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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)

SUPPLEMENTAL ANNOUNCEMENT

DISCLOSEABLE TRANSACTION

INVESTMENT IN A SUBSIDIARY OF THE COMPANY BY AN INVESTOR

Reference is made to the announcement of China Biotech Services Holdings Limited dated 11 July 2025 in relation to the Investment by BGI Songhe in Pengbo (Hainan) (the “**Announcement**”). Unless the context otherwise requires, terms defined in the Announcement shall have the same meaning when used in this announcement.

The Company would like to provide the following supplemental information on the Investment.

Transaction Structure

Under the relevant laws and regulations in the PRC, PRC entities are required to complete certain filings with the relevant PRC government authorities for their overseas direct investments (ODI) (including filing with the local development and reform commission and subsequent registration with the local administration of foreign exchange). Such filings are to regulate and monitor outbound direct investments made by PRC enterprises or individuals. As BGI Songhe, a PRC enterprise, is making an outbound direct investment through the subscription of shares in Dynamic Healthcare, which is a company incorporated in the British Virgin Islands, ODI filing is required for this investment and it normally takes one to three months to complete.

The transaction structure is designed in a way such that before completion of the ODI Filing, BGI Songhe will provide the investment amount to Pengbo (Hainan) through the Loan (which is not subject to ODI Filing) and obtain the Warrant from Dynamic Healthcare, in order for Pengbo (Hainan) to utilise the investment amount as early as possible. Pengbo (Hainan) will repay the Loan upon the completion of ODI Filing, and thereafter BGI Songhe will exercise the Warrant for subscription of shares in Dynamic Healthcare.

Number of Warrant Shares

BGI Songhe's shareholding in Dynamic Healthcare upon the issue of the Warrant Shares shall be determined in accordance with the following formula, expressed as a percentage:

$$30,000,000 / (450,000,000 + \text{total amount of Series A financing})$$

The parameters of the formula are as follows:

- (i) "30,000,000" is the amount (in RMB) of BGI Songhe's Investment; and
- (ii) "450,000,000" is the pre-money valuation (in RMB) of the Dynamic Healthcare Group adopted for the Series A financing.

Assuming that no other subscription of shares in Dynamic Healthcare is involved in Series A financing, BGI Songhe will hold a maximum of 6.25% of the issued share capital of Dynamic Healthcare as enlarged by the issue of the Warrant Shares to BGI Songhe and the shares to be issued to Jiabao Zhongzhi (Hainan) (the platform of the share award scheme of Pengbo (Hainan)) and, as illustrated in the shareholding table below, a total of 3,333 Series A Preferred Shares shall be issued to BGI Songhe upon the exercise of the Warrant.

The formula represents the proportion of BGI Songhe's Investment to the post-money valuation of the Dynamic Healthcare Group after completion of the Series A financing. The pre-money valuation represents approximately 5.29 times of the unaudited consolidated net assets value of the Dynamic Healthcare Group as at 31 December 2024 (being approximately HK\$90.3 million (equivalent to approximately RMB85.1 million), assuming approximately HK\$171 million of the shareholder's loans advanced by the Company have been capitalised). It was determined based on arm's length negotiations having considered the prospects and future development of Pengbo (Hainan). Such valuation is also in line with (i) the pre-money valuation adopted for the recent proposed capital injection to Pengbo (Hainan) by 湖北惟宥股權投資合夥企業(有限合夥) (Hubei Weiyou Equity Investment Partnership (Limited Partnership)[#]) ("**Hubei Weiyou**"); and (ii) the estimated capital expenditure of Pengbo (Hainan) amounting to around RMB417 million (calculated by aggregating (a) its asset value of RMB277 million based on its management account as of 30 June 2025 and (b) its capital commitment of RMB140 million as of 30 June 2025). For details of Hubei Weiyou's proposed capital injection to Pengbo (Hainan), please refer to the announcements of the Company dated 27 February 2025 and 31 March 2025.

In view of the above, the Company considers that the pre-money valuation of RMB450 million, as well as the number of Warrant Shares to which BGI Songhe will be entitled, are fair and reasonable.

