

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

ZJ

中基長壽科學

ZHONG JI LONGEVITY SCIENCE

Zhong Ji Longevity Science Group Limited

中基長壽科學集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 767)

**SUPPLEMENTAL ANNOUNCEMENT
IN RELATION TO
ISSUE OF NEW SHARES UNDER GENERAL MANDATE
BY WAY OF SETTLEMENT**

Reference is made to the announcement of Zhong Ji Longevity Science Group Limited (the “**Company**” together with its subsidiaries, the “**Group**”) dated 27 July 2022 (“**27 July Announcement**”) in relation to the entering into the Consultancy Services Agreement and the Settlement Agreement conditionally on 24 June 2022, pursuant to the Settlement Agreement, the Consultant has agreed to settle its Indebtedness Consultancy fees sum HK\$42,571,129 on allot and issue by the Company of the Settlement Shares under the existing General Mandate of AGM approved on 30 June 2021, subject to the conditions and on the terms contained in the Consultancy Services Agreement and Settlement Agreement. Unless otherwise defined in this announcement, capitalized terms used in this announcement shall have the same meanings as those defined in the 27 July Announcement and those Agreements.

The Company herein provides the following additional information in relation to the subject matters of the 27 July Announcement.

INFORMATION ON STATE SALE AND DISTRIBUTION CONTRACTS ARRANGED BY THE CONSULTANT

THE FIRST SALE CONTRACT

- Parties: (i) the Company's subsidiary, Shenzhen Zhong Ji Health Science Company Limited* (深圳市中基健康科學有限公司) (“**Zhong Ji Health**”); and
- (ii) 深圳市南北醫藥有限公司 (“**Naber Medicine**”)

Representative: Mr. Zhang Biao

Estimated invoiced amount: RMB32,464,500. Naber Medicine operate retail pharmaceutical outlets/points 942 stations mainly encompass Shenzheng city and Jiangmen City. Distribution size and sale volume was listed number 26 among China Top 100 medical shops sale.

THE SECOND SALE CONTRACT

- Parties: (i) the Company's subsidiary, Zhong Ji Health; and
- (ii) Sinopharm Holdings Gouda Hubei Pharmacy Co., Ltd. (“**Sinopharm Gouda Hubei**”)

Representative: Ms. Duan Xiaoyue

Estimated invoiced amount: RMB11,264,580. Sinopharm Gouda Hubei was a wholly subsidiary of China National Pharmaceutical Group Co., Ltd. (“**CNPGC**”), Sinopharm Gouda Hubei is the core enterprise of CNPGC in Hubei with nearly 200 retail pharmacies, including more than 50 self-managed retail outlets in Wuhan and more than 100 in surrounding cities.

THE THIRD SALE CONTRACT

- Parties: (i) the Company's subsidiary, Zhong Ji Health; and
- (ii) Sinopharm Holdings Guoda Guangdong Pharmacy Co., Ltd. (“**Sinopharm Gouda Guangdong**”)

Representative: Ms. Wu LingLi

Estimated invoiced amount: RMB11,332,580. Sinopharm Gouda Guangdong was a wholly subsidiary of CNPGC, Sinopharm Gouda Guangdong based at Guangdong with nearly 250 retail pharmacies, including more than 100 self-managed retail outlets in Guangzhou city.

THE FOURTH SALE CONTRACT

Parties: (i) the Company's subsidiary, Zhong Ji Health; and
(ii) 湖北金草堂藥業有限公司 (“金草堂藥業”)

Representative: Mr. LIU MingHui

Estimated invoiced amount: RMB41,313,090. 金草堂藥業 was based at Hubei state operate on China raw medicine, agriculture medical products cultivations and these medical supplemental products wholesale and distribute to small distributors, individual stores operators.

THE FIFTH SALE CONTRACT

Parties: (i) the Company's subsidiary, Zhong Ji Health; and
(ii) TDMall (Hong Kong) Limited (“TDMall”)

Representative: Mr. Kino Fu, TDMall's Chief Financial Officer

Estimated invoiced amount approximately: RMB11,254,580. TDMall was a wholly subsidiary of Hong Kong listed company, Tianda Pharmaceuticals Limited (“**Tianda Pharma**”), this subsidiary mainly operates TD mall shops in Zhuhai city and with coverage through TDMall Clouds to other cities virtual shops of delivery cater mainly in Zhuhai city, Shengzhen city in PRC, Hong Kong and Sydney.

