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**中生北控生物科技股份有限公司**  
**BIOSINO BIO-TECHNOLOGY AND SCIENCE INCORPORATION**  
*(a joint stock limited company incorporated in the People's Republic of China with limited liability)*  
**(Stock Code: 8247)**

**MAJOR TRANSACTION**  
**ACQUISITION OF AND SUBSCRIPTION FOR**  
**AN AGGREGATE OF 70.3% EQUITY INTEREST IN**  
**SHANGHAI JIANGCU BY WAY OF ISSUE OF**  
**CONSIDERATION SHARES AND CASH CAPITAL INCREASE**

**THE TRANSACTION**

As at 5 August 2026, the Company (as the investor) entered into the Capital Increase and Cooperation Agreement with the Target Company, Party C and Party D (Party C and Party D being the Original Shareholders), pursuant to which the Company conditionally agreed to acquire an aggregate of approximately 70.3% equity interest in the Target Company as enlarged by the Capital Increase through the following two steps:

- (i) **Share Acquisition:** the Company will acquire 10% equity interest in the Target Company from Party D at a consideration of RMB7,700,000 (equivalent to approximately HK\$8,932,000), which will be satisfied by the allotment and issue by the Company under the General Mandate of an aggregate of 2,791,250 Consideration Shares (H Shares) to Party D at an issue price of HK\$3.2 per Share; and
- (ii) **Cash Capital Increase:** the Company will subscribe for the increased registered capital of the Target Company with available cash of RMB156,333,300 (equivalent to approximately HK\$181,346,600) and acquire 67% equity interest in the Target Company as enlarged by the Capital Increase.

The total Consideration for the Transaction is RMB164,033,300 (equivalent to approximately HK\$190,278,628), comprising Consideration Shares in the amount of RMB7,700,000 and cash in the amount of RMB156,333,300.

As at the date of this announcement, the Company does not hold any interest in the Target Company. Assuming that there is no other change in the share capital of the Target Company, upon Completion of the Transaction, the Company will hold an aggregate of approximately 70.3% equity interest in the Target Company. The Target Company will become a non-wholly owned subsidiary of the Company, and the financial results of the Target Company will be consolidated into the consolidated financial statements of the Group.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable Percentage Ratios (as defined in Rule 19.07 of the GEM Listing Rules) for the Transaction is 25% or more, but all of the applicable Percentage Ratios are less than 100%, the Transaction constitutes a major transaction of the Company under Chapter 19 of the GEM Listing Rules, and is therefore subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

The Consideration Shares will be allotted and issued under the General Mandate, and no Shareholders' approval is required for the allotment and issue of the Consideration Shares. The Company will apply to the Stock Exchange for approval of the listing of and permission to deal in the Consideration Shares. Upon allotment and issue, the Consideration Shares will rank *pari passu* in all respects with the existing issued H Shares of the Company.

A circular containing, among other things, (i) further details of the Capital Increase and Cooperation Agreement and the transactions contemplated thereunder; and (ii) such other information as is required to be included in the circular under the GEM Listing Rules, together with a notice of the EGM, is expected to be despatched to the Shareholders on or before 4 September 2026, in order to allow sufficient time for the preparation of the relevant information to be included in the circular.

**The Transaction is subject to the satisfaction (or, where applicable, waiver) of the various Conditions Precedent, and therefore the Transaction may or may not proceed. Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.**

## **INTRODUCTION**

The Board is pleased to announce that, on 5 August 2026, the Company (as investor) entered into the Capital Increase and Cooperation Agreement with the Target Company, Party C and Party D (Party C and Party D being the Original Shareholders), pursuant to which the Company will acquire an aggregate of approximately 70.3% equity interest in the Target Company as enlarged by the Capital Increase by way of the Share Acquisition and the Cash Capital Increase.

The principal terms of the Capital Increase and Cooperation Agreement are set out below.

### **I. CAPITAL INCREASE AND COOPERATION AGREEMENT**

#### **1. Date**

5 August 2026

#### **2. Parties**

- (1) the Company;
- (2) the Target Company;
- (3) Party C; and
- (4) Party D.

As at the date of this announcement, Party C holds 90% equity interest in the Target Company, while Party D holds 10% equity interest in the Target Company.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, as of the date of this announcement, the Original Shareholders and the Target Company (and their respective ultimate beneficial owners) are third parties independent of the Company and its Connected Persons (as defined under the GEM Listing Rules).

### 3. Subject Matter and Transaction Structure

Subject to the Conditions Precedent and the relevant terms of the Capital Increase and Cooperation Agreement, the Company will acquire an aggregate of 70.3% equity interest in the Target Company as enlarged by the Capital Increase through the following two steps:

#### (The First Step) Share Acquisition

The Company will acquire 10% equity interest in the Target Company from Party D (representing RMB100,000 of the registered capital of the Target Company) at a consideration of RMB7,700,000 (equivalent to approximately HK\$8,932,000), which will be satisfied by the allotment and issue by the Company under the General Mandate of an aggregate of 2,791,250 Consideration Shares (H Shares) to Party D at an issue price of HK\$3.2 per Share. Party D will no longer hold any equity interest in the Target Company after completion of the Share Acquisition.

#### (The Second Step) Cash Capital Increase

The Company will subscribe for the increased registered capital of the Target Company with available cash of RMB156,333,300 (equivalent to approximately HK\$181,346,600) and acquire 67% equity interest in the Target Company as enlarged by the Capital Increase. Upon Completion of the Capital Increase, the registered capital of the Target Company will increase from RMB1,000,000 to RMB3,030,300, of which the increased registered capital to be subscribed for by the Company will amount to RMB2,030,300, and the remaining portion of the capital contribution of RMB154,303,000 will be credited to the capital reserve of the Target Company.

Upon Completion of both the Share Acquisition and the Capital Increase, the Company will hold an aggregate of 70.3% equity interest in the Target Company as enlarged by the Capital Increase (comprising approximately 3.3% resulting from the dilution of the 10% equity interest acquired through the First Step following the Capital Increase, together with approximately 67% acquired through the Capital Increase under the Second Step), while Party C will hold approximately 29.7% equity interest.

The Capital Increase and Cooperation Agreement shall become effective upon (i) the approval of the Transaction by the Board and the shareholders' meeting of the Company; and (ii) the requisite approvals or consents from the securities regulatory authorities and the Stock Exchange (if required) having been obtained (the “**Effectiveness Conditions**”).

#### 4. Consideration and Payment Arrangements

##### *(1) Breakdown of the Consideration*

The total Consideration for the Transaction is RMB164,033,300, details of which are set out below:

| <b>Step</b>                                | <b>Equity interest to be acquired</b>                                         | <b>Consideration (RMB)</b> | <b>Method of payment</b>                                                                  |
|--------------------------------------------|-------------------------------------------------------------------------------|----------------------------|-------------------------------------------------------------------------------------------|
| First Step: Share Acquisition (Share Swap) | 10% equity interest in the Target Company (held by Party D)                   | RMB7,700,000               | To be satisfied by the issue of Consideration Shares (H Shares) by the Company to Party D |
| Second Step: Cash Capital Increase         | 67% equity interest in the Target Company as enlarged by the Capital Increase | RMB156,333,300             | To be paid in available cash                                                              |
| <b>Total</b>                               | Approximately 70.3% equity interest as enlarged by the Capital Increase       | RMB164,033,300             |                                                                                           |

##### *(2) Issue Price of the Consideration Shares under the First Step*

The consideration of RMB7,700,000 for the First Step (being the audited net profit of the Target Company for 2025 after deducting non-recurring gains and losses, calculated based on the lower of the net profit before and after deducting non-recurring gains and losses, multiplied by a PE Multiple of 7 times and 10%) will be settled entirely by the Consideration Shares.

The Company proposes to allot and issue an aggregate of 2,791,250 Consideration Shares to Party D to satisfy the consideration for the First Step referred to above. The number of Consideration Shares to be issued represents approximately 1.93% of the existing issued share capital of the Company and approximately 1.89% of the issued share capital of the Company as enlarged by the allotment and issue of the Consideration Shares, assuming that there is no other change in the issued share capital of the Company.