The following table illustrates the effects of the following on the shareholding structure of Dynamic Healthcare: (i) the Jiabao Zhongzhi (Hainan) Subscription; (ii) BGI Songhe's Subscription; and (iii) the exercise of the Repurchase Right by BGI Songhe and subsequent cancellation of the repurchased Warrant Shares:

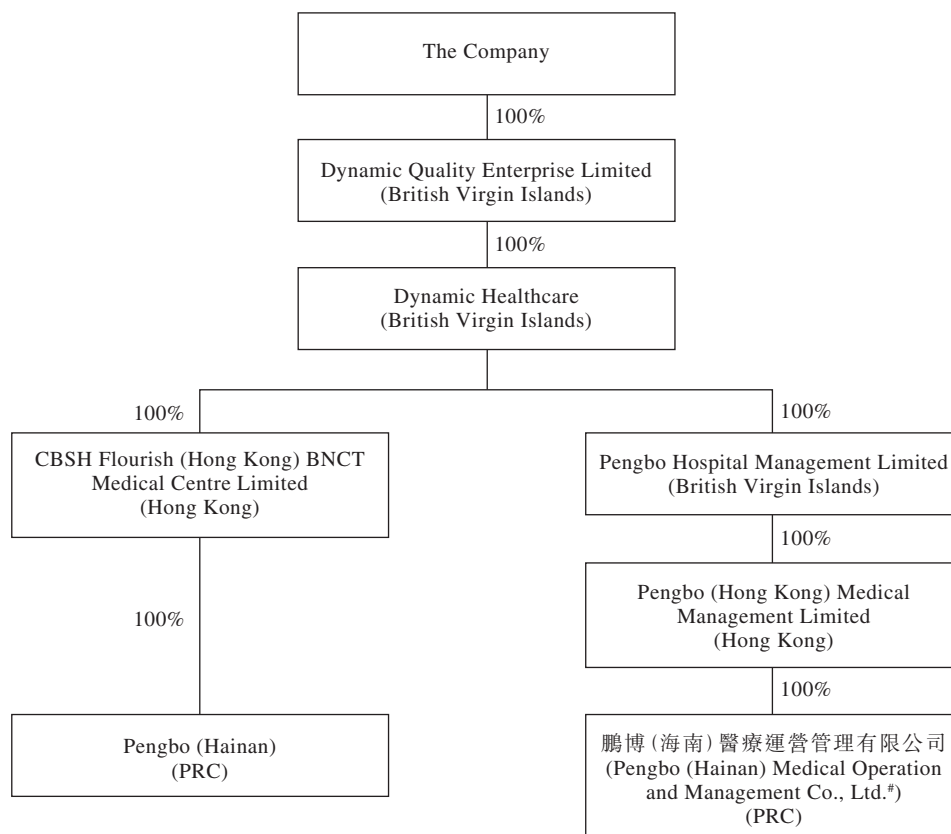
	As at the date of this Announcement		Immediately upon completion of the Jiabao Zhongzhi (Hainan) Subscription		Immediately upon completion of (i) the Jiabao Zhongzhi (Hainan) Subscription and (ii) BGI Songhe's Subscription		In case of exercise of the Repurchase Right and upon cancellation of the repurchased Warrant Shares	
	Number of shares	%	Number of shares	%	Number of shares	Approximate %	Number of shares	%
Dynamic Quality Enterprise Limited ^(Note 1)	1	100%	45,500	91%	45,500	85.31%	45,500	91%
Jiabao Zhongzhi (Hainan)	–	–	4,500	9%	4,500	8.44%	4,500	9%
BGI Songhe	–	–	–	–	3,333 ^(Note 2)	6.25%	–	–
Total	1	100%	50,000	100%	53,333	100%	50,000	100%

Notes:

