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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)**

### **MAJOR TRANSACTION IN RELATION TO THE DISPOSAL OF THE ENTIRE ISSUED SHARE CAPITAL IN PHC MEDICAL DIAGNOSTIC CENTRE LIMITED AND PREMIER MEDICARE SERVICES LIMITED**

#### **THE DISPOSAL**

On 18 May 2026 (after the trading hours of the Stock Exchange), the Seller, a subsidiary of the Company, the Company and the Purchaser entered into the Sale and Purchase Agreement, pursuant to which, the Seller conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, the Sale Shares, consisting of the PHC Sale Shares and the PMS Sale Shares, for a total Consideration of HK\$3.5 million subject to the terms of the Sale and Purchase Agreement.

Upon Completion, each of PHC and PMS will cease to be a subsidiary of the Group and the financial results of each of PHC and PMS will no longer be consolidated into those of the Group.

#### **GEM LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Disposal under Rule 19.07 of the GEM Listing Rules exceeds 25% but all of the applicable percentage ratios are below 75%, the Disposal constitutes a major transaction on the part of the Company under the GEM Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

## **WRITTEN SHAREHOLDERS' APPROVAL**

Under Rule 19.44 of the GEM Listing Rules, shareholders' approval may be obtained by way of written shareholders' approval in lieu of holding a general meeting if (a) no shareholder is required to abstain from voting if the issuer were to convene a general meeting to obtain such shareholders' approval; and (b) written shareholders' approval has been obtained from a shareholder or a closely allied group of shareholders who together hold more than 50% of the voting rights at that general meeting to approve the transaction.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders has any material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder and no Shareholder is required to abstain from voting in respect of the approval of the Sale and Purchase Agreement, the Disposal and the transactions contemplated respectively thereunder if the Company were to convene a general meeting. Pursuant to Rule 19.44 of the GEM Listing Rules, in lieu of a resolution to be passed at a general meeting of the Company, the Company has received a written approval from Genius Lead Limited. As at the date of this announcement, Genius Lead Limited owns 529,500,546 Shares (representing approximately 54.27% of the total issued share capital of the Company) carrying rights to vote at a general meeting. Accordingly, no general meeting will be held by the Company for approving the Sale and Purchase Agreement, the Disposal and the transactions contemplated respectively thereunder. Genius Lead Limited is ultimately wholly-owned by Mr. Liu.

A circular containing, among other things, (i) details of the Sale and Purchase Agreement, the Disposal and the transactions contemplated respectively thereunder; and (ii) other information as required under the GEM Listing Rules is expected to be despatched to the Shareholders on or before Tuesday, 9 June 2026 for their information only.

**Shareholders and potential investors of the Company should note that the Completion is subject to the fulfilment or waiver (as the case may be) of the conditions precedent set out in the Sale and Purchase Agreement and therefore may or may not occur. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares and other securities of the Company.**

## **INTRODUCTION**

On 18 May 2026 (after the trading hours of the Stock Exchange), the Seller, a subsidiary of the Company, the Company and the Purchaser entered into the Sale and Purchase Agreement in relation to the Disposal. Pursuant to the Sale and Purchase Agreement, the Seller conditionally agreed to sell, and the Purchaser conditionally agreed to purchase, the Sale Shares, consisting of the PHC Sale Shares and the PMS Sale Shares, for an aggregate Consideration of HK\$3,500,000 subject to the terms of the Sale and Purchase Agreement. As at the date of the Sale and Purchase Agreement, each of PHC and PMS are wholly-owned by the Seller.

## **THE DISPOSAL**

The principal terms of the Sale and Purchase Agreement are set out below:

Date: 18 May 2026

Parties: The Seller;  
The Company; and  
The Purchaser.

### **Assets to be disposed**

Pursuant to the Sale and Purchase Agreement, the Seller shall sell as legal and beneficial owner and the Purchaser shall purchase the Sale Shares. The Sale Shares, consisting of the PHC Sale Shares and the PMS Sale Shares which represent the entire issued share capital of each of PHC and PMS respectively, will be sold free from all Encumbrances together with all rights attaching thereto at Completion including but not limited to all dividends to be paid, declared or made in respect thereof at any time on or after the date of Completion.

Neither the Seller nor the Purchaser shall be obliged to complete the purchase of the Sale Shares unless the sale of all of the Sale Shares is completed simultaneously.

