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## **Yoho Group Holdings Limited**

**友和集團控股有限公司**

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

**(Stock Code: 2347)**

### **VOLUNTARY ANNOUNCEMENT MEMORANDUM OF UNDERSTANDING IN RELATION TO PROPOSED STRATEGIC PARTNERSHIP WITH EC HEALTHCARE**

The announcement is made by Yoho Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) on a voluntary basis.

#### **MEMORANDUM OF UNDERSTANDING**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company is pleased to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that on 29 June 2022 (after trading hours), the Company entered into a non-legally binding memorandum of understanding (the “**MOU**”) with EC Healthcare (“**ECH**”) (the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited (stock code: 2138)) for a proposed strategic partnership with ECH to accelerate the growth of medical, beauty and healthcare services in the e-commerce market in Hong Kong (the “**Proposed Strategic Partnership**”), subject to the terms and conditions of a formal agreement.

Pursuant to the MOU, (i) the Company shall launch a dedicated online service zone for medical, aesthetic medical and beauty and wellness services, which is expected to accelerate the scale of marketplace operations of the Group, and also enable the services of ECH to reach a greater traffic flow with strong client synergy in the healthcare and beauty sector; (ii) the Company and ECH shall strengthen their co-marketing efforts to promote medical, aesthetic medical and beauty and wellness related products and services via the Group’s online marketplace, in order to increase the overall sales volume and promote cross-selling of the products between both parties; (iii) the Company and ECH shall exchange know-how in precision marketing and consumer behaviour analysis in healthcare and beauty sector to deliver more comprehensive digitalized marketing strategy in improving the overall customer lifetime value; and (iv) the Company and ECH shall jointly develop e-commerce technologies and solutions across social and mobile commerce, data-driven marketing and fulfilment efficiency.

## REASONS AND BENEFITS OF ENTERING INTO THE MOU

ECH is Hong Kong's largest non-hospital medical service provider<sup>(Note)</sup>, leveraging its core businesses of preventive and precision medicine, and committed to developing medical artificial intelligence by integrating its multi-disciplinary medical services. It principally engages in the provision of one-stop high-end branding medical and health care services in the Greater China, which is supported by the Group's enclosed healthcare ecosystem with outstanding customer retention rate for years.

*Note: According to independent research conducted by Frost and Sullivan in terms of revenue in 2020 and 2021*

The Company is one of the leading e-commerce platforms in Hong Kong, with more than 820,000 registered users as at the date of this announcement and over 2,290,000 monthly active users (based on the data in March 2022). According to Frost & Sullivan's data and the Group's revenue for the financial year ended 31 March 2021, the Group recorded the highest online retail sales among e-commerce players in consumer electronics and home appliances and acquired a market share of approximately 5.6%. Leveraging its vast customer base, the Group is expected to launch its online marketplace operations in the financial year ending 31 March 2023 to expand the product and service offerings for its customers.

The Company and ECH have agreed to join forces to boost the e-commerce penetration of medical, aesthetic medical and beauty and wellness services in Hong Kong. The Board expects that the Proposed Strategic Partnership will (i) accelerate the growth of the Group's online marketplace operations; (ii) provide more competitive and diverse healthcare and beauty related offerings to the Group's customers and hence improve their satisfaction; (iii) enhance the Group's marketing efficiency and improve overall customer lifetime value; and (iv) strengthen the Group's technical capabilities. In view of the above, the Board considers that the MOU and the Proposed Strategic Partnership would be beneficial to and in the interests of the Company and its Shareholders as a whole.

The Board wishes to emphasise that save for provisions relating to confidentiality and governing law and jurisdiction, the MOU is not legally binding on the Company and ECH and is subject to the execution of a formal agreement.

**The Proposed Strategic Partnership may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By Order of the Board  
**Yoho Group Holdings Limited**  
友和集團控股有限公司  
**Wu Faat Chi**  
*Chairman and Executive Director*

Hong Kong, 29 June 2022

*As at the date of this announcement, the executive Directors are Mr. Wu Faat Chi and Ms. Tsui Ka Wing; the non-executive Directors are Mr. Man Lap, Mr. Hsieh Wing Hong Sammy and Mr. Adamczyk Alexis Thomas David; and the independent non-executive Directors are Dr. Qian Sam Zhongshan, Mr. Chan Shun and Mr. Ho Yun Tat.*