1. Wholly-owned subsidiary of the Company.
2. These are Series A Preferred Shares.

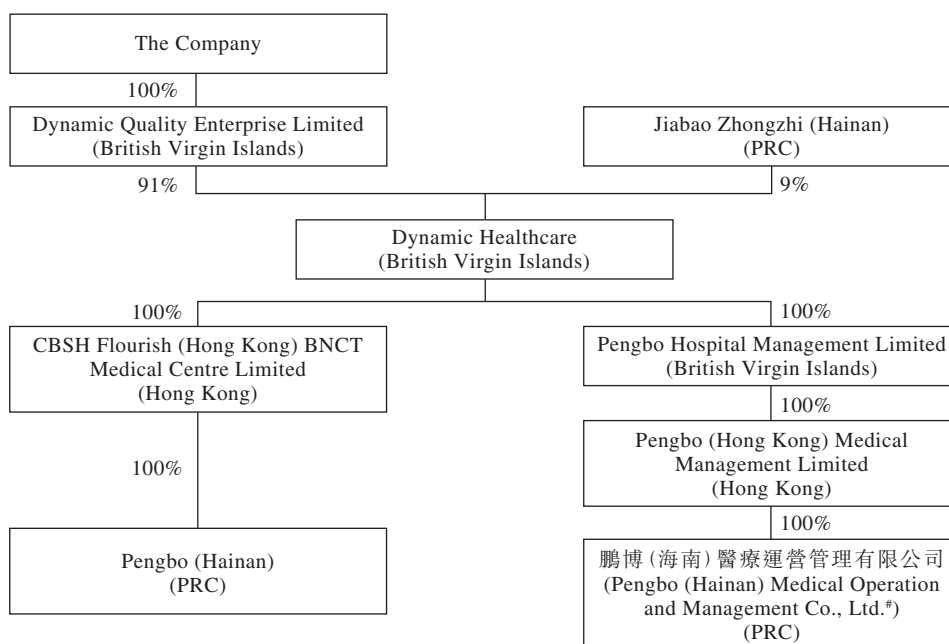
Set out below are the shareholding structures of the Dynamic Healthcare Group (i) as at the date of this Announcement; (ii) upon completion of the Jiabao Zhongzhi (Hainan) Subscription; and (iii) upon completion of BGI Songhe's Subscription:

Current Shareholding Structure



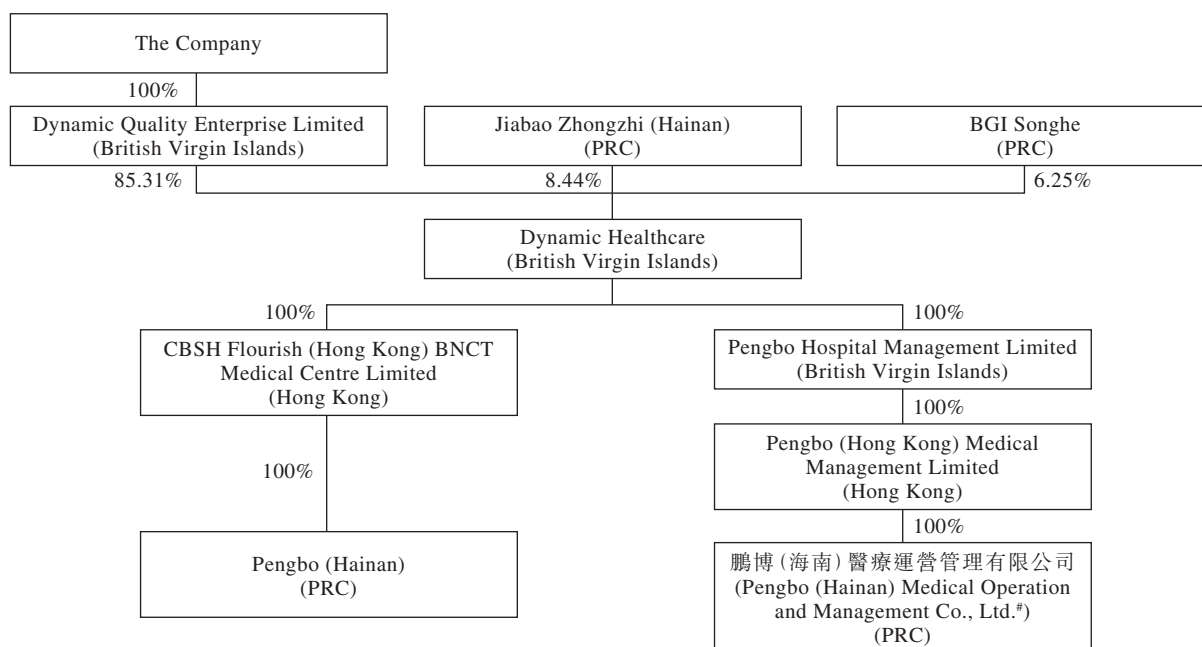
Note: As disclosed in the announcements of the Company dated 27 February 2025 and 31 March 2025, Hubei Weiyou has agreed to make a capital injection into Pengbo (Hainan) in the amount of RMB2 million, including subscription for registered capital of RMB666,667, representing 0.4% of the equity interest in Pengbo (Hainan) upon completion of the registration of registered capital.

