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## **Tycoon Group Holdings Limited**

**滿貫集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 3390)**

### **CONTINUING CONNECTED TRANSACTIONS – MASTER SALE AND PURCHASE AGREEMENT AND EXISTING PURCHASE TRANSACTIONS**

**Independent Financial Adviser to the Independent Board Committee  
and the Independent Shareholders**

**BALLAS**  
C A P I T A L

#### **MASTER SALE AND PURCHASE AGREEMENT AND EXISTING PURCHASE TRANSACTIONS**

The Board announces that on 8 February 2021, the Company entered into the Master Sale and Purchase Agreement with CR Pharmaceutical, pursuant to which (i) the Company conditionally agrees to purchase and CR Pharmaceutical conditionally agrees to sell the CR Products, and (ii) the Company conditionally agrees to sell and CR Pharmaceutical conditionally agrees to purchase the Tycoon Products, in each case, for itself and its subsidiaries.

Prior to the Master Sale and Purchase Agreement having become unconditional, the Board intends to supply Tycoon Products to the CR Pharma Group in accordance with the Existing Master Supply Agreement and purchase CR Products from the CR Pharma Group under the Existing Purchase Transactions.

As CR Pharmaceutical is the holding company of CR Retail, a substantial shareholder of the Company, CR Pharmaceutical and each of its subsidiaries is considered as a connected person of the Company. The transactions contemplated under the Master Sale and Purchase Agreement constitute continuing connected transactions under Chapter 14A of the Listing Rules.

## **LISTING RULES IMPLICATIONS**

Since none of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) for the transactions under the Existing Purchase Transactions will exceed 5%, the continuing connected transactions under the Existing Purchase Transactions are subject to the reporting and announcement requirements but are exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company will monitor the amount of purchases of CR Products from the CR Pharma Group closely.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) calculated based on the proposed largest annual cap for the continuing connected transactions contemplated under the Master Sale and Purchase Agreement exceeds 5% and the proposed largest annual cap exceeds HK\$10 million, the continuing connected transactions thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

## **GENERAL**

An EGM will be convened to consider and, if thought fit, approve the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps). To the best of the Directors' knowledge, information and belief, as at the date of this announcement, save for CR Retail, no Shareholder is required to abstain from voting on the relevant resolutions to approve the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps) at the EGM, pursuant to Rule 14A.36 of the Listing Rules.

An Independent Board Committee, comprising all the independent non-executive Directors, has been established to advise the Independent Shareholders on the terms of the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps). The Company has appointed Ballas Capital Limited as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders on whether the terms of the Master Sale and Purchase Agreement and the transactions contemplated thereunder and the proposed annual caps are fair and reasonable, and whether they are in the interest of the Company and the Shareholders as a whole.

A circular containing, among other things, (i) further information regarding the terms of the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps); (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the entry into the Master Sale and Purchase Agreement and the transactions thereunder (including the proposed annual caps thereunder); (iii) the letter from the independent financial adviser containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) a notice convening the EGM, will be despatched to the Shareholders by 26 March 2021 as the Company is expected to require more time to compile the information to be included in such circular.

## **BACKGROUND**

Reference is made to the Prospectus. As set out in “Connected Transaction – Non-exempt Continuing Connected Transactions – (1) Master Supply Agreement” of the Prospectus, Tycoon Hong Kong, a wholly-owned subsidiary of the Company and CR Pharmaceutical entered into the Existing Master Supply Agreement on 1 January 2020, pursuant to which, Tycoon Hong Kong agreed to sell or procure its fellow subsidiary(ies) to sell and CR Pharmaceutical agreed to purchase, through itself or its subsidiaries, certain PCM, health supplement and other healthcare products sold by the Group for a period from 1 January 2020 to 31 December 2021.

Pursuant to the Existing Master Supply Agreement, the Group has been selling products to the CR Pharma Group on an on-going basis. The Group has also made occasional purchases from the CR Pharma Group in a relatively insignificant amount. As the business relationship between the parties gets closer, in addition to the Group selling its products to the CR Pharma Group, the Group also wishes to purchase certain products from the CR Pharma Group on an on-going basis to, among others, further diversify its product offerings and to widen its base of suppliers.

