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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)

PROFIT WARNING

This announcement is made by China Biotech Services Holdings Limited (the "**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 (the "**GEM Listing Rules**") and Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**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 2024 ("**FY2024**"), the Group is expected to record a net loss attributable to the owners of the Company of approximately HK$180,000,000 (the "**Loss**") for the FY2024 compared with a net loss that of approximately HK$95,447,000 for the year ended 31 December 2023, representing a significant increase in net loss attributable to the owners of the Company of approximately HK$84,553,000. The Board considers that the increase in net loss in the FY2024 was mainly attributable to (i) a reduction in revenue stemming from the diminished demand for COVID-19 nucleric acid tests and the intensified market competition of medical laboratory testing services and health check services segment in the post-pandemic era; (ii) an one-off write-off of property, plant and equipment and inventories of approximately HK$16,169,000 and HK$5,089,000 respectively in relation to the shutdown of the COVID-19 nucleric acid testing facilities; (iii) an one-off loss on write-off of property, plant and equipment of approximately HK$25,988,000 due to the impact of typhoon in October 2024 on the boron neutron capture therapy project (the "**BNCT Project**") in Hainan, the People's Republic of China; (iv) an one-off deferred loss of convertible bonds issued in 2022 amounting to approximately HK$26,993,000; (v) an increase of approximately HK$4,268,000 in research and development costs from the chimeric antigen receptor T-cell segment; and (vi) an increase in finance costs of approximately HK$6,343,000 arising from additional bank and other borrowings for general working capital and the BNCT Project.

In addition, there is a possible impairment loss on the intangible assets in respect of the Group's subsidiaries in the provision of medical laboratory testing services and health check services segment of the Group based on the Group's preliminary discussions with an independent professional valuer. The exact amount of impairment is yet to be ascertained depending on the valuation and subject to audit. The reason for such potential impairment loss was mainly due to the intensified market competition and weakened consumption sentiments in the medical laboratory testing services and health check services in Hong Kong which have direct impacts on the revenue and profitability of the Group.

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 by the audit committee or 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 FY2024 ("**Annual Results**"), subject to the final results of assessment and valuation against the Group's relevant assets which may lead to the recognition of impairment losses for FY2024. 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 March 2025.

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
Chairman and Executive Director

Hong Kong, 3 March 2025

As at the date of this announcement, the Board comprises three executive Directors, namely, Mr. Liu Xiaolin (Chairman), Mr. He Xun and Mr. Huang Song; and three independent non-executive Directors, namely, Mr. Yan Guoxiang, Dr. Guo Yuantao and Mr. Qian Hongji.