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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

MEMORANDA OF UNDERSTANDING IN RELATION TO RESEARCH AND DEVELOPMENT COOPERATION AND EXCLUSIVE DISTRIBUTION OF THE PRODUCTS “ZIZHU LEAF CLEANSING SOLUTION (紫珠葉洗劑)” AND “MODIFIED GASTRODIA BRAIN-HEALTH FORMULA (加味天麻健腦 方)”

MEMORANDA OF UNDERSTANDING IN RELATION TO RESEARCH AND DEVELOPMENT COOPERATION OF THE PRODUCTS

The Board announces that, on 11 June 2026, Morning Gold, a connected person of the Company, entered into the memoranda of understanding with Dongguan City Chinese Medicine Hospital in relation to the research and development of the products “Zizhu Leaf Cleansing Solution (紫珠葉洗劑)” and “Modified Gastrodia Brain-Health Formula (加味天麻健腦方)”. The parties intend to collaborate on the clinical research, regulatory registration and commercialisation of the products “Zizhu Leaf Cleansing Solution (紫珠葉洗劑)” and “Modified Gastrodia Brain-Health Formula (加味天麻健腦方)”.

MEMORANDA OF UNDERSTANDING IN RELATION TO THE DISTRIBUTION OF THE PRODUCTS

The Board further announces that on 11 June 2026 (after trading hours), Morning Gold, a connected person of the Company, entered into the memoranda of understanding with the Company, pursuant to which Morning Gold intends to appoint the Company and/or its wholly-owned subsidiaries as the sole and exclusive distributor of the products “Zizhu Leaf Cleansing Solution (紫珠葉洗劑)” and “Modified Gastrodia Brain-Health Formula (加味天麻健腦方)”.

The proposed distribution will cover the distribution of the products “Zizhu Leaf Cleansing Solution (紫珠葉洗劑)” and “Modified Gastrodia Brain-Health Formula (加味天麻健腦方)” in Hong Kong, Mainland China and cross-border e-commerce channels.

GENERAL

Both the R&D MOUs and the Distribution MOUs are non-legally binding in nature, and the transactions contemplated thereunder are subject to the execution of the definitive agreements. There is no assurance that the proposed arrangements will proceed as contemplated or at all.

As Morning Gold is a connected person of the Company, the Company will comply with the applicable Listing Rules requirements as and when appropriate.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

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

MEMORANDA OF UNDERSTANDING IN RELATION TO RESEARCH AND DEVELOPMENT COOPERATION OF THE PRODUCTS

The board of directors of the Company (the “**Board**”) announces that on 11 June 2026, Morning Gold Medicine Company Limited (“**Morning Gold**”), a connected person of the Company, which is 51% held by Mr. Zhao Li Sheng (the chairman, an executive director of the Company (the “**Directors**”), a co-founder and controlling shareholder of the Company) and 49% held by Ms. Chan Lok San (an executive Director, a co-founder and controlling shareholder of the Company), entered into the memoranda of understanding (the “**R&D MOUs**”) with Dongguan Hospital of Guangzhou University of Chinese Medicine (廣州中醫藥大學東莞醫院) (“**Dongguan City Chinese Medicine Hospital**”), a Grade III Class A Chinese medicine hospital in Dongguan, China, integrating medical treatment, teaching, scientific research, rehabilitation and preventive healthcare, in relation to the research and development cooperation of the products “Zizhu Leaf Cleansing Solution (紫珠葉洗劑)” and “Modified Gastrodia Brain-Health Formula (加味天麻健腦方)” (the “**Products**”).

Based on information provided by Dongguan City Chinese Medicine Hospital, (i) “Zizhu Leaf Cleansing Solution (紫珠葉洗劑)” is a Lingnan formula (嶺南品種) that has been used within Dongguan City Chinese Medicine Hospital and in respect of which certain clinical observation data and application experience have been accumulated over time. According to Dongguan City Chinese Medicine Hospital, the product has been applied in cases involving skin burns, diabetic foot ulcers and pressure sores; and (ii) “Modified Gastrodia Brain-Health Formula (加味天麻健腦方)” was developed with reference to Gastrodia Brain-Health Granules (天麻健腦顆粒). According to Dongguan City Chinese Medicine Hospital, Gastrodia Brain-Health Granules have been used within Dongguan City Chinese Medicine Hospital for symptoms associated with upward disturbance of wind-phlegm, including dizziness, headache, memory impairment and insomnia. Dongguan City Chinese Medicine Hospital further indicated that research relating to the potential application of “Modified Gastrodia Brain-Health Formula (加味天麻健腦方)” in areas relating to the brain and nervous system remains at an observation and research stage.^{Note}

Pursuant to the R&D MOUs, Morning Gold and Dongguan City Chinese Medicine Hospital intend to adopt a close collaboration model to jointly conduct the research and development of the Products, including clinical research, regulatory registration and commercialisation of the Products (the “**Projects**”).

