SDAI Limited
(Company Registration No. 201107179D)
(Incorporated in the Republic of Singapore on 25 March 2011)

FOR IMMEDIATE RELEASE

SDAI Signs MoU with Hubei Qiai to Expand into the Mugwort Business

- Jointly establish a platform that expands Hubei Qiai's mugwort products into the global market
- Leverage Hubei Qiai's leadership in the mugwort industry, supported by its extensive nationwide presence across most of the counties and cities across China
- Capture the growing opportunities within the mugwort industry to broaden and diversify revenue streams

SINGAPORE, 9 December 2025 – The board of directors (the "**Board**") of SDAI Limited (the "**Company**" or "**SDAI**", and together with its subsidiaries, the "**Group**") is pleased to announce that the Company has signed a non-binding Memorandum of Understanding ("**MoU**") with Hubei Qiai Group Co., Ltd. ("**Hubei Qiai**") to jointly establish a platform that brings China's mugwort (艾草) to the global markets.



(From left): Madam Hao Dongting (郝东亭), Executive Chairperson of the Company and Mr Wang Zhen (王振), Chairman of Hubei Qiai.

SDAI Limited
(Company Registration No. 201107179D)
(Incorporated in the Republic of Singapore on 25 March 2011)

The Company and Hubei Qiai are targeting the international market, where interest in mugwort has been rising steadily. Through this collaboration, both companies seek to establish a robust platform that introduces China's high-quality mugwort-based products to global consumers, strengthen the international presence of the mugwort industry and support the long-term development and commercialisation of this traditional wellness segment.

The information presented herein relating to information on Hubei Qiai is based on information provided by Hubei Qiai. In respect of such information, the Company has not independently verified the accuracy and correctness of the same and the Company's responsibility is limited to ensuring that such information has been accurately and correctly extracted and reproduced in this press release in its proper form and context.

Founded in 2021, Hubei Qiai has swiftly established itself as a leading enterprise in China's rapidly expanding Traditional Chinese Medicine ("**TCM**") health and wellness sector, with a strategic focus on the high-growth mugwort industry, one of the most promising segments within the China's extensive medicinal herb supply chain. Hubei Qiai operates across the entire value chain, encompassing mugwort cultivation, processing, research and development, marketing and distribution to end consumers. With an extensive nationwide footprint covering most of China's counties and cities, Hubei Qiai has built a robust retail network of over 13,000 outlets. Leveraging strong research and development capabilities, Hubei Qiai offers a diverse portfolio of mugwort-based products spanning, *inter alia*, food, medicine, daily essentials, skincare and home textiles. It has also integrated advanced technology into product innovation, transforming traditional moxibustion therapy into intelligent, electric-based solutions, enhancing efficiency, scalability and user experience.

Mugwort, a traditional herb known for its soothing and aromatic qualities, is gaining renewed popularity across the wellness, beauty and food industries. The global mugwort market is projected to grow to US$531.90 million in 2025, achieving a compound annual growth rate (CAGR) of 5.94% to reach US$798.75 million by 2032[1]. This steady growth underscores the industry's strong momentum and the significant potential it offers for further expansion.

[1] Mugwort Market by Form (Dried Herbs, Essential Oils, Extracts), Source (Conventional, Organic), Application, Distribution Channel, End User - Global Forecast 2025-2032, https://www.360iresearch.com/library/intelligence/mugwort

SDAI Limited
(Company Registration No. 201107179D)
(Incorporated in the Republic of Singapore on 25 March 2011)

TCM is gaining increasing recognition and acceptance in Singapore, as more people turn to it as a first choice for treatment rather than a last resort after trying other medical options[2]. Mugwort has also been widely used in TCM practices in Singapore and the Company believes there remains significant potential for growth in the adoption and development of mugwort-based products in the local market.

Madam Hao Dongting (郝东亭), Executive Chairperson of the Company, commented, "We are truly thrilled to partner with the leading name in the mugwort industry. This collaboration marks an exciting milestone as we expand into the fast-growing mugwort sector, a field that is gaining strong global recognition and offers immense growth potential. With the opportunity to extend Hubei Qiai's presence beyond China, we look forward to introducing high-quality mugwort-based products to new markets and diversifying the Group's revenue streams.

This achievement reflects the dedication and hard work of our team, who has been continuously exploring new business opportunities to drive the Group's growth. Together, we are seizing the momentum of the mugwort industry and positioning ourselves at the forefront of this promising sector, creating sustainable value for our shareholders."

- **END** -

About SDAI Limited

Listed on the Catalist Board of the Singapore Exchange since July 2011, SDAI Limited ("**SDAI**", and together with its subsidiaries, the "**Group**") is undergoing a strategic transformation into a biotechnology company specialising in healthcare-related products and services.

As the first step in this biotechnology-driven transformation, the Group has launched the Bluecode Biotech B-III skincare series, an advanced line of plant stem cell skincare products.

The Group plans to integrate biotechnology across the medical, skincare, and health products industries and is committed to become a leading force in the biotechnology space.

For more information, please visit www.sdai.com.sg

[2] The sinseh will see you now: TCM on the rise as healthcare players combine Eastern, Western medicine, https://www.businesstimes.com.sg/companies-markets/consumer-healthcare/sinseh-will-see-you-now-tcm-rise-healthcare-players-combine-eastern-western-medicine

SDAI Limited
(Company Registration No. 201107179D)
(Incorporated in the Republic of Singapore on 25 March 2011)

Issued for and on behalf of SDAI Limited
by Woodnote Consulting

Yong Jing Wen
E: jingwen@woodnoteconsulting.com
T: (65) 9860 3047

*This press release has been reviewed by the Company's sponsor, ZICO Capital Pte. Ltd. (the "**Sponsor**").*

*This press release has not been examined or approved by the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") and the SGX-ST assumes no responsibility for the contents of this press release, including the correctness of any of the statements or opinions made or reports contained in this press release.*

The contact person for the Sponsor is Ms Yang Zhenni, ZICO Capital Pte. Ltd. at 77 Robinson Road, #06-03 Robinson 77, Singapore 068896, telephone (65) 6636 4201.