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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)

POSITIVE PROFIT ALERT

This announcement is made by Kingworld Medicines Group Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to the Inside Information Provisions under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) and Rule 13.09(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the year ended 31 December 2023 (the “**Year**”) and the information currently available to the Board, the Group is expected to record an increase in the profit of the Group attributable to owners of the Company by approximately 65% to 75% for the Year as compared to the profit of the Group attributable to owners of the Company of RMB22.7 million for the year ended 31 December 2022 (the “**Previous Year**”).

The Board considers that the increase in the profit of the Group attributable to owners of the Company was mainly due to (i) an increase in revenue from distribution of imported branded pharmaceutical and healthcare products in China by approximately 10% to 15% for the Year as compared to the Previous Year as a result of the market recovery from the lifting of the COVID-19 pandemic control measures; (ii) an increase in gain on change in fair value of financial assets at fair value through profit or loss by approximately 330% to 335% for the Year as compared to the Previous Year; and (iii) a decrease in amortisation cost of intangible assets by approximately 95% to 100% for the Year as compared to the Previous Year.

Information contained in this announcement is based on a preliminary assessment of the unaudited consolidated management accounts of the Group for the Year and information currently available to the Board. Information in this announcement has not been reviewed nor audited by the auditors of the Company, or reviewed by the audit committee of the Company. The actual results of the Group for the Year are subject to adjustment and may differ from the information disclosed herein. Shareholders and potential investors are advised to read carefully the results announcement of the Group for the Year, which is expected to be published by the Company on 26 March 2024.

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

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

Hong Kong, 20 March 2024

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.