The Consideration Shares will be issued at the issue price of HK\$3.2 per Consideration Share, representing:

- (i) a discount of approximately 0.31% to the closing price of HK\$3.21 per Share as quoted on the Stock Exchange on the date of the Capital Increase and Cooperation Agreement; and
- (ii) a premium of approximately 0.63% over the average closing price of HK\$3.18 per Share as quoted on the Stock Exchange for the five trading days immediately preceding the date of the Capital Increase and Cooperation Agreement.

The price of HK\$3.2 per Consideration Share was determined by the Company and Party D on an arm's length basis, with reference to and no less than the average closing price of HK\$3.18 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately preceding the date of the Capital Increase and Cooperation Agreement, and taking into account the central parity rate of Renminbi against Hong Kong dollars as announced by the People's Bank of China on the date of the Capital Increase and Cooperation Agreement.

The Consideration Shares will be allotted and issued pursuant to the General Mandate. Upon allotment and issue, the Consideration Shares will rank *pari passu* in all respects with the H Shares of the Company then in issue, including the right to receive all dividends, distributions and other payments made or to be made with a record date falling on or after the date of allotment and issue.

The General Mandate has not been utilised from the date of its grant on 28 April 2026 up to the date of this announcement. As the Consideration Shares will be issued pursuant to the General Mandate, the allotment and issue of the Consideration Shares will not be subject to Shareholders' approval. The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares.

Pursuant to the Capital Increase and Cooperation Agreement, Party D has agreed to comply with the following lock-up restrictions in respect of the H Shares acquired by it through the Share Swap: for a period of 12 months from the date

on which the Consideration Shares are registered in the name of Party D, Party D shall not transfer, pledge, mortgage or reduce its holdings of such Shares, provide any external guarantee with such Shares, create any encumbrance over such Shares or circumvent the lock-up arrangements by carrying out any disposal in disguised form. Upon expiry of the lock-up period, Party D shall strictly comply with the GEM Listing Rules and other applicable laws and regulations.

### **(3) *Payment Arrangements for the Cash Capital Increase***

The Company proposes to make an actual cash contribution of RMB156,333,300 in respect of the increased registered capital of the Target Company. Such capital contribution shall be paid within 36 months from the date on which the Capital Increase and Cooperation Agreement is signed and the Target Company completes the industrial and commercial change registration procedures in respect of the Capital Increase.

The capital contribution for the 67% equity interest under the Second Step will be paid into a funds supervision account opened in the name of the Target Company and jointly controlled by the Company and the Target Company, with the specimen seal of a person designated by the Company reserved for the operation of such account. Any use of the funds shall be subject to the prior written consent of the Company, and the funds shall be used primarily for the business expansion, research and development investment, market development and replenishment of working capital of the Target Company. The funds shall not be used to repay any indebtedness incurred by the Target Company before the Share Swap Closing Date, except with the written consent of the Company, nor shall they be used for external lending, the provision of external guarantees or the transfer of benefits to related parties.

## **5. BASIS OF THE CONSIDERATION**

The Company has appointed Zhongshui Zhiyuan Assets Appraisal Co., Ltd.\* (中水致遠資產評估有限公司), an independent and qualified PRC valuation institution (the “**Independent Valuer**”), to conduct a valuation of the market value of the entire shareholders’ equity of the Target Company as at the Financial Information Benchmark Date, being 31 December 2025, and to prepare the Valuation Report. The Company has also appointed an independent and qualified accounting firm with qualifications to engage in securities-related services to audit the net profit of the Target Company for its latest financial year. According to the Valuation Report issued by the Independent Valuer, the appraised value of the entire shareholders’ equity of the Target Company as at the Valuation Benchmark Date, using the Income Approach, was RMB77.0 million. The consideration for the Share Acquisition and the consideration for

the Capital Increase under the Transaction were determined based on such Valuation and the audited net profit of the Target Company for 2025. Pursuant to the Capital Increase and Cooperation Agreement, the net profit used to determine the Consideration shall be based on the lower of the net profit before and after deducting non-recurring gains and losses. If an audit conducted by an accounting firm recognised by the Company and qualified to engage in securities-related services reveals that the net profit of the Target Company for 2025 contains any false records, material accounting errors or financial fraud, the Company shall be entitled to recalculate the pre-investment Valuation and the entire Consideration based on the net profit as adjusted by the audit, and require the Original Shareholders to refund in cash any overpaid capital contribution or any differential amount in respect of the Consideration Shares. Further details of the Valuation, including the major assumptions and methodology adopted in the Valuation Report, are set out in the section headed “IX. VALUATION OF THE TARGET COMPANY” in this announcement.

## **6. CONDITIONS PRECEDENT**

The Capital Increase and Cooperation Agreement shall become effective upon all of the following conditions having been fulfilled or waived in writing by the Company:

- (1) the Capital Increase and Cooperation Agreement, including all of its appendices, having been agreed upon and duly executed by the Company, the Target Company and the Original Shareholders;
- (2) the Target Company having amended or restated its articles of association, shareholders’ resolutions and other relevant documents in accordance with the relevant terms of the Capital Increase and Cooperation Agreement, such documents having been duly executed by the Original Shareholders, and such amendments and execution having been approved in writing by the Company. Save for the aforesaid amendments or restatement of the articles of association, no further amendment or restatement of the articles of association of the Target Company shall be made during the Transition Period;
- (3) the Target Company and the Original Shareholders having fully, truthfully and completely disclosed to the Company all information relating to the assets, liabilities, equity, external guarantees of the Target Company and the Transaction;
- (4) the Company, with the assistance of the Original Shareholders, having satisfactorily completed its business, financial and legal due diligence on the Target Company, without identifying any matter that may give rise to a material adverse change;

- (5) no material adverse change having occurred in the operations, financial position or other aspects of the Target Company during the Transition Period;
- (6) during the Transition Period, except with the written consent of the Company, the Target Company having neither created nor permitted the creation of any encumbrance over any of its assets or properties, directly or indirectly disposed of any of its principal assets in any manner, nor incurred or assumed any material indebtedness, other than disposals or liabilities arising in the ordinary course of business;
- (7) the Original Shareholders having created no pledge or other encumbrance over any part or all of their equity interests in the Target Company during the Transition Period;
- (8) the Original Shareholders being all of the registered shareholders of the Target Company registered with the industrial and commercial registration authority, and the respective shareholding proportions and capital contributions of the Original Shareholders being consistent with those disclosed in the section “Recitals” to the Capital Increase and Cooperation Agreement;
- (9) the representations and warranties made by the Target Company and the Original Shareholders under the Capital Increase and Cooperation Agreement being true, accurate and complete in all material respects on both the date of execution and the Closing Date;
- (10) there being no effective injunction or similar decree that may prohibit or restrict any party from completing the transactions contemplated under the Capital Increase and Cooperation Agreement or any other definitive agreement, and all necessary approvals and consents from governmental and regulatory authorities in respect of the Transaction having been obtained, if required, including completion of the filing with the PRC securities regulatory authority in respect of the overseas offering and listing of H Shares;
- (11) the Target Company, as a going concern, having committed no material violation of laws or regulations; and
- (12) the Effectiveness Conditions.

If any of the above Conditions Precedent fails to be fulfilled for any reason, the Company shall be entitled to terminate the Capital Increase and Cooperation Agreement by written notice.

## 7. Transition Period

The Transition Period refers to the period commencing from the date of execution of the Capital Increase and Cooperation Agreement and ending on the date of completion of the industrial and commercial change registration for the Capital Increase by the Target Company. During the Transition Period, the Target Company shall carry on its business in the ordinary course and make its best efforts to maintain the integrity of its business organization, preserve its relationships with third parties, and retain a stable core team, and maintain profitability no lower than the valuation level. Without the written consent of the Company, the Target Company shall not, during the Transition Period, conduct any form of dividend distribution, related party transactions, external guarantees, material asset disposals, or external borrowings (in a single transaction or in aggregate exceeding RMB500,000). The Company shall have the right to appoint representatives to attend the shareholders' meeting and the board meeting of the Target Company, and shall have the right to information and supervision over the financial position and material operational decisions of the Target Company.