### **Consideration**

The total Consideration for the sale and purchase of the Sale Shares is HK\$3,500,000.

The Consideration shall be satisfied by the Purchaser to the Seller in cash in the following manner:

- (i) as to HK\$500,000 (the “**Deposit**”) shall be payable by the Purchaser to the Seller in cash by way of cheque drawn on a licensed bank in Hong Kong or otherwise agreed between the Purchaser and the Seller upon the signing of the Sale and Purchase Agreement; and

- (ii) as to the remaining balance of HK\$3,000,000 shall be payable by the Purchaser to the Seller in cash by way of cheque drawn on a licensed bank in Hong Kong or otherwise agreed between the Purchaser and the Seller at Completion.

In the event that Completion does not take place solely as a result of the default of the Purchaser, the Seller shall be entitled to terminate the Sale and Purchase Agreement by giving written notice to the Purchaser whereupon (i) the Sale and Purchase Agreement shall terminate and cease to have any effect, and (ii) the Deposit shall be forfeited to the Seller absolutely, and the forfeiture of the Deposit shall be in full and final settlement of any and all liabilities of the Purchaser towards the Seller and whereupon none of the parties to the Sale and Purchase Agreement shall take any action to claim for damages or to enforce specific performance or any other rights and remedies.

In the event that Completion does not take place in accordance solely as a result of the default of the Seller, the Purchaser shall be entitled to terminate Sale and Purchase Agreement by giving written notice to the Seller whereupon (i) Sale and Purchase Agreement shall terminate and cease to have any effect, and (ii) the Deposit (without interest) shall be refunded in full to the Purchaser within three (3) Business Days after the termination of the Sale and Purchase Agreement. The receipt of the Deposit in full shall be in full and final settlement of any and all liabilities of the Seller towards the Purchaser and whereupon none of the parties hereto shall take any action to claim for damages or to enforce specific performance or any other rights and remedies.

In the event that Completion does not take place in accordance other than solely as a result of the default of the Purchaser or the Seller, either the Purchaser or the Seller shall be entitled to terminate the Sale and Purchase Agreement by giving written notice to the other party(ies) whereupon (i) the Sale and Purchase Agreement shall terminate and cease to have any effect, and (ii) the Deposit (without interest) shall be refunded in full to the Purchaser within three (3) Business Days after the termination of the Sale and Purchase Agreement.

The Consideration was arrived at after arm's length negotiations between the Company, the Seller and the Purchaser on normal commercial terms by taking into account, among other things, (i) the financial performance of the Target Companies; (ii) the net liabilities of each of PHC and PMS of approximately HK\$6,548,000 and HK\$18,610,000, respectively, as at 31 December 2025; and (iii) the appraised value of the entire issued share capital of each of PHC and PMS of HK\$2,213,000 and HK\$1,143,000 as at the Valuation Date as set out in the Valuation Report issued by the Valuer. Having considered the above factors, the Board considers that the Consideration is fair and reasonable and is in the interests of the Company and the Shareholders as a whole.

## Conditions precedent

Completion of the Sale and Purchase Agreement is conditional upon the following conditions (“**Conditions Precedent**”) being satisfied (or waiver by the Purchaser):

- (i) the Purchaser having completed financial and legal due diligence review in all aspects on the Target Companies and the results of which are reasonably satisfactory to the Purchaser;
- (ii) all necessary consents, license and approvals from any relevant government authorities, regulatory bodies required to be obtained on the part of the Target Companies or the Seller in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained;
- (iii) all necessary consents, license and approvals from any relevant government authorities, regulatory bodies required to be obtained on the part of the Purchaser in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained;
- (iv) the written shareholders’ approval having been obtained from a shareholder or a closely allied group of shareholders of the Company who together hold more than 50% of the voting rights at that general meeting of the Company to approve the Sale and Purchase Agreement and the transactions contemplated thereunder, or the passing by the shareholders of the Company at a special general meeting of the Company to be convened and held of ordinary resolution(s) to approve the Sale and Purchase Agreement and the transactions contemplated thereunder;
- (v) the warranties remaining true and accurate in all respects as given as at the date of the Sale and Purchase Agreement;
- (vi) the Intercompany Balance having been waived in form and substance satisfactory to the Purchaser; and
- (vii) the Purchaser having reasonably satisfied that there has been no Material Adverse Change of the Target Companies from the date of the Sale and Purchase Agreement and including and up to Completion Date.

