



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)

23 February 2024

To the Independent Shareholders

Dear Sir or Madam,

**CONTINUING CONNECTED TRANSACTIONS
PROPOSED ANNUAL CAPS FOR THE THREE YEARS
ENDING 31 DECEMBER 2026**

We refer to the circular dated 23 February 2024 (the “**Circular**”) to the Shareholders, of which this letter forms part. Unless otherwise specified, terms defined in the Circular shall have the same meanings when used in this letter.

We have been appointed as members of the Independent Board Committee, which has been established to advise the Independent Shareholders in respect of the transactions under each of the 2024 Master Distribution Agreements and their respective proposed annual caps for the three years ending 31 December 2026 (the “**Proposed Transactions**”), details of which are set out in the letter from the Board contained in the Circular. None of us has a material interest in the Proposed Transactions.

Both Yuen Tai and SZ Kingworld Lifeshine are companies wholly-owned by Morning Gold, which is in turn 51% held by Mr. Zhao and 49% held by Ms. Chan, respectively. Both of Mr. Zhao and Ms. Chan are executive Directors and Controlling Shareholders of the Company. Therefore, each of Yuen Tai and SZ Kingworld Lifeshine is a connected person of the Company. The Proposed Transactions constitute continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

Vinco Financial has been appointed as the Independent Financial Adviser to advise us in respect of the Proposed Transactions. We wish to draw your attention to the opinion letter from the Independent Financial Adviser as set out on pages 25 to 51 of the Circular.

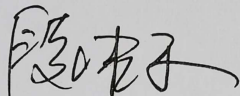
As members of the Independent Board Committee, we have taken into account the principal factors and reasons considered by Vinco Financial in forming its opinion in relation to the Proposed Transactions.

On the basis of the above, we consider, and agree with the view of Vinco Financial, that the transactions under each of the 2024 Master Distribution Agreements are fair and reasonable, and that it is in the interests of the Company and the Shareholders as a whole to enter into the Proposed Transactions with Yuen Tai and SZ Kingworld Lifeshine respectively.

We further consider, and agree with the view of Vinco Financial, that the proposed annual caps for the three years ending 31 December 2026 for each of the 2024 Master Distribution Agreements are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Accordingly, we recommend the Independent Shareholders to vote in favour of the ordinary resolutions to be proposed at the EGM in respect of the Proposed Transactions.

Yours faithfully,
For and on behalf of
the Independent Board Committee



Mr. Duan Jidong

Mr. Zhang Jianbin

Mr. Wong Cheuk Lam

Independent non-executive Directors

On the basis of the above, we consider, and agree with the view of Vinco Financial, that the transactions under each of the 2024 Master Distribution Agreements are fair and reasonable, and that it is in the interests of the Company and the Shareholders as a whole to enter into the Proposed Transactions with Yuen Tai and SZ Kingworld Lifeshine respectively.

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