

---

**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

---

**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, a bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in Modern Chinese Medicine Group Co., Ltd., you should at once hand this circular, together with the enclosed form of proxy, to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

---



## **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)**

**PROPOSED GRANTING OF GENERAL MANDATES TO REPURCHASE SHARES  
AND  
TO ISSUE NEW SHARES OF THE COMPANY AND  
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS  
AND  
NOTICE OF THE ANNUAL GENERAL MEETING OF THE COMPANY**

---

A notice convening the 2024 AGM of Modern Chinese Medicine Group Co., Ltd. to be held at Conference Room, 3/F, Dongcaiku Business Port at the intersection of Zhaiying South Street and Huaian Road, Yuhua Area, Shijiazhuang City, Hebei Province, PRC on Thursday, 30 May 2024 at 10:00 a.m. is set out on pages 16 to 20 of this circular. A form of proxy for use at the 2024 AGM is enclosed with this circular. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.cdysjdy.com](http://www.cdysjdy.com)).

Whether or not you are able to attend the 2024 AGM, please complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Share Registrar in Hong Kong, Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the 2024 AGM (i.e. not later than 10:00 a.m. on Tuesday, 28 May 2024) or any adjournment thereof. Completion and return of the form of proxy will not preclude Shareholders from attending and voting in person at the 2024 AGM if they so wish.

References to time and dates in this circular are to Hong Kong time and dates.

Hong Kong, 30 April 2024

---

# CONTENTS

---

	<i>Page</i>
<b>Definitions</b> . . . . .	1
 <b>Letter from the Board</b>	
1. Introduction . . . . .	3
2. Proposed Granting of the Repurchase and Issuance Mandates . . . . .	4
3. Proposed Re-election of the Retiring Directors . . . . .	4
4. 2024 AGM and Proxy Arrangement . . . . .	5
5. Recommendation . . . . .	6
6. Responsibility Statement . . . . .	6
7. General Information . . . . .	6
<b>Appendix I – Explanatory Statement on the Repurchase Mandate</b> . . . . .	7
<b>Appendix II – Details of the Retiring Directors Proposed to be Re-elected at the 2024 AGM</b> . . . . .	10
<b>Notice of the 2024 AGM</b> . . . . .	16

---

## DEFINITIONS

---

*In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:*

“2024 AGM”	the annual general meeting of the Company to be held at Conference Room, 3/F, Dongcaiku Business Port at the intersection of Zhaiying South Street and Huaian Road, Yuhua Area, Shijiazhuang City, Hebei Province, PRC on Thursday, 30 May 2024 at 10:00 a.m., to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting which is set out on pages 16 to 20 of this circular, or any adjournment thereof;
“Board”	the board of Directors;
“Company”	Modern Chinese Medicine Group Co., Ltd. 現代中藥集團有限公司, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Main Board of the Stock Exchange;
“Director(s)”	the director(s) of the Company;
“Group”	the Company and its subsidiaries from time to time;
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC;
“Issuance Mandate”	as defined in paragraph 2(b) of the Letter from the Board;
“Latest Practicable Date”	24 April 2024, being the latest practicable date prior to the printing of this circular for ascertaining certain information in this circular;
“Listing Date”	15 January 2021, being the date on which dealings in the Shares first commenced on the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Member(s)” or “Shareholder(s)”	holder(s) of the Share(s);
“Memorandum and Articles of Association”	the amended and restated memorandum and articles of association of the Company currently in force;

---

## DEFINITIONS

---

“Nomination Committee”	the nomination committee of the Company;
“PRC”	The People’s Republic of China;
“Repurchase Mandate”	as defined in paragraph 2(a) of the Letter from the Board;
“RMB”	Renminbi, the lawful currency of the PRC;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company or if there has been a subsequent subdivision, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	the Code on Takeovers and Mergers issued by the Securities and Futures Commission of Hong Kong; and
“Year”	the year ended 31 December 2023
“%”	per cent.