The Seller shall use its best endeavours to procure the fulfillment of the Conditions Precedent set out in (ii), (iv), (v), (vi) and (vii) above and the Purchaser shall use his best endeavours to procure the fulfillment of the Conditions Precedent set out in (iii) above. Save for the Conditions Precedent set out in (ii), (iii) and (iv) above, the other Conditions Precedent may be waived by the Purchaser at his sole and absolute discretion.

In the event that any of the Conditions Precedent are not fulfilled or waived by the Purchaser on or prior to the Long Stop Date or such later date as may be agreed between the Purchaser and the Seller in writing, the Sale and Purchase Agreement shall become null and void and be of no further effect whatsoever and all the obligations and liabilities of the parties to the Sale and Purchase Agreement shall cease and determine (save for the rights of the parties to the Sale and Purchase Agreement to claim the others in respect of any antecedent breaches or any rights or remedies which shall have accrued prior thereto).

### **Completion**

Subject to the fulfillment (or where applicable, waiver) of the Conditions Precedent, Completion shall take place on the Completion Date, being a date within 20 Business Days after all the Conditions Precedent have been satisfied and/or waived or such later date as the Purchaser and the Seller may mutually agree in writing.

Upon Completion, each of PHC and PMS will cease to be a subsidiary of the Group and the financial results of each of PHC and PMS will no longer be consolidated into those of the Group.

### **Conduct of business and pre-completion restriction**

Pending Completion and save as contemplated by the Sale and Purchase Agreement, the Seller shall not, without the prior written consent of Purchaser procure or consent to any of the following being done by any of the Target Companies:

- (i) allot or issue, or agree to allot or issue, any share, warrants, other securities or loan capital, debentures or other securities convertible into debentures or grant, or agree to grant, any option over or right to acquire or to subscribe for any share, warrants, other securities or loan capital;
- (ii) create, extend, grant, issue or permit to arise any encumbrance of whatsoever nature, in respect of any other part of their respective undertaking, property or assets;
- (iii) purchase or redeem of any shares or provide financial assistance for any such purchase;
- (iv) borrow or raise any money from any person, save and except for the provision of capital from the Company, its subsidiaries and affiliates to the Target Companies for the operation of the Target Companies;

- (v) incur any liabilities (including, without limitation, indebtedness or any management agreement) save and except for the provision of capital from the Company, its subsidiaries and affiliates to the Target Companies for the operation of the Target Companies, or enter into any transactions, agreements or arrangements or undertake any expenditure, save and except in the ordinary and usual course of businesses of the Target Companies;
- (vi) make any advances or other credits to any person or give any guarantee or indemnity or act as surety for or otherwise securing or accepting any direct or indirect liabilities of or obligations of any person;
- (vii) alter the material terms of any financing/lending documents or security arrangements;
- (viii) cause any material breach of its duties and obligations (including payment obligations) under all agreements and contracts entered into by it which would have a Material Adverse Effect on the business or financial position of any of the Target Companies;
- (ix) create or permit to raise any mortgage, charge (fixed or floating), lien, pledge, other form of security or encumbrance or equity of whatsoever nature, whether similar to the foregoing or not, or in respect of any part of their respective assets, property, business or undertakings;
- (x) sell, transfer, lease, assignment, license or in any other way dispose of or agree to sell, transfer, lease, assignment, license or in any other way dispose of (in any manner whatsoever) any part or interest of their respective assets, property, business or undertakings unless pre-approval has been obtained from the Purchaser;
- (xi) make any capital expenditure in excess of HK\$100,000 unless pre-approval has been obtained from the Purchaser save and except in the ordinary and usual course of businesses of the Target Companies;
- (xii) enter into or amend any contract or other transaction or capital commitment or undertaking for any contingent liability which exceeds in aggregate a monetary value of HK\$100,000, save and except in the ordinary and usual course of businesses of the Target Companies or unless pre-approval has been obtained from the Purchaser;
- (xiii) amend or alter its articles of association, save as required by applicable law;

