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Modern Chinese Medicine Group Co., Ltd.

現代中藥集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1643)

POSITIVE PROFIT ALERT

This announcement is made by Modern Chinese Medicine Group Co., Ltd. (現代中藥集團有限公司) (the “**Company**”, and together with its subsidiaries the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company (the “**Shareholders**”) and prospective investors that, based on its preliminary review and assessment of the latest information currently available to the Board and the unaudited consolidated management accounts of the Group for the year ended 31 December 2021 (the “**Year 2021**”), the Group is expected to record an increase of not less than 25% in its net profit attributable to the equity shareholders of the Company for the Year 2021 as compared to that of the corresponding year in 2020, which amounted to approximately RMB63.6 million.

The Board is of the view that such increase in the net profit was primarily attributable to the increase in the sales of Vigour and Vitality Supplement Pill (補腎填精丸) during the Year 2021 as a result of growing awareness of the importance of improving personal health and wellbeing by replenishing Qi (氣). The intended therapeutic effect of Vigour and Vitality Supplement Pill (補腎填精丸) is to replenish Qi (氣); enhance blood circulation; improve kidney, testicles and endocrine related conditions.

The Company is in the process of preparing the consolidated annual results of the Group for the Year 2021. The information contained in this announcement is based solely on its preliminary review and assessment of the latest information currently available to the Board as at the date of this announcement and the unaudited consolidated management accounts of the Group for the Year 2021, which have neither been confirmed nor audited by the independent auditor of the Company or the audit committee of the Board, and may be subject to adjustment. The actual annual financial results of the Group for the Year 2021 may differ from the information disclosed in this announcement. The audited consolidated financial results of the Group for the Year 2021 are expected to be published in late March 2022 in compliance with the Listing Rules.

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

By order of the Board
Modern Chinese Medicine Group Co., Ltd.
Zhang Hongli
Executive Director

Hong Kong, 22 February 2022

As at the date of this announcement, the Board comprises three executive Directors, namely, Ms. Zhang Hongli, Mr. Li Jinglian and Mr. Jiang Zhendong; and three independent non-executive Directors, namely, Ms. Liu Ling, Mr. Leung Tsz Wing and Mr. Chan Kam Leung.