

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This report, for which the directors (the “**Directors**”) of Hong Kong Life Sciences and Technologies Group Limited (the “**Company**”) 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 (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 report 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 report misleading.*

This report 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>.

FIRST QUARTERLY RESULTS

For the three months ended 30 June 2013

The board of Directors (the “**Board**”) hereby submits the unaudited consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the three months ended 30 June 2013, together with the unaudited comparative figures for the corresponding period in 2012 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		Three months ended 30 June	
		2013 Unaudited HK\$'000	2012 Unaudited HK\$'000
	Notes		
Turnover	4	41,779	20,336
Cost of sales		(30,858)	(11,516)
Gross profit		10,921	8,820
Other revenue and net income	4	5,576	1,205
Administrative and other operating expenses		(21,300)	(13,607)
Finance costs	5	(926)	(659)
Loss before tax	6	(5,729)	(4,241)
Income tax	7	(57)	(49)
Loss for the period		(5,786)	(4,290)
Other comprehensive income:			
Exchange difference arising on translation of foreign operations		2,209	(1,119)
Total comprehensive income for the period		(3,577)	(5,409)
Loss attributable to:			
— owners of the Company		(4,036)	(4,259)
— non-controlling interests		(1,750)	(31)
		(5,786)	(4,290)
Total comprehensive income attributable to:			
— owners of the Company		(2,593)	(5,064)
— non-controlling interests		(984)	(345)
		(3,577)	(5,409)
Loss per share			
— Basic and diluted (HK cents)	9	(0.12)	(0.17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS:

1. GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 30 October 2000 as an exempted company with limited liability under the Companies Law (Revised) of the Cayman Islands and its shares are listed on GEM of the Stock Exchange since 7 March 2002.

The Company is an investment holding company. The Group is principally engaged in (i) the sale of healthcare products; (ii) the sale of electronic components and cotton yarn; (iii) the funeral and related businesses; and (iv) the stem cell technology and related businesses.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

The unaudited consolidated financial statements have been prepared in accordance with the disclosure requirements of the GEM Listing Rules.

The principal accounting policies used in the preparation of these unaudited consolidated financial statements are consistent with those applied in the preparation of the Group's annual financial statements for the year ended 31 March 2013 except in relation to the new and revised Hong Kong Financial Reporting Standards, ("HKFRSs", which include Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants that are adopted for the first time for the current period's financial information. The adoption of these new and revised HKFRSs has no significant effect on these financial statements.

The Group has not applied the new HKFRSs that have been issued but are not yet effective.

3. SEGMENT INFORMATION

The Group's operating segment information is based on the internal reports that are regularly reviewed by the chief operating decision maker, chairman of the Company, for the purposes of resources allocation and performance assessment of the Group. During the period, the Group has four operating and reportable segments: (i) the sale of healthcare products; (ii) the sale of electronic components and cotton yarn; (iii) the funeral and related businesses; and (iv) the stem cell technology and related businesses.

Information regarding the above segments for the three months ended 30 June 2013 and 2012 are as follows:

(a) Segment revenues and results

For the three months ended 30 June 2013	Sale of healthcare products Unaudited <i>HK\$'000</i>	Sale of electronic components and cotton yarn Unaudited <i>HK\$'000</i>	Funeral and related businesses Unaudited <i>HK\$'000</i>	Stem cell technology and related businesses Unaudited <i>HK\$'000</i>	Total Unaudited <i>HK\$'000</i>
Revenue from external customers	–	26,536	11,726	3,517	41,779
Segment results (loss)/profit before interest and income tax	(60)	704	859	(6,785)	(5,282)
Fair value change on held-for-trading investments					3,557
Gain on disposal of held-for-trading investments					396
Unallocated corporate income					1,575
Unallocated corporate expenses					(5,049)
Finance costs			(926)		(926)
Income tax			(57)		(57)
Loss for the period					<u>(5,786)</u>
For the three months ended 30 June 2012	Sale of healthcare products Unaudited <i>HK\$'000</i>	Sale of electronic components and cotton yarn Unaudited <i>HK\$'000</i>	Funeral and related businesses Unaudited <i>HK\$'000</i>	Stem cell technology and related businesses Unaudited <i>HK\$'000</i>	Total Unaudited <i>HK\$'000</i>
Revenue from external customers	2,888	1,974	15,474	–	20,336
Segment results profit before interest and income tax	26	45	615	–	686
Unallocated corporate income					1,203
Unallocated corporate expenses					(5,471)
Finance costs			(659)		(659)
Income tax			(49)		(49)
Loss for the period					<u>(4,290)</u>

