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)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2025

FINANCIAL HIGHLIGHTS

- Revenue of the Group for the six months ended 30 June 2025 ("**Period**" or "**1H2025**") was HK$510.1 million, representing an increase of 17.3% compared to HK$435.0 million for the six months ended 30 June 2024 ("**Last Period**" or "**1H2024**").
- Gross profit of the Group for 1H2025 was HK$129.2 million, representing an increase of 19.8% compared to HK$107.8 million for 1H2024.
- Gross profit margin increased by 0.5 percentage points from 24.8% in 1H2024 to 25.3% in 1H2025.
- Net loss of the Group for 1H2025 was HK$7.7 million compared to a net profit of HK$21.1 million for 1H2024.
- EBITDA *(non-HKFRS measure)* of the Group for 1H2025 was HK$15.9 million (1H2024: HK$42.8 million) *(Note)*.
- Adjusted net profit *(non-HKFRS measure)* of the Group for 1H2025 was HK$10.6 million (1H2024: HK$31.1 million) *(Note)*.
- The Board has resolved not to declare any interim dividend for 1H2025 (1H2024: Nil).

Note: Each of EBITDA and adjusted net profit is a non-HKFRS measure. For the definitions, reasons of using such measures and details of calculation, please refer to the section headed "EBITDA and adjusted net profit (non-HKFRS measures)" set out on page 25 of this announcement.

The board ("**Board**") of directors ("**Directors**") of Tycoon Group Holdings Limited ("**Company**") is pleased to present the unaudited condensed consolidated interim results of the Company and its subsidiaries (collectively, the "**Group**" or "**Tycoon Group**") for 1H2025, together with the comparative figures for 1H2024:

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Unaudited Six months ended 30 June	
	Notes	**2025**	2024
		HK$'000	*HK$'000*
Revenue	*6*	**510,079**	435,010
Cost of sales	*7*	**(380,875)**	(327,202)
Gross profit		**129,204**	107,808
Other gains, net	*6*	**2,949**	1,481
Selling and distribution expenses	*7*	**(71,730)**	(44,459)
General and administrative expenses	*7*	**(50,999)**	(33,887)
Operating profit		**9,424**	30,943
Finance costs		**(12,790)**	(10,277)
Share of results of investments accounted for using the equity method		**(4,017)**	3,553
(Loss)/profit before income tax		**(7,383)**	24,219
Income tax expense	*8*	**(283)**	(3,100)
(Loss)/profit for the period		**(7,666)**	21,119
(Loss)/profit attributable to:			
Equity holders of the Company		**(7,984)**	21,009
Non-controlling interests		**318**	110
		(7,666)	21,119
(Losses)/earnings per share attributable to equity holders of the Company			
Basic and diluted (HK cents per share)	*9*	**(1)**	3

	Notes	**Unaudited** **Six months ended 30 June** **2025** ***HK$'000***	 2024 *HK$'000*
(Loss)/profit for the period		**(7,666)**	21,119
Other comprehensive income/(loss)			
Item that has been reclassified or may be subsequently reclassified to profit or loss:			
Exchange differences arising on translation of the financial statements of foreign subsidiaries		**1,884**	(696)
Total comprehensive (loss)/income for the period		**(5,782)**	20,423
Total comprehensive (loss)/income attributable to:			
Equity holders of the Company		**(6,100)**	20,313
Non-controlling interests		**318**	110
		(5,782)	20,423

The above interim condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**Unaudited As at 30 June 2025**	Audited As at 31 December 2024
		HK$'000	*HK$'000*
Non-current assets			
Property, plant and equipment		**53,320**	53,058
Right-of-use assets	*11*	**19,917**	10,465
Intangible assets		**262,763**	82,861
Investments accounted for using the equity method		**–**	81,057
Prepayments and deposits		**448**	447
Other non-current asset		**7,285**	–
Deferred income tax assets		**12,066**	4,427
Total non-current assets		**355,799**	232,345
Current assets			
Inventories		**208,936**	167,027
Prepayments, deposits and other receivables		**349,283**	252,512
Amounts due from related parties		**–**	49,024
Trade receivables	*12*	**281,882**	270,635
Cash and cash equivalents		**40,809**	34,020
Total current assets		**880,910**	773,218
Total assets		**1,236,709**	1,005,563
Non-current liabilities			
Loan from shareholders		**24,782**	–
Lease liabilities	*11*	**10,168**	4,476
Deferred income tax liabilities		**9,216**	2,987
Total non-current liabilities		**44,166**	7,463

	Notes	Unaudited As at 30 June 2025 *HK$'000*	Audited As at 31 December 2024 *HK$'000*
Current liabilities			
Trade payables	*13*	**184,704**	132,321
Other payables and accruals		**57,030**	50,008
Bank borrowings		**360,038**	270,296
Loan from shareholders		**54,000**	50,000
Lease liabilities	*11*	**10,438**	6,207
Current tax liabilities		**1,334**	311
Total current liabilities		**667,544**	509,143
Total liabilities		**711,710**	516,606
Equity			
Capital and reserves attributable to the Company's equity holders			
Share capital	*14*	**8,940**	8,000
Reserves		**507,323**	470,852
		516,263	478,852
Non-controlling interests		**8,736**	10,105
Total equity		**524,999**	488,957
Total equity and liabilities		**1,236,709**	1,005,563

The above interim condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL INFORMATION

1 GENERAL INFORMATION

Tycoon Group Holdings Limited ("**Company**", together with its subsidiaries, the "**Group**") is an exempted company incorporated in the Cayman Islands with limited liability on 14 June 2017. The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. The principal place of business of the Company is located at Room 14, 8/F., Wah Wai Centre, 38-40 Au Pui Wan Street, Shatin, New Territories, Hong Kong.