- (xiv) enter into or amend any service agreements, that deviates from normal commercial terms, with or increase the remuneration payable thereto or vary the terms of employment of directors, employees, consultants or officers or change the composition of the board of directors of any of the Target Companies unless pre-approval has been obtained from the Purchaser;
- (xv) establish any pension, retirement scheme, share option scheme, profit sharing or bonus scheme or any other benefit scheme operated by any of the Target Companies;
- (xvi) take any step to commence, compromise, settle, release, discharge or compound any civil, criminal, arbitration or other proceedings or any liability, claim, action, demand or dispute or waive any right in relation to any of the foregoing;
- (xvii) alter, amend or terminate any agreement or agreement related to its business or waive any right thereunder unless pre-approval has been obtained from the Purchaser;
- (xviii) terminate or allow to lapse any insurance policy (if any) in respect of any material assets now in effect or default under any provision thereof unless pre-approval has been obtained from the Purchaser;
- (xix) carry on any business other than its existing business or any business not being ancillary or incidental to their respective existing businesses or make any material change in the nature or scope of their respective existing businesses;
- (xx) dispose of the ownership, possession, custody or control of any corporate or other books or records which are required under any law, regulation or rule to be kept;
- (xxi) pass any resolutions for the winding up, liquidation or receivership of any of the Target Companies, or make any composition or arrangement with their respective creditors;
- (xxii) declare or pay any dividend or other form of distribution;
- (xxiii) change or amend any rights attaching to the Sale Shares;
- (xxiv) pass any resolutions inconsistent with the provision of the Sale and Purchase Agreement; or
- (xxv) do any act or thing which would have a Material Adverse Effect on the business or financial position of any of the Target Companies.

## **INFORMATION OF THE SELLER**

The Seller is a company incorporated in the British Virgin Islands with limited liability and an investment holding company.

The issued share capital of the Seller is wholly-owned by DVF Holdco (Cayman) Limited, a company incorporated in the Cayman Islands with limited liability, which is in turn wholly-owned by Central Laboratory (Holdings) Limited, a company incorporated in the British Virgin Islands with limited liability, which is in turn owned as to 97% by Central Laboratory Investments Limited, a company incorporated in the British Virgin Islands with limited liability, which is wholly-owned by the Company.

## **INFORMATION OF THE COMPANY**

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.

## **INFORMATION OF THE PURCHASER**

The Purchaser is Mr. Chan Kam Fuk, a businessman principally engaged in the corporate advisory and other related business in Hong Kong.

To the best of the Directors' knowledge, information and belief, and having made all reasonable enquiries, the Purchaser is an Independent Third Party.

## **INFORMATION OF THE TARGET COMPANIES**

### **PHC**

PHC is a company incorporated in Hong Kong with limited liability. PHC is wholly-owned by the Seller and is an indirectly non-wholly owned subsidiary of the Company.

The principal activities of PHC are the provision of medical laboratory testing services and health check services.

Set out below is the financial information of PHC for the years ended 31 December 2025 and 2024:

	<b>For the year ended 31 December 2025</b>	<b>For the year ended 31 December 2024</b>
	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Audited)</i>
Revenue	23,151	27,100
Loss before taxation	18,907	15,790
Loss after taxation	18,907	15,790

PHC had unaudited net liabilities of approximately HK\$9,556,000 as at 31 March 2026.

### **PMS**

PMS is a company incorporated in Hong Kong with limited liability. PMS is wholly-owned by the Seller and is an indirectly non-wholly owned subsidiary of the Company.

The principal activity of PMS is the provision of health check services.

Set out below is the financial information of PMS for the years ended 31 December 2025 and 2024:

	<b>For the year ended 31 December 2025</b>	<b>For the year ended 31 December 2024</b>
	<i>HK\$'000</i> <i>(Unaudited)</i>	<i>HK\$'000</i> <i>(Audited)</i>
Revenue	9,214	8,989
Loss before taxation	6,172	5,339
Loss after taxation	6,172	5,339

PMS had unaudited net liabilities of approximately HK\$19,457,000 as at 31 March 2026.

### **VALUATION**

In order to assess and support the fairness and reasonableness of the total consideration for the Sale Shares, the Company engaged the Valuer to prepare a valuation of the entire issued share capital in each of the Target Companies.

According to the Valuation Report, the appraised value of the entire equity value of PHC and PMS was HK\$2,213,000 and HK\$1,143,000 respectively as of the Valuation Date under the market approach.

The Valuer comprises a team of professional individuals, who are members of various professional bodies (or charter holders of their programs), such as Hong Kong Institute of Surveyors, Hong Kong Institute of Certified Practising Accountants. The past work of the Valuer covered a wide range of industries, including but not limited to medical, real estate, financial institutions, resources, manufacturing, etc.