---

LETTER FROM THE BOARD

---



**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)**

*Executive Directors:*

Ms. Sun Xinlei (*Chairman*)

Ms. Zhang Hongli (*Chief Executive Officer*)

Ms. Jia Yanru

*Registered Office:*

89 Nexus Way, Camana Bay

Grand Cayman

KY1-9009 Cayman Islands

*Independent Non-executive Directors:*

Ms. Liu Ling

Mr. Leung Tsz Wing

Mr. Wong Chi Kin

*Corporate headquarters in the PRC:*

No. 88 Jinwei Road

Chengde City, Hebei Province

PRC

30 April 2024

*To the Shareholders*

Dear Sir/Madam,

**PROPOSED GRANTING OF GENERAL MANDATES  
TO REPURCHASE SHARES AND  
TO ISSUE NEW SHARES OF THE COMPANY AND  
PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS  
AND  
NOTICE OF THE ANNUAL GENERAL MEETING OF THE COMPANY**

**1. INTRODUCTION**

The purpose of this circular is to provide you with information in respect of the resolutions to be proposed at the 2024 AGM for (i) the granting of the Repurchase Mandate to the Directors; (ii) the granting of the Issuance Mandate to the Directors; (iii) the extension of the Issuance Mandate by adding to it the number of issued Shares repurchased by the Company under the Repurchase Mandate; and (iv) the re-election of the retiring Directors.

---

## LETTER FROM THE BOARD

---

### 2. PROPOSED GRANTING OF THE REPURCHASE AND ISSUANCE MANDATES

Pursuant to the resolutions passed by the then Shareholders on 30 May 2023, the Directors were given a general unconditional mandate to repurchase Shares on the Stock Exchange and to issue unissued Shares. Up to the Latest Practicable Date, such mandates have not been used and, if not used by the date of the 2024 AGM, will lapse at the conclusion of the 2024 AGM.

In order to give the Company the flexibility to issue and repurchase Shares if and when appropriate, the following ordinary resolutions will be proposed at the 2024 AGM to approve the granting of new general mandates to the Directors:

- (a) to purchase Shares, on the Stock Exchange or on any other stock exchange recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange, not exceeding 10% of the total number of issued Shares as at the date of passing such resolution (i.e. not exceeding 60,000,000 Shares on the basis that the existing issued share capital of the Company of 600,000,000 Shares remains unchanged as at the date of the 2024 AGM) (the “**Repurchase Mandate**”);
- (b) to allot, issue or deal with Shares not exceeding 20% of the total number of issued Shares as at the date of passing such resolution (i.e. not exceeding 120,000,000 Shares on the basis that the existing issued share capital of the Company of 600,000,000 Shares remains unchanged as at the date of the 2024 AGM) (the “**Issuance Mandate**”); and
- (c) to extend the Issuance Mandate by adding the number of Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

The Repurchase Mandate and the Issuance Mandate will continue in force until the conclusion of the next annual general meeting of the Company held after the 2024 AGM or any earlier date as referred to in the proposed ordinary resolutions contained in items 8 and 9 of the notice of the 2024 AGM as set out on pages 16 to 20 of this circular.

In accordance with the requirements of the Listing Rules, the Company shall send to Shareholders an explanatory statement containing all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the granting of the Repurchase Mandate. The explanatory statement as required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular.

### 3. PROPOSED RE-ELECTION OF THE RETIRING DIRECTORS

Pursuant to Article 108 of the Articles of Association, Ms. Zhang Hongli and Ms. Liu Ling (“**Ms. Liu**”) shall retire from office by rotation and, being eligible, will offer themselves for re-election at the 2024 AGM. Besides, pursuant to Article 112 of the Articles of Association, any Director appointed by the Board to fill a casual vacancy or as an additional Director shall hold office only until the first general meeting of the Company

---

## LETTER FROM THE BOARD

---

after his/her appointment and be subject to re-election at such meeting. As both Ms. Sun Xinlei (“**Ms. Sun**”) and Ms. Jia Yanru was appointed as executive Directors on 3 November 2023, each of them shall hold office until the 2024 AGM (which will be the first general meeting of the Company after their appointments) and be re-elected at the 2024 AGM.

The Nomination Committee has reviewed the structure and composition of the Board, the confirmations and disclosures given by the Directors, the qualifications, skills and experience, time commitment and contribution of the retiring Directors with reference to the nomination principles and criteria set out in the Company’s Board Diversity Policy, Procedures for the Nomination Committee to Nominate to the Board a Person as Director, the Company’s corporate strategy and the independence of the independent non-executive Directors.