Under the R&D MOUs, (i) Morning Gold will be responsible for the initial and ongoing funding required for the respective Project, and both parties will endeavour to obtain research funding in Mainland China and Hong Kong, which shall be applied exclusively to the respective Project; (ii) Dongguan City Chinese Medicine Hospital will contribute its relevant technological achievements to the cooperation, and for any new patents arising from the collaboration in relation to the product “Modified Gastrodia Brain-Health Formula (加味天麻健腦方)”, Dongguan City Chinese Medicine Hospital shall cooperate with Morning Gold using Dongguan City Chinese Medicine Hospital’s proprietary technical achievements related to “Modified Gastrodia Brain-Health Formula (加味天麻健腦方)” and the original Gastrodia Brain-Health Granules (原天麻健腦顆粒). The technical achievements of the original in-hospital preparation shall be solely owned by Dongguan City Chinese Medicine Hospital. Any new intellectual property generated during the course of the cooperation between Morning Gold and Dongguan City Chinese Medicine Hospital, including new patents, new processes, and new quality standards, shall be jointly owned by both Morning Gold and Dongguan City Chinese Medicine Hospital. For patent applications, Morning Gold shall be the first applicant, and Dongguan City Chinese Medicine Hospital shall be a co-applicant; and (iii) in relation to the product “Zizhu Leaf Cleansing Solution (紫珠葉洗劑)”, any new patents arising from the collaboration are intended to be registered in the name of Morning Gold, with Dongguan City Chinese Medicine Hospital acting as a technical alliance partner of the patent of the Product.

The ownership and allocation of intellectual property rights in the event of termination of the respective Project will be subject to the terms of the definitive agreement(s) to be entered into between the parties (the “**R&D Definitive Agreement(s)**”).

Subject to the terms of the R&D Definitive Agreement(s) of the respective Projects, the parties have preliminarily agreed on a commercial arrangement comprising (i) a one-off technology (intellectual property) transfer fee; and (ii) a profit-sharing mechanism whereby, following the commercialisation of each of the Products in Mainland China, net profits will be shared as to 80% by Morning Gold and 20% by Dongguan City Chinese Medicine Hospital, respectively for a period of ten years.

Cooperation Objectives

The Projects are expected to be implemented in phases. In the initial phase, each of the Products will be registered in Hong Kong as an HKC category proprietary Chinese medicine by a subsidiary of Morning Gold. Upon obtaining such approval, Morning Gold will organise production and, together with Dongguan City Chinese Medicine Hospital, commence commercialisation, with Morning Gold (via the Company or its wholly-owned subsidiary) leading distribution (including cross-border e-commerce) and Dongguan City Chinese Medicine Hospital supporting clinical application and continuing production of the hospital preparation, while accumulating clinical data for Mainland China registration. Subject to regulatory requirements, Morning Gold will subsequently apply for drug registration in Mainland China and obtain the relevant pharmaceutical product registration certificate in the name of its subsidiary. The parties also intend to pursue further research collaboration and project development in accordance with applicable policies.

MEMORANDA OF UNDERSTANDING IN RELATION TO THE DISTRIBUTION OF THE PRODUCTS

The Board further announces that on 11 June 2026 (after trading hours), Morning Gold and the Company entered into the memoranda of understanding (the “**Distribution MOUs**”), pursuant to which Morning Gold intends to appoint the Company and/or its wholly-owned subsidiary as the sole and exclusive distributor of the Products.

The scope of the distribution arrangement is expected to cover products approved and launched in Hong Kong following the obtaining of HKC registration and products approved and launched in Mainland China upon obtaining the relevant national drug registration certificate, with product specifications subject to the final registration approvals.

Pursuant to the Distribution MOUs, the Company and/or its wholly-owned subsidiary is expected to be granted exclusive distribution rights in Hong Kong, Mainland China and across cross-border e-commerce channels, covering full distribution channels including retail, hospital and online platforms. Morning Gold has agreed not to appoint any third-party distributors for the distribution of Products within the agreed scope during the term of the Distribution MOUs and the definitive agreements.

The Company will be responsible for overall marketing, distribution network development and sales of Products, while Morning Gold will ensure compliant production, stable supply and provision of necessary product documentation and support.

The implementation of the distribution arrangement of the Products is expected to proceed in phases, commencing with distribution in Hong Kong and cross-border channels upon completion of HKC registration, followed by expansion into Mainland China upon obtaining the national drug registration approval.

The detailed commencement conditions, rights and obligations, and commercial arrangements for each phase shall be governed by the definitive distribution agreement to be entered into between the Company and Morning Gold.

GENERAL

Both the R&D MOUs and the Distribution MOUs are non-legally binding in nature, and the transactions contemplated thereunder are subject to the execution of the definitive agreement(s). There is no assurance that the proposed arrangements will proceed as contemplated or at all.

As Morning Gold is a connected person of the Company, the transactions contemplated under the Distribution MOUs will constitute connected transactions under Chapter 14A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”). The Company will comply with the applicable Listing Rules requirements as and when appropriate.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

Note:

Information relating to the Products in this announcement has been provided by Dongguan City Chinese Medicine Hospital and is included solely for background and information purposes. The Products may not have obtained all required regulatory approvals for commercialisation or medical use in any jurisdiction. Nothing in this announcement constitutes medical or therapeutic advice or any representation, warranty or assurance regarding the safety, efficacy, effectiveness, clinical outcome or commercial prospects of the Products.

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

Hong Kong, 11 June 2026

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. Wong Cheuk Lam and Dr. Chu Xiaoping.