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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
ACQUISITION OF PROPERTY

This is a voluntary announcement made by the Board.

ACQUISITION OF THE PROPERTY

On 7 January 2021 (after trading hours), the Company, as purchaser, entered into the Agreement with an independent third party. Pursuant to the Agreement, the Company agreed to acquire, and the Vendor agreed to sell, the Property for HK\$8,550,000.

The Property is intended to be used by the Group for office use.

This is a voluntary announcement made by the board (the “**Board**”) of directors (the “**Directors**”) of Kingworld Medicines Group Limited (the “**Company**”, together with its subsidiaries, the “**Group**”).

The Board wishes to announce that on 7 January 2021 (after trading hours), the Company, as purchaser, entered into an agreement of sale and purchase (the “**Agreement**”) with an independent third party (the “**Vendor**”), pursuant to which the Company agreed to acquire the property located at Workshop 13, 6th Floor, Goodluck Industrial Centre, No. 808 Lai Chi Kok Road, Kowloon, Hong Kong (the “**Property**”) from the Vendor at a purchase price of HK\$8,550,000 (the “**Consideration**”). The Consideration will be funded by internal resources of the Group.

Subject to the terms and conditions of the Agreement, the completion of the acquisition of the Property is expected to occur on or before 1 April 2021. The Company intends to use the Property as the Group’s office in Hong Kong.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Vendor and its ultimate beneficial owner(s) are independent third parties not connected with the Company and its connected persons.

REASONS FOR AND BENEFITS OF THE ACQUISITION OF THE PROPERTY

The Group currently rents its office in Hong Kong. Upon completion of the acquisition of the Property, the Group will have a permanent office in Hong Kong and be able to save rental expenses.

In view of the location and the designated use of the Property, the Directors believe that the acquisition of the Property is in line with the business development strategy and plan of the Group.

The Directors consider that the Agreement was entered into on normal commercial terms, and the terms of which are fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE RULES GOVERNING THE LISTING OF SECURITIES ON THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “LISTING RULES”)

As all of the applicable percentage ratios in respect of the transactions contemplated under the Agreement are below 5%, the transaction contemplated under the Agreement is not a notifiable transaction under the Listing Rules.

This is a voluntary announcement made by the Company.

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

Hong Kong, 8 January 2021

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