(b) Geographical information

The Group operates in the People's Republic of China (excluding Hong Kong) (the "PRC") and Hong Kong. The following is an analysis of the revenue from external customers by location of operation:

	Turnover by geographical markets for the three months ended 30 June	
	2013	2012
	Unaudited	Unaudited
	HK\$'000	HK\$'000
Hong Kong	3,517	2,888
PRC	38,262	17,448
	41,779	20,336

4. TURNOVER, OTHER REVENUE AND NET INCOME

	Three months ended 30 June	
	2013	2012
	Unaudited	Unaudited
	HK\$'000	HK\$'000
Turnover		
Sale of healthcare products	–	2,888
Sale of electronic components	–	1,974
Sale of cotton yarn	26,536	–
Funeral and related businesses	11,726	15,474
Stem cell technology and related businesses	3,517	–
	41,779	20,336
Other revenue and net income		
Interest income	2	4
Gain on disposal of held-for-trading investments	396	–
Fair value changes of held-for-trading investments	3,557	–
Loan interest income	1,621	1,201
	5,576	1,205

5. FINANCE COSTS

	Three months ended	
	30 June	
	2013	2012
	Unaudited	Unaudited
	HK\$'000	HK\$'000
Interest expense on bank and other borrowings wholly repayable within five years	926	659
	926	659

6. LOSS BEFORE TAX

Loss before tax has been arrived at after charging:

	Three months ended	
	30 June	
	2013	2012
	Unaudited	Unaudited
	HK\$'000	HK\$'000
Staff costs (including Directors' emoluments)		
— salaries and allowance	7,634	2,768
— contributions of defined contributions retirement benefits schemes	297	17
	7,931	2,785
Depreciation of property, plant and equipment	3,610	1,938
Operating lease rentals in respect of rented premises	2,946	191
Share-based payments to consultants	672	1,418

7. INCOME TAX

	Three months ended	
	30 June	
	2013	2012
	Unaudited	Unaudited
	HK\$'000	HK\$'000
The PRC enterprise income tax	57	49

Hong Kong profits tax has been provided at 16.5% (2012: 16.5%) on the estimated assessable profit for the period.

The PRC enterprise income tax on the profits arising in the PRC has been provided on the estimated assessable profits at the rates of income tax prevailing in the PRC.

No deferred tax has been recognized for the period as there are no material temporary differences which will result in a liability to be payable in the foreseeable future and the stream of taxable profits which will be available to utilize the tax losses is unpredictable.

8. DIVIDEND

The Board does not recommend the payment of any interim dividend for the three months ended 30 June 2013 (2012: Nil).

9. LOSS PER SHARE

The calculation of basic and diluted loss per share attributable to the owners of the Company is based on the following data:

	Three months ended	
	30 June	
	2013	2012
	Unaudited	Unaudited
	HK\$'000	HK\$'000
Loss for the period attributable to the owners of the Company	4,036	4,259

Weighted average number of ordinary shares for the purpose of basic loss per share	3,291,952,805	2,492,786,138
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The diluted loss per share for the periods ended 30 June 2013 and 2012 has not been presented as the potential share arising from the exercise and conversion of the Company's share options would decrease the loss per share for the periods and is regarded as anti-dilutive.

10. CHANGES IN SHAREHOLDERS' EQUITY

	Attributable to the owners of the Company								
	Share capital	Share premium	Special reserve	Share options reserve	Translation reserve	Accumulated losses	Total	Non-controlling interests	Total equity
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
At 1 April 2012	99,712	300,302	(39,998)	9,774	4,035	(95,842)	277,983	56,068	334,051
Loss for the period	-	-	-	-	-	(4,259)	(4,259)	(31)	(4,290)
Exchange differences arising on translation of foreign operations	-	-	-	-	(805)	-	(805)	(314)	(1,119)
Total comprehensive income for the period	-	-	-	-	(805)	(4,259)	(5,064)	(345)	(5,409)
Recognition of equity-settled share-based payments	-	-	-	1,418	-	-	1,418	-	1,418
At 30 June 2012	99,712	300,302	(39,998)	11,192	3,230	(100,101)	274,337	55,723	330,060
At 1 April 2013	131,678	448,577	(39,998)	15,445	4,473	(131,456)	428,719	35,279	463,998
Loss for the period	-	-	-	-	-	(4,036)	(4,036)	(1,750)	(5,786)
Exchange differences arising on translation of foreign operations	-	-	-	-	1,443	-	1,443	766	2,209
Total comprehensive income for the period	-	-	-	-	1,443	(4,036)	(2,593)	(984)	(3,577)
Share option lapsed	-	-	-	(8,948)	-	8,948	-	-	-
Recognition of equity-settled share-based payments	-	-	-	672	-	-	672	-	672
At 30 June 2013	131,678	448,577	(39,998)	7,169	5,916	(126,544)	426,798	34,295	461,093