## 8. Performance Undertaking and Compliance Undertaking

Party C and Party D jointly and severally undertake to the Company that the Target Company shall meet the following standards for the year-on-year growth rate of audited net profit after deducting non-recurring gains and losses for the years 2026, 2027 and 2028 (the **"Performance Undertaking Period"**):

- (1) The net profit for 2026 shall increase by 20% or more as compared with that for 2025;
- (2) The net profit for 2027 shall increase by 20% or more as compared with that for 2026; and
- (3) The net profit for 2028 shall increase by 20% or more as compared with that for 2027.

The performance appraisal shall be based solely on the special Audit Report issued by an accounting firm recognized by the Company and qualified to engage in securities-related business, and the overall performance target may be calculated on a unified basis by reference to the average net profit growth rate over the three-year period. In addition, the Original Shareholders and the Target Company shall ensure that the year-on-year growth rate of the audited net profit of the Target Company after deducting non-recurring gains and losses for each of the years 2026, 2027 and 2028 exceeds 10%. If such year-on-year growth rate of net profit of the Target Company for any of the said years falls below 10%, the parties shall prudently and amicably negotiate a reduction in the PE valuation multiple adopted for the second phase of the Cash Capital Increase. The Target Company and the Original Shareholders also undertake that the production and operation of the Target Company shall continue to comply with laws, administrative regulations and national industrial policies, and no material illegal acts involving national security, public security, ecological security, production safety or public health safety shall occur.

## **9. Closing**

### ***(1) First Step Closing (Share Swap Closing)***

Within 20 Working Days after the Capital Increase and Cooperation Agreement becomes effective and the Company has completed its internal decision-making procedures and the regulatory filing for overseas listing, the Company will complete the allotment and registration procedures of the Consideration Shares, and the Target Company and Party D will concurrently process the industrial and commercial registration for the transfer of 10% equity interest in the Target Company held by Party D to the Company.

The date on which the aforementioned industrial and commercial registration is completed shall be the Share Swap Closing Date. From the Share Swap Closing Date, the Company will acquire a 10% equity interest of the Target Company, and Party D will acquire the corresponding Consideration Shares. The Consideration Shares acquired by Party D shall be subject to a 12-month lock-up restriction as described in the section headed “I. CAPITAL INCREASE AND COOPERATION AGREEMENT - 4. Consideration and Payment Arrangements - (2) Issue Price of the Consideration Shares under the First Step” in this announcement.

### ***(2) Second Step Closing (Capital Increase Closing)***

From the day immediately following the Share Swap Closing Date, the parties shall proceed with the Cash Capital Increase and the relevant industrial and commercial registration in accordance with the Capital Increase and Cooperation Agreement. The date on which the aforementioned industrial and commercial registration is completed shall be the Closing Date.

If the closing procedures for the Share Acquisition or the Cash Capital Increase cannot be completed within the relevant timeframe due to reasons not attributable to any party, such timeframe shall be automatically extended until the relevant procedures have been completed.

From the completion date of each step, the shareholder rights and obligations associated with the corresponding equity interest shall be enjoyed and borne by the Company. Upon the completion of both the Share Acquisition and the Cash Capital Increase, the Company will hold 70.3% equity interest in the Target Company as enlarged by the Capital Increase, and Party C will hold 29.7% equity interest.

## II. EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

As of the date of this announcement, the total number of issued shares of the Company is 144,707,176, including 80,421,033 domestic shares and 64,286,143 H Shares (the Company does not hold any treasury shares as at the date of this announcement).

The table below illustrates the shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately following the allotment and issue of the Consideration Shares (for illustrative purposes only, on the assumption that there is no other change to the issued share capital of the Company other than the issue of the Consideration Shares):

| Shareholders                                                                                               | Number of<br>Shares as at<br>the date of<br>this<br>announcement | Approximate<br>percentage of<br>total number<br>of issued<br>Shares (%) | Number of<br>Shares upon<br>Completion | Approximate<br>percentage of<br>total number<br>of issued<br>Shares (%) |
|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------|-------------------------------------------------------------------------|----------------------------------------|-------------------------------------------------------------------------|
| <b>Domestic Shares</b>                                                                                     |                                                                  |                                                                         |                                        |                                                                         |
| Shandong Biobase Zhongsheng<br>Technology Co., Ltd. (note 1)                                               | 31,678,576                                                       | 21.89                                                                   | 31,678,576                             | 21.48                                                                   |
| Jingning Guoke Kangyi<br>Enterprise Management Center<br>LLP (note 4)                                      | 14,190,510                                                       | 9.81                                                                    | 14,190,510                             | 9.62                                                                    |
| Yunan Shengneng Investment<br>Partnership (Limited<br>Partnership) (note 3)                                | 10,939,314                                                       | 7.56                                                                    | 10,939,314                             | 7.42                                                                    |
| Sichuan Zhongsheng Medical<br>Instrument Co., Ltd. (note 5)                                                | 10,000,000                                                       | 6.91                                                                    | 10,000,000                             | 6.78                                                                    |
| Mr. Li Yangyixiong (note 3)                                                                                | 1,050,263                                                        | 0.73                                                                    | 1,050,263                              | 0.71                                                                    |
| Guoke Healthcare Innovation<br>Research Institute (Hefei)<br>Partnership (Limited<br>Partnership) (note 6) | 1,440,000                                                        | 1.00                                                                    | 1,440,000                              | 0.98                                                                    |
| Other shareholders of domestic<br>shares                                                                   | 11,122,370                                                       | 7.69                                                                    | 11,122,370                             | 7.54                                                                    |
| <b>Subtotal of domestic shares</b>                                                                         | <b>80,421,033</b>                                                | <b>55.57</b>                                                            | <b>80,421,033</b>                      | <b>54.52</b>                                                            |
| <b>H Shares</b>                                                                                            |                                                                  |                                                                         |                                        |                                                                         |
| HK Biosino co. Limited (note 2)                                                                            | 27,256,143                                                       | 18.84                                                                   | 27,256,143                             | 18.48                                                                   |
| Yunnan Shengneng Investment<br>Partnership (Limited<br>Partnership) (note 3)                               | 6,780,000                                                        | 4.69                                                                    | 6,780,000                              | 4.60                                                                    |
| Other shareholders of H Shares                                                                             | 30,250,000                                                       | 20.90                                                                   | 30,250,000                             | 20.51                                                                   |
| Party D                                                                                                    | —                                                                | —                                                                       | 2,791,250                              | 1.89                                                                    |
| <b>Subtotal of H Shares</b>                                                                                | <b>64,286,143</b>                                                | <b>44.43</b>                                                            | <b>67,077,393</b>                      | <b>45.48</b>                                                            |
| <b>Total number of issued Shares</b>                                                                       | <b>144,707,176</b>                                               | <b>100.00</b>                                                           | <b>147,498,426</b>                     | <b>100.00</b>                                                           |

*Notes:*

1. Shandong Biobase Zhongsheng Technology Co., Ltd. (“**Shandong Biobase**”) is owned as to 99% by Jinan Moze Biotechnology Co., Ltd. (“**Jinan Moze**”), which is owned as to approximately 48% and 52% by Mr. Chu Danxia and Mr. Gan Yiwu, respectively. Accordingly, Jinan Moze, Mr. Chu Danxia and Mr. Gan Yiwu are deemed to be interested in the domestic shares owned by Shandong Biobase pursuant to the SFO.
2. HK Biosino co. Limited (“**HK Biosino**”) is wholly owned by Hainan Zhixin Investment Partnership (Limited Partnership), which is owned as to approximately 36.01% and 36.01% by Mr. Chen Peng (a Director), as the general partner, and Mr. Li Dongfeng, as a limited partner. Accordingly, Mr. Chen Peng and Mr. Li Dongfeng are deemed to be interested in the H Shares owned by HK Biosino.
3. Yunan Shengneng Investment Partnership (Limited Partnership) (“**Yunan Shengneng**”) is owned as to approximately 43.12% by Mr. Li Yangyixiong and seven other partners. Accordingly, Mr. Li Yangyixiong is deemed to be interested in the H Shares and the domestic shares owned by Yunan Shengneng. In addition, Mr. Li Yangyixiong personally holds 1,050,263 domestic shares.
4. Jingning Guoke Kangyi Enterprise Management Center LLP (“**Jingning Guoke**”) is owned as to 99.5% by Mr. Chen Peng, a Director. Accordingly, Mr. Chen Peng is deemed to be interested in the domestic shares owned by Jingning Guoke.
5. Sichuan Zhongsheng Medical Instrument Co., Ltd. (“**Sichuan Zhongsheng**”) is owned as to 77.94% by Mr. Chen Zhengyong. Accordingly, Mr. Chen Zhengyong is deemed to be interested in the domestic shares owned by Sichuan Zhongsheng.
6. Guoke Healthcare Innovation Research Institute (Hefei) Partnership (Limited Partnership) (“**Guoke Healthcare**”) is owned as to 80% by Kechen Meiyi Health Industry Development Co., Ltd. (“**Kechen Meiyi**”), and Kechen Meiyi is owned as to 70% by Mr. Chen Peng, a Director. Accordingly, Mr. Chen Peng is deemed to be interested in the domestic shares owned by Guoke Healthcare.