To the best of the knowledge, information and belief of the Directors after having made all reasonable enquiries, no relationship or interest exists between the Valuer and any members of the Group, or any of their respective substantial shareholders, directors or chief executives, or of their respective associates that could reasonably be regarded as relevant to the independence of the Valuer.

### **Valuation approach and methodology**

#### ***Valuation Approach***

In arriving at the appraised value of the entire equity value of PHC and PMS, the Valuer considered three accepted approaches, namely, income approach, cost approach and market approach.

In the appraisal regarding the fair value of the equity value of the Target Companies, the Valuer applied the Market Approach due to the following reasons:

- (a) Cost Approach is not appropriate in current appraisal as it assumed the assets and liabilities of the Target Companies are separable and can be sold separately. This methodology is more appropriate for the industry that their assets are highly liquid, like property development and financial institution. Thus, Cost Approach is not adopted in the valuation.
- (b) The Income Approach is also considered inappropriate as numerous assumptions were involved in formulating the financial projections of the Target Companies, and these assumptions might not be able to reflect the uncertainties in their future performance. As the income approach requires detailed operational information and financial projections, it may be subject to management bias regarding future performance. Since objective supporting data is not available to support in conducting the valuation using the income approach, improper assumptions would impose a significant impact on the fair value. Therefore, the Income Approach is not adopted in the valuation.

- (c) Fair value arrived from Market Approach reflects the market expectations over the corresponding industry as the price multiples of the comparable companies were arrived from market consensus. Since there are sufficient public companies in similar nature and business to that of the Target Companies, their market values are good indicators of the industry. Therefore, Market Approach has been adopted in the valuation. The Valuer's valuation procedure under the guideline company method is illustrated as below.

#### *Guideline Company Method*

The comparable public companies are selected by adopting FactSet and their latest audited annual reports, with reference to the following selection criteria:

- the primary business of the comparable public companies is clinical lab test or body check services, with over 50% of their revenues coming from these activities;
- the revenue is primarily generated from Hong Kong and China, with over 50% of its revenue coming from those geographical segments;
- the comparable public companies are listed on exchange markets in Hong Kong;
- the financial information of the comparable public companies is publicly available; and
- the enterprise values of the comparable public companies are positive.

Having considered the above selection criteria and bases, the Valuer has selected nine comparable public companies, the Valuer has not considered other comparable companies.

The Valuer has to determine the appropriate valuation multiples for the valuation of the Target Companies, in which the Valuer has considered price-to-earnings ratio, price-to-book ratio, price-to-earnings before interest, tax, depreciation and amortisation (“**EBITDA**”) ratio and enterprise value-to-sales ratio (the “**EV/S Ratio**”). In order to reflect the latest financial performance of the Target Companies, the Valuer has considered that the suitable multiple in the valuation is the EV/S Ratio. The price-to-earnings ratio is deemed inappropriate for valuation due to the Target Companies' history of net losses. The price-to-book ratio is considered not appropriate for the valuation because book value captures only the tangible assets of a company. A company's intangible assets as well as company-specific competencies and advantages are not captured in the price-to-book ratio. The price-to-EBITDA ratio is not selected in the valuation because the Target Companies have experienced negative EBITDA historically, aligning with the rationale behind excluding the price-to-earnings ratio. Therefore, EV/S Ratio is considered appropriate and adopted in the valuation.

The EV/S Ratio of comparable companies are calculated by dividing their respective enterprise value by their respective revenue. The enterprise values of the comparable companies are computed based on the market capitalisation of the comparable companies as of the valuation date and the latest financial data of the comparable companies available as of the Valuation Date.

### ***Key Assumptions***

In arriving at the opinion of value, the Valuer has considered the following principal factors:

- the economic outlook for the region operated by the Target Companies and specific competitive environments affecting the industry;
- the business risks of the Target Companies;
- the comparable companies are engaging in business operations similar to the Target Companies;
- the experience of the management team of the Target Companies and support from its shareholders; and
- the legal and regulatory issues of the industry in general.

The key assumptions adopted in the valuation include:

- there will be no material change in the existing political, legal, technological, fiscal or economic conditions, which might adversely affect the business of the Target Companies;
- the Valuer assumed that there are no hidden or unexpected conditions associated with the assets valued that might adversely affect the reported values. Further, the Valuer assume no responsibility for changes in market conditions after the Valuation Date;
- the Target Companies operate continuously as a going concern;
- there is no material change to the national macro-economic, industrial and regulation development policies;
- there is no material change to the relevant tax base and tax rates after the Valuation Date;
- the management of the Target Companies is responsible and stable, and is capable of its undertakings after the Valuation Date;

- the Target Companies fully comply with all relevant laws and regulations; and
- there is no force majeure which has material adverse effects on the Target Companies.