MANAGEMENT DISCUSSION AND ANALYSIS

Business and Financial Review

During the three months period under review, the Group recorded a turnover of approximately HK\$41,779,000 (2012: HK\$20,336,000), representing an increase of 105% as compared to the corresponding period in 2012. The stem cell technology and related businesses line was commenced and began to contribute its turnover to the Group in November 2012. The significant increase in turnover was mainly due to the Group increased its sale of cotton yarn in 2013.

The administrative and other operating expenses for the period amounted to approximately HK\$21,300,000 (2012: HK\$13,607,000), which included a non-cash expenses of HK\$672,000 (2012: HK\$1,418,000) relating to the share-based payments to certain consultants of the Company. The increase in administrative and other operating expenses was mainly due to the increment of the staff salaries and allowance, operating lease rentals expenses in respect of the new business line in Hong Kong and the branch office in the PRC.

During the period under review, the loss attributable to the owners of the Company for the period was approximately HK\$4,036,000 (2012: HK\$4,259,000) and the loss per share was 0.12 HK cents (2012: 0.17 HK cents).

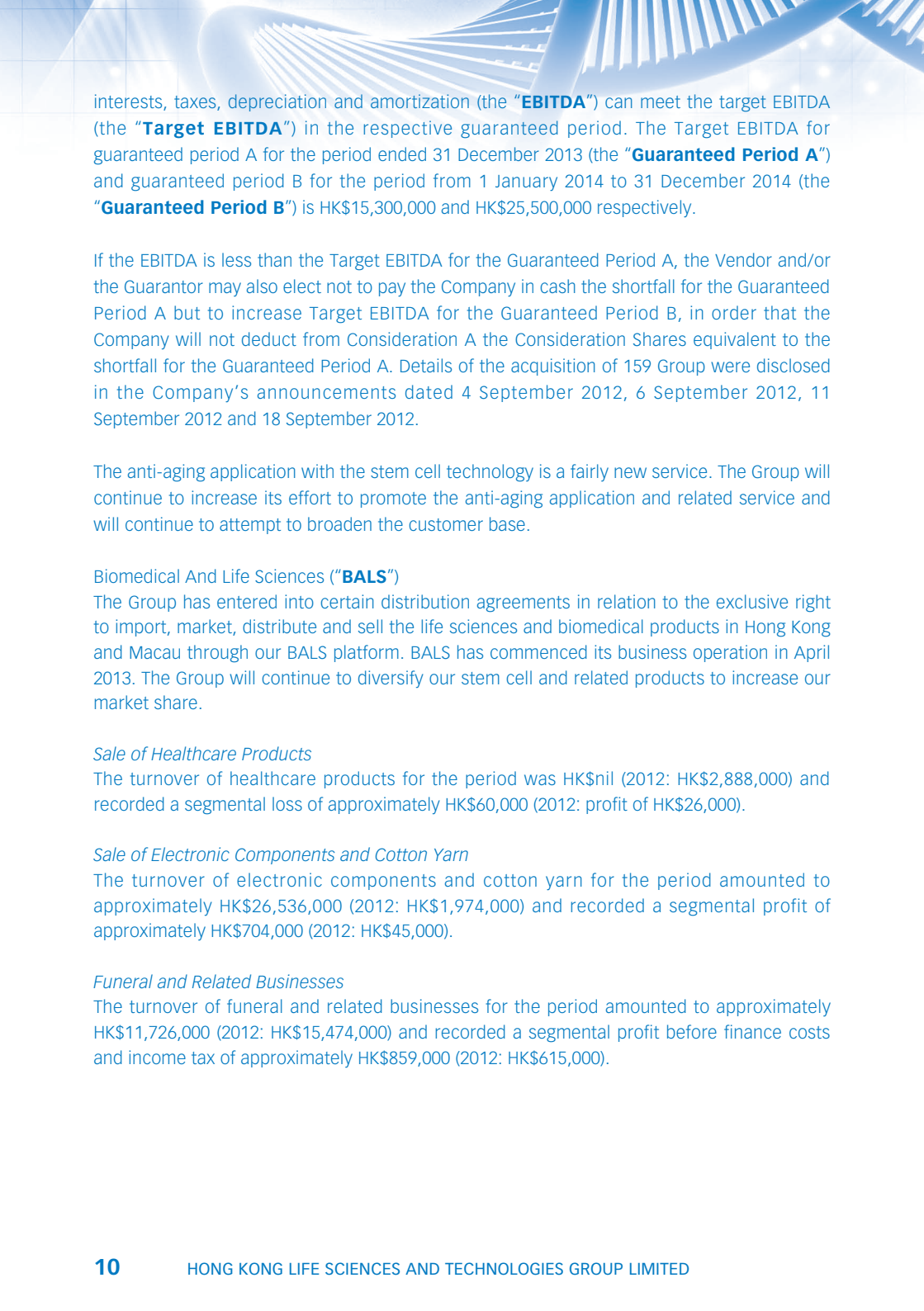
Stem Cell Technology and Related Businesses