THE SIXTH SALE CONTRACT

Parties: (i) the Company's subsidiary, Zhong Ji Health; and
(ii) Tang Wealth Investment Management Co., Ltd.* (大唐財富投資管理有限公司) (“**Tang Wealth**”)

Representative: Mr. ZHANG GuangYu

Estimated invoiced amount: RMB1,225,000. Tang Wealth was a wealth management platform company of ZhongZhi Assets Management Giant Group* (中植大行資產管理集團). Tang Wealth operates as a PRC licensed Private Equity Fund manager servicing High net wealth investors operate at Beijing and national wide. These wealthy clients were potential target clients of Company's products and its medical services, with emphasis service on their generic tailor-customize health.

BASIS FOR THE INDEBTEDNESS UNDER THE CONSULTANCY SERVICES AGREEMENT

The Consultant warrants in Clause 7.1 of the Consultancy Services Agreement that the aggregate amount of all invoices on the products and services located and introduced by the Consultant during the Term of the Consultancy Services Agreement, not limited to above Six Sale Contracts above but other Contracts in future, shall not be less than estimated (“**Sale Target**”) RMB108,854,330 (or HK\$133,034,778 at an agreed conversion rate of HK\$1 for RMB0.818). And under the Consultancy Services Agreement, the Consultant is entitled to 32% of total invoice amount on estimated Sale HK\$133,034,778 derive a Consultancy fees HK\$42,571,129. That half-sum Consultancy fees HK\$21,285,564.5 upfront paid by issue of 387,010,265 Settlement Shares per HK\$0.055 each shares now. Another half-sum HK\$21,285,564.5 hereof to be retained by the Company till end of the Term to finalize the actual Consultancy payable. And also as security for performance of the obligations of the Consultant under the Consultancy Services Agreement.

The basis of “**half-sum upfront payment**” was based on:

- (i) the fact at the efforts of the Consultant, the Company has directly secured and signed with these Hubei, Guangdong, Shenzhen six state distributors & Sale Contracts of SinoPharm Group pharmaceutical networks and others, with favourable terms and committed sales without any upfront pharmaceutical channel fees or on-going promotion costs or marketing proportionate deductions on sale revenue, to be undertaken by the Company on selling these Zhongji NMN, vitamin C and health products.
- (ii) It is not uncommon for display/advertisement fees be upfront paid before a products display be erected on a good sights site. Similarly, it is not uncommon, pharmaceutical stores charge significant upfront-paid shelving fees for new health products for sale or deduct a proportion of the Sale revenue. In our case, none of these charges apply.
- (iii) The remaining duties for consultant to perform, was assisting the Company to collect and recover moneys due under the sale contracts and to liaise with the Company and the customers in the performance of the sale contracts.
- (iv) A half-sum upfront payment has lowered an initial 45% Consultancy fees rate proposal to present 32%.
- (v) Directors also consider, despite half-sum upfront paid Consultancy fees HK\$21,285,564.5, such retained half Consultancy fees HK\$21,285,564.5 *would not pay (or half of the Settlement shares) would not be released till 31 December 2024* even the aggregate Sale invoice RMB\$108,854,330 (or HK\$133,034,778 at an agreed conversion rate of HK\$1 for RMB0.818), may accomplish by Year 2023.

DURATION OF THE CONSULTANCY SERVICES AGREEMENT

Consultancy Services Agreement commences from 24 June 2022 and ends on 31 December 2024 (“**Term**”). The Consultant is entitled to consultancy fees representing 32% of the amounts of invoices on products and services of the Group issued to Introduced Customers.

The Consultant was no acquittance to the Company directors before, during March till June 2022 both parties had just acquainted with each other and were trying to earn trusts from each other’s; before proceeding to any contractual arrangement/commitment, the Consultant demonstrate their “Pharmaceutical distribution & Sale networking” ability to the Company directors, by secured and signed favorable terms of six state distribution & Sale Contracts within SinoPharm Group’s medicine pharmaceutical shops networking, without any upfront channel fees or marketing costs to be paid by the Company. With these Six Contracts secured on favorable terms upfront, the Company directors would then be willing to ascertain, negotiate and commit Consultancy fees paid to the Consultant.

BACKGROUND AND THE IDENTITIES OF THE ULTIMATE BENEFICIAL OWNER(S) OF CONSULTANT

The Consultant, Speedy Brilliant Investments Limited (“**Speedy Brilliant**”), a company incorporated under the of British Virgin Islands with its registered office at Vista Corporate Services Centre, Wickhams City Cay II, Road Town, Tortola, VG1110, British Virgin Islands.