The Company's shares have been listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") by way of global offering ("**Global Offering**") since 15 April 2020.

The Company is an investment holding company. During the Period, the Company's subsidiaries were principally engaged in the distribution and retail of health and well-being related products.

In the opinion of the directors of the Company, the immediate holding company and the ultimate holding company of the Company is Tycoon Empire Investment Limited, which was incorporated in the British Virgin Islands ("**BVI**").

This interim condensed consolidated financial information is presented in thousands of units of Hong Kong dollars ("**HK$'000**"), unless otherwise stated.

This interim condensed consolidated financial information was approved for issue by the board of directors of the Company ("**Board**") on 29 August 2025.

This interim condensed consolidated financial information is unaudited and has been reviewed by the audit committee of the Board and approved for issue by the Board on 29 August 2025.

2 BASIS OF PREPARATION

The interim condensed consolidated financial information is for the Group consisting of the Company and its subsidiaries. This interim condensed consolidated financial information for the six months ended 30 June 2025 has been prepared in accordance with Hong Kong Accounting Standard ("**HKAS**") 34, "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants. This interim condensed consolidated financial information does not include all the notes of the type normally included in annual consolidated financial statements. Accordingly, this interim condensed consolidated financial information should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2024, which have been prepared in accordance with HKFRS Accounting Standards ("**HKFRSs**").

3 ACCOUNTING POLICIES

The accounting policies applied are consistent with those of the annual consolidated financial statements for the year ended 31 December 2024, as described in the annual consolidated financial statements, except for the estimation of income tax, the adoption of new and amended standards as set out below. Income tax expenses for the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

(a) New and amended standards adopted by the Group

A number of new and amended standards became applicable for the current reporting period. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments.

(b) Impact of new and amended standards issued but not yet applied by the Group

Certain new and amended standards have been issued but are not mandatory for application in the current reporting period. The Group did not early adopt these new and amended standards in the current reporting period. The Group is in the process of assessing the impact of adopting these standards on its current or future reporting periods and on foreseeable future transactions.

4 ESTIMATES

The preparation of interim condensed consolidated financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing this interim condensed consolidated financial information, the significant judgments made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2024.

5 SEGMENT INFORMATION

The executive director has been identified as the chief operating decision-maker. The executive director reviews the Group's internal reports in order to assess performance and allocate resources. The executive director has determined the operating segments based on these reports. Operating segments are reported in a manner consistent with the internal reporting to the Group's key management personnel as follows:

(a) the distribution segment, which includes the operation of distributing products to chain retailers, non-chain retailers and traders;

(b) the e-commerce segment, which includes the operation of online stores and wholesale to e-commerce customers; and

(c) the retail stores segment, which represents the operation of Hong Ning Hong Limited ("**HNH**").

The management monitors the results of the Group's operating segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on reportable segment profit/loss, which is a measure of adjusted (loss)/profit before tax.

The adjusted (loss)/profit before tax is measured consistently with the Group's (loss)/profit before tax except that gain on remeasurement of previously held interests in an associated company, gain on disposal of financial assets at fair value through profit or loss, foreign exchange differences, net, finance income, finance costs (other than interests on lease liabilities), share-based payment expenses, corporate and other unallocated expenses and income tax expense are excluded from such measurement.

Segment assets exclude deferred income tax assets, investment in an insurance contract, amounts due from related parties, cash and cash equivalents, receivable from disposal of subsidiaries and corporate and other unallocated assets as these assets are managed on a group basis. Segment liabilities exclude deferred income tax liabilities, bank borrowings, loan from shareholders, current tax liabilities, and corporate and other unallocated liabilities as these liabilities are managed on a group basis.

Information provided to the executive director is measured in a manner consistent with that the interim condensed consolidated financial information.

The following table presents revenue and results for the Group's reportable segments:

	Six months ended 30 June (Unaudited)							
	Distribution		**E-commerce**		**Retail Stores**		**Total**	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Revenue from external customers	**343,412**	335,216	**87,432**	–	**79,235**	99,794	**510,079**	435,010
Inter-segment revenue	**11,084**	8,582	**17,410**	–	**2,217**	1,328	**30,711**	9,910
Reportable segment revenue	**354,496**	343,798	**104,842**	–	**81,452**	101,122	**540,790**	444,920
Reportable segment results	**17,761**	32,901	**(3,701)**	3,553	**1,040**	1,273	**15,100**	37,727
Gain on remeasurement of previously held interests in an associated company							**4,434**	–
Gain on disposal of financial assets at fair value through profit or loss							**–**	2
Foreign exchange differences, net							**(727)**	(586)
Finance income							**5**	14
Finance costs (other than interests on lease liabilities)							**(12,814)**	(10,028)
Share-based payment expenses							**(8,071)**	(789)
Corporate and other unallocated expenses							**(5,310)**	(2,121)
(Loss)/profit before income tax							**(7,383)**	24,219
Income tax expense							**(283)**	(3,100)
(Loss)/profit for the period							**(7,666)**	21,119

The following table presents the total assets and liabilities for the Group's reportable segments:

