

For Immediate Release

1 June, 2020



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

(Stock Code: 3390)

## **Tycoon Group Announces Acquisition of 49% Interest in Hong Ning Hong from Jacobson Pharma**

**Further develop the supply chain and retail management by adopting both the online and offline retail distribution models**

(Hong Kong, 1 June, 2020) [Tycoon Group Holdings Limited](#) (“Tycoon Group” or the “Group”, Stock Code: 3390), a health and well-being related products provider in Hong Kong, announced today that its indirect wholly-owned subsidiary entered into the SP Agreement with an indirect wholly-owned subsidiary of Jacobson Pharma Corporation Limited (“Jacobson Pharma”, Stock Code: 2633), which Tycoon Group conditionally agreed to purchase 49% of the issued shares of Hong Ning Hong Group (together, “Hong Ning Hong Limited” and its subsidiary) from Jacobson Pharma at the consideration of HK\$41.65 million.

The Hong Ning Hong Group was established in 1992 and is principally engaged in both retail (through retail outlets) and wholesale of pharmaceutical products and proprietary medicines in Hong Kong. It has a wide range of supplier network. The consideration will be funded by a combination of the net proceeds from the Global Offering (as to approximately HK\$16.1 million) and the internal resources of the Group (as to approximately HK\$25.6 million). Upon completion of the acquisition, Tycoon Group will hold 49% of the issued shares of Hong Ning Hong Group, and Jacobson Pharma and an independent third party will hold 21% and 30% of the issued shares of Hong Ning Group respectively. Hong Ning Hong Group is expected to be equity accounted for as an associate of Tycoon Group.



**Mr. Wong Ka Chun Michael, the Chairman and the Chief Executive Officer of Tycoon Group**, said, “We are delighted to have Hong Ning Hong to join the Tycoon family. The Group received this exciting news two months after we got listed on Hong Kong Stock Exchange and this means that we have reached a new milestone. The acquisition is in line with the “Use of Proceeds” mentioned in the prospectus of the Group, with the aim of further developing our supply chain and retail management. Jacobson Pharma is one of our major shareholders and one of our top suppliers. This acquisition represents even closer cooperation between the Group and Jacobson Pharma.”

Wong added, “We have become the third largest proprietary Chinese medicine provider in Hong Kong three years after our establishment. Our top customers include two largest chain retail companies in Hong Kong, with over 500 stores in total. The acquisition allows the Group to have instant access to the existing customers base of Hong Ning Hong Group through its organizational business structure and wide range of supplier network, so as to increase the accessibility and availability of our products, expand our offline sales to non-chain stores and increase the market penetration of the Group’s products to consumer. Furthermore, the Group can obtain first-hand market intelligence through the retail and wholesale activities of Hong Ning Hong Group, which allows us to capitalize on further market opportunities and new product development with a view to providing growth potential of the Group. In the future, we will continue moving towards our goals. By adopting both the online and offline retail distribution models, we will further develop our supply chain and retail management thus to maximize sustainable returns for our shareholders in the long run.”

END

**About Tycoon Group Holdings Limited (Stock Code: 3390)**

Tycoon is a leading and reputable provider of health and well-being related products with the mission of bringing health and vitality to consumers. During FY2019, the Group distributed and sold 120 brands of PCM, health supplement, skin care, personal care and other healthcare products through online and offline sale channels. In addition, the Group has sourced and distributed a number of anti-epidemic products in great demand such as surgical masks, thermometers, hand sanitizers and cleaning wipes in 2020. With a vision of establishing its own brands of products, the Group develops Private Label Products under its well-received brands including “Boost Guard (BG 博健科研)”, “和漢 (Wakan)”, and “金門 (Kinmen)”. Tycoon has established sound relationships with chain retailer customers, with the top two chain retailer



customers operating over 590 stores in Hong Kong as at 31 December 2019. For more details, please visit the Group's official website: <https://www.tycoonhealth.com/>

**About Jacobson Pharma Corporation Limited (Stock Code: 2633)**

Jacobson Pharma is the largest generic drug company in Hong Kong with over 30% share of the total generic drug market for each year since 2012. The Group's proprietary medicines, notably being Po Chai Pills (「保濟丸」), Tong Tai Chung Woodlok Oil (「唐太宗活絡油」), Ho Chai Kung Tji Thung San (「何濟公止痛退熱散」), Contractubex Scar Gel (「秀碧除疤膏」) Doan's Ointment (「兜安氏藥膏」), Flying Eagle WoodLok Medicated Oil (「飛鷹活絡油」), Saplingtan (「十靈丹」), Shiling Oil (「十靈油」) and Col-gan Tablet (「傷風克」) have been widely recognised by the market. Jacobson Pharma has been a constituent stock of MSCI Hong Kong Micro Cap Index since 1 June 2017. For more details about Jacobson Pharma, please visit the Group's website: <http://www.jacobsonpharma.com>

This press release is issued by Joint PR Consultants Limited on behalf of Tycoon Group Holdings Limited.

For media enquiries, please contact:

**Joint PR Consultants Limited**

Ms. Martha Tung

Email: [martha.tung@jointpr.hk](mailto:martha.tung@jointpr.hk)

Tel: 2155 2300

Ms. Pepper Tsai

Email: [pepper.tsai@jointpr.hk](mailto:pepper.tsai@jointpr.hk)

Tel: 2155 2313