The turnover of stem cell technology and related businesses for the period amounted to approximately HK\$3,517,000 which accounted 8% of the Group's turnover and recorded a segmental loss of approximately HK\$6,785,000 mainly from the administrative and other operating expenses.

159 Anti-Aging Center

On 18 September 2012, the Group had successfully completed the acquisition of 159 Group. 159 Group possess the user rights of the stem cell technology. Such technology has been applied for the patent and is presently pending approval. 159 Group is principally engaged in the anti-aging applications and relevant service and has commenced its operation in November 2012. The Group has opened an anti-aging center and a stem cell processing center to promote and apply the stem cell technology. During the period under review, 159 Group recorded the turnover of approximately HK\$2,952,000 (since the acquisition date to 31 March 2013: HK\$1,850,000) and the loss of approximately HK\$3,460,000 (since the acquisition date to 31 March 2013: HK\$13,970,000). The loss was mainly from the staff salaries and allowance as well as rental expenses.

Pursuant to the sale and purchase agreement and the supplemental deed dated 4 September 2012 and 6 September 2012 respectively, the aggregated consideration of HK\$195 million (the "**Consideration**"), of which HK\$40.8 million by means 136,000,000 Consideration Shares will be subject to the Consideration adjustments depending on whether the earnings before



interests, taxes, depreciation and amortization (the “**EBITDA**”) can meet the target EBITDA (the “**Target EBITDA**”) in the respective guaranteed period. The Target EBITDA for guaranteed period A for the period ended 31 December 2013 (the “**Guaranteed Period A**”) and guaranteed period B for the period from 1 January 2014 to 31 December 2014 (the “**Guaranteed Period B**”) is HK\$15,300,000 and HK\$25,500,000 respectively.

If the EBITDA is less than the Target EBITDA for the Guaranteed Period A, the Vendor and/or the Guarantor may also elect not to pay the Company in cash the shortfall for the Guaranteed Period A but to increase Target EBITDA for the Guaranteed Period B, in order that the Company will not deduct from Consideration A the Consideration Shares equivalent to the shortfall for the Guaranteed Period A. Details of the acquisition of 159 Group were disclosed in the Company’s announcements dated 4 September 2012, 6 September 2012, 11 September 2012 and 18 September 2012.

The anti-aging application with the stem cell technology is a fairly new service. The Group will continue to increase its effort to promote the anti-aging application and related service and will continue to attempt to broaden the customer base.

Biomedical And Life Sciences (“**BALS**”)

The Group has entered into certain distribution agreements in relation to the exclusive right to import, market, distribute and sell the life sciences and biomedical products in Hong Kong and Macau through our BALS platform. BALS has commenced its business operation in April 2013. The Group will continue to diversify our stem cell and related products to increase our market share.

Sale of Healthcare Products

The turnover of healthcare products for the period was HK\$nil (2012: HK\$2,888,000) and recorded a segmental loss of approximately HK\$60,000 (2012: profit of HK\$26,000).