Despite the Existing Master Supply Agreement will only expire on 31 December 2021, on 8 February 2021, the Company and CR Pharmaceutical entered into the Master Sale and Purchase Agreement, pursuant to which (i) the Company conditionally agrees to purchase and CR Pharmaceutical conditionally agrees to sell the CR Products, and (ii) the Company conditionally agrees to sell and CR Pharmaceutical conditionally agrees to purchase the Tycoon Products, in each case, for itself and its subsidiaries.

Prior to the Master Sale and Purchase Agreement having become unconditional, the Board intends to supply Tycoon Products to the CR Pharma Group in accordance with the Existing Master Supply Agreement and purchase CR Products from the CR Pharma Group under the Existing Purchase Transactions.

The transactions contemplated under the Master Sale and Purchase Agreement and the Existing Purchase Transactions constituted continuing connected transactions of the Company under Chapter 14A of the Listing Rules.

A summary of the principal terms of the Master Sale and Purchase Agreement is set out below:

### **THE MASTER SALE AND PURCHASE AGREEMENT**

#### **Date**

8 February 2021

#### **Parties**

1. the Company; and
2. CR Pharmaceutical, the holding company of CR Retail, a substantial shareholder of the Company

## **Duration**

The Master Sale and Purchase Agreement is for a term commencing on the date of such agreement and ending on 31 December 2023.

## **Condition precedent**

The Master Sale and Purchase Agreement is conditional upon the Independent Shareholders approving the Master Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM on or before 30 April 2021 (or any other date agreed by the parties).

Upon the Master Sale and Purchase Agreement having become unconditional, the Company shall procure Tycoon Hong Kong to enter into an agreement with CR Pharmaceutical to terminate the Existing Master Supply Agreement.

## **Nature of transactions**

Pursuant to the Master Sale and Purchase Agreement, (i) the Company conditionally agrees to purchase and CR Pharmaceutical conditionally agrees to sell the CR Products, and (ii) the Company conditionally agrees to sell and CR Pharmaceutical conditionally agrees to purchase the Tycoon Products, in each case, for itself and its subsidiaries.

There is no minimum supply or purchase amount under the Master Sale and Purchase Agreement.

Selection of the products to be purchased by either party shall be at the discretion of such party.

For the avoidance of doubt, (i) the Group will not re-sell the CR Products purchased to CR Pharma Group and CR Pharma Group will not re-sell the Tycoon Products purchased to the Group; and (ii) the NC Products Distribution Agreements shall be independent from the Master Sale and Purchase Agreement and the validity of the NC Products Distribution Agreements will not be affected. For details of the NC Products Distribution Agreements, please refer to “Connected Transaction – Non-exempt Continuing Connected Transactions – (2) NC Products Distribution Agreements” of the Prospectus.

## **Termination**

During the term of the Master Sale and Purchase Agreement, either party to the Master Sale and Purchase Agreement has the right to terminate by giving not less than three months’ notice in writing to the other party.

## **Pricing and payment terms**

Pursuant to the Master Sale and Purchase Agreement, the prices, payment terms, quantities and detailed terms with respect to the CR Products or, as the case may be, Tycoon Products shall be determined in accordance with the specific purchase orders to be agreed between the parties and shall be on normal commercial terms negotiated on an arm’s length basis by the parties with reference to the prevailing

selling prices of the CR Products or, as the case may be, Tycoon Products and at prices and terms (including the payment terms) no less favourable to the Company or, as the case may be, no more favourable to CR Pharmaceutical than prices and terms (including the payment terms) of sale of such products by the respective party, to their other independent customers.

In determining the actual transaction prices and terms of the CR Products or, as the case may be, the Tycoon Products in respect of each purchase order, CR Pharma Group or, as the case may be, the Group will take into account the then prevailing market price of the such products, the volume of such products in the purchase order and (where applicable) the terms of supply between CR Pharma Group or the Group and their respective suppliers (including, where applicable, the suggested retail price of such products from the suppliers).

In assessing whether the actual transaction prices and terms of the CR Products are reasonable and no less favourable to the Group than those offered by other independent third party suppliers, the Group will take into account (i) whether the products can be sourced from other independent suppliers; and (ii) if so, the quotations (including prices and payment terms) in respect of such products in such volume from other independent suppliers. The procurement supervisor of the Group will review the purchase price and payment terms of each relevant purchase order with reference to the factors above.