### III. EFFECT ON THE SHAREHOLDING STRUCTURE OF THE TARGET COMPANY

The table below illustrates the shareholding structure of the Target Company (i) as at the date of this announcement; (ii) immediately following the completion of the Share Acquisition (First Step); and (iii) immediately following the completion of the Capital Increase (Second Step):

| <b>Shareholder</b> | <b>Original<br/>Registered<br/>Capital<br/>(RMB'0,000)</b> | <b>Registered<br/>Capital<br/>after Share<br/>Acquisition<br/>(RMB'0,000)</b> | <b>Shareholding<br/>after Share<br/>Acquisition</b> | <b>Registered<br/>Capital<br/>after Shareholding<br/>Capital<br/>Increase<br/>(RMB'0,000)</b> | <b>after<br/>Capital<br/>Increase</b> |
|--------------------|------------------------------------------------------------|-------------------------------------------------------------------------------|-----------------------------------------------------|-----------------------------------------------------------------------------------------------|---------------------------------------|
| Party C            | 90                                                         | 90                                                                            | 90%                                                 | 90.00                                                                                         | 29.7%                                 |
| Party D            | 10                                                         | —                                                                             | —                                                   | —                                                                                             | —                                     |
| The Company        | —                                                          | 10                                                                            | 10%                                                 | 213.03                                                                                        | 70.3%                                 |
| <b>Total</b>       | <b>100</b>                                                 | <b>100</b>                                                                    | <b>100%</b>                                         | <b>303.03</b>                                                                                 | <b>100%</b>                           |

Upon completion of the Capital Increase, the registered capital of the Target Company will increase from RMB1,000,000 to approximately RMB3,030,300.

### IV. CORPORATE GOVERNANCE AND SHAREHOLDERS' ARRANGEMENTS

Pursuant to the Capital Increase and Cooperation Agreement, upon Completion of the Transaction, the Target Company shall establish a Board of Directors comprising 3 members, of which the Company shall appoint 2 Directors (including the chairman), and the Original Shareholders shall appoint 1 Director; each Director shall serve a term of three years and shall be eligible for re-election upon expiry, and the Board shall adopt a one-person-one-vote voting system. The Target Company shall not establish a board of supervisors, but shall appoint 1 supervisor, who shall be appointed by the Company. The Target Company shall appoint 1 general manager, who shall be engaged by the Board and serve as the legal representative; the chief financial officer shall be recommended by the Shareholders, assessed and thereafter nominated by the Company and engaged by the Board.

To safeguard the interests of the Company, the following matters shall be subject to the unanimous approval of all members of the Board or the Directors appointed by the Company voting in favour (the Directors appointed by the Company shall have a veto right over such matters), including but not limited to: merger, division, dissolution, liquidation or change of corporate form of the

Target Company; increase or decrease of registered capital, issue of bonds or equity financing; external guarantees, external borrowings (in a single transaction or in aggregate exceeding RMB500,000) or provision of financial assistance to external parties; disposal of major assets (in a single transaction or in aggregate with a book value exceeding RMB1,000,000), transfer of intellectual property rights or external licensing; change of principal business, material investments or entry into new business areas; related party transactions (in a single transaction or in aggregate exceeding RMB300,000); annual budgets, final accounts and profit distribution plans; remuneration schemes for senior management and share incentive plans; and contracts with a single transaction amount exceeding RMB2,000,000 signed with external parties. In addition, for resolutions at the Shareholders' meeting of the Target Company, matters involving amendment of the articles of association, increase or decrease of registered capital, merger, division, dissolution, change of corporate form, external guarantees (in a single transaction or in aggregate exceeding RMB500,000) and other matters, shall be subject to the approval of Shareholders representing more than two-thirds of the voting rights, and the Company is required to vote in favour.

The Target Company and the Original Shareholders also agree that, upon Completion of the Transaction, they will progressively improve the compliance of the Target Company in accordance with the relevant laws, regulations and normative documents applicable to Hong Kong listed companies, establish a standardized corporate governance structure and accounting system, and improve the internal control system. The Original Shareholders also undertake to ensure that the core operations team of the Target Company remains stable during the Performance Undertaking Period, and that core team members shall enter into labour contracts, confidentiality agreements and non-compete agreements with the Target Company for a term of not less than 5 years.

## **V. BREACH OF AGREEMENT AND INDEMNIFICATION**

The Capital Increase and Cooperation Agreement contains general provisions on breach of agreement and indemnification. If the Original Shareholders or the Target Company breaches the representations and warranties, and such breach results in an inflated Valuation of the Company's investment, the Original Shareholders shall refund to the Company an amount equal to 100% of the excess consideration paid (whether in the form of Cash Capital Increase contribution or Consideration Shares) based on the inflated amount. If the Original Shareholders divert benefits through related party transactions, they shall return to the Target Company 200% of the amount of benefits so diverted, and indemnify the Company for its losses.

## VI. REASONS FOR AND BENEFITS OF THE TRANSACTION

The Company is a leading supplier in the PRC engaged in the research and development, manufacture, sale and after-sales service of scientific instruments, research reagents and in-vitro diagnosis (IVD) products. The Target Company is principally engaged in research and development, sales and technical services of scientific instruments, biological reagents, IVD segment and upstream core raw materials, laboratory instruments and consumables, with its core business being the authorised distribution of Promega's NanoLuc®mRNA in China and academic promotion and distribution of microsatellite instability (MSI) companion diagnostic products for solid tumors, primarily serving domestic universities, research institutes, medical institutes and biopharmaceutical enterprises, and has generated a certain scale of sales revenue and stable net profit. Its sales channels and customer network are highly complementary to the IVD business and upstream raw materials of the Group.

The Board is of the view that the Transaction will benefit the Group in the following aspects:

- (1) **Expansion of sales and distribution network:** Through acquisition of the Target Company, the Group will be able to enhance its deployment in the research and development, sales and technical services of scientific instruments, biological reagents, upstream raw materials for the IVD segment, laboratory instruments and consumables, and to swiftly gain access to the Target Company's mature channels, customer resources and sales teams in the field of scientific research reagents and equipment. This will help broaden the distribution channels for the Group's IVD products through industry-academia-research collaboration and companion diagnostics for targeted therapy of solid tumours, thereby improving market coverage and penetration;
- (2) **Business synergy and enhanced profitability:** The Target Company has stable profitability, and upon Completion of the Acquisition, its financial results will be consolidated into the consolidated financial statements of the Group, which will help enhance the Group's profit level and improve sustainable profitability, and can generate synergies with the existing business of the Group;
- (3) **Prudent Consideration payment structure:** The Consideration for the Transaction is determined based on historical audited net profit multiplied by PE Multiple, supplemented by the Performance Undertaking for 2026 to 2028, audit adjustment mechanisms and Transition Period arrangements, which helps safeguard the interests of the Company and Shareholders; and

- (4) **Partial Consideration paid in Shares:** The consideration for the First Step is paid by issue of Consideration Shares by the Company, which helps preserve the cash resources of the Group and aligns the interests of the Original Shareholders with those of the Shareholders of the Company, sharing the benefits of equity appreciation.

