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**China Regenerative Medicine International Limited**  
**中國再生醫學國際有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8158)**

**SUPPLEMENTAL ANNOUNCEMENT –**  
**SUBSCRIPTION AND SETTLEMENT AGREEMENTS –**  
**ISSUE OF SHARES UNDER GENERAL MANDATE**

Reference is made to the announcement of China Regenerative Medicine International Limited (the “**Company**”) dated 8 October 2020 (the “**Announcement**”) in relation to the Subscription and Settlement Agreements all dated 8 October 2020. Reference is also made to the announcements of the Company dated 28 August 2020, 21 September 2020, 22 September 2020 and 30 September 2020 in relation to the subscription and settlement agreements both dated 28 August 2020 entered into among the Group and each of Service Provider A and Service Provider B (the “**Previous Settlements**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

**FURTHER DETAILS OF THE SERVICES FEES OUTSTANDING**

As disclosed in the Announcement, the consideration for the Subscriptions by Service Provider A and Service Provider B will be set off against the outstanding service fees due to each of them for services provided during the period from 1 July 2020 to 30 September 2020, while under the Previous Settlements, the consideration for subscriptions under the Previous Settlements were for services provided from 1 April 2020 to 31 July 2020. As disclosed in the Announcement, part of fees for services provided by Service Provider A and Service Provider B in July 2020 were not settled under the Previous Settlements. As the Company anticipated

the lack of sufficient cash to settle the outstanding fees on time in early August 2020, it has then negotiated with Service Provider A and Service Provider B to settle the outstanding fees for July 2020 in part and asked to defer the payment of remaining fees which would fall due by end of August 2020, in order to allow the Company more time to consider other possible ways of settlement. As such, in respect of the fees due to Service Provide A for services provided in July 2020, HK\$2,600,000 was settled under the Previous Settlement and HK\$700,000 will be settled under the Subscription A; and in respect of the fees due to Service Provider B for services provided in July 2020, HK\$2,800,000 was settled under the Previous Settlement and HK\$500,000 will be settled under the Subscription B. The Directors consider that the deferment of part of the payment due for July 2020 was indeed in the interest of the Company.

The details of the relevant service contracts (both completed and ongoing) between the among the Service Providers under the Subscriptions are as follows:

#### **Service Provider A**

Contract date	23 March 2020
Service period:	1 April 2020 to 30 September 2020
Service details:	Provision of cell engineering technology research and development consultancy services
Invoicing interval:	Monthly
Credit period:	30 days

#### **Service Provider B**

Contract date	25 March 2020
Service period:	1 April 2020 to 30 September 2020
Service details:	Provision of cosmetic products and services consultancy service
Invoicing interval:	Monthly
Credit period:	30 days

#### **Service Provider C**

Contract date	2 April 2020
Service period:	1 April 2020 to 30 September 2020
Service details:	Provision of cell engineering production and control consulting service
Invoicing interval:	Monthly
Credit period:	30 days

The amount of the service fees settled under the Previous Settlement, the Subscriptions and to be paid in future are as follows:

	<b>Service Provider A</b>	<b>Service Provider B</b>	<b>Service Provider C</b>
<b>Amount settled under the Previous Settlement and the due dates</b>	HK\$18,000,000 The relevant service fees were due between 31 May 2020 and 31 August 2020	HK\$16,000,000 N/A	N/A
<b>Amount to be settled under the Subscription's and the due dates</b>	HK\$12,700,000 The relevant service fees were due between 31 August 2020 and 31 October 2020	HK\$11,800,000	HK\$21,500,000
<b>Amount incurred up to 30 September 2020 but not yet settled and the planned settlement method</b>	Approximately HK\$810,000 The relevant service fees are expected to fall due from 31 October 2020. The Company expects that at such point of time the Company would have received sufficient cashflow generated from its business operation or receivables to settle those service fees by cash.	Approximately HK\$26,000	Approximately HK\$122,000

#### **Further information on the Service Providers A, B and C**

The Company got acquainted with Service Provider A in an industry exchange event in the PRC in February 2020 and commenced business relationship with the Company since 1 April 2020. The services provided by it to the Group are cell engineering technology research and development consultancy services. Such services involve consultancy services in the areas of tissue staining, molecular interaction, flow detection, animal modelling which are critical in the research and development of cell products and services segment.

The Company got acquainted with Service Provider B in an industry exchange event in the PRC in March 2020 and commenced business relationship with the Company since 1 April 2020. The services provided by it to the Group are cosmetic products and services consultancy service of the cosmetic products and services segment. Such services involve hosting of celebrity and KOL events, retail analytics tracking, e-commerce development and expansion, logistics and demand planning.

The Company got acquainted with Service Provider C in an industry exchange event in the PRC in March 2020 and commenced business relationship with the Company since 1 April 2020. The services provided by it to the Group are cell engineering production and control consulting service. Such services involve hematopoietic stem cell culture, cell proliferation, clonal formation critical in the production and control of the cell products and services segment.

The Company noted that the Shares issued or to be issued under the Previous Settlements and the Subscriptions would in aggregate amount to approximately 16.81% of the issued share capital of the Company as enlarged by the Previous Settlements and the Subscriptions. Yet as mentioned above, since the Company expects that there would be sufficient cashflow to be generated soon to settle the service fees to be incurred, the Company expected that there would not be necessary to issue new Shares to make further settlements with any service providers at least for the rest of this financial year ending 31 December 2020. The Previous Settlements and the Subscriptions were contemplated with regard to the current cashflow position of the Group and the need to settle the outstanding service fees to avoid default, as well as to reduce the debt level of the Company, as such, the Directors consider that the Previous Settlements and the Subscriptions with the issuance of new Shares to settle the Account Payables are fair and reasonable and in the interest of the Company.

By Order of the Board  
**China Regenerative Medicine International Limited**  
**Wang Chuang**  
*Chairman, Chief Executive Officer and Executive Director*

Hong Kong, 14 October 2020

*As at the date of this announcement, the executive Directors are Mr. Wang Chuang (Chairman and Chief Executive Officer) and Mr. Qiu Bin; the non-executive Directors are Mr. Tsang Ho Yin and Mr. Wu Weiliang; and the independent non-executive Directors are Dr. Fang Jun, Ms. Huo Chunyu and Ms. Yang Ying.*

*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.*

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