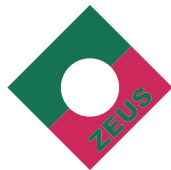


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Zhongzhi Pharmaceutical Holdings Limited

中智藥業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3737)

VOLUNTARY ANNOUNCEMENT

This announcement is made by Zhongzhi Pharmaceutical Holdings Limited (the “**Company**”, together with its subsidiaries as the “**Group**”) on a voluntary basis. The purpose of this announcement is to keep the shareholders of the Company (the “**Shareholders**”) and potential investors informed of the latest business development of the Group.

Tapping into the Field of Treatment of Alzheimer Disease to Benefit Hundreds of Millions of Patients – The Group Signed an Investment Agreement with GABAeron in the United States

On 21 December 2024, the signing ceremony of the investment agreement between the Group and GABAeron Inc. (“**GABAeron**”), an American biopharmaceutical company, was solemnly held in Zhongshan. Dr. Huang Ya Dong, the co-founder, chairman and famous neuroscientist of GABAeron, Lai Zhi Tian, the chairman of the Group, Wan He Qun, the general manager, and Yu Cong Hong, the deputy general manager of Zhongshan Health Base Group Co., Ltd.* (中山市健康基地集團有限公司), and other management attended the event and witnessed the signing ceremony. The vice president Cao Xiao Jun, the vice president Qiao Wei Lin, the chief financial officer Lai Ying Sheng and lawyer Wang Li Feng attended the event together.

Pursuant to the investment agreement, the Group shall subscribe for 3,000,000 Series A Preferred Stock of GABAeron, at a consideration of US\$3,000,000, representing approximately 11.5% shareholding interest of preferred stock in GABAeron. The Series A Preferred Stock does not carry any voting rights in GABAeron.

GABAeron is a high-tech innovation company located in San Francisco, the United States, focusing on inducing the production of high-purity interneuron cells in vitro, rebuilding neural networks in the hippocampus of the brain through transplantation, reversing the progression of Alzheimer disease (AD) and developing candidate drugs for AD patients and other neurological diseases. Targeting apolipoprotein E4 (apoE4), the strongest genetic risk factor for AD and various other neurodegenerative diseases, GABAeron has developed a novel therapy that utilises GABAergic inhibitory interneurons from human induced pluripotent stem

cells (iPSCs) to treat elderly dementia patients carrying the apoE4 gene (accounting for 65% of the total number of patients), aiming to restore the damaged hippocampal neural network. Animal experiments have confirmed that this method can rebuild normal neural activity in the brain's cognitive integration center, the hippocampus, and related cortical areas, slowing down or reversing memory and cognitive impairments. Preliminary research has passed the FDA Pre-IND review and is about to enter Phase I clinical trials. It is expected to bring new clinical treatment options for AD patients in the future.

The Group adheres to the core value of “creating a healthy life through intelligent manufacturing” with over 30 years of deep cultivation in the Chinese medicine industry, is committed to the scientific research, production and sales of Chinese decoction pieces, Chinese patent medicines and healthcare products, and is the inventor and industry leader in the modern innovative category of Chinese medicine decoction pieces. The Company was listed on the Hong Kong Stock Exchange in 2015. It has also established scientific research platforms such as the National Enterprise Technology Center and the national and local joint engineering research center. Through continuous technological innovation, the Company provides consumers with safe, high-quality and easy-to-apply Chinese medicine products, supporting the inheritance and innovation of the Chinese medicine industry and promoting the development of the industry.

The Group's investment in GABAeron will help to advance the implementation of GABAeron's GR01 cell transplantation clinical trials for AD, laying a solid foundation for future Phase II and III clinical trials. This will ultimately lead to the market launch of the product, providing relief and reversing symptoms for a vast number of AD patients worldwide, improving their quality of life, and benefiting hundreds of millions of patients and their families, marking a new horizon of strategic layout of the Group in the field of biopharmaceutical.

Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

By order of the Board
Zhongzhi Pharmaceutical Holdings Limited
Mr. Lai Zhi Tian
Chairman and Executive Director

Hong Kong, 23 December 2024

As at the date of this announcement, the Board comprises eight directors. The executive directors are Mr. Lai Zhi Tian, Mr. Lai Ying Feng, Mr. Lai Ying Sheng and Mr. Cao Xiao Jun. The non-executive director is Ms. Jiang Li Xia. The independent non-executive directors are Mr. Ng Kwun Wan, Mr. Wong Kam Wah and Mr. Zhou Dai Han.

* For identification purposes only