transaction must not exceed three years, except in cases where nature of the transaction requires the agreement to be of a duration longer than three years. VG Zenith has been using the Licensed IP for certain treatment devices in its ordinary course of business since FY2026. The Directors are of the view that the Licensing Agreement was entered into on normal commercial terms or better and a longer duration of the Licensing Agreement will avoid any unnecessary business interruption of VG Zenith as part of our Group and ensure the long-term stable business operations and development of VG Zenith, and it is normal business practice for the Licensing Agreement of similar type to be entered into for such duration. The Directors are of the view that the terms of the Licensing Agreement are fair and reasonable, and it is in the interests of our Company and the Shareholders as a whole to enter into the Licensing Agreement with a term longer than three years. The Sole Sponsor agrees with the Directors' view and concurs that it is a normal business practice for similar Licensing Agreement to be of a term of longer than three years, and nothing has come to the attention of the Sole Sponsor that would cause them to doubt the Directors' view.

Accordingly, we have applied for, and the Stock Exchange [has granted], a waiver from strict compliance with Rule 14A.52 of the Listing Rules such that the term of the License Agreement can be of a fixed term which exceeds three years.