In assessing whether the actual transaction prices and terms of the Tycoon Products offered to the CR Pharma Group are no less favourable than the fair market prices and terms for such Tycoon Products or similar products offered by the Group to other independent purchasers, the relevant personnel of the Group will keep track of the transaction record on the sale of the relevant Tycoon Products or similar products to other independent customers.

### **Historical figures and annual caps**

Set out below is a summary of the historical total sales by the Group to CR Pharma Group during the three years ended 31 December 2020 and the proposed annual caps for the sale of Tycoon Products for each of the three years ending 31 December 2023 contemplated under the Master Sale and Purchase Agreement:

<b>Historical sales amount</b>			<b>Proposed annual cap for the sale of the Tycoon Products for each of the three years ending 31 December 2023</b>		
<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>
<i>HK\$'000</i>	<i>HK\$'000</i>	<i>(unaudited)</i> <i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
31,664	46,644	27,052	300,000	360,000	432,000

Set out below is a summary of the historical total purchases by the Group from CR Pharma Group (excluding the purchases made under the NC Products Distribution Agreements) during the three years ended 31 December 2020 and the proposed annual caps for the purchases of CR Products for each of the three years ending 31 December 2023 contemplated under the Master Sale and Purchase Agreement:

<b>Historical purchases amount</b>			<b>Proposed annual cap for the purchase of the CR Products for each of the three years ending 31 December 2023</b>		
<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>
<i>HK\$'000</i>	<i>HK\$'000</i>	<i>(unaudited)</i> <i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Nil	5,505	2,911	300,000	360,000	432,000

The proposed annual caps for the sale of the Tycoon Products for each of the three years ending 31 December 2023 are estimated by the Company based on the following major factors:

1. *the amount of historical sales* – the historical sales amount for FY2018 and FY2019 were only made to CR Care. The sales made to the CR Pharma Group in FY2020 had decreased when compared with FY2019 principally due to the widespread of Covid-19 in Hong Kong and the PRC and the various draconian measures implemented by the Hong Kong and the PRC government such as travel restrictions which has resulted in a significant drop in the number of tourists coming to Hong Kong and thus the demand for the Group's products. Disregarding the unexpected drop in sales to CR Pharma Group in FY2020, the sales amount increased by 21.4% from FY2018 to FY2019;
2. *the strategic shareholding relationship between the Group and CR Pharma Group* – CR Pharmaceutical became a shareholder of the Company in 2019 and after Listing, has remained as a substantial shareholder of the Company. CR Pharmaceutical is one of the largest pharmaceutical distributors in the PRC, operating over 850 retail pharmacies in the PRC and one of the leading health chain retailers in Hong Kong (operates through CR Care) that has over 90 retail outlets, it is expected that with constant improvement in product offerings by the Group and the close relationship between the Group and the CR Pharma Group, there will be increasing demand from members of the CR Pharma Group for the Tycoon Products; and

3. *the future development plan of the Group and CR Pharma Group* – the Group is committed to expanding its distribution business in the PRC, especially to the Guangdong-Hong Kong-Macao Greater Bay Area (“**GBA**”) which the Group believes the increasing purchasing power of the people in the PRC, together with the improving living standard and increasing health awareness especially in the post-coronavirus pandemic era will drive up the demand for healthcare products in the PRC. Moreover, with the Work Plan for Regulatory Innovation and Development of Pharmaceutical and Medical Device in the Guangdong-Hong Kong-Macao Greater Bay Area promulgated by the central government of the PRC in late November 2020, which specifically allows, among others, designated healthcare institutions operating in the nine cities of the GBA to use Hong Kong-registered drugs with urgent clinical use upon approval and simplification of the registration process for importing proprietary Chinese medicines for external use registered in Hong Kong, the Group expects that there will be more sales of the Tycoon Products to CR Pharma Group for distribution in the GBA. In addition, a joint venture of the Group and CR Pharma Group, Runman Pharmaceutical Trading Co. Ltd. (“**Runman**”), which is also a subsidiary of CR Pharmaceutical, is in the process of obtaining a food business permit and a pharmaceutical trade licence. It is expected that upon Runman obtaining such permit and licence, more sales will be made to the CR Pharma Group for further distribution in the PRC, through Runman.

