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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)

UPDATE ON EXEMPTED CONNECTED TRANSACTION IN RELATION TO THE ADOPTION OF SHARE AWARD SCHEME BY AND SUBSCRIPTION OF SHARES IN A SUBSIDIARY

Reference is made to the announcements (the "**Announcements**") of China Biotech Services Holdings Limited (the "**Company**") dated 5 August 2024 and 31 October 2025 in relation to, among others, the exempted connected transaction in relation to the adoption of the Share Award Scheme by Pengbo (Hainan) and the Subscription Agreement in relation to the subscription of 9% of the issued share capital of Dynamic Healthcare by Jiabao Zhongzhi (Hainan) and the extension of the Long Stop Date of the Subscription Agreement. Unless otherwise defined, capitalised terms used herein shall have the same meaning as defined in the Announcements.

As part of the arrangement under the Share Award Scheme, Jiabao Zhongzhi (Hainan) and Dynamic Healthcare entered into the Subscription Agreement on 5 August 2024, pursuant to which Jiabao Zhongzhi (Hainan) shall subscribe for 4,500 ordinary shares in Dynamic Healthcare, representing 9% of the issued share capital of Dynamic Healthcare, which enable Jiabao Zhongzhi (Hainan) to act as the platform of the Share Award Scheme. In view of the practical requirements for the implementation of the Share Award Scheme and adjustments to the business plan, Dynamic Healthcare, Jiabao Zhongzhi (Hainan) and Pengbo (Hainan) have agreed that the equity interest to be subscribed by Jiabao Zhongzhi (Hainan) shall be changed from the equity interest in Dynamic Healthcare to the equity interest in Pengbo (Hainan), a principal subsidiary of Dynamic Healthcare; and Jiabao Zhongzhi (Hainan) shall directly subscribe for 5.84% of the registered capital of Pengbo (Hainan) instead of 9% of the equity interest in Dynamic Healthcare.

Dynamic Healthcare, Jiabao Zhongzhi (Hainan) and Pengbo (Hainan) therefore entered into a tripartite agreement (the "**Tripartite Agreement**") dated 13 May 2026 (i) for Jiabao Zhongzhi (Hainan) to subscribe for RMB9,300,000 registered capital of Pengbo (Hainan), representing 5.84% of the registered capital of Pengbo (Hainan) as at completion of the subscription (the "**2026 Subscription**"), at the aggregate subscription consideration of RMB9,300,000, which shall be settled in cash within one month of the date of the Tripartite Agreement; and (ii) to terminate the subscription of the issued share capital of Dynamic Healthcare pursuant to the Subscription Agreement with effect from the effective date of the Tripartite Agreement.

The consideration of the 2026 Subscription was determined with reference to the registered capital of Pengbo (Hainan) and the nature of Share Awards under the Share Award Scheme.

The registered capital of Pengbo (Hainan) subscribed for by Jiabao Zhongzhi (Hainan) under the Tripartite Agreement forms part of the Share Award Scheme and shall be subject to all the terms and conditions of the Share Award Scheme, including but not limited to the provisions relating to the service period, repurchase and restrictions on transfer.

INFORMATION OF THE PARTIES

Pengbo (Hainan)

Pengbo (Hainan) is a company established in the PRC with limited liability and an indirect wholly owned subsidiary of the Company before completion of the 2026 Subscription. Pengbo (Hainan) is principally engaged in the provision of BNCT. The registered capital of Pengbo (Hainan) before completion of the 2026 Subscription is RMB150,000,000.

Dynamic Healthcare

Dynamic Healthcare is a company incorporated in the British Virgin Islands with limited liability and an indirect wholly owned subsidiary of the Company. Dynamic Healthcare is principally engaged in investment holding.

Jiabao Zhongzhi (Hainan)

Jiabao Zhongzhi (Hainan) is a limited liability partnership established in the PRC and its interests are held as to 9% by Mr. Li who is the general partner and as to an aggregate of 91% by 9 other limited partners (including Ms. Zhao), all of them are directors or employees of Pengbo (Hainan). Jiabao Zhongzhi (Hainan) is to act as the platform for the Share Award Scheme.

FINANCIAL INFORMATION

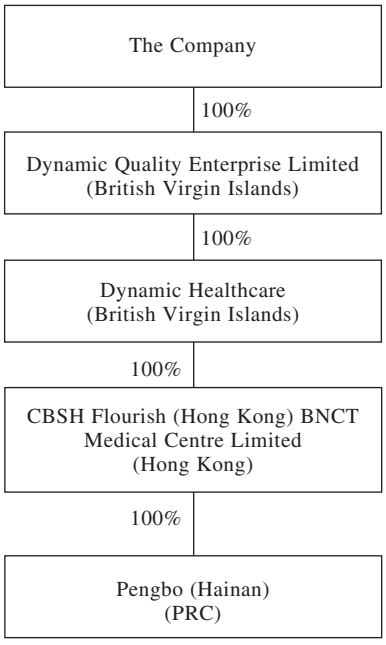
The financial information of Pengbo (Hainan) for the two years ended 31 December is as follows:

	For the year ended 31 December	
	2025	**2024**
	(Audited)	**(Audited)**
	RMB'000	**RMB'000**
Revenue	**133**	70
Loss before taxation	**28,596**	22,489
Loss after taxation	**28,596**	22,489