Sale of Electronic Components and Cotton Yarn

The turnover of electronic components and cotton yarn for the period amounted to approximately HK\$26,536,000 (2012: HK\$1,974,000) and recorded a segmental profit of approximately HK\$704,000 (2012: HK\$45,000).

Funeral and Related Businesses

The turnover of funeral and related businesses for the period amounted to approximately HK\$11,726,000 (2012: HK\$15,474,000) and recorded a segmental profit before finance costs and income tax of approximately HK\$859,000 (2012: HK\$615,000).

On 24 July 2013, an indirect wholly-owned subsidiary of the Company, 北京中民安園投資有限公司 (Beijing Zhongmin Anyuan Investment Company Limited*) (the “**Vendor**”), entered into an agreement (the “**Disposal Agreement**”) with YIYE INVESTMENTS LIMITED (the “**Purchaser**”) and Mr. Luo Fangxiao (as the guarantor of the Purchaser). Pursuant to the Disposal Agreement, the Vendor has conditionally agreed to sell and the Purchaser has conditionally agreed to purchase 51% and 52% respectively of the fully paid up entire registered capital of 太原市五福陵股份有限公司 (Taiyuan City Wufuling Company Limited*) (“**Taiyuan WFL**”) and 青海福利鳳凰山公墓有限責任公司 (Qinghai Fuli Fenghuangshan Cemetery Company Limited*) (“**Qinghai FL**”), representing the entire equity interest the Group holds in Taiyuan WFL and Qinghai FL respectively, at a total consideration of HK\$33,000,000 (the “**Disposal**”). Taiyuan WFL and Qinghai FL are indirect non-wholly-owned subsidiaries of the Company, which are principally engaged in the funeral and related businesses in the PRC. The business of Taiyuan WFL and Qinghai FL represent the Group’s entire funeral and related businesses.

The Disposal constitutes a major transaction under Chapter 19 of the GEM Listing Rules. An extraordinary general meeting of the Company will be convened to approve the Disposal. A circular containing further details of the Disposal will be despatched to the shareholders of the Company. Details of the Disposal were disclosed in the Company’s announcement dated 24 July 2013.

Interest Income from Loan Receivables

During the period under review, the interest income from loan receivables was approximately HK\$1,621,000 (2012: HK\$1,201,000). There is no default in repayment of the loan and interest receivable during the period.

Securities Investments

During the period under review, the Company recorded a gain on disposal of held-for-trading investments of approximately HK\$396,000 (2012: nil) and a gain on fair value changes of held-for-trading investments of approximately HK\$3,557,000 (2012: loss HK\$86,000).

Prospects

The global economic environment remains challenging and uncertain for the year 2013. The Board will constantly keep reviewing the Group’s strategies and operations with a view to improve its business performance and shareholders returns. After completion of the acquisition of the stem cell technology and related businesses, the Board intends to concentrate our attention in the stem cell technology and related businesses and will explore other investment opportunities to expand and diversify its business portfolios if applicable.

* for identification purpose only

MATERIAL EVENT

Discloseable Transaction

Acquisition agreement in relation to the acquisition of a property in Shenzhen

On 27 May 2013, an indirect wholly-owned subsidiary of the Company, 深圳市康大生科貿易有限公司 (Bio Technology Trading Company Limited*) (as the purchaser), 深圳市舜興物流有限公司 (Shenzhen Shunxing Logistics Company Limited*) (as the vendor) and Mr. Ji Hong and 深圳市滿琛實業發展有限公司 (Shenzhen Manchen Real Estate Development Company Limited*) (as the guarantors) entered into an acquisition agreement (the **"SZ Property Agreement"**) in relation to the acquisition of a property in Shenzhen. The consideration will be calculated at RMB14,000 per square metre and is RMB33,600,000 in total based on a gross floor area of 2,400 square metres which will be subject to final determination. Such consideration is payable in cash from the internal resources of the Company, of which RMB23,520,000 had been paid as refundable deposit, RMB6,720,000 payable within 3 days from the date of passing of the completion inspection by the relevant authorities and the balance payable within 3 days from the date of the issue of the relevant 房地產權證 (land and building title certificates*) to the purchaser. The Company intends that the property be used as the purchaser's office for its operation in the PRC.

As at the date of this report, the acquisition of a property in Shenzhen has still not yet been completed. Details of the SZ Property Agreement were disclosed in the Company's announcement dated 27 May 2013.

