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WELIFE TECHNOLOGY LIMITED

維力生活科技有限公司

(formerly known as Palace Banquet Holdings Limited 首禮控股有限公司)

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1703)

SUPPLEMENTAL ANNOUNCEMENT

IN RELATION TO RENUMERATION AGREEMENT WITH

JASONS HOLDINGS (SHENZHEN) COMPANY LIMITED*

AND

TERMINATION OF ISSUANCE OF NEW SHARES UNDER

GENERAL MANDATE

This announcement is made by Welife Technology Limited (formerly known as Palace Banquet Holdings Limited) (the “**Company**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571).

Reference is made to the announcements of the Company dated 24 June 2022 and 14 July 2023 (collectively, the “**Announcements**”) in relation to, among other things, (i) the entering of the Strategic Cooperation Framework Agreement, the Business Development Consultancy Agreement and Remuneration Agreement between the Company and Jasons Holdings (Shenzhen) Company Limited*, and (ii) the proposed issuance of new shares of the Company under general mandate. Unless otherwise stated, capitalised terms contained herein shall have the same meanings as those defined in the Announcements.

BACKGROUND

Pursuant to the Business Development Consultancy Agreement, Jasons Holdings will, among other things, (i) select various premium food and beverage brands from its big data database and introduce the same to the Company, and (ii) organize various promotional events in different provinces in the PRC for the sales and marketing of the Group. During the period between July 2022 and June 2023, Jasons Holdings has provided various services to the Company and performed its obligations under the Business Development Consultancy Agreement accordingly.

To remunerate Jasons Holdings of its services offered under the Business Development Consultancy Agreement, on 14 July 2023, the Company has entered into the Remuneration Agreement, pursuant to which the Company has agreed to pay Jasons Holdings the Consultancy Fee by allotting and issuance of the Consideration Shares to Jasons Holdings, subject to the conditions precedent contained therein. As disclosed in the Announcements, the Consultancy Fee was arrived at after arm's length negotiations between the Company and Jasons Holdings on normal commercial terms with reference to, without limitation (i) the number of premium food and beverage brands introduced to the Company by Jasons Holdings; (ii) the number of promotional events held or arranged by Jasons Holdings for the sales and marketing of the Company; and (iii) the expenses incurred by Jasons Holdings in relation to the performance of its obligations under the Business Development Consultancy Agreement.

LATEST DEVELOPMENT OF THE REMUNERATION AGREEMENT

Having reviewed the latest economic environment, market conditions, business strategy of the Group and the services provided by Jasons Holdings under the Business Development Consultancy Agreement, the Board is of the view that the proposed issuance of the Consideration Shares is no longer suitable in the circumstances. Accordingly, the Company will not issue the Consideration Shares to Jasons Holdings in payment of the Consultancy Fees. Despite that application has been made to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares on the Stock Exchange, application will be made to the Stock Exchange to withdraw such application. As a result of which, no Consideration Shares will be issued and allotted and the conditions precedent under the Remuneration Agreement will not be fulfilled.

The Company is in active discussions with Jasons Holdings with the view to determine and agree upon its remuneration under the Business Development Consultancy Agreement, including the amount and the manner upon which Jasons Holdings shall be paid. As at the date of this announcement, no agreement has been reached between the Company and Jasons Holdings. Further announcements will be made by the Company if and when appropriate.

TERMINATION OF PROPOSED ISSUE OF NEW SHARES UNDER GENERAL MANDATE

As disclosed above, despite that application has been made to Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares on the Stock Exchange, application will be made to the Stock Exchange to withdraw such application.

Shareholders and potential investors are advised to exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

By order of the Board
Welfare Technology Limited
Hu Zhi Xiong
Chairman

Hong Kong, 17 November 2023

As at the date of this announcement, the non-executive Director is Mr. Hu Zhi Xiong and the executive Director is Mr. Tam Kar Wai.

* *For identification purpose only*