The Directors are of the view that the Capital Increase and Cooperation Agreement was entered into after arm's length negotiations on normal commercial terms that are fair and reasonable, and the Transaction is in the interests of the Company and the Shareholders as a whole.

## **VII. INFORMATION ON THE PARTIES**

**The Company:** A joint stock limited company incorporated in the PRC and listed on GEM of the Stock Exchange (stock code: 8247), principally engaged in the research and development, manufacture, sale and after-sales service of scientific instruments, research reagents and IVD products.

**Target Company:** A limited liability company established in the PRC, principally engaged in the research and development, sale and technical services of scientific instruments, biological reagents, IVD segment and upstream core raw materials, laboratory instruments and consumables, with its core business being the authorised distribution of Promega's NanoLuc®mRNA in China and academic promotion and distribution of microsatellite instability (MSI) companion diagnostic products for solid tumors, primarily serving domestic universities, research institutes, medical institutes and biopharmaceutical enterprises. As at the date of this announcement, the registered capital of the Target Company is RMB1 million, held as to 90% by Party C and as to 10% by Party D.

**Party C:** A limited liability company established in the PRC, principally engaged in the business of selling intelligent instruments and meters, medical devices, reagents and consumables, whose legal representative is Party D.

**Party D:** A PRC resident and a merchant, the legal representative of the Target Company and Party C.

## VIII. FINANCIAL INFORMATION OF THE TARGET COMPANY

The Target Company has recorded stable sales revenue and net profit in recent years. According to the financial statements of the Target Company audited by RSM China CPA LLP (“**RSM**”) in accordance with PRC enterprise accounting standards, a summary of the financial information of the Target Company for the two years ended 31 December 2024 and 31 December 2025 is set out below:

|                         | <b>For the year<br/>ended 31<br/>December<br/>2024<br/>(RMB'000)<br/>(Audited)</b> | <b>For the year<br/>ended 31<br/>December<br/>2025<br/>(RMB'000)<br/>(Audited)</b> |
|-------------------------|------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| Operating income        | 71,236.8                                                                           | 76,521.1                                                                           |
| Net profit (before tax) | 12,190.0                                                                           | 14,732.1                                                                           |
| Net profit (after tax)  | 9,053.3                                                                            | 11,049.1                                                                           |

As at 31 December 2025, the total assets of the Target Company amounted to approximately RMB56.69 million, total liabilities amounted to approximately RMB41.45 million, and net assets amounted to approximately RMB15.24 million.

RSM has audited the balance sheets of the Target Company as of 30 April 2026, 31 December 2025, 31 December 2024 and 31 December 2023, and the income statements, cash flow statements, statements of changes in owners' equity and the related notes to the financial statements for the period from January to April 2026 and the years ended 2025, 2024 and 2023, and has issued an unqualified Audit Report thereon. The above summary of financial information is extracted from such audited financial statements.

## IX. VALUATION OF THE TARGET COMPANY

The Company has engaged an independent valuer to assess the market value of the entire shareholders' equity of the Target Company as at the Valuation Benchmark Date (i.e. 31 December 2025), and the valuer has issued an asset assessment report dated 22 July 2026. The Valuation Report adopts both the Market Approach and the Income Approach for assessment, with the Income Approach result adopted as the final valuation conclusion.

## **A. Value of the entire shareholders' equity of the Target Company calculated under the Income Approach**

According to the Independent Valuer's Valuation Report, the value of the entire shareholders' equity of the Target Company as assessed under the Income Approach at the Valuation Benchmark Date is RMB77,000,000, representing an appreciation of RMB61,758,800 over the audited carrying amount of the equity attributable to the owners of the Target Company of RMB15,241,200 at the Valuation Benchmark Date, with an appreciation rate of approximately 405.21%.

## **B. Reasons for adopting the Income Approach**

The Valuation Report adopts both the Income Approach and the Market Approach to calculate the value of the entire shareholders' equity of the Target Company. The Income Approach evaluates assets from the perspective of expected profitability, with key indicators being future income and discount rate. In forecasting future indicators, various factors such as domestic macroeconomic conditions, industry conditions, corporate development plans and operational capabilities are comprehensively considered, which can reflect the future growth of the enterprise itself and its industry; whereas the Market Approach calculates based on major financial data from historical periods and stock market trading data, and the financial data used is significantly affected by accounting standards and subject to considerable stock price fluctuations in the market. Given the particularity of the current market environment, market effectiveness is subject to certain constraints. Therefore, compared with the Income Approach, the Market Approach result is affected by more uncertain factors. Based on the above reasons, the Valuation Report adopts the calculation result of the Income Approach as the final valuation conclusion.

## **C. Major assumptions adopted in the Valuation Report**

### ***(1) General Assumptions***

1. Transaction Assumption: It is assumed that all assets to be valued are already in the process of transaction and asset valuation professionals conduct valuation by simulating the market according to the transaction conditions of the assets to be valued.
2. Open Market Assumption: An open market refers to fully developed and complete market conditions in which there is a competitive market atmosphere containing willing buyers and sellers. In this market, buyers and sellers are equal in status, accessible to the opportunities and time for obtaining sufficient market information, and transactions between buyers and sellers are conducted voluntarily, rationally, without coercion or constraint.

3. Asset Continuity of Use Assumption: It assumes that the evaluated assets are in a status of use, and that the assets in use will continue to be used.
4. Going Concern Assumption for the Enterprise: It is assumed that the production and business operations of the evaluated entity can continue based on its current status. Furthermore, it is assumed that no significant changes will occur in its operating conditions in the foreseeable future.

## **(2) *Special Assumptions***

1. It is assumed that the external economic environment as at the Valuation Benchmark Date remains unchanged and that there are no significant changes in the national macroeconomic conditions, with no unforeseeable or force majeure events that would materially and adversely affect the valuation results;
2. It is assumed that the social and economic environment in which the enterprise operates, as well as policies such as taxation, exchange rates and tax rates, remain substantially unchanged;
3. It is assumed that the future management team of the assessed entity will perform its duties diligently and maintain the current management model;
4. It is assumed that the authorized distribution contract for NanoLuc®mRNA under Promega in China can be renewed upon expiry under equivalent market conditions, and that changes to the authorized distribution contract will not have a material impact on production and operations;
5. It is assumed that the assessed entity fully complies with all relevant national laws and regulations, adheres to national industrial policies, and will not be subject to major violations that could affect the company's development and revenue realization;
6. It is assumed that the assets subject to the Valuation are based on their actual inventory as at the Valuation Benchmark Date and that current market prices are determined with reference to effective domestic prices as at the Valuation Benchmark Date;
7. It is assumed that the accounting policies adopted by the assessed entity after the Valuation Benchmark Date will remain consistent, in all material respects, with those used in preparing the Valuation Report;

8. It is assumed that, after the Valuation Benchmark Date, the business scope and mode of the assessed entity will remain consistent with the current status, based on the existing management methods and management levels;
9. It is assumed that cash inflows for the assessed entity after the Valuation Benchmark Date occur evenly throughout the period, and cash outflows also occur evenly;
10. It is assumed that the operating premises leased by the assessed entity can be renewed upon expiry under equivalent market conditions, and that changes to office and operating premises will not have a material impact on production and operations;
11. It is assumed that the enterprise will maintain its existing credit policy in the future and will not encounter significant issues with receivables collection;
12. The valuation scope is based on the range of assets provided by the client. Any potential contingent assets or contingent liabilities not identified or provided have not been considered in the Valuation; and
13. It is assumed that all foundational information and financial data provided by the assessed entity are true, accurate, and complete.

### **(3) *Valuation Limiting Conditions***

The valuation conclusion estimates the market value of the valuation object based on the valuation purpose and with the open market as an assumption. It does not consider the effects on the valuation value that may arise from special transaction methods which could increase or decrease the price paid, nor does it account for the impact on asset prices due to changes in the macroeconomic environment or acts of nature and other forces majeure. The valuation conclusion shall become invalid if the above assessment assumptions and limiting conditions change significantly.