Ms. Liu, the retiring independent non-executive Director, has confirmed her independence with reference to the factors set out in Rule 3.13 of the Listing Rules. The aforesaid independent non-executive Director also demonstrate the ability to provide an independent, balanced and objective view to the Company’s matters. The Nomination Committee and the Board thus considered that the retiring independent non-executive Director is independent in accordance with the independence guidelines set out in the Listing Rules.

Besides, the Nomination Committee and the Board believed that all the retiring Directors will continue to make contribution to the Board and are satisfied with all the retiring Directors’ contribution to the Company, which will continue to bring valuable business experience, knowledge and professionalism to the Board for its efficient and effective functioning and diversity. The Nomination Committee and the Board therefore recommended the re-election of all the retiring Directors, including the aforesaid independent non-executive Director, who are due to retire at the 2024 AGM.

Pursuant to Rule 13.74 of the Listing Rules, a listed issuer shall disclose the details required under Rule 13.51(2) of the Listing Rules of any director(s) proposed to be reelected or proposed new director in the notice or accompanying circular to its shareholders of the relevant general meeting, if such re-election or appointment is subject to shareholders’ approval at that relevant general meeting. The requisite details of all retiring Directors are set out in Appendix II to this circular.

#### **4. 2024 AGM AND PROXY ARRANGEMENT**

The notice of the 2024 AGM is set out on pages 16 to 20 of this circular. At the 2024 AGM, resolutions will be proposed to approve, inter alia, the granting of the Repurchase Mandate and the Issuance Mandate, the extension of the Issuance Mandate by the addition thereto of the number of Shares repurchased pursuant to the Repurchase Mandate and the re-election of the retiring Directors.

---

## LETTER FROM THE BOARD

---

Pursuant to the Listing Rules, any vote of shareholders at a general meeting must be taken by poll. Accordingly, all the proposed resolutions will be put to vote by way of poll at the 2024 AGM. An announcement on the poll vote results will be made by the Company after the 2024 AGM in the manner prescribed under Rule 13.39(5) of the Listing Rules.

A form of proxy for use at the 2024 AGM is enclosed with this circular and such form of proxy is also published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.cdysjdyy.com](http://www.cdysjdyy.com)). Whether or not you are able to attend the 2024 AGM, please complete and sign the form of proxy in accordance with the instructions printed thereon and return it, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority, to the Company's Share Registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding the 2024 AGM (i.e. not later than 10:00 a.m. on Tuesday, 28 May 2024) or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the 2024 AGM in person if you so wish and, in such event, your form of proxy shall be deemed to be revoked.

### 5. RECOMMENDATION

The Directors consider that the granting of the Repurchase Mandate, the granting and extension of the Issuance Mandate and the re-election of the retiring Directors are in the interests of the Company, the Group and the Shareholders. Accordingly, the Directors recommend the Shareholders to vote in favor of the relevant resolutions to be proposed at the 2024 AGM.

### 6. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### 7. GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

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



*The following is an explanatory statement required by the Listing Rules to be sent to Shareholders to enable them to make an informed decision on whether to vote for or against the ordinary resolution to be proposed at the 2024 AGM in relation to the granting of the Repurchase Mandate.*

## **1. REASONS FOR REPURCHASE OF SHARES**

The Directors believe that the granting of the Repurchase Mandate is in the interests of the Company, the Group and the Shareholders.

Repurchases of Shares may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share. The Directors are seeking the granting of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

## **2. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 600,000,000 Shares.

Subject to the passing of the ordinary resolution set out in item 8 of the notice of the 2024 AGM in respect of the granting of the Repurchase Mandate and on the basis that the issued share capital of the Company remains unchanged as at the date of the 2024 AGM, i.e. being 600,000,000 Shares, the Directors would be authorized under the Repurchase Mandate to repurchase, during the period in which the Repurchase Mandate remains in force, 60,000,000 Shares, representing 10% of the total number of Shares in issue as at the date of the 2024 AGM.

## **3. FUNDING OF REPURCHASES**

Repurchases of Shares will be funded from the Company's internal resources, which shall be funds legally available for such purpose in accordance with the Company's Memorandum and Articles of Association, the Listing Rules, the laws of the Cayman Islands and/or any other applicable laws, as the case may be.