The shareholder and director of Speedy Brilliant was Mr. ZHOU DiSun (“**Mr. Zhou**”), whom was independent to the Company directors and/or the Company. Mr. Zhou and/or its associates do not have any formal or informal and whatsoever agreement, arrangement, understanding or undertaking made with the Company, its connected persons or any of their respective associates.

The Consultant has operated for 5 years and have 15 staffs was alike Mr. Zhou is ex-employee of SinoPharm Group’s subsidiaries in Guangdong and Shengzhen, whom in charge of pharmaceuticals products distribution and drug stores management for many years. Hence, the Consultant business mainly were to organize medical pharmaceuticals products sale & distributions in China, in particular Hubei, Guangdong and Shenzhen regions.

SCOPE OF WORKS OF THE CONSULTANT UNDER THE CONSULTANCY SERVICES AGREEMENT

The Consultant has agreed to provide the following services to the Group under the Consultancy Services Agreement:

- (a) strategizing and planning the set-up of sales networks of the products and services of the Group in PRC;
- (b) introducing and locating customers in PRC for products and services of the Group (“**Introduced Customers**”);
- (c) assisting and participating in the negotiation and finalisation of sale contracts (“**Sale Contracts**”) with Introduced Customers of products and services of the Group;
- (d) liaising with Introduced Customers and the Group on performance of the Sale Contracts; and
- (e) assisting and facilitating the Group in collection and recovery of moneys due from the Introduced Customers Customize under the Sale Contracts and invoices issued by the Group to the Introduced Customers.

Assisting and participating in the negotiation and finalization of sale contracts (“**Sale Contracts**”) with Introduced Customers of products and services of the Group.

The said products include but without limitation:

ZJ 1 NMN 12000 Longevity Supplement; Anti-aging Supplement for Women Vegetarian Capsules); Anti-aging Supplement; ZJ 1 NMN + PPQ 9000 The Fourth Generation (60 Vegetarian Capsules); ZJ1; and ZJ1 VC;

And the said services include but without limitation:

High Standard Circulating Tumor Cells Screening; Immune Cell Storage Test; Vitality Test; Mobility and Flexibility Test; Joint Health Blood Test; Joint Scan; Diagnostic Testing for Female Fertility; Diagnostic Testing for Male Fertility; Zhong Ji 1 The Third Generation Whole Genome Sequencing Genetic Test; Natural Killer Cell Test; Biological Age Test; Total Micronutrients & Heavy Metal Test; Vitamin Test; Mineral Test; and Heavy Metal Test.

THE SETTLEMENT SHARES AND THE SETTLEMENT ARRANGEMENT

The actual Consultancy fees payable shall calculate and finalize at the end of the Term 31 December 2024, the Company shall deliver to the Consultant a statement (“**Statement**”) setting out the amounts actually recovered and received by the Group (“**Amounts of Actual Receipt**”) on account of invoices issued by the Group to customer(s) located and

introduced to the Group by the Consultant pursuant to the services under the Consultancy Services Agreement for the Term and the Consultant to be entitled to verify the Statement.

Since half-sum Consultancy fees HK\$21,285,564.50 already upfront paid by issue of 387,010,265 Settlement Shares per HK\$0.055 each shares now, then the amount of residual actual Consultancy fees payable or not, pending on the following mathematic formula (the “**Agreed Formula**”) under the Sale and Purchase Agreement and shall satisfy by the Arrangement prescribed.

SCENARIO 1:

Amounts of Actual Receipt < Sale Target RMB108,854,330 (or HK\$133,034,778) but larger than Half Sale-Target RMB\$54,427,165 (or HK\$66,517,389)

Residual actual Consultancy fees, **C** = **[32%* A] – B**

A = Amounts of Actual Receipt arranged by the Consultant (June 2022 to 31 December 2024).

B = Half-sum Consultancy Fees “HK\$21,285,564.50” upfront paid by issue of 387,010,265 Settlement shares now.

At Term ending 31 December 2024, if the Amounts of Actual Receipt is smaller than or equivalent to the estimated Sale Target RMB\$108,854,330, yet greater than half Sale-Target RMB\$54,427,165.

This residual actual Consultancy fees, **C** amount payable by the Company to the Consultant, shall in satisfy by issue numbers of Release shares per HK\$0.055 each share, allot from Settlement Shares Reserve of 387,010,265 ordinary shares, made to the Consultant.