## **D. Prediction model and income period of the Income Approach**

### **(1) *Prediction model***

For this Income Approach valuation, the enterprise's free cash flow discount model under the discounted cash flow method is selected. That is, the enterprise's free cash flows within the future income period are discounted using an appropriate discount rate and then summed up to calculate the value of operating assets. Then, the value of surplus assets, non-operating assets and liabilities is added, and the value of interest-bearing debt is subtracted. Finally, the value of the entire shareholders' equity is determined. The calculation formula is as follows:

Value of the entire shareholders' equity = Total value of the enterprise – Value of interest-bearing debt;

Total value of the enterprise = Value of operating assets + Value of surplus assets + Non-operating assets – Value of non-operating liabilities;

Enterprise's free cash flow = Net profit after tax + Depreciation and amortization + Interest expense (after tax impact) – Capital expenditure – Changes in net working capital.

The calculation formula for the Income Approach valuation is:

$$P = \sum_{i=1}^n \frac{A_i}{(1+R)^i} + \frac{A}{R(1+R)^n} - B + OE$$

Where:  $P$  is the valuation of the entire shareholders' equity of the enterprise;  $A_i$  is the enterprise's free cash flow for the  $i$ -th year in the near-term income fluctuation period;  $A$  is the sustained and stable annual enterprise's free cash flow during the stable income period;  $R$  is the discount rate;  $n$  is the forecast period of the income fluctuation period;  $B$  is the present value of interest-bearing debt at the Valuation Benchmark Date;  $OE$  is the present value of the total of non-operating, surplus assets and liabilities at the Valuation Benchmark Date.

## (2) *Discount rate*

The Valuation adopts the weighted average cost of capital (WACC) of the enterprise as the discount rate for enterprise's free cash flows. The calculation formula is:

$$WACC = \left(\frac{1}{1 + D/E}\right) \times Re + \left(\frac{1}{1 + E/D}\right) \times (1 - T) \times Rd$$

Where:  $E$  is the target equity capital value of the valuation object;  $D$  is the target debt capital value of the valuation object;  $Re$  is the cost of shareholders' equity capital;  $Rd$  is the cost of debt capital;  $T$  is the corporate income tax rate applicable to the company.

The cost of shareholders' equity capital is determined using the capital asset pricing model (CAPM):

$$Re = Rf + \beta_e(Rm - Rf) + \alpha$$

Where:  $R_f$  is the risk-free interest rate;  $\beta_e$  is the equity systematic risk adjustment coefficient;  $R_m - R_f$  is the market risk premium;  $\alpha$  is the company-specific risk adjustment factor.

### **(3) *Income period***

The Valuation adopts a perpetual period as the income period. Among them, the first stage is from 1 January 2026 to 31 December 2030, being a total of five years. During this stage, the income status is changing based on the operating conditions of the Target Company. The second stage is from 1 January 2031 to perpetuity. During this stage, the Target Company is assumed to maintain the stable level of earnings forecast for 2030.

## **E. Applicability of the Market Approach and valuation method**

The Market Approach is a valuation method that determines the value of the valuation object by comparing it with comparable listed companies or comparable transaction cases. The two commonly used specific methods are the listed company comparison method and the transaction case comparison method. Given that it is difficult to collect a sufficient number of comparable transaction cases that are close to the Target Company in terms of detailed information and transaction timing, and given that the operating and financial data of comparable listed companies are more publicly available and objective, and thus more operable, the Valuation adopts the listed company comparison method to assess the entire equity value of the Target Company's shareholders. In applying the listed company comparison method, the valuer first analyses the basic profile of the Target Company and identifies comparable listed companies, then analyses and compares the key operating and financial indicators of the Target Company and the comparable listed companies (mainly including earnings before interest and tax (EBIT), earnings before interest, tax, depreciation/amortisation (EBITDA) and net operating income after tax (NOIAT)), selects appropriate value ratios for the comparable listed companies, and makes adjustments and modifications based on the consideration of lack of marketability discount, thereby deriving the value ratio of the Target Company and ultimately determining the equity value of the Target Company.

## **F. Valuation conclusion under the Market Approach**

At the Valuation Benchmark Date, the value of the entire shareholders' equity of the Target Company as assessed under the Market Approach is RMB98,000,000, representing an appreciation of RMB82,758,800 over the audited carrying amount of the equity attributable to the owners of the Target Company of RMB15,241,200 at the Valuation Benchmark Date, with an appreciation rate of approximately 543.00%.

## **G. Analysis of the difference between valuation conclusions under the Income Approach and the Market Approach**

The calculation results of both the Market Approach and the Income Approach show an appreciation relative to the book value of shareholders' equity, with the Market Approach result being RMB21.00 million higher than the Income Approach result, and the difference between the two approaches is not significant. The Income Approach evaluates assets from the perspective of expected profitability. In forecasting future indicators, various factors such as domestic macroeconomic conditions, industry conditions, corporate development plans and operational capabilities are comprehensively considered, which can reflect the future growth of the enterprise itself and its industry; whereas the Market Approach calculates based on major financial data from historical periods and stock market trading data, and the financial data used is significantly affected by accounting standards and subject to considerable stock price fluctuations in the market. Given the particularity of the current market environment, market effectiveness is subject to certain constraints. Compared with the Income Approach, the Market Approach result is affected by more uncertain factors. In view of the purpose of the Valuation, both transacting parties place greater emphasis on the future operating conditions and profitability of the enterprise. Therefore, the Income Approach result is adopted as the final valuation conclusion for the Valuation, that is, the market value of the entire shareholders' equity of the Target Company as at the Valuation Benchmark Date is RMB77.00 million.

## **X. PROFIT FORECAST**

As the Consideration for the Share Acquisition and Capital Increase is determined by reference to the audited net profit of the Target Company for the year 2025 at a price-to-earnings ratio of 7 times, and the valuation of the entire shareholders' equity of the Target Company at the Valuation Benchmark Date by an independent valuer using the Income Approach is considered and adopted, the Valuation constitutes a profit forecast under Rule 19.61 of the GEM Listing Rules and is subject to Rule 19.60A of the GEM Listing Rules.

The Company's Reporting Accountant, RSM China CPA LLP, has issued a report on the calculation of the forecast used in the Valuation Report (which does not involve the adoption of accounting policies). So far as the calculation is concerned, the discounted cash flow method has been properly prepared in all material respects in accordance with the assumptions adopted by the Board as set out in the Valuation Report. Please refer to the Reporting Accountant's Report in Appendix I.

The Board has confirmed that the profit forecast has been made by the Board after due and careful enquiry. Please refer to the Letter from the Board in Appendix II.

## **XI. QUALIFICATIONS, CONSENTS AND OPINIONS OF EXPERTS**

The following are the names and qualifications of the experts whose opinions or recommendations are included in this announcement:

| <b>Name</b>                                                           | <b>Qualification</b>                                                   |
|-----------------------------------------------------------------------|------------------------------------------------------------------------|
| Zhongshui Zhiyuan<br>Assets Appraisal Co.,<br>Ltd.*(中水致遠資產評<br>估有限公司) | An independent and qualified asset appraisal<br>institution in the PRC |
| RSM China CPA LLP                                                     | Chinese certified public accountant                                    |

As at the date of this announcement, none of the above experts holds any shares in any member of the Group or has any right (whether legally binding or not) to subscribe for or nominate others to subscribe for securities of any member of the Group.

The above experts have given and have not withdrawn their written letters of consent to the issue of this announcement with the inclusion herein of references to their names and/or reports and/or opinions expressed therein in the form and context in which they appear.

## **XII. LISTING RULES IMPLICATIONS**

As one or more of the applicable Percentage Ratios (as defined in Rule 19.07 of the GEM Listing Rules) for the Transaction is 25% or more but less than 100%, the Transaction constitutes a major transaction of the Company under Chapter 19 of the GEM Listing Rules, and is therefore subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 19 of the GEM Listing Rules.

As mentioned in the section headed "X. PROFIT FORECAST" above, since the Consideration for the Share Acquisition and Capital Increase has taken into account and adopted the valuation of the entire equity of the Target Company's shareholders using the Income Approach (discounted cash flow method), the Valuation constitutes a profit forecast under Rule 19.61 of the GEM Listing Rules, and the Company has complied with the requirements of Rule 19.60A of the GEM Listing Rules (including the Reporting Accountants' report in Appendix I and the Letter from the Board in Appendix II).