	Distribution		E-commerce		Retail Stores		Total	
	Unaudited	Audited	**Unaudited**	Audited	**Unaudited**	Audited	**Unaudited**	Audited
	As at	As at	**As at**	As at	**As at**	As at	**As at**	As at
	30 June	31 December	**30 June**	31 December	**30 June**	31 December	**30 June**	31 December
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**586,867**	616,720	**428,636**	81,057	**144,436**	142,186	**1,159,939**	839,963
Deferred income tax assets							**12,066**	4,427
Investment in an insurance contract							**7,285**	–
Amounts due from related parties							**–**	49,024
Cash and cash equivalents							**40,809**	34,020
Receivable from disposal of subsidiaries							**–**	60,000
Corporate and other unallocated assets							**16,610**	18,129
Total							**1,236,709**	1,005,563

	Distribution		E-commerce		Retail Stores		Total	
	Unaudited	Audited	**Unaudited**	Audited	**Unaudited**	Audited	**Unaudited**	Audited
	As at	As at	**As at**	As at	**As at**	As at	**As at**	As at
	30 June	31 December	**30 June**	31 December	**30 June**	31 December	**30 June**	31 December
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment liabilities	**(95,766)**	(148,103)	**(123,223)**	–	**(42,453)**	(44,011)	**(261,442)**	(192,114)
Deferred income tax liabilities							**(9,216)**	(2,987)
Bank borrowings							**(360,038)**	(270,296)
Loan from shareholders							**(78,782)**	(50,000)
Current tax liabilities							**(1,334)**	(311)
Corporate and other unallocated liabilities							**(898)**	(898)
Total							**(711,710)**	(516,606)

	Six months ended 30 June (Unaudited)				
	Distribution	**E-commerce**	**Retail Stores**	**Unallocated**	**Total**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
2025					
Other segment information					
Depreciation of property, plant and equipment, including leasehold land	**1,785**	**632**	**10**	**121**	**2,548**
Depreciation of right-of-use assets	**2,602**	**1,034**	**629**	**232**	**4,497**
Amortisation of intangible assets	**729**	**1,957**	**785**	**–**	**3,471**
Addition to non-current assets	**318**	**193,183**	**2,043**	**726**	**196,270**
2024					
Other segment information					
Depreciation of property, plant and equipment, including leasehold land	1,722	–	12	89	1,823
Depreciation of right-of-use assets	3,381	–	1,363	237	4,981
Amortisation of intangible assets	729	–	785	–	1,514
Addition to non-current assets	1,201	–	11	409	1,621

6 REVENUE, OTHER GAINS, NET

Revenue, other gains, net recognised during the period are as follows:

	Unaudited Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
Revenue		
Sale of goods	**510,079**	435,010
Disaggregated revenue information		
Geographical markets		
Hong Kong	**336,636**	358,406
Mainland China	**87,432**	–
Macau	**42,916**	45,220
Singapore	**36,625**	28,029
Malaysia	**6,271**	2,803
Others	**199**	552
Timing of revenue recognition		
Goods transferred at a point of time	**510,079**	435,010
Other gains, net		
Gain on remeasurement of previously held interests in an associated company	**4,434**	–
Gain on disposal of financial assets at fair value through profit or loss	**–**	2
Government subsidies	**–**	100
Others	**(1,485)**	1,379
	2,949	1,481

7 EXPENSES BY NATURE

Expenses included in cost of sales, selling and distribution expenses, general and administrative expenses are analysed as follows:

	Unaudited Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
Cost of inventories sold	**379,579**	326,091
Written-down of inventories	**1,296**	1,111
Depreciation of property, plant and equipment	**2,548**	1,823
Depreciation of right-of-use assets	**4,497**	4,981
Amortisation of intangible assets	**3,471**	1,514
Employee benefit expenses	**43,295**	31,456
Share-based payment expense	**8,071**	798
Expenses under short-term leases	**377**	1,632
Advertising fee	**31,478**	15,551

8 INCOME TAX EXPENSE

Hong Kong profits tax has been provided at 16.5% (six months ended 30 June 2024: same) of the estimated assessable profits for the period. Taxes on profits assessable elsewhere have been calculated at the rates of tax prevailing in the countries/jurisdictions in which the Group operates.

	Unaudited Six months ended 30 June	
	2025	2024
	HK$'000	*HK$'000*
Current tax – Hong Kong	**378**	2,357
Current tax – Macau and others	**1,058**	827
Deferred tax	**(1,153)**	(84)
Total income tax expense for the period	**283**	3,100

9 (LOSSES)/EARNINGS PER SHARE

Basic

Basic (losses)/earnings per share is calculated by dividing the (loss)/profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Unaudited Six months ended 30 June	
	2025	2024
(Losses)/profit attributable to equity holders of the Company (*HK$'000*)	**(7,984)**	21,009
Weighted average number of ordinary shares in issue (in thousands)	**808,244**	777,923
Basic (losses)/earnings per share (HK cents)	**(1)**	3

Diluted

Diluted (losses)/earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potentially dilutive ordinary shares. The Company has one category of potentially dilutive ordinary shares: share awards. For the share awards, a calculation is done to determine the number of shares that could have been acquired at fair value (determined as the average market share price of the Company's shares for the period) based on the monetary value of the outstanding share awards. The number of shares calculated as above is compared with the number of shares that would have been issued assuming the exercise of the share awards.

For the six months ended 30 June 2025, the diluted loss per share was the same as the basic loss per share as the share awards would result in antidilutive impact to the basic loss per share.