### ***Source of Information***

For the purpose of the valuation, the Valuer was provided with information in respect of the Target Companies prepared by the Company, the Target Companies and their authorised representatives. The valuation required the consideration of all relevant factors including, but not limited to the following:

- background information of the operation and relevant corporate information of the Target Companies;
- historical financial information of the Target Companies;
- the economic outlook in general, the specific economic environment and market elements affecting the business, industry and market; and
- FactSet and other reliable sources of market data.

The Directors have reviewed the assumptions adopted and valuation approach used in the Valuation Report and have been advised that the key assumptions adopted in the Valuation Report are commonly used in valuing similar companies. There are no irregularities noted by the Directors in relation to the quantitative inputs in the valuation. The Directors therefore consider that the key assumptions, key inputs, valuation approach and methodology adopted in the valuation are fair and reasonable.

### **REASONS FOR AND BENEFITS OF THE DISPOSAL**

For the years ended 31 December 2025 and 2024, the Group recorded significant losses of approximately HK\$28,779,000 and HK\$100,150,000 in the provision of medical laboratory testing services and health check services segment. These losses were primarily attributable to reduced demand for routine testing and preventive health checks by individuals and corporations resulting from public health conditions stabilised and the fiercer competition in Hong Kong. The Group has faced significant challenges in developing the medical laboratory testing services and health check services business in recent years.

The Group continually seeks to improve its business and financial performance by periodically evaluating its assets and businesses and considering divestiture as and when suitable offers arise. As at 31 March 2026, the unaudited net liabilities of the Target Companies amounted to approximately HK\$29,013,000, which are in a state of serious insolvency. In order to divest this non-performing segment and to optimise the Group's business performance and prevent the ongoing losses of Target Companies from placing an additional burden on the Group, the Disposal will enable the Company to reallocate its resources to support its overall strategic development.

Based on the above, the Directors are of the view that the Disposal is in the interest of the Company and the Shareholders as a whole.

### **FINANCIAL EFFECTS OF THE DISPOSAL**

Based on the net proceeds from the Disposal, the unaudited net liabilities of the Target Companies of HK\$29,013,000 in aggregate as at 31 March 2026, and the waiver of the net Intercompany Balance of HK\$19,408,000 owing by the Target Companies to the Group, the Group will record a gain of approximately HK\$12,617,000 as a result of the Disposal, being the difference between the aggregate net liabilities of the Target Companies of HK\$9,605,000 as at 31 March 2026 after the waiver of the net Intercompany Balance owing by the Target Companies to the Group and the net proceeds of approximately HK\$3,012,000. The actual gain or loss as a result of the Disposal to be recorded by the Group is subject to final audit to be performed by the auditors of the Company.

### **INTENDED USE OF PROCEEDS**

The net proceeds from the Disposal, after deducting the transaction cost associated with the Disposal, are estimated to be approximately HK\$3,012,000, will be used as general working capital.

### **GEM LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios in respect of the Disposal under Rule 19.07 of the GEM Listing Rules exceeds 25% but all of the applicable percentage ratios are below 75%, the Disposal constitutes a major transaction on the part of the Company under the GEM Listing Rules and is subject to the reporting, announcement, circular and Shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

### **WRITTEN SHAREHOLDERS' APPROVAL**

Under Rule 19.44 of the GEM Listing Rules, shareholders' approval may be obtained by way of written shareholders' approval in lieu of holding a general meeting if (a) no shareholder is required to abstain from voting if the issuer were to convene a general meeting to obtain such shareholders' approval; and (b) written shareholders' approval has been obtained from a shareholder or a closely allied group of shareholders who together hold more than 50% of the voting rights at that general meeting to approve the transaction.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, none of the Shareholders has any material interest in the Sale and Purchase Agreement and the transactions contemplated thereunder and no Shareholder is required to abstain from voting in respect of the approval of the Sale and Purchase Agreement, the Disposal and the transactions contemplated respectively thereunder if the Company were to convene a general meeting. Pursuant to Rule 19.44 of the GEM Listing Rules, in lieu of a resolution to be passed at a general meeting of the Company, the Company has received a written approval from Genius Lead Limited. As at the date of this announcement, Genius Lead Limited owns 529,500,546 Shares (representing approximately 54.27% of the total issued share capital of the Company) carrying rights to vote at a general meeting. Accordingly, no general meeting will be held by the Company for approving the Sale and Purchase Agreement, the Disposal and the transactions contemplated respectively thereunder. Genius Lead Limited is ultimately wholly-owned by Mr. Liu.