## **4. IMPACT OF REPURCHASES**

There might be a material adverse impact on the working capital or gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 December 2023) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not intend to exercise the Repurchase

Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time befitting the Company.

## **5. TAKEOVERS CODE**

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights for the purposes of the Takeovers Code. Accordingly, a Shareholder, or a group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code for all the Shares not already owned by such Shareholder or group of Shareholders.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Modern Biotechnology Group Holdings Co., Ltd held 402,000,000 Shares, representing 67.00% of the total issued share capital of the Company. Modern Biotechnology Group Holdings Co., Ltd is wholly-owned by Ms. Sun, the Chairman of the Board and an executive Director. On the basis that (i) the issued share capital of the Company (being 600,000,000 Shares) remains unchanged as at the 2024 AGM; and (ii) the shareholding interests held by Modern Biotechnology Group Holdings Co., Ltd remains unchanged immediately after the full exercise of the Repurchase Mandate, in the event that the Directors exercise in full the power to repurchase Shares under the Repurchase Mandate, the shareholding interests of Modern Biotechnology Group Holdings Co., Ltd would be increased to approximately 74.44% of the total issued share capital of the Company. The Directors are not aware of any consequences which would give rise to an obligation on the part of Modern Biotechnology Group Holdings Co., Ltd and its beneficial owner (see note below) to make a mandatory offer under Rule 26 of the Takeovers Code.

In addition, the Company has no intention to exercise the Repurchase Mandate to the effect that it will result in the public float to fall below 25% or such other minimum percentage prescribed by the Listing Rules from time to time.

## **6. GENERAL**

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules) have any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Company has not been notified by any core connected persons (as defined in the Listing Rules) of the Company that they have a present intention to sell any Shares to the Company, or that they have undertaken not to sell any Shares held by them to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the power of the Company to make repurchases of Shares pursuant to the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

## **7. MARKET PRICES OF SHARES**

The highest and lowest prices per Share at which the Shares have been traded on the Stock Exchange during each of the previous 12 months up to and including the Latest Practicable Date were as follows:

<b>Month</b>	<b>Highest HK\$</b>	<b>Lowest HK\$</b>
<b>2023</b>		
April	0.530	0.450
May	0.520	0.460
June	0.520	0.460
July	0.500	0.390
August	0.465	0.370
September	0.420	0.370
October	0.415	0.335
November	0.355	0.320
December	0.370	0.320
<b>2024</b>		
January	0.360	0.290
February	0.420	0.310
March	0.350	0.305
April (up to the Latest Practicable Date)	0.350	0.305

## **8. REPURCHASES OF SHARES MADE BY THE COMPANY**

No repurchase of Shares has been made by the Company during the 6 months prior to the Latest Practicable Date (whether on the Stock Exchange or otherwise).

---

## APPENDIX II      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2024 AGM

---

*Pursuant to the Listing Rules, the details of the Directors, who will retire and offer themselves for re-election at the 2024 AGM according to the Articles of Association, are provided below.*

### (1) MS. SUN XINLEI

#### **Position and experience**

**Ms. Sun**, aged 38, is our executive Director and the Chairman of the Board. She was appointed as our executive Director on 3 November 2023, responsible for sales and operations of our Group.

Ms. Sun has been the general manager of Chengde Yushi Jindan Pharmaceutical Co., Ltd.\* (承德禦室金丹藥業有限公司) (“**Chengde Yushi**”) for over 3 years and is the sole registered shareholder of Chengde Yushi. As disclosed in the announcement of the Company dated 14 June 2023, the Group conducts its business of production of proprietary Chinese medicine, which involves the application of processing techniques for traditional Chinese medicine decoction pieces such as steaming, frying, simmering and calcining through Chengde Yushi under a series of contractual arrangements entered into by Shijiazhuang Medical Research Advisory Company Limited (石家莊藥研諮詢有限公司), a wholly-owned subsidiary of the Company.

\* *The English names of the above companies/facilities/colleges represent the best effort made by the directors of the Company to translate the Chinese names as their names have not been registered officially in English.*

#### **Length of service and director’s emoluments**

Pursuant to the service contract entered into between Ms. Sun and the Company, Ms. Sun was appointed for a term of 3 years commencing on 3 November 2023, subject to retirement by rotation at least once every three years and in accordance with the articles of association of the Company.

