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)

PROFIT WARNING

This announcement is made by Modern Chinese Medicine Group Co., Ltd. (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board of directors of the Company (the "**Directors**" and the "**Board**", respectively) wishes to inform the shareholders (the "**Shareholders**") and the potential investors of the Company that, based on the preliminary assessment of the unaudited consolidated management accounts of the Group for the six months ended 30 June 2026 (the "**Period**") and the information currently available to the Board, it is expected that the Group would record a net loss of approximately RMB25.9 million for the Period, while a net profit of approximately RMB2.5 million was recorded for the six months ended 30 June 2025. To the best knowledge of the Directors, turning from a net profit to a net loss was mainly attributable to 1) the increase in promotion and marketing expenses resulting from coping with the expansion of business in Eastern regions of the People's Republic of China; and 2) the increase in research and development costs and enhanced clinical value research to improve its product quality.

The information contained in this announcement is prepared only based on (i) the Board's preliminary assessment of the unaudited consolidated management accounts of the Group for the Period, which have neither been audited or reviewed by the independent auditors of the Company nor reviewed by the audit committee of the Board; and (ii) the information currently available to the Board, which is subject to change and finalisation. Shareholders and potential investors are advised to read carefully the interim results announcement of the Group for the Period, which is expected to be published on 28 August 2026.

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

For and on behalf of
Modern Chinese Medicine Group Co., Ltd.
Zhang Hongli
Executive Director

Hong Kong, 21 August 2026

As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Zhang Hongli, Ms. Sun Xinlei and Ms. Jia Yanru; and three independent non-executive Directors, namely Ms. Liu Ling, Mr. Leung Tsz Wing and Mr. Wong Chi Kin.