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Hong Kong Life Sciences and Technologies Group Limited

香港生命科學技術集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8085)

QUARTERLY UPDATE ON SUSPENSION OF TRADING

This announcement is made by Hong Kong Life Sciences and Technologies Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.26A of the Rules Governing the Listing of Securities on GEM (the “**GEM Listing Rules**”) of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”).

References are made to the announcements of the Company dated 4 July 2019, 16 July 2019, 4 October 2019 and 2 January 2020.

According to the resumption guidance to the Company as stated in the announcement of the Company dated 16 July 2019, the Company is required to demonstrate compliance with Rule 17.26 of the GEM Listing Rules.

UPDATE ON THE GROUP

The board of directors (the “**Board**”) of the Company wishes to provide an update on the developments of the Company, and progress towards resumption of trading as follows.

1. Business operations

The Group is principally engaged in (i) anti-aging and stem cell technology businesses; (ii) trading business; (iii) money lending business; and (iv) securities investment business. The Group has been continuing its existing and normal business operations before and after the suspension of trading of the Company’s shares on 5 July 2019.

As disclosed in the Company’s announcements dated 27 September 2019 and 4 October 2019 and as explained in the Third Quarterly Report 2018/19, the Company has entered into certain renovation contracts (including those contracts which constitute discloseable

transactions of the Company as disclosed in the announcement of the Company dated 27 September 2019). Due to the sudden and rapid outbreak of the novel coronavirus (“**COVID-19**”) across Asia, the United States, Europe and the Middle East as well as the civil unrest and the disruption in Hong Kong society which caused delays in the delivery of materials and machinery to be installed in the new laboratory, the fitting-out works for the new laboratory had been hindered and delayed. As disclosed in the Third Quarterly Report 2019/20 dated 14 February 2020, it was expected that the fitting-out works for the new laboratory would only be completed in June 2020. In the meantime, the Company is still operating its existing laboratory in Shatin.

The World Health Organization has declared the spread of COVID-19 has become a pandemic after the disease was first detected in China during December and quickly spread to more than 100 locations around the world. The Board has noted that the economy of Hong Kong and China have been unavoidably adversely affected which has continued to cause serious effect on the Company’s existing operations due to disruption of social and business activities as well as weakened sentiment in the consumption. Our targeted customers of anti-aging and stem cell technology business, many of whom are from China have either cancelled or postponed indefinitely to come to Hong Kong for taking our services until the uncertainties and safety risk are resolved. The Board is hopeful that when the new laboratory is completed and become operational, the uncertainties and safety risk in Hong Kong would have ceased and the Company would then be able to capture the upturn of the market.

2. Resumption plan

Our Board is confident that the Group’s anti-aging and stem cell technology business (the “**Cell-Tech Business**”) is a sustainable and viable business with great potential for future growth, which in the past was severely affected by incidents carried out by other third party service providers, and the uncertain legal and regulatory aspects due to the legal proceedings of the said incidents.

As reported in our Interim Report 2018/19, our Board has reviewed the judgments of the said legal proceedings and the consultation conclusions by the Department of Health, Hong Kong, which has clarified the position of the industry and the Company’s position in the industry. Our Board considers that the Cell-Tech Business complies with the existing regulations and has been proactively establishing a new laboratory to cater for future upgrade of the necessary standards and procedures by following the market standards in other leading countries, where the industry in Hong Kong is generally and likely to be adopted.

Our Board has been negotiating and marketing our Cell-Tech Business since then, but unfortunately, our marketing exercise was firstly being hindered by the shocking decision of the Stock Exchange that our Company's business was unsustainable and not viable, which has casted a negative impression on our Group's image and negatively impacted our Group's ability to successfully enter into agreements with certain suppliers, agents and potential partners. Since then, our Group had to face and endure the ongoing widespread social unrest in Hong Kong which has further and severely hindered our potential customers (which are middle class customers mainly from China and South East Asia) which we have been targeting to come to our Hong Kong office/laboratory for our Cell-Tech Business services. To further exacerbate the situation, the global coronavirus pandemic has almost extinguished our remaining interested and potential customers to travel to Hong Kong for possible treatment in the near and medium term.

Nevertheless, our Board is confident that when the adverse situations are stabilised or controlled, our Group would be able to pick up the business because our laboratories and personnel are ready for business.

In view of the extremely unfavorable market situations, our Board has been re-evaluating and re-formulating details of the resumption plans. The Company will seek guidance from the Stock Exchange and will use its best endeavours to devise a realistic and satisfactory resumption plan in the interests of the Company and its shareholders as a whole.

The Company will keep the shareholders of the Company (the "**Shareholders**") and potential investors informed of the progress on the implementation of the resumption plan and resumption timetable by making further periodic announcements as required under the GEM Listing Rules.

3. Material Change

The Company will publish announcements to update the Shareholders and potential investors of any major changes to the Group, as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company has been suspended from 9:00 a.m. on 5 July 2019 and will remain suspended until further notice.

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

By Order of the Board
Hong Kong Life Sciences and Technologies Group Limited
Lu Zhiqiang
Executive Director and Chief Executive Officer

Hong Kong, 3 April 2020

As at the date of this announcement, the Board comprises (i) six executive Directors, namely Mr. Lu Zhiqiang, Mr. Chui Kwong Kau, Mr. Zhang James Jian Yuan, Dr. Sun Yu, Mrs. Cheung Fan Karen and Mr. Lau Ngai Cheung; and (ii) three independent non-executive Directors, namely Mr. Hung Yat Ming, Mr. Chan Yun Hing and Mr. Tang Hua.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for a minimum period of seven days from the date of its publication and on the Company’s website at <http://www.hklifesciences.com>.