

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)

(the “Company”)

SHAREHOLDERS’ COMMUNICATION POLICY

*(Adopted by the Company at a meeting of the board of directors
of the Company on 18 December 2020)*

1. Preamble

- 1.1 This Policy sets out the Company’s standards and practice in relation to communicating with the Shareholders (the “**Shareholders**”) both individual and institutional, and other stakeholders (including prospective investors).
- 1.2 The Company is committed to maintaining effective and timely dissemination of the Company’s information to the Shareholders and the market.
- 1.3 This Company believes that providing regular communications to the Shareholders and the market is important to ensure they have the available information reasonably required to make informed assessments of the Company’s strategy, operations and financial performance.
- 1.4 The Policy aims to:
 - promote effective communication with the Shareholders and other stakeholders;
 - encourage the Shareholders to engage actively with the Company; and enable the Shareholders to exercise their rights as shareholders effectively.

2. Communication channels

2.1 Corporate Communication

- 2.1.1 “Corporate Communication” as defined under the Rules (the “**Listing Rules**”) Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) refers to any document issued or to be issued by the Company for the information or action of holders of any of its securities, including but not limited to the following documents of the Company: (a) the directors’ report, annual accounts together with a copy of the auditor’s report and, where applicable, its summary financial report; (b) the interim report and, where applicable, its summary interim report; (c) a notice of meeting; (d) a listing document; (e) a circular; and (f) a proxy form.

2.1.2 Corporate Communication of the Company will be published on the Stock Exchange's website (www.hkex.com.hk) in a timely manner as required by the Listing Rules.

2.1.3 Corporate Communication will be provided to the Shareholders and non-registered holders of the Company's securities in both English and Chinese versions or where permitted, in a single language, in a timely manner as required by the Listing Rules. Shareholders can choose (or are deemed to have consented) to receive such documents by electronic means through the Company's website.

2.2 Shareholders' meetings

2.2.1 The annual general meetings and other general meetings of the Company are the primary forum for communication by the Company with the Shareholders and for shareholder participation. They provide a face-to-face forum for Shareholders to raise questions and comments and exchange their views with the Board.

2.2.2 The Company shall provide the Shareholders with relevant information on the resolutions(s) proposed at a general meeting in a timely manner in accordance with the Listing Rules. The information provided shall be reasonably necessary to enable the Shareholders to make an informed decision on the proposed resolution(s).

2.2.3 The Company encourages and supports shareholder's participation in general meetings. Shareholders are encouraged to appoint proxies to attend and vote at meetings for and on their behalf if they are unable to attend such meetings.

2.2.4 Mechanisms for enabling shareholder participation will be reviewed on a regular basis by the board of directors of the Company ("**Board**") to encourage the highest level of participation.

2.2.5 Where appropriate or required, the Chairman of the Board, appropriate members of the Board committees or their delegates and the external auditor of the Company will attend the annual general meetings to answer questions from the shareholders (if any).

2.3 Company's website

2.3.1 The Company's website (<http://www.cdysjdyy.com>) contains information about the Company including shareholder communications.

2.3.2 The Company will place on its website the Company's financial statements, announcements, circulars, notices of general meetings and other information in compliance with the applicable laws, rules and regulations. A dedicated investor relations section is available on the Company's website. Information on the Company's website is updated on a regular basis.

2.4 Shareholders' enquiries

2.4.1 Shareholders should direct their questions about their shareholdings to the Company's Hong Kong branch share registrar, Tricor Investor Services Limited, by sending an email to is-enquiries@hk.tricorglobal.com or call its hotline at (852) 2980 1333, or go in person to its public counter at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

2.4.2 The Company will not normally deal with verbal or anonymous enquiries. Shareholders may send written enquiries to the Company, for the attention of the Board of Directors by mail to Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

Note: Shareholders' information may be disclosed as required by law.

2.5 Announcements and Other Documents pursuant to the Listing Rules

2.5.1 The Company shall publish announcements (on inside information, corporate actions and transactions etc.) and other documents (e.g. Memorandum and Articles of Association) on the Stock Exchange's website in a timely manner in accordance with the Listing Rules.

2.6 Others

2.6.1 The Company's Hong Kong branch share registrar deals with Shareholders on the shareholdings, share registration and related matters.

2.6.2 The Company's company secretary handles both telephone and written general enquiries from Shareholders and potential investors from time to time.

3. Review of Policy

3.1 This Policy is subject to regular review by the Board and will be amended (as appropriate) from time to time.

4. Publication of Policy

4.1 This Policy will be available on the Company's website and will be published in the Company's annual reports.