Currently, Ms. Sun is entitled to an annual director’s fee of HK\$120,000 and an annual salary of RMB216,000 as the general manager of Chengde Yushi. The emoluments of Ms. Sun are determined by the Board by reference to her performance, experience and responsibilities and the Company’s remuneration policy. Her emolument for the Year was approximately RMB232,700.

#### **Interests in Shares**

As at the Latest Practicable Date, Ms. Sun is a controlling shareholder (as defined in the Listing Rules) of the Company having an interest in 402,000,000 shares in the Company, representing 67% of the total issued shares of the Company, through Modern Biotechnology Group Holdings Co., Ltd., a company wholly-owned by Ms. Sun.



---

## APPENDIX II      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2024 AGM

---

### **Length of service and director's emoluments**

Pursuant to the service agreement entered into between Ms. Zhang and the Company, her initial term of office is 3 years from 18 December 2020, the Company is in the course renewing the service agreement with Ms. Zhang. She is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Pursuant to the said service agreement, Ms. Zhang is entitled to an annual director's fee of HK\$120,000 and salary of RMB180,000 as the chief executive officer. The emoluments of Ms. Zhang are determined by the Board by reference to her performance, experience and responsibilities and the Company's remuneration policy. Her emolument for the Year was approximately RMB280,000.

### **Interests in Shares**

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Zhang was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

\* *The English names of the above companies/facilities/colleges represent the best effort made by the directors of the Company to translate the Chinese names as their names have not been registered officially in English.*

### **Relationships**

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Zhang does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules).

### **Other information and matters that need to be disclosed or brought to the attention of the Shareholders**

As far as the Directors are aware, there is no information of Ms. Zhang to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Ms. Zhang that need to be brought to the attention of the Shareholders.

### **(3) MS. JIA YANRU**

#### **Position and experience**

**Jia YanRu** ("Ms. Jia"), aged 41, was appointed as our executive Director on 3 November 2023.

---

## APPENDIX II                      DETAILS OF THE RETIRING DIRECTORS PROPOSED TO BE RE-ELECTED AT THE 2024 AGM

---

Ms. Jia was appointed as a joint company secretary of the Company on 30 August 2023 and deputy general manager (finance) of the Company (“**Deputy GM**”) in August 2021. She is responsible for the management of financial, supervisory and compliance as well as investor relation matters and possesses experience in financial management in pharmaceutical industry for more than 20 years. Ms Jia joined the Group in 2004 and prior to being promoted as Deputy GM, Ms Jia was a finance manager of the Group.

Ms. Jia graduated from the Northeast Normal University\* (東北師範大學), the Mainland China with a Higher Education Graduation Certificate (major in accounting) \* (高等教育畢業證書(會計專業)).

\* *The English names of the above companies/facilities/colleges represent the best effort made by the directors of the Company to translate the Chinese names as their names have not been registered officially in English.*

### **Length of service and director’s emoluments**

Pursuant to the service contract entered into between Ms. Jia and the Company, Ms. Jia was appointed for a term of 3 years commencing on 3 November 2023, subject to retirement by rotation at least once every three years and in accordance with the Articles.

Currently, Ms. Jia is entitled to an annual director’s fee of HK\$120,000 and an annual salary of RMB96,000 as Deputy Gm. The emoluments of Ms. Jia are determined by the Board by reference to her performance, experience and responsibilities and the Company’s remuneration policy. Her emolument for the Year was approximately RMB113,000.

### **Interests in Shares**

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Jia was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

### **Relationships**

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Jia does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules).

---

**APPENDIX II                      DETAILS OF THE RETIRING DIRECTORS PROPOSED  
TO BE RE-ELECTED AT THE 2024 AGM**

---

**Other information and matters that need to be disclosed or brought to the attention of the Shareholders**

As far as the Directors are aware, there is no information of Ms. Jia to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Ms. Jia that need to be brought to the attention of the Shareholders.

