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**KINGWORLD MEDICINES GROUP LIMITED**

**金活醫藥集團有限公司**

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

(Stock Code : 01110)

**VOLUNTARY ANNOUNCEMENT  
COMPLETION OF AN ACQUISITION OF  
60% EQUITY INTEREST IN A COMPANY**

This announcement is made by Kingworld Medicines Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis to keep the shareholders of the Company and potential investors informed of the latest business development of the Group.

**THE ACQUISITION**

Reference is made to section headed “Management Discussion and Analysis” of the Company’s interim report 2022 (the “**Interim Report**”). As disclosed in the Interim Report, during the six months ended 30 June 2022, the Group had stepped up the process of acquiring Innopharm (“**Innopharm**”), a French limited liability company.

The board (the “**Board**”) of Directors is pleased to announce that on 28 June 2022, Kingworld Medicines Health Management Limited (“**Kingworld Medicines**”), a subsidiary of the Company, as purchaser, entered into a sale and purchase agreement with an independent individual (the “**Seller**”), as seller, pursuant to which, it was agreed, among other things, that Kingworld Medicines would acquire and the Seller would sell 60% of the equity interest in Innopharm (the “**Acquisition**”).

To the best of the knowledge, information and belief of the directors of the Company (the “**Directors**”) having made all reasonable enquires, the Seller is not a connected person of the Company (as defined in the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)), and is a third party independent of the Company and its connected persons.

## **COMPLETION OF THE ACQUISITION**

The Board is pleased to announce that completion of the Acquisition has taken place on 13 October 2022.

Immediately after completion of the Acquisition, the Company indirectly holds 60% of the equity interest in Innopharm. Innopharm has become an indirect non-wholly owned subsidiary of the Company and its financial results will be consolidated into the financial statements of the Group.

## **INFORMATION ON INNOPHARM**

Innopharm is a company incorporated in France and is dedicated to the research and development of new drugs and clinical efficacy studies and clinical trials, with its core business being research and development and clinical trials in the fields of pharmaceuticals and healthcare.

## **REASONS AND BENEFITS OF THE ACQUISITION**

The Group is principally engaged in (i) distribution sales of branded imported pharmaceutical and healthcare products; and (ii) manufacturing and sales of electrotherapeutic and physiotherapeutic devices and general medical examination devices in the People's Republic of China and Hong Kong. It is expected that the Acquisition will help the Group to grasp an in-depth understanding of the development trend of healthcare products and quickly understand and analyse the current situation, scale and prospects of leading healthcare products in the European market. The Acquisition will also help the Group to formulate development plan for its healthcare products, speed up the introduction of quality healthcare products and pharmaceuticals and healthcare products from Europe and look for other investment opportunities, so as to facilitate the development of global business of the Group. The Directors are of the view that the Acquisition is in line with the Company's long-term development objectives and strategies, and is in the interests of the Company and its shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As all of the relevant applicable percentage ratios in respect of the Acquisition are less than 5%, the Acquisition does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules. This announcement is made by the Company on a voluntary basis.

By order of the Board  
**Kingworld Medicines Group Limited**  
**Zhao Li Sheng**  
*Chairman*

Hong Kong, 14 October 2022

*As at the date of this announcement, the executive Directors are Mr. Zhao Li Sheng, Ms. Chan Lok San and Mr. Zhou Xuhua, and the independent non-executive Directors are Mr. Duan Jidong, Mr. Zhang Jianbin and Mr. Wong Cheuk Lam.*