The Consideration Shares will be allotted and issued under the General Mandate, and no Shareholders' approval is required for the allotment and issue of the Consideration Shares. The Company will apply to the Stock Exchange for approval of the listing of and permission to deal in the Consideration Shares. Upon allotment and issue, the Consideration Shares will rank *pari passu* in all respects with the existing issued H Shares of the Company.

A circular containing, among other things, (i) further details of the Capital Increase and Cooperation Agreement and the transactions contemplated thereunder; and (ii) such other information as required to be included in the circular under the GEM Listing Rules, together with a notice of the EGM, is expected to be despatched to the Shareholders on or before 4 September 2026, in order to allow sufficient time for the preparation of the relevant information to be included in the circular.

**Shareholders and potential investors should note that the Transaction is subject to the satisfaction of a number of Conditions Precedent and there is no guarantee that the Transaction will be completed. Therefore, Shareholders and potential investors of the Company should exercise caution when dealing in the securities of the Company.**

## **DEFINITIONS**

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

|                                                                |                                                                                                                                                                                                                                                                                 |
|----------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Audit Report”                                                 | the unqualified audit report on the financial statements of the Target Company issued by RSM (RSM Shen Zi [2026] 230Z5054, dated 21 July 2026)                                                                                                                                  |
| “Board”                                                        | the board of directors of the Company                                                                                                                                                                                                                                           |
| “Capital Increase and Cooperation Agreement” or “Agreement”    | the capital increase and cooperation agreement dated 5 August 2026 entered into by the Company, the Target Company, Party C and Party D in relation to Shanghai Jiangcu Technology Co., Ltd., together with the annexes, amendments and supplements thereto                     |
| “Capital Increase” or “Cash Capital Increase” or “Second Step” | the subscription for the new registered capital of the Target Company at a consideration of RMB156,333,300 in cash, representing 67% equity interest in the Target Company as enlarged by the capital increase                                                                  |
| “Closing Date”                                                 | the date on which the Company has acquired an aggregate of approximately 70.3% equity interest in the Target Company as enlarged by the Capital Increase through the Share Acquisition and the Capital Increase and completed the industrial and commercial change registration |
| “Completion”                                                   | completion of the Transaction in accordance with the terms and conditions of the Capital Increase and Cooperation Agreement                                                                                                                                                     |

|                          |                                                                                                                                                                                                                           |
|--------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Conditions Precedent”   | the conditions precedent as set out in the section headed “ I. CAPITAL INCREASE AND COOPERATION AGREEMENT — 6. Conditions Precedent” in this announcement                                                                 |
| “Connected Person(s)”    | has the meaning ascribed to it under the GEM Listing Rules                                                                                                                                                                |
| “Consideration”          | the total consideration for the Transaction, being RMB164,033,300                                                                                                                                                         |
| “Consideration Share(s)” | a total of 2,791,250 new H Shares allotted and issued by the Company to Party D under the General Mandate as consideration for the Share Acquisition                                                                      |
| “Director(s)”            | director(s) of the Company                                                                                                                                                                                                |
| “EGM”                    | the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the Capital Increase and Cooperation Agreement and the transactions contemplated thereunder |
| “GEM Listing Rules”      | the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited                                                                                                                           |
| “General Mandate”        | the general mandate for issuance of Shares granted to the Directors at the annual general meeting of the Company held on 28 April 2026                                                                                    |
| “Group”                  | the Company and its subsidiaries                                                                                                                                                                                          |
| “H Share(s)”             | the overseas listed foreign shares of RMB1.00 each in the share capital of the Company, which are listed on GEM of the Stock Exchange and subscribed for and traded in HK\$                                               |
| “HK\$”                   | Hong Kong dollars, the lawful currency of Hong Kong                                                                                                                                                                       |
| “Hong Kong”              | Hong Kong Special Administrative Region of the PRC                                                                                                                                                                        |

|                                                     |                                                                                                                                                                                                                                                                         |
|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Income Approach”                                   | the valuation approach adopted in the Valuation Report and used as the final valuation conclusion, being the enterprise free cash flow discount model under the discounted cash flow method for assessing the value of the entire equity interest of the Target Company |
| “Independent Valuer”                                | Zhongshui Zhiyuan Assets Appraisal Co., Ltd.*(中水致遠資產評估有限公司), a qualified asset appraisal institution in the PRC                                                                                                                                                         |
| “Market Approach”                                   | one of the valuation approaches adopted in the Valuation Report, being the listed company comparison method for assessing the value of the entire equity interest of the Target Company                                                                                 |
| “Original Shareholders”                             | Collectively, Party C and Party D                                                                                                                                                                                                                                       |
| “Party A” or “Company”                              | Biosino Bio-Technology and Science Incorporation (中生北控生物科技股份有限公司), a joint stock company incorporated in the PRC with limited liability and listed on GEM of the Stock Exchange (stock code: 8247)                                                                      |
| “Party B” or “Target Company” or “Shanghai Jiangcu” | Shanghai Jiangcu Technology Co., Ltd.* (上海匠簇科技有限公司), a company established in the PRC with limited liability                                                                                                                                                            |
| “Party C”                                           | Beijing Chenyimeng Technology Co., Ltd.* (北京晨逸萌科技有限公司), a company established in the PRC with limited liability                                                                                                                                                         |
| “Party D”                                           | Pan Zhenhe (潘震河), a Chinese resident and the legal representative of the Target Company and Party C                                                                                                                                                                     |
| “PE Multiple”                                       | the price-to-earnings ratio multiple used to determine the Valuation of the Target Company, which is provisionally calculated at 7 times for the Transaction                                                                                                            |
| “Percentage Ratio”                                  | has the meaning ascribed to it under the GEM Listing Rules                                                                                                                                                                                                              |

|                                                     |                                                                                                                                                                                                                                                                                                                                                                                 |
|-----------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Performance Undertaking”                           | the undertaking given by Party C and Party D under the Capital Increase and Cooperation Agreement in respect of the net profit of the Target Company during the Performance Undertaking Period, details of which are set out in the section headed “I. CAPITAL INCREASE AND COOPERATION AGREEMENT — 8. Performance Undertaking and Compliance Undertaking” in this announcement |
| “Performance Undertaking Period”                    | 2026, 2027 and 2028                                                                                                                                                                                                                                                                                                                                                             |
| “PRC”                                               | the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan                                                                                                                                                                                                                    |
| “Reporting Accountant”                              | RSM China CPA LLP                                                                                                                                                                                                                                                                                                                                                               |
| “RMB”                                               | Renminbi, the lawful currency of the PRC                                                                                                                                                                                                                                                                                                                                        |
| “RSM”                                               | RSM China CPA LLP, the auditor of the Target Company’s financial statement and the Reporting Accountant of the Company                                                                                                                                                                                                                                                          |
| “Share Acquisition” or “Share Swap” or “First Step” | the acquisition of 10% equity interest in the Target Company from Party D, with the consideration of RMB7,700,000 satisfied by the issue of the Consideration Shares                                                                                                                                                                                                            |
| “Shareholders”                                      | the holders of the Shares of the Company                                                                                                                                                                                                                                                                                                                                        |
| “Share(s)”                                          | Shares in the share capital of the Company (including H Share(s))                                                                                                                                                                                                                                                                                                               |
| “Share Swap Closing Date”                           | the date on which the 10% equity interest in the Target Company held by Party D has been transferred and registered under the name of the Company under the First Step of the Share Acquisition, and the Company has completed the allotment of the Consideration Shares and the share registration procedures                                                                  |
| “Stock Exchange”                                    | The Stock Exchange of Hong Kong Limited                                                                                                                                                                                                                                                                                                                                         |
| “subsidiary(ies)”                                   | has the meaning ascribed to it under the GEM Listing Rules                                                                                                                                                                                                                                                                                                                      |

|                                                                      |                                                                                                                                                                                                                                                                                                                            |
|----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| “Transaction” or<br>“Acquisition”                                    | the acquisition by the Company of an aggregate of approximately 70.3% equity interest in the Target Company as enlarged by the Capital Increase through the Share Acquisition and the Cash Capital Increase pursuant to the Capital Increase and Cooperation Agreement, and the other transactions contemplated thereunder |
| “Transition Period”                                                  | the period commencing from the date of the Capital Increase and Cooperation Agreement and ending on the date of completion of the industrial and commercial change registration for the Capital Increase by the Target Company                                                                                             |
| “Valuation”                                                          | the assessment made by the Independent Valuer of the market value of the entire equity interest of the Target Company as at the Valuation Benchmark Date                                                                                                                                                                   |
| “Valuation Benchmark Date” or “Financial Information Benchmark Date” | 31 December 2025                                                                                                                                                                                                                                                                                                           |
| “Valuation Report”                                                   | the asset appraisal report issued by the Independent Valuer dated 22 July 2026 (Zhongshui Zhiyuan Ping Bao Zi [2026] No. 020625)                                                                                                                                                                                           |
| “Working Day(s)”                                                     | the day(s) (other than Saturdays, Sundays and public holidays in the PRC) on which commercial banks in the PRC are open for business                                                                                                                                                                                       |
| “%”                                                                  | per cent                                                                                                                                                                                                                                                                                                                   |