OTHER INFORMATION

Directors' and Chief Executive's Interests in Securities

As at 30 June 2013, none of the Directors or the chief executive of the Company had any interest or short position in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong (the **"SFO"**)) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or otherwise notified to the Company and the Stock Exchange pursuant to the required standards of dealings by the Directors as referred to in Rules 5.46 to 5.67 of the GEM Listing Rules.

Share Option Scheme

Pursuant to an ordinary resolution passed at the extraordinary general meeting of the Company held on 4 August 2010 and the Stock Exchange granting approval of the listing of, and permission to deal in, the shares to be issued under the share option scheme (the **"Share Option Scheme"**) on 17 November 2010, the Company has adopted the Share Option Scheme to replace the share option scheme adopted on 1 February 2002 (the **"Old**

* for identification purpose only



Share Option Scheme”). The principal terms of the Share Option Scheme were set out in the appendix to the circular of the Company dated 20 July 2010.

On 26 April 2010, the Company granted an aggregate of 120,376,000 share options to eligible grantees under the Old Share Option Scheme to subscribe for an aggregate of 120,376,000 shares at an exercise price of HK\$0.276 per share.

On 18 November 2010, the Company granted an aggregate of 173,000,000 share options to eligible grantees under the Share Option Scheme to subscribe for an aggregate of 173,000,000 shares at an exercise price of HK\$0.167 per share.

120,376,000 share options granted under the Old Share Option Scheme were lapsed and no share options were exercised during the three months ended 30 June 2013. The total outstanding share options were 173,000,000 as at 30 June 2013.

The purpose of the Share Option Scheme is to enable the Company to provide incentive to participants with the opportunity of participating in the growth of the Company by acquiring shares in the Company and may, in turn, assist in the attraction and retention of talents who have made contributions to the success of the Company.

The fair values of the options granted were determined using the Binomial Model of valuation. In total, approximately HK\$672,000 (2012: HK\$1,418,000) of the expense has been included in the consolidated statement of comprehensive income for the three months ended 30 June 2013, the corresponding amount of which has been credited to share options reserve. No liabilities were recognized due to the share-based payments transactions.

Directors’ Rights to Acquire Shares or Debentures

At no time during the reporting period were rights to acquire benefits by means of the acquisition of shares in or debentures of the Company granted to any Director or their respective spouse or children under 18 years of age, or were any such rights exercised by them; or was the Company or any of its subsidiaries a party to any arrangement to enable the Directors or their respective spouse or minor children to acquire such rights in any other body corporate.

Substantial Shareholders

As at 30 June 2013, so far as is known to the Directors and the chief executive of the Company, and based on the public records filed on the website of the Stock Exchange and records kept by the Company, the interests and short positions of the persons or corporations (other than the Directors and the chief executive of the Company) in the shares or underlying shares of the Company which have been disclosed to the Company under the

provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO, or who will be, directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote on all circumstances at general meetings of any other members of the Group, were as follows:

Name of Substantial Shareholders	Capacity	Number of Shares Held	Number of Underlying Shares Held (Note 1)	Total Number of Shares and Underlying Shares Held	Approximate Percentage of the Company's Issued Share Capital (Note 5)
Dr. Lin Xiong Bin ("Dr. Lin")	Interest of controlled corporation	141,582,801 (L)	102,625,600 (L)	244,208,401 (L)	
		40,000,000 (S)	–	40,000,000 (S)	
	Interest of spouse	36,717,660 (L)	24,190,320 (L)	60,907,980 (L)	
		6,084,000 (S)	–	6,084,000 (S)	
				305,116,381 (L)	9.27 (L)
				46,084,000 (S)	1.40 (S)
Ms. Lin Liuyin ("Ms. Lin")	Beneficial owner	23,086,680 (L)	–	23,086,680 (L)	
		6,084,000 (S)	–	6,084,000 (S)	
	Interest of controlled corporation	13,630,980 (L)	24,190,320 (L)	37,821,300 (L)	
		Interest of spouse	244,208,401 (L)	–	244,208,401 (L)
	40,000,000 (S)		–	40,000,000 (S)	
				305,116,381 (L)	9.27 (L)
			46,084,000 (S)	1.40 (S)	
Stem Cells Anti-Aging Medicine Technologies Holdings Limited ("Stem Cells")	Beneficial owner	190,233,322 (L)	–	190,233,322 (L)	
		40,000,000 (S)	–	40,000,000 (S)	
	Interest of controlled corporation	–	146,608,000 (L)	146,608,000 (L)	
			336,841,322 (L)	10.23 (L)	
			40,000,000 (S)	1.22 (S)	
Solar Might Investments Limited ("Solar Might")	Beneficial owner	239,074,333 (L)	–	239,074,333 (L)	
		–	91,380,667 (L)	91,380,667 (L)	
	Interest of controlled corporation	–	–	–	
			330,455,000 (L)	10.04 (L)	
Mr. Deng Jun Jie ("Mr. Deng")	Interest of controlled corporation	239,074,333 (L)	91,380,667 (L)	330,455,000 (L)	10.04 (L)