For the six months ended 30 June 2024, the calculation of diluted earnings per share was based on the profit attributable to equity holders of the Company and the adjusted weighted average number of ordinary shares outstanding assuming the conversion of all potentially dilutive ordinary shares, which was calculated as follows:

	Unaudited Six months ended 30 June 2024
Profit attributable to the equity holders of the Company (*HK$'000*)	21,009
Weighted average number of ordinary shares in issue (thousand shares)	777,923
Adjustment for share awards (thousand shares)	4,362
Weighted average number of ordinary shares for diluted earnings per share (thousand shares)	782,285
Diluted earnings per share attributable to the equity holders of the Company (HK cents per share)	3

10 DIVIDEND

No dividends have been declared for the six months ended 30 June 2025 (six months ended 30 June 2024: same).

11 LEASES

	Unaudited As at 30 June 2025 *HK$'000*	Audited As at 31 December 2024 *HK$'000*
Right-of-use assets		
Properties	**19,917**	10,465
Lease liabilities		
Non-current	**10,168**	4,476
Current	**10,438**	6,207
	20,606	10,683

During the six months ended 30 June 2025, the additions to right-of-use assets amounted to HK$13,948,000 (six months ended 30 June 2024: HK$576,000) and the depreciation expense incurred for the period amounted to HK$4,497,000 (six months ended 30 June 2024: HK$4,981,000).

12 TRADE RECEIVABLES

	Unaudited As at 30 June 2025 *HK$'000*	Audited As at 31 December 2024 *HK$'000*
Trade receivables	**283,240**	253,622
Amounts due from related parties	**515**	18,495
Less: Provision for impairment	**(1,873)**	(1,482)
Total	**281,882**	270,635

The Group's credit terms to trade debtors range generally from 30 to 120 days. As at 30 June 2025 and 31 December 2024, the ageing analysis of the gross trade receivables (including amounts due from related parties in trade nature) based on invoice date is as follows:

	Unaudited As at 30 June 2025 ***HK$'000***	Audited As at 31 December 2024 *HK$'000*
Trade receivables		
Within 90 days	**199,956**	192,253
91 to 180 days	**21,088**	26,182
Over 180 days	**62,711**	53,682
Total	**283,755**	272,117

13 TRADE PAYABLES

	Unaudited As at 30 June 2025 ***HK$'000***	Audited As at 31 December 2024 *HK$'000*
Trade payables	**48,965**	121,445
Amounts due to related parties	**135,739**	10,876
Total	**184,704**	132,321

As at 30 June 2025 and 31 December 2024, the ageing analysis of the trade payables (including amounts due to related parties in trade nature) based on invoice date is as follows:

	Unaudited As at 30 June 2025 ***HK$'000***	Audited As at 31 December 2024 *HK$'000*
Within 30 days	**36,101**	29,110
31 to 60 days	**44,214**	24,791
61 to 120 days	**77,420**	25,741
Over 120 days	**26,969**	52,679
Total	**184,704**	132,321

14 SHARE CAPITAL

	Number of ordinary shares of HK$0.01 each	Nominal value of ordinary shares *HK$'000*
Authorised:		
At 31 December 2024, 1 January 2025 and 30 June 2025	**10,000,000,000**	**100,000**
Issued and fully paid:		
At 31 December 2024 and 1 January 2025	**800,000,000**	**8,000**
Issuance of shares	**94,000,000**	**940**
At 30 June 2025	**894,000,000**	**8,940**

On 29 April 2025, the Company entered into a subscription arrangement with Jacobson Group Treasury Limited ("**Jacobson Group Treasury**"), an indirect wholly-owned subsidiary of Jacobson Pharma Corporation Limited ("**Jacobson Group**"), pursuant to which the Company has conditionally agreed to allot and issue, and Jacobson Group Treasury has conditionally agreed to subscribe for, a total of 94,000,000 shares of par value of HK$0.01 each. Such 94,000,000 shares were allotted and issued at a price of HK$0.5 per shares for a total cash consideration of approximately HK$47,000,000 excluding share issue expenses on 22 May 2025.

MANAGEMENT DISCUSSION AND ANALYSIS

Tycoon Group is a reputable Hong Kong-based omnichannel marketing and management service integrator of healthcare and wellbeing-related products. The Group specialises in providing one-stop omnichannel brand agency, promotion and marketing, management, distribution, and sales services for proprietary Chinese medicines ("**PCM**"), health supplements, skincare, personal care, and other healthcare products. Over the years, the Group has established a strong presence, covering nearly 100,000 online and offline sales points across Hong Kong, Macau, the People's Republic of China (the "**PRC**" or "**Mainland China**"), and Southeast Asia, representing over 300 local and overseas brands and actively developing premium self-owned brands as well as collaborative brand products, with a portfolio of more than 2,000 products. As a diversified industry pioneer in Hong Kong, the Group maintains a leading market position. Staying true to its mission of bringing health and vitality to consumers, Tycoon Group is committed to delivering reputable and quality products to customers across various regions.

MARKET REVIEW

In the first half of 2025, the Hong Kong economy showed signs of strengthening, with an increase in both visitor arrivals and local private consumption expenditure. Although the overall economic outlook has brightened, the local retail market recovery has lagged behind expectations, with the industry still facing challenges such as changes in local consumer and Individual Visit Scheme traveller spending patterns, as well as rising cost pressures.

