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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)

QUARTERLY UPDATE ON IMPLEMENTATION OF ACTION PLAN TO RESOLVE DISCLAIMER OF OPINION

The board (the "**Board**") of directors (the "**Directors**") of China Biotech Services Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") would like to provide a quarterly update on the implementation of the action plan (the "**Action Plan**") to resolve the disclaimer of opinion relating to going concern made by the auditors of the Company on the consolidated financial statements of the Group for the year ended 31 December 2024 (the "**Disclaimer of Opinion**"). Unless the context otherwise requires, terms defined in the annual report of the Company for the year ended 31 December 2024 shall have the same meaning when used in this announcement.

(1) Fundraising activities under way

As disclosed in the announcement of the Company dated 29 December 2025, the Company has conditionally agreed to issue, the convertible bonds in an aggregate principal amount of USD35 million (equivalent to approximately HK$272,300,000), subject to all necessary consents and approvals required to be obtained in respect of the subscription agreement dated 29 December 2025 and the transactions contemplated thereunder having been obtained. Subject to fulfilment or waiver of the conditions precedent thereto, the Company expects the subscription agreement will be completed in February 2026.

The gross proceeds from the issue of the convertible bonds will be USD35.0 million and the net proceeds from the issue of the convertible bonds will be approximately USD33.9 million (after deducting the related expenses and professional fees). The Group intends to use 68.55% (approximately HK$180,810,000) of the net proceeds for repayment of principals and interests of bank and other borrowings due within one year, and for general working capital purposes. It is expected to effectively improve the Company's financial position and resolve the disclaimer of opinion relating to going concern made by the auditor of the Company on the consolidated financial statements set out in the annual report of the Company for the year ended 31 December 2024.

(2) Bank borrowings

The management continues to negotiate with different banks regarding the renewal of banking facilities and obtaining additional funds. A bank borrowing of RMB5,000,000 (equivalent to approximately HK$5,600,000) has also been granted by Industrial and Commercial Bank of China Limited Shanghai Jing'an Sub-Branch# (中國工商銀行股份有限公司上海市靜安支行) to Shanghai Longyao in December 2025.

(3) Other borrowings

Between October 2025 and January 2026, the Company obtained loans in the total principal amount of HK$6,900,000 and HK$30,000,000 from the controlling shareholder of the Company and an independent third party respectively, which are repayable within 1 year.

(4) Realising investment in Pillar

The Board and management are actively looking for potential purchasers of the Group's investment in Pillar. As at the date of this announcement, no agreement has been entered into for the disposal of this investment.

(5) Operational measures

The Group has been implementing costs control measures including streamlining business processes, reducing staff costs and negotiating price and payment terms with suppliers. The Group will continue to monitor the effectiveness of these operational measures.

The Board will continue to implement the Action Plan actively with a view to resolving the Disclaimer of Opinion as soon as possible. The Company will publish further announcements on any further updates on the implementation progress as and when appropriate.

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

For identification purposes only

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

Hong Kong, 22 January 2026

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.