During FY2018, FY2019 and FY2020, the Group had made purchases from the CR Pharma Group in the amount of nil, approximately HK\$5.5 million and HK\$2.9 million respectively. The proposed annual caps for the purchase of the CR Products for each of the three years ending 31 December 2023 are estimated with reference to the procurement and sales plans of the Group. Commencing from 1 January 2021 till the Master Sale and Purchase Agreement having become unconditional, the Board estimates that the highest purchase amount of the CR Products under the Existing Purchase Transactions will be less than HK\$10 million. The Group and the CR Pharma Group will enter into an individual purchase order for each transaction under the Existing Purchase Transactions. The terms of each of such order shall be on normal commercial terms negotiated on an arm’s length basis by the parties with reference to the prevailing prices of the CR Products and at prices and terms no less favourable to the Group than those offered by other independent third party suppliers.

## **REASONS FOR AND BENEFIT OF ENTERING INTO THE MASTER SALE AND PURCHASE AGREEMENT**

The Group is a provider of a number of PCM, health supplement, skin care, personal care and other healthcare products, predominately in Hong Kong. On the other hand, CR Pharma Group’s core business encompasses research and development, manufacturing, distribution and retail of an extensive range of pharmaceutical and other healthcare products. As at 30 June 2020, CR Pharma Group operated over 90 retail outlets under CR Care in Hong Kong as well as over 850 retail pharmacies under national or regional premium brands– “CR Care (華潤堂)” and “Teck Soon Hong (德信行)” in the PRC.

CR Care has been a customer of the Group since 2015 and has been remained one of the major customers of the Group. Historically, save for the purchases made under the NC Products Distribution Agreements which were signed in January 2020, the Group only made insignificant amount of purchases from the CR Pharma Group. As the business relationship between the Group and the CR Pharma Group gets closer, the Group also wishes to purchase certain products from the CR Pharma Group to, among others, further diversify its product offerings and to widen its base of suppliers. Moreover, the Group is normally only granted a short credit period and is required to make bulk purchase at a time when sourcing its products from the other brand owners, manufacturers or authorised distributors yet the products sourced usually take a much longer time to sell. Such purchase arrangements therefore adversely affect the Group's cash flow and the Group's capacity to roll out more new products at a time.

By entering into the Master Sale and Purchase Agreement, the Group can, on one hand access to CR Pharma Group's network of retail outlets to Tycoon Products to more consumers and on the other hand, broaden its existing base of suppliers and product offerings as well as enjoy a more favourable payment terms. In addition, CR Pharma Group with its size, scale and reputation is in a better position to obtain the distribution rights and/or authorisations of more products and to bargain for a more competitive price when sourcing the products which will in turn benefit the Group.

The Directors believe that entering into the Master Sale and Purchase Agreement will benefit the Group by enabling the Group to have access to CR Pharma Group's network of retail outlets through which the Group can bring Tycoon Products to more consumers as well as to broaden the existing base of suppliers and the product offerings of the Group.

The Directors (excluding the independent non-executive Directors whose view will be formed after taking into account the advice of the independent financial adviser) consider that the terms of the Master Sale and Purchase Agreement, arriving after arm's length negotiations between the parties, are fair and reasonable and the transactions contemplated thereunder (and the proposed annual caps) are entered into in the ordinary and usual course of business of the Company on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

## **INFORMATION ABOUT THE PARTIES**

The Group is principally engaged in the provision of proprietary Chinese medicine (PCM), health supplement, skin care, personal care and other healthcare products, predominately in Hong Kong.

CR Pharmaceutical is a company listed on the Main Board of the Stock Exchange. CR Pharma Group's core business encompasses research and development, manufacturing, distribution and retail of an extensive range of pharmaceutical and other healthcare products. As at 30 June 2020, CR Pharma Group operated over 90 retail outlets under CR Care in Hong Kong as well as over 850 retail pharmacies under national or regional premium brands— “CR Care (華潤堂)” and “Teck Soon Hong (德信行)” in the PRC.