Despite the unfavourable operating environment, the Group has demonstrated resilience by closely monitoring market conditions and consumer preferences, adjusting strategies accordingly, and continuously innovating. Several popular health products under the Group continued to be bestsellers, contributing to sales growth.

On the other hand, the Southeast Asian market is becoming increasingly vibrant, with the Hong Kong government and numerous enterprises paying closer attention to this market, affirming the Group's recent strategic expansion into Southeast Asia. The Group plans to seize opportunities to bring more quality products to the blue ocean markets of Southeast Asia and expand its business footprint.

BUSINESS REVIEW

The Group currently operates three business segments: distribution, retail store, and e-commerce. The Group's distribution business mainly involves distributing consumer products to major chain retailers, non-chain retailers (mainly pharmacies) and traders in Hong Kong, Macau, Mainland China, and Southeast Asia. The retail store business refers to the sale of products at physical brick-and-mortar stores. The e-commerce business focuses primarily on health and wellness-related product e-commerce and distribution in Mainland China. In addition, the Group provides omnichannel marketing management services for represented brands and actively develops both self-owned brands and collaborative brand products.

During the Period, the Group entered into a subscription agreement ("**Subscription Agreement**") with Jacobson Group Treasury Limited ("**Jacobson Group Treasury**", a wholly-owned subsidiary of Jacobson Pharma Corporation Limited (HKEX Stock Code: 2633)), pursuant to which, Jacobson Group Treasury conditionally agreed to subscribe for and the Company conditionally agreed to allot and issue 94,000,000 ordinary shares of the Company ("**Subscription Shares**") at HK$0.5 per Subscription Share ("**Subscription**").

The aggregate nominal value of the Subscription Shares was HK$940,000. The closing price of the shares of the Company on the date of the Subscription Agreement (i.e. 29 April 2025) was HK$0.4 per share. The subscription price of HK$0.5 represented a premium of 25% over such closing price and the net issue price per Subscription Share (after deduction of expenses in connection with the Subscription) was approximately HK$0.497 per Subscription Share. The gross proceeds of the Subscription were HK$47.0 million, and the net proceeds of the Subscription (after deduction of expenses in connection with the Subscription) were approximately HK$46.7 million. The net proceeds are intended for investment in core business expansion, supply chain and logistics improvement, and general working capital. For the details of the use of proceeds of the Subscription, please refer to the section headed "Use of proceeds from the Subscription under General Mandate" below. Upon completion of the Subscription, Jacobson Group Treasury held 150.59 million shares, representing about 16.84% of the Group's issued shares. Jacobson Pharma Corporation Limited and its subsidiaries and associates ("**Jacobson Group**") are the Group's long-term business partner and third-largest shareholder. The reasons for the Subscription are to strengthen the Group's financial position, provide working capital for future development and obligations, and further enhance potential strategic cooperation, helping the Group capture emerging market opportunities, optimise financial leverage, and ultimately enhance long-term shareholder value.

For the first half of 2025, the Group recorded revenue of approximately HK$510.1 million, representing an increase from HK$435.0 million in the first half of 2024 by 17.3%. Net loss for the Period was about HK$7.7 million (1H2024: net profit of HK$21.1 million). The record of loss was primarily due to (i) increased share-based payment expenses to HK$8.1 million (1H2024: HK$0.8 million); (ii) the share of loss of associates (being the CWA Group as detailed below) of HK$4.0 million (1H 2024: profit of HK$3.6 million) as a result of the weak consumer purchasing sentiment. Combo Win Limited ("**CWA**") together with its subsidiaries (collectively, the "**CWA Group**") was accounted as an associate of the Company for the first two months of 2025 before the majority stake of CWA was acquired back by the Group; and (iii) additional marketing and promotional expenses for the expanded product portfolio.

Distribution Business

During the Period, Hong Kong distribution sales reached HK$257.4 million, representing a year-on-year decrease of 0.5% (1H2024: HK$258.6 million). Although the recovery in the Hong Kong market remained slow, the Group proactively innovated and launched products that addressed market needs, resulting in a solid sales performance. Macau distribution sales were HK$42.9 million (1H2024: HK$45.2 million). The Southeast Asian market experienced strong development, with total distribution sales reaching HK$43.1 million, representing a substantial year-on-year increase of 37.3%. In particular, distribution sales in Singapore amounted to HK$36.6 million, up by 30.7% year-on-year, while Malaysia achieved HK$6.3 million, a notable year-on-year increase of 123.7%. The Group expects the Southeast Asian distribution business to continue demonstrating robust growth momentum in the second half of 2025.

Retail Store Business

The Group conducted its retail store business through Hong Ning Hong Limited ("**HN**"), a 70%-owned subsidiary since March 2024. The operating subsidiary of HNH is primarily engaged in the retail and wholesale of pharmaceutical products and proprietary medicines in Hong Kong.

During the Period, HNH opened a new store in Mong Kok, Kowloon, a popular shopping destination for tourists seeking PCM, health supplements, and souvenirs, as well as a local consumer hotspot. Establishing a store in this district is expected to generate stable income for HNH and cultivate a loyal customer base. For the Period, the Group's Hong Kong retail store business recorded revenue of HK$79.2 million.

