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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 six months ended 30 June 2021 (the “**Period**”) and the information currently available to the Board, the Group is expected to record an increase in the profit attributable to owners of the Company by approximately 95% to 100% for the Period as compared to RMB9.9 million for the six months ended 30 June 2020 (the “**Previous Period**”).

The Board considers that the increase in the profit attributable to owners of the Company was mainly due to an increase in the turnover by approximately 90% to 95% and gross profit by approximately 130% to 135% from distribution of imported branded pharmaceutical and healthcare products in China for the Period as compared to the Previous Period as a result of the market recovery from the outbreak of the COVID-19 epidemic (the “**Epidemic**”).

The Board would also wish to inform that the Company’s non-wholly owned subsidiary, Shenzhen Dong Di Xin Technology Company Limited* (深圳市東迪欣科技有限公司) (“**Dong Di Xin**”), which is a medical devices manufacturer produces various medical devices including infrared thermometers and has obtained various certifications and licences for the medical devices it manufactures, is expected to record a decrease in profit for the period by approximately 33% to 38% for the Period as compared to the Previous Period mainly due to the drop in sales of anti-Epidemic devices.

As a result of the foregoing, the Group is expected to record an increase in profit for the period of the Group by approximately 5% to 10% for the Period as compared to RMB31.8 million for the Previous Period.

The information contained in this announcement is based on a preliminary assessment made by the management of the Company on the unaudited management accounts for the Period and information currently available. The information in this announcement has not been reviewed or audited by the auditors of the Company. The actual results of the Group for the Period are subject to adjustment and may differ from the information disclosed herein. Shareholders and investors are advised to read carefully the unaudited interim results announcement of the Group for the Period, which is expected to be published by the Company on 27 August 2021.

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, 16 August 2021

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.

* *For identification purposes only*