SCENARIO 2:

Amounts of Actual Receipt > Sale Target RMB108,854,330 (or HK\$133,034,778)

Residual actual Consultancy fees, **C + D** = **[32%* A] – B**

C = Residual actual Consultancy fees of a limit “HK\$21,285,564.50” amount portion, to be satisfied by issue 387,010,265 shares from Settlement Shares Reserve as Release shares, paid to the Consultant on or after 31 December 2024.

D = any excess residual actual Consultancy fees amount, overflow from this sum **C** “HK\$21,285,564.50”, shall pay to the Consultant on Cash.

At Term ending 31 December 2024, similar to above Scenario A, except in Scenario B the residual actual Consultancy fees shall satisfy by both Release Shares of 387,010,265 Settlement Shares, and any excess fees amount **D** further satisfy by cash, payable by the Company to the Consultant.

SCENARIO 3:

Amounts of Actual Receipt = Half Sale-Target RMB\$54,427,165 (or HK\$66,517,389)

Actual Consultancy fees, **F** = **C** = [32%* **A**]

At Term ending 31 December 2024, if the Amounts of Actual Receipt is equivalent to half Sale-Target RMB\$54,427,165, then the actual Consultancy fees, **F** shall be equal to **C** the half-sum Consultancy Fees “HK\$21,285,564.50” upfront paid, pending to the exchange rate therein.

Since already satisfied by issue of 387,010,265 Settlement Shares now. Hence, no further ordinary shares or cash or any shall be payable to the Consultant.

SCENARIO 4:

Amounts of Actual Receipt < Half Sale-Target RMB\$54,427,165 (or HK\$66,517,389)

Actual Consultancy fees, **F** = [32%* **A**]

At Term ending 31 December 2024, if the Amounts of Actual Receipt is much less than half Sale-Target RMB\$54,427,165, thereby actual Consultancy fees, **F** would less than **C** the upfront paid half-sum Consultancy Fees “HK\$21,285,564.50”. Pursuant to the Consultancy Agreement, upon the Consultant gain access to the accounts of the Company in verify the Amounts of Actual Receipt, the Consultant shall within 26 Business days pay this difference (**C** – **F**) fees amount to the Company.

SUBSEQUENT UPDATES

The Company will also publish announcements and disclose the details in the Company’s annual reports on the performance of the estimated Sale invoices arranged by the Consultant for each of years ending 31 December 2022, 2023 and 2024.

The above information is supplemental to the Announcements and does not affect other information contained in the Announcements. Save as disclosed in this announcement, the contents of the Announcements remain unchanged. Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

EQUITY FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST 12 MONTHS

The Company had not conducted any equity fund raising activity in the past 12 months immediately preceding the date of this announcement.

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held and convened on 30 June 2021
“Board”	the board of directors
“Business Day”	a day on which banks in Hong Kong are generally open for business, excluding public holidays, Sundays and Saturdays or days on which a tropical cyclone warning signal no. 8 or above or a “black” rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“Company”	Zhong Ji Longevity Science Group Limited* (中基長壽科學集團有限公司), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange
“Completion”	collectively, the Settlement Completion
“Completion Date”	the date of the Completion, which shall take place on the tenth Business Day after the fulfilment of the last condition under the Agreement
“Connected Person(s)”	has the meaning as ascribed to it under the Listing Rules
“Consultant”	Speedy Brilliant Investments Limited, a company incorporated in British Virgin Islands with limited liability and their ultimate beneficial owner is Independent Third Parties
“Debt Capitalization”	the capitalizations of HK\$42,571,129 of the Indebtedness into 774,020,530 Settlement Shares of HK\$0.055 per Settlement Share pursuant to the Settlement Deed
“Director(s)”	directors of the Company