Name of Substantial Shareholders	Capacity	Number of Shares Held	Number of Underlying Shares Held (Note 1)	Total Number of Shares and Underlying Shares Held	Approximate Percentage of the Company's Issued Share Capital (Note 5)
Add Talent Holdings Limited ("Add Talent")	Beneficial owner	-	249,333,333 (L)	249,333,333 (L)	7.57 (L)

(L) denotes Long Position

(S) denotes Short Position

Notes:

1. These underlying shares under this column were consideration shares, to be allotted and issued by the Company to Add Talent or its nominees upon fulfillment of the terms and conditions of the agreement. Add Talent was owned as to approximately 58.8% by Stem Cells and approximately 36.65% by Solar Might. Stem Cells was beneficially owned as to 70% by Dr. Lin and 16.5% by Ms. Lin. Solar Might was wholly and beneficially owned by Mr. Deng. Details of the consideration shares and the shareholding structure of Add Talent were disclosed in the Company's announcements dated 4 September 2012, 6 September 2012, 11 September 2012 and 18 September 2012.
2. These shares were registered in the name of Stem Cells which was beneficially owned as to 70% by Dr. Lin. Under the SFO, Dr. Lin was deemed to be interested in these shares held by Stem Cells.
3. These shares were registered in the name of Ms. Lin who is the spouse of Dr. Lin. Under the SFO, Dr. Lin was deemed to be interested in these shares held by Ms. Lin.
4. These shares were registered in the name of Stem Cells which was beneficially owned as to 70% by Dr. Lin who is the spouse of Ms. Lin. Under the SFO, Ms. Lin was deemed to be interested in these shares held by Stem Cells.
5. The percentage is calculated on the basis of 3,291,952,805 shares as at 30 June 2013.

Save as disclosed above, as at 30 June 2013, so far as is known to the Directors and the chief executive of the Company, and based on the public records filed on the website of the Stock Exchange and records kept by the Company, no other person or corporation had interest in the shares or underlying shares of the Company which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which would be recorded in the register of the Company required to be kept under section 336 of the SFO, or who will be, directly or indirectly, to be interested in 5% or more of the nominal value of any class of share capital carrying rights to vote on all circumstances at general meetings of any other members of the Group.

Competing Interests

As at 30 June 2013, none of the Directors, substantial shareholders of the Company nor any of their respective associates (as defined in the GEM Listing Rules) had any interest in a business which causes or may cause a significant competition with the business of the Group.

Audit Committee

An audit committee of the Company (the “**Audit Committee**”) has four members comprising four independent non-executive Directors, namely, Mr. Chi Chi Hung, Kenneth, Mr. Chan Yun Hing, Mr. Gui Qiangfang and Mr. Hung Yat Ming, with written terms of reference in compliance with the GEM Listing Rules. Mr. Chi Chi Hung, Kenneth is the chairman of the Audit Committee.

These unaudited consolidated results for the three months ended 30 June 2013 have been reviewed by the Audit Committee.

Securities Transactions by Directors

The Company has adopted a code of conduct regarding Directors’ securities transactions on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, the Directors have complied with such code of conduct and the required standard of dealings throughout the three months ended 30 June 2013.

Purchase, Sale or Redemption of Shares

During the three months ended 30 June 2013, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s shares.

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

Hong Kong, 12 August 2013

As at the date of this report, the Board comprises (i) five executive Directors, namely Mr. Chu Hon Pong, Mr. Chui Kwong Kau, Mr. Jiang Hongqing, Mr. Lu Zhiqiang and Mr. Cai Da; (ii) one non-executive Director, namely Ms. Lam Kuo; and (iii) four independent non-executive Directors, namely Mr. Chi Chi Hung, Kenneth, Mr. Chan Yun Hing, Mr. Gui Qiangfang and Mr. Hung Yat Ming.