**(4) MS. LIU LING**

**Position and experience**

**Ms. Liu Ling** (“**Ms. Liu**”), aged 63, was appointed as our independent non-executive Director on 18 December 2020. She is also the chairlady of the remuneration committee and a member of the audit committee and nomination committee of the Company. Ms. Liu has more than 33 years of experience in the field of food engineering. From 1982 to 2000, Ms. Liu worked at Zhengzhou Light Industry School\* (鄭州輕工業學院) (currently known as Zhengzhou University of Light Industry (鄭州輕工業大學)) and her last position at Zhengzhou Light Industry School\* was associate professor with specialisation in food engineering. Ms. Liu had been the deputy director of food engineering research and development, a director of high-tech research centre and a research institute deputy chief engineer of China National Research Institute of Food and Fermentation Industries (中國食品發酵工業研究院) from September 2000 to December 2017, responsible for development of new technology and products. Ms. Liu obtained a bachelor’s degree in engineering from Tianjin University of Light Industry\* (天津輕工業學院) (currently known as Tianjin University of Science and Technology (天津科技大學)) in July 1982. She further obtained the degree of Doctor of Philosophy from the University of Tokyo, Graduate School of Agricultural and Life Sciences in October 1999.

From April 2013 to April 2018, Ms. Liu served as an independent director of Sino Grandness Food Industry Group Limited (SGX: T4B), a company listed on the Singapore Exchange Limited which principally engages in the manufacture and distribution of juices and canned fruits and vegetables. Since May 2018 and up to the Latest Practicable Date, Ms. Liu had not held any position in any company or organisation.

\* *The English names of the above companies/facilities/colleges represent the best effort made by the directors of the Company to translate the Chinese names as their names have not been registered officially in English.*

Ms. Liu has not held other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas.



---

**APPENDIX II            DETAILS OF THE RETIRING DIRECTORS PROPOSED  
TO BE RE-ELECTED AT THE 2024 AGM**

---

**Length of service and director's emoluments**

Pursuant to the letter of appointment issued by the Company to Ms. Liu, she has been appointed for a term of 1 year from 18 December 2020. She is also subject to retirement and re-election at annual general meeting of the Company in accordance with the Articles of Association.

Pursuant to the said letter of appointment, Ms. Liu is entitled to a director's fee of HK\$120,000 per annum. The emoluments of Ms. Liu are determined by the Board by reference to her performance, experience and responsibilities and the Company's remuneration policy. Her emolument for the Year was HK\$120,000.

**Interests in Shares**

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Liu was not interested or deemed to be interested in any Shares or underlying Shares of the Company or its associated corporations pursuant to Part XV of the SFO.

**Relationships**

As far as the Directors are aware, as at the Latest Practicable Date, Ms. Liu does not have any relationships with other Directors, senior management, substantial Shareholders (as defined in the Listing Rules), or controlling Shareholders (as defined in the Listing Rules) of the Company.

**Other information and matters that need to be disclosed or brought to the attention of the Shareholders**

As far as the Directors are aware, there is no information of Ms. Liu to be disclosed pursuant to any of the requirements under paragraphs 13.51(2)(h) to 13.51(2)(v) of the Listing Rules; and there are no other matters concerning Ms. Liu that need to be brought to the attention of the Shareholders.

---

## NOTICE OF THE 2024 AGM

---



# 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)**

**NOTICE IS HEREBY GIVEN** that an annual general meeting of Modern Chinese Medicine Group Co., Ltd. (the “**Company**”) will be held at Conference Room, 3/F, Dongcaiku Business Port at the intersection of Zhaiying South Street and Huaian Road, Yuhua Area, Shijiazhuang City, Hebei Province, PRC on Thursday, 30 May 2024 at 10:00 a.m. for the following purposes:

### ORDINARY RESOLUTIONS

1. To consider, adopt and receive the audited consolidated financial statements of the Company and the reports of the directors and auditor of the Company for the year ended 31 December 2023;
2. To re-elect Ms. Sun Xinlei as an executive director of the Company;
3. To re-elect Ms. Zhang Hongli as an executive director of the Company;
4. To re-elect Ms. Jia Yanru as an executive director of the Company;
5. To re-elect Ms. Liu Ling as an independent non-executive director of the Company;
6. To authorize the board of directors of the Company to fix the respective directors’ remuneration;
7. To re-appoint Mazars CPA Limited as auditor of the Company and to authorize the board of directors of the Company to fix auditor’s remuneration;

