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CHINA BIOTECH SERVICES HOLDINGS LIMITED

中國生物科技服務控股有限公司

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock code: 8037)

POSITIVE PROFIT ALERT

This announcement is made by China Biotech Services Holdings Limited (“**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10(2)(a) of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”) and the Inside Information Provisions (as defined under the GEM Listing Rules).

The board (“**Board**”) of directors (“**Directors**”) of the Company wishes to inform the shareholders of the Company (“**Shareholders**”) and potential investors that based on the latest information currently available to the Board including the unaudited consolidated management accounts of the Group for the year ended 31 December 2020 (“**2020 Year**”), the Group is expected to record a net profit of not less than HK\$140,000,000 for the 2020 Year as compared to the net loss of approximately HK\$107,483,000 recorded for the corresponding period in 2019. The Board considers that the expected turnaround from the net loss for the 2019 Year to the net profit for the 2020 Year was mainly attributable to (i) substantial increase in demand for COVID-19 testing services due to third wave of COVID-19 infection in mid-July in Hong Kong; (ii) one of participants of COVID-19 testing services under Universal Community Testing Programme for Hong Kong citizens; (iii) a robust growth in revenue and gross profit from medical laboratory testing services and health check service segment with strategic development and marketing and promotion campaigns; and (iv) no impairment loss on intangible assets (2019 Year: HK\$28,838,000) attributable from medical laboratory testing services and health check services segment for the 2020 Year.

The information contained in this announcement is only based on the preliminary assessment by the Board with reference to the latest information currently available to the Board which has not been reviewed nor audited by the auditors of the Company and may be subject to change. The Group is still in the process of finalising the audited consolidated annual results for the 2020 Year (“**Annual Results**”), subject to the final results of assessment and valuation against the Group’s relevant assets which may record impairment losses for the 2020 Year. The actual figures to be announced in the Annual Results may be different from those disclosed in this announcement. Shareholders and potential investors of the Company are advised to read the Annual Results carefully, which are expected to be announced in late of March 2021.

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

By order of the Board
China Biotech Services Holdings Limited
Liu Xiaolin
Co-Chairman and Executive Director

Hong Kong, 1 March 2021

As at the date of this announcement, the board of Directors comprises six executive Directors, namely, Mr. Liu Xiaolin (Co-Chairman), Mr. Yao Michael Yi (Co-Chairman), Mr. He Xun, Mr. Huang Song, Mr. Leung Pak Hou Anson and Mr. Wang Zheng; and three independent non-executive Directors, namely, Mr. Yan Guoxiang, Dr. Ho Ivan Chun Kit and Mr. Qian Hongji.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules 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 Listed Company Announcements” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.cbshhk.com.