## **LISTING RULES IMPLICATIONS**

As at the date of this announcement, CR Pharmaceutical is the holding company of CR Retail, a substantial shareholder of the Company, CR Pharmaceutical and each of its subsidiaries is considered as a connected person of the Company. The transactions contemplated under the Master Sale and Purchase Agreement and the Existing Purchase Transactions constitute continuing connected transactions under Chapter 14A of the Listing Rules.

Since none of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) for the transactions under the Existing Purchase Transactions will exceed 5%, the continuing connected transactions under the Existing Purchase Transactions are subject to the reporting and announcement requirements but are exempt from the circular, independent financial advice and Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Company will monitor the amount of purchases of CR Products from the CR Pharma Group closely.

As the highest applicable percentage ratio (as defined under Rule 14.07 of the Listing Rules) calculated based on the proposed largest annual cap for the continuing connected transactions completed the Master Sale and Purchase Agreement exceeds 5% and the proposed largest annual cap exceeds HK\$10 million, the continuing connected transactions thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

Given that CR Retail is a substantial shareholder of the Company and each of Mr. Yao Qingqi and Ms. Chong Yah Lien is a non-executive Director and a director of CR Retail, each of Mr. Yao Qingqi and Ms. Chong Yah Lien had abstained from voting on the resolutions of the Board to approve the Master Sale and Purchase Agreement and the transactions contemplated thereunder. Save as disclosed above, no Director has any material interests in the transactions contemplated under the Master Sale and Purchase Agreement.

## **GENERAL**

An EGM will be convened to consider and, if thought fit, approve the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps). To the best of the Directors' knowledge, information and belief, as at the date of this announcement, save for CR Retail, no Shareholder is required to abstain from voting on the relevant resolutions to approve the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps) at the EGM, pursuant to Rule 14A.36 of the Listing Rules.

An Independent Board Committee has been established to advise the Independent Shareholders on the terms of the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps). Ballas Capital Limited has been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders as to whether the terms of the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps) are fair and reasonable, and whether they are in the interest of the Company and the Shareholders as a whole. The Independent Board Committee comprises Mr. Wong Yuk Woo Louis, Mr. Chung Siu Wah and Ms. Chan Ka Lai Vanessa, each an independent non-executive Director.

A circular containing, among other things, (i) further information regarding the terms of the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps); (ii) the recommendation of the Independent Board Committee to the Independent Shareholders in respect of the entry into the Master Sale and Purchase Agreement and the transactions thereunder (including the proposed annual caps thereunder); (iii) the letter from the independent financial adviser containing its advice to the Independent Board Committee and the Independent Shareholders; and (iv) a notice convening the EGM, will be despatched to the Shareholders by 26 March 2021 as the Company is expected to require more time to compile the information to be included in such circular.

## DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Company”	Tycoon Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability the issued shares of which are listed on the Main Board of the Stock Exchange
“CR Care”	CR Care Company Limited (華潤堂有限公司), an associate of CR Retail and a wholly-owned subsidiary of CR Pharmaceutical
“CR Pharmaceutical”	China Resources Pharmaceutical Group Limited (華潤醫藥集團有限公司) (stock code: 3320), a company whose shares are listed on the Main Board of the Stock Exchange and a substantial shareholder of the Company
“CR Pharma Group”	collectively, CR Pharmaceutical and its subsidiaries
“CR Products”	certain PCM, health supplement and other healthcare products sold or to be sold by CR Pharma Group
“CR Retail”	China Resources Pharmaceutical Retail Group Limited, an investment holding company incorporated in BVI with limited liability, a wholly-owned subsidiary of CR Pharmaceutical and a substantial shareholder of the Company
“Director(s)”	the director(s) of the Company
“EGM”	an extraordinary general meeting of the Company to be convened for the Independent Shareholders to consider, if thought fit, and approve by poll, among other things, the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps)

