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Hong Kong Life Sciences and Technologies Group Limited
香港生命科學技術集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8085)

PROFIT WARNING

This announcement is made by Hong Kong Life Sciences and Technologies Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited and the Inside Information Provisions (as defined in the GEM Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board (the “**Board**”) of directors of the Company (the “**Directors**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on information currently available to the Company, the Group is expected to record a loss attributable to owners of the Company of approximately HK\$220 million for the year ended 31 March 2020 (“**FY2020**”) as compared to a loss attributable to owners of the Company of approximately HK\$23 million for the year ended 31 March 2019.

As disclosed in the Company’s third quarterly report for the nine months ended 31 December 2019 dated 14 February 2020 and announcement in relation to the quarterly update on suspension of trading dated 3 April 2020, the outbreak of the novel coronavirus (COVID-19) since January 2020 and the social incidents in Hong Kong in the second half of 2019, it has noted that the economy of Hong Kong and China have been unavoidably adversely affected which has continued to cause serious effect on the Company’s existing operations due to disruption of social and business activities as well as weakened sentiment in the consumption.

The significant increase in loss for FY2020 was mainly due to (i) the decrease of the reversal of impairment loss on loan receivables and loan interest receivables of approximately HK\$9 million; (ii) the increase in administrative and operating expenses for the new establishment of laboratory and customer service centre since March 2019 of approximately HK\$14 million; (iii) the significant increase in impairment loss on trade receivables, loan receivables and loan interest receivables of approximately HK\$111 million mainly due to an increase in expected credit loss allowance for those receivables which have past due as at 31 March 2020; (iv) the fair value loss of investment property of approximately HK\$2 million and (v) the impairment loss on property, plant and equipment, right-of-use assets and deposit paid for acquisition of property, plant and equipment (the “**Assets**”) of approximately HK\$57 million due to the recoverable amount of the Assets of anti-aging and stem cell technology businesses segment as

a cash-generating unit that is determined based on its value in use was less than its carrying amount.

The Company is in the process of finalizing the annual results of the Group for FY2020. The information contained in this announcement is only based on the information currently available to the Company and preliminary assessment by the management of the Company with reference to the draft unaudited consolidated management accounts of the Group for FY2020, which has not been finalized as at the date of this announcement. The annual results of the Group for FY2020 will be announced on or before 23 June 2020.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in the shares of the Company has been suspended from 9:00 a.m. on 5 July 2019 and will remain suspended until further notice.

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

By order of the Board
Hong Kong Life Sciences and Technologies Group Limited
Lu Zhiqiang
Executive Director and Chief Executive Officer

Hong Kong, 15 June 2020

As at the date of this announcement, the Board comprises (i) six executive Directors, namely Mr. Lu Zhiqiang, Mr. Chui Kwong Kau, Mr. Zhang James Jian Yuan, Dr. Sun Yu, Mrs. Cheung Fan Karen and Mr. Lau Ngai Cheung; and (ii) three independent non-executive Directors, namely Mr. Hung Yat Ming, Mr. Chan Yun Hing and Mr. Tang Hua.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at <http://www.hkgem.com> for a minimum period of seven days from the date of its publication and on the Company’s website at <http://www.hklifesciences.com>.