---

## NOTICE OF THE 2024 AGM

---

8. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to purchase its shares on The Stock Exchange of Hong Kong Limited or on another stock exchange recognized by the Securities and Futures Commission of Hong Kong and The Stock Exchange of Hong Kong Limited, subject to and in accordance with the applicable laws, be and is hereby generally and unconditionally approved;
  - (b) the total number of shares of the Company to be purchased pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be repurchased under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and
  - (c) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
    - (i) the conclusion of the next annual general meeting of the Company;
    - (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
    - (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held.”;
9. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with authorized and unissued shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such powers be and is hereby generally and unconditionally approved;

---

## NOTICE OF THE 2024 AGM

---

- (b) the approval in paragraph (a) above shall authorize the directors of the Company to make or grant offers, agreements and options during the Relevant Period which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of shares allotted or agreed conditionally or unconditionally to be allotted by the directors of the Company pursuant to the approval in paragraph (a) above, otherwise than pursuant to:
  - (i) a Rights Issue (as defined below);
  - (ii) the exercise of the outstanding conversion rights attaching to any convertible bonds or securities issued by the Company, which are convertible into shares of the Company;
  - (iii) the exercise of options under a share option scheme of the Company; and
  - (iv) any scrip dividend scheme or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the articles of association of the Company,

shall not exceed 20% of the total number of issued shares of the Company as at the date of passing this resolution and the said approval shall be limited accordingly; and if any subsequent consolidation or subdivision of shares is conducted, the maximum number of shares that may be issued under the mandate in paragraph (a) above as a percentage of the total number of issued shares at the date immediately before and after such consolidation or subdivision shall be the same; and

- (d) for the purposes of this resolution:

**“Relevant Period”** means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the revocation or variation of the authority given under this resolution by ordinary resolution passed by the Company’s shareholders in general meetings; and
- (iii) the expiration of the period within which the next annual general meeting of the Company is required by the articles of association of the Company or any applicable laws to be held; and

---

## NOTICE OF THE 2024 AGM

---

“**Rights Issue**” means an offer of shares open for a period fixed by the directors of the Company to holders of shares of the Company or any class thereof on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction or the requirements of any recognized regulatory body or any stock exchange).”; and

10. To consider and, if thought fit, pass with or without amendments, the following resolution as an ordinary resolution:

“**THAT** conditional upon the passing of the resolutions set out in items 7 and 8 of the notice convening this meeting (the “**Notice**”), the general mandate referred to in the resolution set out in item 7 of the Notice be and is hereby extended by the addition to the total number of shares which may be allotted and issued or agreed conditionally or unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of the total number of shares purchased by the Company pursuant to the general mandate referred to in the resolution set out in item 8 of the Notice, provided that such amount shall not exceed 10% of the total number of the issued shares of the Company as at the date of passing this resolution.”.

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

Hong Kong, 30 April 2024

*Notes:*

- a. Any member of the Company entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of him/her/it. A proxy need not be a member of the Company. A member who is the holder of two or more shares of the Company may appoint more than one proxy to represent him/her/it to attend and vote on his/her/its behalf. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
- b. In order to be valid, a form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, must be deposited at the Company’s Share Registrar in Hong Kong (i.e. Tricor Investor Services Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong) as soon as possible but in any event not less than 48 hours before the time appointed for the holding of this meeting (i.e. not later than 10:00 a.m. on Tuesday, 28 May 2024) or any adjournment thereof. Delivery of the form of proxy shall not preclude a member of the Company from attending and voting in person at this meeting and, in such event, the form of proxy shall be deemed to be revoked.

---

## NOTICE OF THE 2024 AGM

---

- c. For determining the entitlement to attend and vote at this meeting, the register of members of the Company will be closed from Monday, 27 May 2024 to Thursday, 30 May 2024 (both days inclusive), during which period no share transfer will be effected. In order to qualify for attending and voting at this meeting, unregistered holders of shares of the Company should ensure that all completed transfer forms accompanied by the relevant share certificates are lodged with the Company's Share Registrar in Hong Kong, Tricor Investor Services Limited, at the above address for registration no later than 4:30 p.m., on Friday, 24 May 2024.
  
- d. References to time and dates in the Notice are to Hong Kong time and dates.