“Existing Master Supply Agreement”	the master supply agreement dated 1 January 2020 and entered into between Tycoon Hong Kong and CR Pharmaceutical in relation to the supply of products from Tycoon Hong Kong and/or its fellow subsidiary(ies) to CR Pharma Group for a term commencing on the date of such agreement and ending on 31 December 2021
“Existing Purchase Transactions”	the expected existing purchases of CR Products by the Group commencing on 1 January 2021 and prior to the Master Sale and Purchase Agreement having become unconditional
“FY”	the financial year ended or ending (as the case may be) 31 December
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Hong Kong CR Sanjiu”	Sanjiu Healthy World Company Limited (三九健康天地有限公司), a limited liability company incorporated in Hong Kong and a non-wholly owned subsidiary of CR Pharmaceutical
“Independent Board Committee”	an independent committee of the Board, comprising all the independent non-executive Directors, namely Mr. Wong Yuk Woo Louis, Mr. Chung Siu Wah and Ms. Chan Ka Lai Vanessa, formed to advise the Independent Shareholders in respect of the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps)
“Independent Shareholders’	Shareholders who are not prohibited from voting at the EGM in respect with the Master Sale and Purchase Agreement and the transactions contemplated thereunder (including the proposed annual caps)
“Listing”	the listing of the shares of the Company on the Main Board of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited
“Macau”	the Macao Special Administrative Region of the People’s Republic of China

“Master Sale and Purchase Agreement”	the master sale and purchase agreement dated 8 February 2021 entered into between the Company and CR Pharmaceutical in relation to the sale and purchase of Tycoon Products and CR Products for a term commencing on the date of such agreement and ending on 31 December 2023
“NC Products Distribution Agreement (JD & HK)”	the distribution agreement dated 7 January 2020 and entered into between Hong Kong CR Sanjiu, Billion Crown (China) Limited (“ <b>Billion Crown</b> ”), a wholly owned subsidiary of the Company and Tycoon Hong Kong in relation to the granting of distribution rights by Hong Kong CR Sanjiu to Billion Crown and Tycoon Hong Kong over certain Nature’s Care Pro series of products under the brand name of Nature’s Care for sales of such products on the e-commerce portal at JD.hk (海囤全球—京東旗下全球直購平台) and in the territory of Hong Kong respectively for a term commencing retrospectively on 1 September 2019 and ending on 31 December 2021
“NC Products Distribution Agreement (Tmall)”	the distribution agreement dated 7 January 2020 and entered into between Hong Kong CR Sanjiu and Titita Trading Co., Limited (“ <b>Titita</b> ”), a wholly owned subsidiary of the Company, in relation to the granting of distribution rights by Hong Kong CR Sanjiu to Titita over certain Nature’s Care Pro series of products under the brand name of Nature’s Care for sales of such products through Nature’s Care Overseas Flagship Store* (Nature’s Care 海外旗艦店) on the e-commerce portal at Tmall.hk (天貓國際) for a term commencing retrospectively on 10 December 2019 and ending on 31 December 2021
“NC Products Distribution Agreements”	collectively, the NC Products Distribution Agreement (JD & HK) and the NC Products Distribution Agreement (Tmall)
“PCM”	“proprietary Chinese medicines” as defined in the Chinese Medicine Ordinance (Cap. 549 of the Laws of Hong Kong)
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, Macau and Taiwan
“Prospectus”	the prospectus of the Company dated 30 March 2020 in relation to the share offer and the listing of the shares of the Company on the Main Board of the Stock Exchange on 15 April 2020
“Share Offer”	the offering of shares of the Company as more particularly described in the Prospectus and the listing of the shares of the Company on the Main Board of the Stock Exchange on 15 April 2020
“Shareholder(s)”	the shareholders of the Company

“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder”	has the meaning ascribed to it under the Listing Rules
“Tycoon Hong Kong”	Tycoon Asia Pacific Group Limited (滿貫 (亞太) 集團有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“Tycoon Products”	certain PCM, health supplement and other healthcare products sold by the Group

On behalf of the Board  
**Tycoon Group Holdings Limited**  
**Wong Ka Chun Michael**  
*Chairman, Executive Director and Chief Executive Officer*

Hong Kong, 8 February 2021

*As at the date of this announcement, the Board comprises one executive Director, namely Mr. Wong Ka Chun Michael; four non-executive Directors, namely Mr. Yao Qingqi, Ms. Chong Yah Lien, Mr. Ng Wang Yu Gary and Ms. Li Ka Wa Helen; and three independent non-executive Directors, namely Mr. Wong Yuk Woo Louis, Mr. Chung Siu Wah and Ms. Chan Ka Lai Vanessa.*

\* *English translations of the original names in Chinese and are for identification purpose only.*