E-commerce Business

On 28 February 2025, the Group completed the repurchase of 51% of the issued shares of CWA. As a result, CWA and its subsidiaries have been reinstated as wholly-owned subsidiaries of the Company, and their financial results have been consolidated into the Group's financial statements since 1 March 2025 ("**Accounting Effect of CWA 51% Buyback**"). CWA Group is primarily engaged in the e-commerce and distribution of health and wellness-related products in Mainland China. During the Period, the e-commerce business segment recorded revenue of HK$87.4 million. Facing challenges such as the depreciation of the Chinese Renminbi, which weakened consumer purchasing power, and overall consumption downgrading, the Group actively pursued revenue growth and efficiency improvements by opening more domestic online flagship stores for its agency brands, optimising its product mix, and developing more market-driven bestselling products.

Omnichannel Brand Marketing and Management Services for Brands

During the Period, the Group continued to provide omnichannel marketing and management services for its agency brands, including brand agency, promotion and marketing, management, distribution, and sales. By delivering one-stop service solutions for brands, the Group has enhanced its industry value chain, further diversifying its product portfolio and business lines, which helps to increase both market share and gross profit margin.

The Group acts as the exclusive distributor for numerous overseas brands, such as having exclusive rights in Hong Kong, Macau and Singapore for the Japanese anti-hair loss and hair protection brand Kaminowa. In Singapore, the Group is the exclusive distributor for Helaslim, a top-selling Japanese slimming and beauty brand. The Group also secured exclusive rights in Singapore and Malaysia for PNKids, a leading Singaporean children's multivitamin brand, and the distribution rights in Hong Kong, Macau, Singapore, and Malaysia for the popular Korean body care brand plu. In addition, the Group is appointed as the general distributor in Hong Kong for the renowned Mainland Chinese brand Dong-E-E-Jiao ("東阿阿膠"), and secured the exclusive agency for Li Chung Shing Tong Po Chai Pills ("李眾勝堂保濟丸"), a century-old heritage brand, in Singapore. The Group aims to help more well-known Mainland Chinese brands expand into the Hong Kong and Southeast Asian markets in the future.

Strengthening R&D of High-Gross-Margin Self-Owned and Collaborative Brand Products

In addition to its agency brand business, the Group continues to actively expand its self-owned brand product lines. Popular brands under the Group include Boost & Guard Pro (BG Pro 博健專研), Craft by Wakan (和漢匠心) and Kinmen Qiangxiao (金門強效). To date, the Group has registered more than 60 trademarks for self-owned brand products. Bestselling items include "Craft by Wakan Japan Probiotics", "BG Pro Immunoglobulin Capsules", "BG Pro Ultra Purity Deep Sea Fish Oil", and "Kinmen Qiangxiao I-Tiao-Gung Plaster".

The Group remains closely attuned to market demand, continuously upgrading and enhancing its bestselling self-owned brand products. Recent product launched include "Craft by Wakan Gut Guardian Probiotics Support (和漢匠心日本強健益生菌)", "Craft by Wakan Japan Nattokinase EX (和漢匠心日本納豆素配方升級版)", "BG Pro Brain Booster (BG Pro博健專研腦活素)", "Kinmen Qiangxiao I-Tiao-Gung Pain Relief Penetrating Liquid (金門強效一條根滲透鎮痛露)", and "Kinmen Qiangxiao I-Tiao-Gung Pain Relief Roller Cream (金門強效一條根滾珠鎮痛膏)". The Group is also actively collaborating with two major local personal care product chain stores to introduce new products tailored to local consumer needs, while building a comprehensive sales channel network.

Leveraging its robust marketing and brand management capabilities, the Group has continued to elevate brand awareness and sales of its self-owned products. In the highly competitive health supplements market, significant advertising investment is required to attract consumers. The Group's experienced marketing team customises targeted promotions for different products, utilising not only traditional television and outdoor advertising but also ramping up promotion efforts on mainland social media platforms such as Xiaohongshu, resulting in simultaneous growth in product sales and brand reputation. Celebrity endorsements also play a key role: Ms. Lin Min Chen (林明禎小姐), a well-known artiste, serves as ambassador for the flagship Craft by Wakan Japan Probiotics, and Mr. Louis Cheung (張繼聰先生), a well-known artiste, is the ambassador for the bestselling Kinmen Qiangxiao brand.

For collaborative brands, in support of the Group's strategy to strengthen its self-owned product line, Mr. Wong Ka Chun Michael, Chairman, executive Director and Chief Executive Officer, personally acquired Po Wo Tong – a century-old Hong Kong heritage brand. Through cooperation with the Group, more new products are being launched and sold, reviving and diversifying this traditional brand while also expanding the Group's collaborative brand portfolio. Notable celebrity Ms. Selena Lee (李施嬅小姐) was invited to endorse "Po Wo Tong Dampness Removing Pills (寶和堂祛濕丸)" and "Po Wo Tong Dampness Removing Bath Capsule (寶和堂祛濕浸泡珠)", both of which have become signature bestsellers under the Po Wo Tong brand.

Looking ahead, the Group will continue to invest resources in high-gross-margin self-owned brands, develop and launch more self-owned and collaborative products, and respond to the diverse needs and preferences of Southeast Asian and Mainland Chinese Individual Visit Scheme travellers, keeping pace with emerging trends in the PCM and health supplement product markets.

Accelerating Comprehensive Southeast Asia Coverage: Dual Growth in Market Share and Performance

To build a diversified sourcing network and enrich its product portfolio, the Group has been deepening its overseas footprint, establishing procurement centres and professional teams in Japan, South Korea, Singapore, Malaysia, Thailand, Vietnam, Indonesia, Cambodia, Macau, Australia, and France. This has enabled the Group to achieve diversification and internationalisation across its product offerings.