A circular containing, among other things, (i) details of the Sale and Purchase Agreement, the Disposal and the transactions contemplated respectively thereunder; and (ii) other information as required under the GEM Listing Rules is expected to be despatched to the Shareholders on or before Tuesday, 9 June 2026 for their information only.

**Shareholders and potential investors of the Company should note that the Completion is subject to the fulfilment or waiver (as the case may be) of the conditions precedent set out in the Sale and Purchase Agreement and therefore may or may not occur. Shareholders and potential investors of the Company are reminded to exercise caution when dealing in the Shares and other securities of the Company.**

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings:

“Board”	the board of the Company
“Business Days”	a day on which licensed banks in Hong Kong are open for general commercial business, other than a Saturday, Sunday or public holiday in Hong Kong
“Company”	China Biotech Services Holdings Limited, a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the GEM of the Stock Exchange (stock code: 8037)
“Completion”	completion of the Disposal
“Completion Date”	date of Completion
“Consideration”	the consideration for the Disposal
“Disposal”	the disposal of the Sale Shares
“Director(s)”	the director(s) of the Company

“FactSet”	FactSet Research Systems Inc., commonly known as FactSet, is a leading American financial data and software company publicly traded on the New York Stock Exchange under the ticker symbol FDS. Recognized as a component of the S&P 500 index since December 2021, FactSet provides integrated financial data, analytical tools, and services to investment professionals across the globe, including portfolio managers, market analysts, and risk managers. Its comprehensive suite of offerings includes business advisory services, data consolidation, advanced market analytics, and portfolio data management, catering to a diverse clientele
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	individual(s) or company(ies) which is/are independent of and not connected with any member of the Group, the Directors, chief executive and substantial shareholders of the Company and its subsidiaries and their respective associates (within the meaning of the GEM Listing Rules)
“Intercompany Balance”	the intercompany balance and liability between the Company, its subsidiaries and affiliates and the Target Companies up to the Completion Date
“Long Stop Date”	60 days from the date of signing the Sale and Purchase Agreement or such later date as the Purchaser and the Seller may agree in writing
“Material Adverse Change (or Effect)”	any change (or effect), the consequence of which is to materially and adversely affect the financial position, business or property, results of operations, business prospects or assets of the Target Companies

“Mr. Liu”	Mr. Liu Xiaolin, an executive Director and a controlling Shareholder of the Company
“PHC”	PHC Medical Diagnostic Centre Limited, a company incorporated in Hong Kong with limited liability and an indirectly non-wholly owned subsidiary of the Company
“PHC Sale Shares”	1,980 ordinary shares of PHC, representing the entire issued share capital of PHC
“PMS”	Premier MediCare Services Limited, a company incorporated in Hong Kong with limited liability and an indirectly non-wholly owned subsidiary of the Company
“PMS Sale Shares”	three (3) ordinary shares of PMS, representing the entire issued share capital of PMS
“PRC”	the People’s Republic of China
“Purchaser”	Mr. Chan Kam Fuk, an Independent Third Party
“Sale and Purchase Agreement”	the agreement dated 18 May 2026 and entered into among the Seller, the Company and the Purchaser in respect of the Disposal
“Sale Shares”	collectively, the PHC Shares and the PMS Shares
“Seller”	Central Laboratory (Group) Limited, a company incorporated in the British Virgin Islands with limited liability
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Companies”	collectively, PHC and PMS

“Valuer”	Masterpiece Valuation Advisory Limited, a professional independent valuer and an Independent Third Party, engaged by the Company for the purpose of the appraisal of the value of the entire issued share capital in each of the Target Companies
“Valuation Date”	31 March 2026
“Valuation Report”	the valuation report dated 15 May 2026 and issued by the Valuer with respect to the appraisal of the value of the entire issued share capital in each of the Target Companies
“%”	per cent.

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

Hong Kong, 18 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 Mr. 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](http://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](http://www.cbshhk.com).*