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維奧醫藥控股有限公司
Vital Pharmaceutical Holdings Limited

(Incorporated in Cayman Islands with limited liability)

(Stock code: 1164)

ANNOUNCEMENT

PRICE SENSITIVE INFORMATION

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Vital Pharmaceutical Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) announces that the Group may discontinue its packing process and sale of Osteoform calcium amino acid chelate capsule, which registered with the State Food and Drug Administration in the PRC (the “SFDA”) as a drug for the prevention and treatment of diseases caused by calcium deficiency (the “Osteoform”), the flagship pharmaceutical product of the Group. On 11 March 2009, the Company received a written notice from Pharmco International Inc. (“Pharmco”), the sole supplier of the Group of Osteoform, in regard to uncertainties of renewing import drug license of Osteoform. Not until the import drug license has been renewed, it may lead to the possible termination of supply of Osteoform by Pharmco to the Group for medical purpose. With the shortage of Osteoform, the Group cannot carry on its packing process and sale of Osteoform in the PRC. Based on the information available and to the best knowledge of the board (the “Board”) of directors (the “Directors”) of the Company, Pharmco is the sole supplier of Osteoform. The reason of the aforesaid possible termination of supply is the expiration of an import drug license of Osteoform (license number H20030216) issued by the SFDA. The Group understands that Pharmco is now undergoing renewal process and discussions with SFDA. Shareholders of the Company should note that the major uncertainties of the renewal process are the time required for renewal and whether renewal of the import drug license of Osteoform will be successful.

In view of the possible discontinuation of packing process and sale of Osteoform, the Group intends to diversify its product range based on the Group’s relevant experiences and expertise.

It should be noted that the main source of income of the Group derives from the sale of Osteoform in the PRC. As stated in the Company’s unaudited results for the nine months ended 30 September 2008 announcement, the revenue attributed to the sale of Osteoform by the Group for the nine months ended 30 September 2008 amounted to approximately HK\$473 million, representing approximately 89% of the total revenue of the Group for the relevant period. The Directors are of the view that the possible discontinuation of the sales of

Osteoform may have a material adverse impact on the Group's revenue in the financial year of 2009. Notwithstanding this, it should also be noted that future profitability of the Group will depend on its sustainability in sale of Osteoform and the success in the implementation of its diversification plan.

Nevertheless, this announcement is made based on a preliminary assessment of the currently available information to the Group provided by the Board, while Pharmco is now undergoing the renewal application. As at the date of this announcement, Pharmco has not received outcome from the SFDA. The Company is using its best endeavours to cooperate with Pharmco in the renewal application and hopes that a successful renewal would follow as soon as possible. Further announcement will be made by the Company as and when there are any material developments to the above matters.

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

The Board as at the date of this announcement comprises six executive directors: Mr. Tao Lung, Mr. Huang Jianming, Mr. Xu Xiaofan, Mr. Shen Songqing, Mr. Liu James Jin, and Madam Guo Lin; and three independent non-executive directors: Mr. Lui Tin Nang, Mr. Lee Kwong Yiu and Mr. Chong Cha Hwa.

By order of the board of
Vital Pharmaceutical Holdings Limited
TAO Lung
Chairman

Hong Kong, 12 March 2009