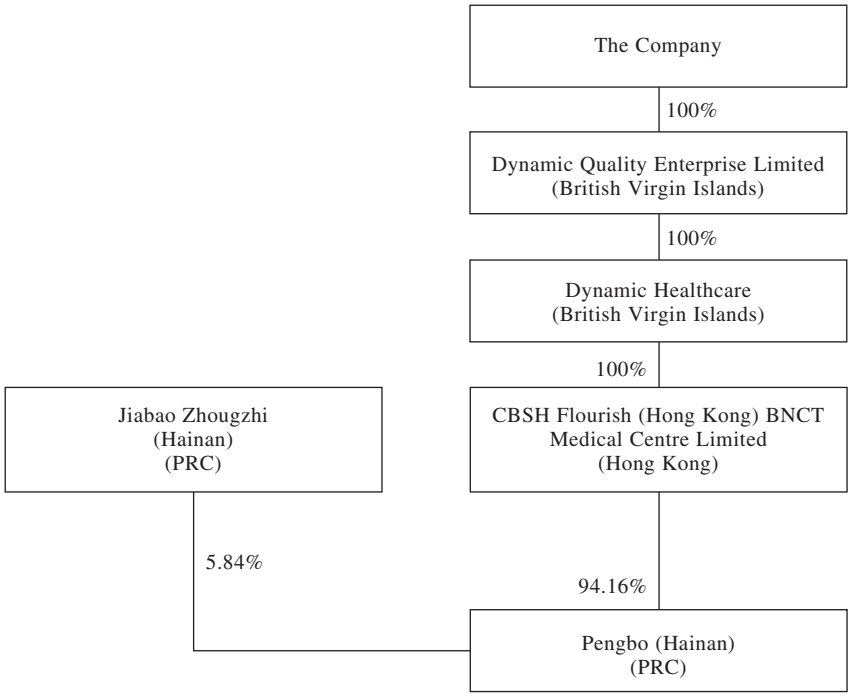
The audited net assets value of Pengbo (Hainan) amounted to approximately RMB83,745,000 as at 31 December 2025.

Set out below are the shareholding structures of the Pengbo (Hainan) (i) as at the date of this announcement; and (ii) upon completion of the 2026 Subscription:

Current shareholding structure



Shareholding structure upon Completion of the 2026 Subscription



REASONS FOR AND BENEFITS OF THE 2026 SUBSCRIPTION AND THE USE OF PROCEEDS

The Company is a company incorporated in the Cayman Islands and continued in Bermuda and is principally engaged in investment holding. The principal activities of its subsidiaries are (i) provision of medical laboratory testing services and health check services in Hong Kong; (ii) provision of tumor immune cell therapy and health management services in the PRC; (iii) provision of boron neutron capture therapy services in the PRC; (iv) sale and distribution of health related and pharmaceutical products in the PRC and Hong Kong; and (v) provision of insurance brokerage services in Hong Kong.

The Company considers that the 2026 Subscription Agreement provide an opportunity to the directors and employees of Pengbo (Hainan) to subscribe for a stake in Pengbo (Hainan), which in turn, will align their interests with the goals of Pengbo (Hainan) and the Group, and thereby enhance employee retention and contribute to the long-term development of the Group. The proceeds from the 2026 Subscription are expected to be used as general working capital of Pengbo (Hainan). As such, the Company considers that the Subscription Agreement and the transactions contemplated thereunder are entered into on normal commercial terms after arm's length negotiations, and the terms and conditions thereof are fair and reasonable and in the interests of the Company and its shareholders as a whole.

FINANCIAL EFFECTS OF THE 2026 SUBSCRIPTION

As the transactions contemplated under the Tripartite Agreement will not result in the Company's loss of control over Pengbo (Hainan), and the financial results of Pengbo (Hainan) will continue to be consolidated into the financial results upon completion of the 2026 Subscription and the Tripartite Agreement will be accounted for as an equity transaction and will not result in the recognition of any gain or loss in the Company's consolidated statement of profit or loss and other comprehensive income. There will be no material financial impact on the Company resulting from the transactions contemplated under the Tripartite Agreement.

GEM LISTING RULES IMPLICATIONS

The 2026 Subscription constitutes a transaction of the Company under Rule 19.32A(1) of the GEM Listing Rules but as all of the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules do not exceed 5%, the Tripartite Agreement and the transactions contemplated thereunder does not constitute a notifiable transaction on the part of the Company.

As at the date of this announcement, Mr. Li is a director of CBSH Flourish, and therefore is a connected person of the Company at the subsidiary level under Chapter 20 of the GEM Listing Rules.

Given that Mr. Li is a connected person of the Company at the subsidiary level, the 2026 Subscription constitutes a connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules. By virtue of Rule 20.99 of the GEM Listing Rules, as (i) all the applicable percentage ratios under Rule 19.07 of the GEM Listing Rules do not exceed 5%; (ii) Mr. Li is a connected person of the Company at the subsidiary level; (iii) the transactions contemplated under the Tripartite Agreement are on normal commercial terms; and (iv) the Board (including all the independent non-executive Directors) have approved the transactions and confirmed that the transactions are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole, the transactions contemplated under the Tripartite Agreement are subject to reporting and announcement but are exempted from the circular, independent financial advice and independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

None of the Directors has any interest in the Tripartite Agreement and none of them are required to abstain from voting on the relevant resolutions of the Board.

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

Hong Kong, 15 May 2026

As at the date of this announcement, the Board comprises three executive Directors, namely Mr. Liu Xiaolin (Chairman), Dr. 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.