Southeast Asia has become the focal point of the Group's recent overseas expansion, delivering impressive results. The Group's distribution sales in Southeast Asia have remained robust, particularly in Singapore and Malaysia, which have now entered a maturation phase, characterised by sustained sales growth. The Group established subsidiaries in Singapore and Malaysia prior to listing, and in 2022, secured the exclusive distribution rights for TJ-TYT Pharmaceuticals (M) Sdn. Bhd. in Malaysia (a company primarily engaged in the production and wholesale of PCM, health supplements, and healthcare products in Malaysia). The success of core brands such as TJ-TYT (with bestsellers including "Vegetarian Bai Feng Wan (素食白鳳丸)" and "Compound Cough Syrup (複方化痰止咳露)") and Double Panda (well-known for "American Ginseng Capsules (花旗蔘膠囊)" and "Qian Li Zhui Feng You (千里追風油)") has been instrumental in expanding the Group's sales business in Singapore and Malaysia.

The Group's dual-track strategy of product portfolio development and sales network expansion has led to exponential growth in the Southeast Asia market share. On one hand, the Group precisely meets the demand from the Southeast Asian Chinese community for reputable PCM and health products, and continuously introduces well-known international and local brands to the region. For example, from this financial year onward, the Group is the exclusive distributor of the century-old heritage brand Li Chung Shing Tong Po Chai Pills in major chain retail networks in Singapore, further boosting Southeast Asian distribution sales.

On the other hand, drawing from the successful Hong Kong distribution model, the Group has forged key partnerships with major personal care retail chains such as Watsons and Guardian (equivalent to Mannings in Hong Kong) in Malaysia, Singapore, and Thailand, and is rapidly expanding its presence in local supermarket chains to further strengthen its sales channel network. Today, the Group ranks among Singapore's leading agents for PCM and health supplements, covering nearly all major retail channels, from chain outlets to pharmacies.

Beyond Singapore and Malaysia, the Group has obtained food licenses from Thailand's Food and Drug Administration and drug import and sales licences in Cambodia. Thailand has begun contributing revenue since the year ended 31 December 2024, with distribution sales expected to surge further in the year ending 31 December 2025.

Use of Proceeds from the Subscription under General Mandate

On 29 April 2025, the Company entered into the Subscription Agreement with Jacobson Group Treasury, in respect of the Subscription at the subscription price of HK$0.5 per Share. The subscription price of HK$0.5 represented (i) a premium of 25.0% over the closing price of HK$0.4 per Share as quoted on the Stock Exchange on the date of the subscription agreement; and (ii) a premium of approximately 11.9% over to the average closing price of HK$0.447 per Share as quoted on The Stock Exchange of Hong Kong Limited ("**Stock Exchange**") for the last five consecutive trading days prior to the date of the Subscription Agreement. Completion of the Subscription took place on 22 May 2025. The net proceeds received by the Company from the Subscription ("**Net Proceeds**") were approximately HK$46.7 million after deducting of expenses of the Subscription. As at the date of this announcement, there was no change in the intended use of net proceeds as previously disclosed in the announcement of the Company dated 20 May 2025.

Details of the use of proceeds of the Subscription as at 30 June 2025 are as follows:

Use of Proceeds	**Net Proceeds** *(HK$ million)*	**Net Proceeds utilised during the six months ended 30 June 2025 (since the date of completion of the Subscription on 22 May 2025)** *(HK$ million)*	**Unutilised Net Proceeds as at 30 June 2025** *(HK$ million)*	**Expected Timeline for Utilisation of unutilised Net Proceeds** *(HK$ million)*
(1) purchases of inventories	26.0	14.8	11.2	On or before 31 December 2025
(2) payment of warehouse and logistics expenses	12.0	1.8	10.2	
(3) launch of marketing and promotion activities	5.0	1.6	3.4	
(4) general working capital	3.7	2.5	1.2	
Total	46.7	20.7	26.0	

As at 30 June 2025, the unutilised Net Proceeds were deposited into licensed banks in Hong Kong.

FUTURE OUTLOOK

In recent years, the Group's strategy in Southeast Asia has yielded outstanding results and become a key driver of Tycoon Group's growth. However, the performance in the Mainland China, Hong Kong, and Macau markets has been weighed down by economic weakness. To maintain core competitiveness, enhance business diversification, and reduce risk, the Group will adopt targeted development strategies for different regions, markets, and local cultural backgrounds, ensuring that resources are deployed effectively.

Optimising the Scale, Upholding the Profit

Faced with soft retail market conditions and consumption downgrading in Mainland China, Hong Kong, and Macau, the Group is actively increasing revenue and reducing expenses. On one hand, it is striving to develop new sales networks and launch new products. On the other hand, it manages scale and leverages technology to boost competitiveness, delivering cost savings and greater efficiency. Externally, a series of supportive policies such as the Central Government's economic stimulus initiatives and Hong Kong's event-based economy are expected to accelerate the retail sector's recovery. With the onset of the traditional tourism high season in the second half of the year, the Group will adjust its product mix and market strategies as appropriate, with the belief that performance will further improve in the second half of the year.