Shareholding Structure upon Completion of the Jiabao Zhongzhi (Hainan) Subscription



Note: As disclosed in the announcements of the Company dated 27 February 2025 and 31 March 2025, Hubei Weiyou has agreed to make a capital injection into Pengbo (Hainan) in the amount of RMB2 million, including subscription for registered capital of RMB666,667, representing 0.4% of the equity interest in Pengbo (Hainan) upon completion of the registration of registered capital.

Shareholding Structure upon Completion of (i) the Jiabao Zhongzhi (Hainan) Subscription and (ii) BGI Songhe's Subscription



Note: As disclosed in the announcements of the Company dated 27 February 2025 and 31 March 2025, Hubei Weiyou has agreed to make a capital injection into Pengbo (Hainan) in the amount of RMB2 million, including subscription for registered capital of RMB666,667, representing 0.4% of the equity interest in Pengbo (Hainan) upon completion of the registration of registered capital.

Use of Proceeds

The proceeds of BGI Songhe's Investment amounting to RMB30 million as well as the additional funds equivalent to RMB100 million to be raised by Pengbo (Hainan) through equity or debt financing arrangements (being one of the conditions for the exercise of the Warrant) will be applied towards the construction, development and operation of the BNCT Centre (including project civil engineering construction, main equipment debugging and procurement of medical auxiliary equipment and pharmaceuticals), which is expected to require around RMB135 million to reach its soft opening.

Interest Rate

The 8% interest rate involved in various transactions under the Investment is in line with the agreed target total annual return rate for BGI Songhe's Investment. As disclosed in the Announcement, such return is payable to BGI Songhe when it exits from the Investment:

- (i) as interest on the Loan in case the Subscription is not completed for whatever reasons (for the avoidance of doubt, no interest shall be payable on the Loan if BGI Songhe completes the Subscription);
- (ii) as part of the Repurchase Price upon exercise of the Repurchase Right by BGI Songhe; or
- (iii) as part of the liquidation preference payments upon liquidation of Dynamic Healthcare.

The interest rate of 8% per annum was determined with reference to the interest rates of a market comparable (namely, 10% convertible bonds issued in March 2025 by a company listed on the Main Board of the Stock Exchange) and the 8.25% convertible bonds recently issued by the Company in December 2024.

Having considered the above and the fact that the Loan is not secured by the assets of the Group, the Company considers that the interest rate of 8% per annum is fair and reasonable.

BGI Songhe's Right to Information

BGI Songhe shall have the right to request certain financial documents including annual/quarterly financial statements, key operating data and annual budget from Pengbo (Hainan). As these documents may contain inside information of the Company, the Company will take reasonable measures to avoid any leakage of inside information or confidential information, including but not limited to reminding BGI Songhe or its representatives that the financial documents requested are highly confidential, may constitute inside information under Hong Kong laws, and shall not be disclosed to any third parties and that BGI Songhe shall adopt appropriate measures to avoid any leakage and shall not trade securities of the Company while in possession of any inside information.