\* *For identification purposes only*

In this announcement, unless otherwise indicated, conversions of HK\$ amounts into RMB are based on the exchange rate of RMB1.00 = HK\$1.16. Such rate is used for illustrative purposes only and does not represent that any amount has been, could have been or may be converted at that rate or at any other rate. Percentages and certain figures have been rounded.

For and on behalf of the Board  
**Biosino Bio-Technology and Science Incorporation**  
**Chen Peng**  
*Chairman, President and Executive Director*

Beijing, the PRC, 5 August 2026

*As at the date of this announcement, the Board comprises:*

*Chairman, President and Executive Director*

Mr. Chen Peng (陳鵬先生)

*Vice chairman and Executive Director*

Mr. Li Zhonghua (李忠華先生)

*Executive Director*

Mr. Chen Zhengyong (陳正永先生)

*Non-executive Director*

Ms. Kang Rui (康睿女士)

*Independent non-executive Directors*

Prof. Shen Jiangang (沈劍剛教授), Mr. Fan Xiaoliang (范曉亮先生) and Prof. Jin Tengchuan (金騰川教授)

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange 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, (1) the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; and (2) 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 on 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 Company’s website at [www.zhongsheng.com.cn](http://www.zhongsheng.com.cn).*

## APPENDIX I Report from the Reporting Accountant

The following is the full text of the report issued by the Reporting Accountant, RSM China CPA LLP (Chinese Certified Public Accountant), which was prepared for inclusion in this announcement.

### Report from the Accountant of Biosino Bio-Technology and Science Incorporation on the Calculation of Present Value of Cash Flows for Equity Valuation of Shanghai Jiangcu Technology Co., Ltd.

#### The board of directors of Biosino Bio-Technology and Science Incorporation

We have reviewed the process of calculating the present value of the cash flows corresponding to the business valuation (hereinafter referred to as the “**Valuation**”) prepared by the Board of Biosino Bio-Technology and Science Incorporation (hereinafter referred to as the “**Company**”) for the purpose of assessing the fair value of the equity of Shanghai Jiangcu Technology Co., Ltd. (hereinafter referred to as the “**Target Company**”) as at 31 December 2025. The Valuation was prepared by Zhongshui Zhiyuan Assets Appraisal Co., Ltd.\*(中水致遠資產評估有限公司) on 22 July 2026. The Valuation was prepared using the discounted cash flow method and is considered a profit forecast under Rule 19.61 of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (hereinafter referred to as the “**GEM Listing Rules**”).

#### Responsibilities of the Directors

The directors of the Company (hereinafter referred to as the “**Directors**”) are responsible for the preparation of the present value of cash flows in accordance with the basis of preparation and related assumptions (hereinafter referred to as the “**Assumptions**”) determined by the Directors and set out in the Valuation. This responsibility includes performing appropriate preparation procedures and adopting an appropriate preparation basis for the present value of cash flows involved in the preparation of the Valuation, and making reasonable estimates based on actual circumstances.

The Directors assume full responsibility for this profit forecast.

## **Independence and Quality Management**

We have complied with the independence and other ethical requirements of the Code of Ethics for Chinese Certified Public Accountants (hereinafter referred to as the “**Code**”) and the Independence Standards for Chinese Certified Public Accountants regarding the audit of public interest entities. The Code establishes fundamental principles of integrity, objectivity, independence, professional competence and due care, confidentiality, and professional behavior.

We implement the Quality Control Standard No.5101 for Accounting Firms — Engagement Quality Management which requires us to design, implement, and operate a quality management system, including policies and procedures regarding the compliance with ethical requirements, professional standards, and applicable laws and regulations.

## **Responsibilities of the Reporting Accountant**

Our responsibility is to provide an assurance conclusion on whether the calculations of discounted future cash flows have been prepared, in all material respects, in accordance with the Assumptions on which the Valuation is based, and to report as required by Rule 19.60A(2) of the GEM Listing Rules. This report shall not be used for any other purposes. We do not assume responsibility towards or accept obligation to any other person for the content of this report.

We have performed the review work in accordance with the China Standards on Other Assurance Engagements No. 3101 — Assurance Engagements Other Than Audits or Reviews of Historical Financial Information. Such standards require us to comply with professional ethics requirements, plan and perform the work, and so far as the calculations are concerned, obtain reasonable assurance regarding whether the Directors have properly prepared discounted future cash flows based on the Assumptions. We only performed procedures on the calculation and preparation of the present value of future cash flows based on established Assumptions. The abovementioned work we performed does not constitute any form of valuation opinion on the Target Company.

Since the Valuation relates to discounted future estimated cash flows, no accounting policies of the Company have been adopted in its preparation. The relevant Assumptions involve hypothetical judgments about future events and management actions, which cannot be confirmed or verified in the same way as historical operating results, and such events and actions are uncertain. Even if the anticipated events and actions do occur, actual results may still differ from the outcome of the Valuation, and such difference may be material. Accordingly, our scope of work did not involve reviewing, considering, or conducting any work regarding the reasonableness and validity of the aforementioned Assumptions, nor do we express any audit opinion thereon.

## **Conclusion**

In our opinion, the present value of cash flows, so far as the calculations are concerned, has been properly prepared, in all material respects, in accordance with the relevant Assumptions set forth in the Valuation Report.

RSM China CPA LLP

Beijing, China

5 August 2026

## APPENDIX II Letter from the Board

Listing Division  
The Stock Exchange of Hong Kong Limited  
12/F, Two Exchange Square  
8 Connaught Place, Central, Hong Kong

Dear Sir/Madam,

**Major Transaction Regarding the Acquisition of and Subscription  
for an Aggregate of 70.3% Equity Interest in  
Shanghai Jiangcu Technology Co., Ltd.**

We refer to the Valuation Report (ZSZYPBZ [2026] No.020625) dated 22 July 2026 prepared by Zhongshui Zhiyuan Assets Appraisal Co., Ltd.\* (中水致遠資產評估有限公司) (the “**Independent Valuer**”) in relation to the valuation (the “**Valuation**”) of the entire shareholders’ equity of Shanghai Jiangcu Technology Co., Ltd. (the “**Target Company**”) as at 31 December 2025.

In view of the fact that the consideration for the acquisition of and subscription for the equity interests in the Target Company has taken into account and adopted Income Approach to the Valuation of the entire equity attributable to the shareholders of the Target Company as at the Valuation Benchmark Date. The Valuation constitutes a profit forecast under Rule 19.61 of the GEM Listing Rules and is subject to Rule 19.60A of the GEM Listing Rules.

We have discussed various matters with the Independent Valuer, including the basis and assumptions based on which the Valuation was prepared, and have reviewed the Valuation conducted by the Independent Valuer. We have also reviewed the report issued by RSM China CPA LLP, our Reporting Accountant, regarding whether the Valuation was prepared in accordance with appropriate calculation methods.

Under the provisions of the GEM Listing Rules, we consider that the Valuation prepared by the Independent Valuer was made after prudent and thorough inquiries.

Yours faithfully,  
For and on behalf of the Board  
**Biosino Bio-Technology and Science Incorporation**  
**Chen Peng**  
*Chairman*

5 August 2026