“General Mandate 2020”	the general mandate granted to the Directors at the AGM to allot, issue or deal with up to 20% of the then issued share capital of the Company as at the date of the AGM 30 June 2021
“Group”	the Company and its Subsidiaries
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and is not acting in concert (as defined in the Codes on Takeovers and Mergers and Share Buybacks) with any of the connected persons of the Company or any of their respective associates (as defined under the Listing Rules)
“Last Trading Day”	27 July 2022, being the last full trading day for the Shares prior to the date of this announcement, also being the date of the Settlement Agreement
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Release Shares”	number of Settlement Shares to be allot, issue on or after 31 December 2024 in satisfy the residual actual Consultancy fees payable by the Company to the Consultant, calculate per HK\$0.055 per Release share issue
“Sale Shares”	the entire issued share capital of the Target Company
“Settlement”	the settlement of the Indebtedness pursuant to the Settlement Agreement, which comprises of (i) the Debt Capitalization over HK\$42,571,129 of the Indebtedness into 774,020,530 Settlement Shares of HK\$0.055 per Settlement Share
“Settlement Completion”	completion of the Settlement in accordance with the terms and conditions as set out in the Settlement Agreement
“Settlement Price”	HK\$0.055 per Settlement Share
“Settlement Share(s)”	774,020,530 new Shares to be allotted and issued under the Settlement Agreement, was bound by limit 774,020,530 being 20% of 3,870,102,650 issued shares capital per the General Mandate of AGM approved by shareholders on 30 June 2021

“Settlement Shares Reserve”	also call Retention Shares in prior 27 July 2022 Announcement. The remaining Settlement Shares, after half Consultancy fees HK\$21,285,564.50 upfront paid by issuance of 387,010,265 ordinary shares leaving the 774,020,530 Settlement shares, to residual 387,010,265 Settlement Shares
“SFO”	Securities and Future Ordinance of Hong Kong (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.001 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“SinoPharm Group”	Sinopharm Group Co., Ltd.* (國藥控股股份有限公司), a subsidiary of China National Pharmaceutical Group Corp, distributes pharmaceutical and healthcare products. It is listed at Hong Kong of stock code 1099 comprise more than 400 subsidiaries (including Sinopharm Holding* (國藥股份) (SHA:600511) and Sinopharm Consistent* (國藥一致) (SHE:000028) two listed companies, as core subsidiaries operating its core business
“Sinopharm Holdings, Guoda Pharmacy Co., Ltd”	Guoda Pharmacy Co., Ltd.* (國大藥房有限公司) or so-called Guoda Drug Store Limited was established in 2004. But on Year 2016 via merge with Sinopharm Consistent* (國藥一致) it has become “國藥控股，國大藥房有限公司” became headquarters of all retail drug stores under Sinopharm responsible for the management of pharmaceutical retail stores segment of SinoPharm Group in China PRC. It has the largest and most widely distributed cross-regional pharmaceutical retail chain brands: “Guoda Pharmacy* (國大藥房)”, “大德生”, “天益堂” covering traditional Western medicine, Chinese medicine, rehabilitation physiotherapy respectively and other treatment areas. It has established 28 regional chain companies in 18 provinces, autonomous regions and municipalities directly under operations include Beijing, Shanghai, Tianjin, Liaoning, Jiangsu, Anhui, Zhejiang, Shandong, Fujian, Guangdong, Guangxi, Ningxia, Xinjiang, Henan, Hubei, Hunan, Shanxi, Inner Mongolia states and other areas, covering nearly 70 large and medium-sized cities and having more than 3,500 retail pharmacies stores

“Sinopharm Holdings, Guoda Guangdong Pharmacy Co., Ltd”	Guoda Pharmacy Guangdong Co., Ltd.* (國大藥房廣東有限公司) is the Guangdong state branch company of Guoda Pharmacy Co., Ltd.* (國大藥房有限公司) or so-called Guoda DrugStore Limited
“Sinopharm Holdings Hubei Guoda Pharmacy Co., Ltd.”	Guoda Pharmacy Hubei Co., Ltd.* (湖北國大藥房有限公司) is the Hubei state branch of Guoda Pharmacy Co., Ltd, whom was subsidiary of Sinopharm Holdings
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary(ies)”	has the meaning as ascribed to it under the Listing Rules
“Substantial shareholder”	has the meaning ascribed thereto in the Listing Rules
“trading day”	means a day on which the Exchange is open for the trading of securities
“%”	per cent.

By order of the Board
Zhong Ji Longevity Science Group Limited
Yan Li
Chairman

Hong Kong, 12 October 2022

As at the date of this announcement, the Directors are:

Executive Directors

Mr. Yan Li (*Chairman*)
Mr. Yan Yifan (*Chief Executive Officer*)
Mr. Li Xiaoshuang
Ms. Cao Xie Qiong

Independent non-executive Directors

Mr. Lee See Barry
Mr. Wang Ning
Prof. Huang Cibo

Non-executive Directors

Dr. He Yiwu
Mr. Lyu Changsheng

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.