



Vital

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14 March 2025

Takeovers Panel orders Empire to reimburse Vital's takeover expenses

Vital Limited (NZX: VTL) advises that yesterday evening the Takeovers Panel made a determination and issued an order regarding the takeover expenses that were incurred by Vital in response to Empire Technology Limited's (Empire) takeover proposals.

Under the Takeovers Act, Empire is required to reimburse Vital for its properly incurred takeover expenses. Vital provided Empire with an invoice for its properly incurred expenses in September 2024 (amounting to \$247,036) but Empire did not pay or offer to pay any of those expenses and did not acknowledge or accept that any of those expenses were properly incurred. Accordingly, in December 2024 Vital made a formal request for the Takeovers Panel to determine the amount of expenses that Empire must reimburse to Vital.

In its determination, the Takeovers Panel concluded that Vital is entitled to be reimbursed for the full invoiced amount of \$247,036, and has ordered that Empire pay that amount to Vital.

In separate High Court proceedings commenced in December, Empire sought orders to the effect that it is not required to reimburse any of Vital's takeover expenses and that Vital pay to Empire the amount of Empire's takeover expenses (\$108,424.70 plus interest and costs) based on various claims, including that Vital failed to disclose certain information to the market. In this regard, Vital notes that the Takeovers Panel's determination states that NZ RegCo "has confirmed to the Panel that NZ RegCo has made enquiries into Empire's claims of breaches of continuous disclosure but, based on the information available to NZ RegCo, would not be taking any further investigative actions in relation to the matter at this time".

Empire has not advanced its High Court proceedings since they were commenced. They are currently paused until Empire provides further particulars of the claim, and further disclosure in relation to it, and Empire has agreed that Vital will take no steps in the meantime. If the claim is maintained by Empire, it will be comprehensively defended.

Vital was always confident that it had complied with its relevant obligations and welcomes the Takeovers Panel determination, which is in the interests of all shareholders.

John McMahon
Vital Chair

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ENDS