Information of BGI Songhe

BGI Songhe is an investment fund mainly focused on biotechnology and life sciences with few investors. To the best of the Directors' knowledge, information and belief, based on information publicly available, the identities of the investors are as follows:

Name of Investor	Interest in BGI Songhe
1. 深圳市華松生科企業管理有限公司 (Shenzhen Huasong Biotech Enterprise Management Co., Ltd.#) (Note a)	1.25%
2. 深圳華大科技企業管理有限公司 (Shenzhen BGI Technology Enterprise Management Co., Ltd.#) (Note b)	24.375%
3. 西藏華瞻創業投資有限公司 (Tibet Huazhan Venture Capital Co., Ltd.#) (Note b)	10%
4. 深圳市天使投資引導基金有限公司 (Shenzhen Angel FOF Co., Ltd.#) (Note c)	30%
5. 厲延琳 (Li Yanlin#)	24.375%
6. 深圳市鹽田區國有資本投資管理有限公司 (Shenzhen Yantian District State-owned Capital Investment Management Co., Ltd.#) (Note d)	10%
	100%

Notes:

- (a) Shenzhen Huasong Biotech Enterprise Management Co., Ltd.# is the executive partner of BGI Songhe. It is held as to 40% by the Institute and as to 30% by 深圳市松禾創業投資有限公司 (Shenzhen Songhe Venture Capital Investment Co., Ltd.#) (“**Songhe Venture Capital**”). As disclosed in the Announcement, both the Institute and Songhe Venture Capital have a role in facilitating the establishment of BGI Songhe.

The Institute is a public institution# (事業單位) established in the PRC without any shareholders. Its establishment unit (舉辦單位) is the Science, Technology and Innovation Commission of Shenzhen Municipality (深圳市科技創新局).

Songhe Venture Capital is ultimately beneficially owned, and held as to approximately 77.9%, by 崔京濤 (Cui Jintao#).

- (b) The ultimate beneficial owner of both Shenzhen BGI Technology Enterprise Management Co., Ltd.[#] and Tibet Huazhan Venture Capital Co., Ltd.[#] is Mr. Wang Jian (汪健). Accordingly, Mr. Wang Jian is indirectly interested in BGO Songhe as to 34.375% (instead of 24% as stated in the Announcement).

Mr. Wang Jian is the controlling shareholder of Shenzhen BGI Technology, which holds 33.77% of the shares in BGI Genomics (a Shenzhen-listed company), which in turn owns Sunrise Diagnostic Centre Limited (a non-wholly owned subsidiary of the Company) indirectly as to 40%.

- (c) The ultimate beneficial owner of Shenzhen Angel FOF Co., Ltd.[#] is the Finance Bureau of Shenzhen Municipality (深圳市財政局).
- (d) The ultimate beneficial owners of Shenzhen Yantian District State-owned Capital Investment Management Co., Ltd.[#] is 深圳市鹽田區財政局 (深圳市鹽田區國有資產監督管理局、深圳市鹽田區集體資產管理局) (Shenzhen Yantian District Finance Bureau (Shenzhen Yantian District State-owned Assets Supervision Administration and Shenzhen Yantian District Collective Assets Administration)[#]).

GEM Listing Rules Implications of Provision of Guarantee by Mr. Liu

Mr. Liu is a director and a controlling shareholder of the Company and hence a connected person of the Company. Thus, his provision of guarantees for Pengbo (Hainan)'s repayment of obligations under the Convertible Loan Agreement and Dynamic Healthcare's obligations to pay the Repurchase Price under the Investment Agreement constitute financial assistance received by the Group from a connected person and hence connected transactions of the Company under Chapter 20 of the GEM Listing Rules. However, such connected transactions are conducted on normal commercial terms or better as no guarantee fee or other consideration will be paid by the Group to Mr. Liu for his provision of the guarantees. Besides, the guarantees will not be secured by the assets of the Group. Accordingly, the provision of guarantees by Mr. Liu is fully exempt pursuant to Rule 20.88 of the GEM Listing Rules.

Save as supplemented or clarified above, all other information in the Announcement remains unchanged.

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

Hong Kong, 8 September 2025

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

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 Information” page of the website of the Stock Exchange at www.hkexnews.hk for at least 7 days from the date of its publication and on the website of the Company at www.cbshhk.com.