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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)

QUARTERLY UPDATE ON IMPLEMENTATION OF ACTION PLAN TO RESOLVE AUDITOR'S DISCLAIMER OF OPINION

References are made to the annual report of Vital Innovations Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") for the year ended 31 December 2025 ("**FY2025**") published on 30 April 2026 (the "**2025 Annual Report**"), the interim results announcement and the interim report of the Company for the six months ended 30 June 2026 and published on 26 August 2026 and 21 September 2026 respectively, and the quarterly update announcement of the Company dated 31 July 2026 on the implementation of action plan to resolve the auditor's disclaimer of opinion (the "**Previous Announcement**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those used in the 2025 Annual Report.

As disclosed in the 2025 Annual Report, the Auditor did not express an opinion on the consolidated financial statements of the Group for FY2025 (the "**Disclaimer of Opinion**") due to multiple uncertainties relating to going concern, and scope limitation regarding prepayments and deposit and impairment assessment of trade receivables, the details of which are set out on pages 61 to 65 of the 2025 Annual Report. The Group has been and will continue to implement the action plan as set out on the 2025 Annual Report (the "**Action Plan**") to address the Disclaimer of Opinion.

In the Previous Announcement, the Group has provided updates on the implementation of the Action Plan as at 31 July 2026. The Group wishes to provide further updates on the implementation of the Action Plan during the period from 1 August 2026 and up to the date of this announcement (the "**Relevant Period**") as follows:

(i) In terms of the implementation of measures to speed up the collection of outstanding trade receivables and request for the refund of prepayment and deposits from the suppliers, including without limitation, consulting legal advisors and taking appropriate legal actions against the relevant parties:

(a) During the Relevant Period, the Company has further recovered approximately RMB1.5 million of the outstanding prepayments and deposit and approximately RMB4,460,000 of the outstanding trade receivables. Therefore, as at the date of this announcement, the Company has successfully recovered an aggregate of approximately RMB47.5 million of the outstanding prepayments and deposit and approximately RMB22,460,000 of the outstanding trade receivables since January 2026; and

(b) as at the date of this announcement, the Company has, through its legal counsel, issued legal letters to the relevant suppliers of the Group in relation to the arrangements on the recovery of the overdue prepayments and deposit, involving a total amount of approximately RMB449,210,000, of which the Company has recovered approximately RMB1,090,000 as at the date of this announcement. The Company will continue to retain and provide the relevant supporting documents to the external auditors of the Company, including bank receipts, refund/delivery/settlement records, correspondence with suppliers/customers, legal correspondence and updated impairment/recoverability assessments, with a view to enabling the auditors to perform audit procedures during the next audit cycle.

(ii) The Company has continued to implement measures to accelerate its product sales and to speed up the reduction in outstanding prepayments and deposits to suppliers.

In respect of the trading of mobile and smart appliances, as set out in the announcement of the Company dated 30 September 2026, the Group has made progress on the introduction of satellite professional terminals through centralised procurement and tendering arrangements and has generated revenue for the sale of satellite phone products in the amount of RMB6,944,248 for the three months ended 30 September 2026. In terms of the trading of branded mobile phones, in view of the current market conditions resulting in low or even negative profit margin, the Group has adopted a wait-and-see approach during August and September 2026. However, during October 2026, due to improvement in market conditions, the Group has generated revenue for the sale of branded mobile phones (being Reekoo smartphones) in the amount of RMB2,222,800.

In respect of the trading of LED products, the Group targets at the overseas LED market. It was expected that the revenue from trading of LED products would have improved gradually in the second half of year 2026. However, the persistent appreciation of RMB has eroded the Group's gross profit margin on these products. The Group has therefore currently suspended taking delivery of goods to avoid incurring losses. The Group will closely monitor the situation and continue to discuss the commercial arrangement with its business partners with a view to generate revenue and profit from this business in the final quarter of 2026.

As part of the ongoing measures, the Group will also continue to implement operational plans to control costs and generate sufficient cash flows to meet its current and future financial obligations, and will continue to take active measures to control administrative costs and unnecessary capital expenditures to improve the liquidity to support operations. If necessary, the Group will negotiate with a substantial shareholder to obtain financial support and comply with applicable requirements under the Listing Rules (as appropriate).

The Audit Committee has reviewed this quarterly update announcement and the progress in implementation of the Action Plan. The Audit Committee notes that while there is some progress on the recovery of prepayment, deposits and trade receivables and the generation of revenue from some of its businesses, the progress has fallen behind expectation. The Audit Committee has questioned management on the causes of such delays and the measures currently in place and requested a revised plan. The Audit Committee is aware that each measure under the Action Plan is subject to material uncertainties. It will continue to monitor the management's implementation of the Action Plan and maintain communications with the auditor.

The Board will continue to use its best endeavours to implement the Action Plan with an aim to resolving the Disclaimer of Opinion as soon as possible. The Company will publish further announcement(s) to keep the Company's shareholders and potential investors informed of the status of implementation of the Action Plan as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange has been suspended with effect from 9:00 a.m. on Wednesday, 1 April 2026 and will remain suspended until further notice. The Company will make further announcement(s) as appropriate or as required under the Listing Rules and the SFO.

Shareholders of the Company and potential investors are advised to exercise caution in dealing in the Shares.

By order of the Board
Vital Innovations Holdings Limited
Rong Xiuli
Chairperson

Hong Kong, 30 October 2026

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.