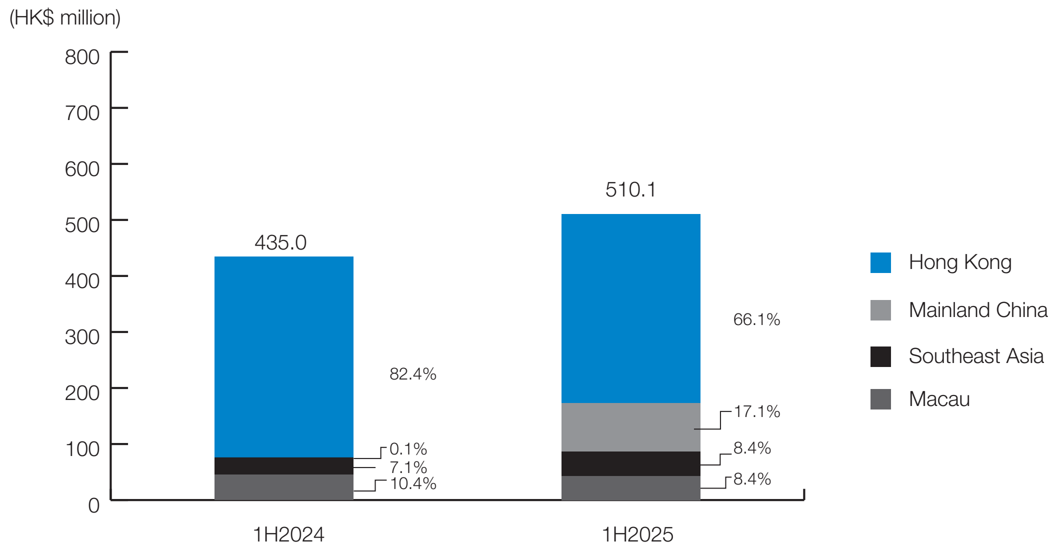
Empowering the Growth, Embracing the NEW

In the second half of the year, the Group will continue to steadily increase its market share in Southeast Asia and actively develop new markets, aiming to achieve comprehensive coverage across the region. While consolidating its market position and expanding sales channels in Singapore, Malaysia, and Thailand, the Group is also actively deploying sales operations in other Southeast Asian countries where it has established a foothold, such as Vietnam and Indonesia, to boost overall sales and further raise its share of the Southeast Asian health and wellness market, laying a strong foundation for the Group's long-term development.

The Group expects Jacobson Group's strategic shareholding increase will inject strong momentum into Tycoon Group's expansion in Southeast Asia. Both parties will continue to deepen collaboration, unlocking shareholder synergy. Leveraging Jacobson Group's extensive resources in the pharmaceutical sector, the Group will accelerate access to emerging markets such as Vietnam and Indonesia, build a compliant operational footprint spanning Southeast Asia, and create sustainable returns for shareholders.

FINANCIAL REVIEW

Revenue



Geographical markets	Revenue 1H2025 HK$ million	1H2024 HK$ million	Change
Hong Kong	**336.6**	358.4	▼6.1%
Mainland China	**87.4**	–	▲100.0%
Southeast Asia	**43.2**	31.4	▲37.6%
Macau	**42.9**	45.2	▼5.1%
Total	**510.1**	435.0	▲17.3%

- The Group's total revenue for the Period was HK$510.1 million (1H2024: HK$435.0 million).

- In Hong Kong, revenue for the Period decreased by 6.1% to HK$336.6 million (1H2024: HK$358.4 million) as a result of weakened consumer purchasing sentiment. In Macau, revenue for the Period decreased by 5.1% to HK$42.9 million (1H2024: HK$45.2 million). It is in line with the sluggish performance of the retail sector during the Period which was mainly due to the change in the consumption patterns of visitors and residents as well as the strength of the Hong Kong dollar.

- As a result of the Accounting Effect of CWA 51% Buyback, the revenue from Mainland China was consolidated into the Group since March 2025.

- In Southeast Asia, revenue for the Period increased significantly by 37.6% to HK$43.2 million (1H2024: HK$31.4 million) as a result of continuous efforts in the development and expansion of sales in the region including the expansion of distribution channels and distributing products.

Profitability

As a result of the Accounting Effect of CWA 51% Buyback, since March 2025, the operating results from CWA Group has been 100% consolidated into the Group line by line and this has increased the Group's expenses generally.

The gross profit of the Group increased by 19.8% to HK$129.2 million for the Period as compared to that of HK$107.8 million for the Last Period, and the gross profit margin increased by 0.5 percentage points to 25.3%. Increase in gross profit and gross profit margin was mainly due to (i) the change in product mix of high-gross-margin products; and (ii) the Accounting Effect of CWA 51% Buyback.

Selling and distribution expenses of the Group for the Period increased by 61.3% to HK$71.7 million, as compared to HK$44.5 million for the Last Period due to increase in advertising and promoter expense.

General and administrative expenses of the Group for the Period increased by 50.5% to HK$51.0 million, as compared to HK$33.9 million for the Last Period which was mainly due to (i) increase in share-based payment expense; and (ii) the Accounting Effect of CWA 51% Buyback.

Finance costs of the Group for the Period increased by 24.5% to HK$12.8 million, as compared to HK$10.3 million for the Last Period due to (i) increase in bank borrowings; and (ii) the Accounting Effect of CWA 51% Buyback.

Other gains, net

Other gains, net, of the Group for the Period was HK$2.9 million (1H2024: HK$1.5 million). The increase was mainly due to the Accounting Effect of CWA 51% Buyback.

(Loss)/profit attributable to equity holders of the Company

The loss attributable to equity holders of the Company for the Period was HK$8.0 million as compared to the profit attributable to equity holders of the Company of HK$21.0 million for the Last Period. The decrease is primarily due to (i) the increase in share-based payment expenses and (ii) sharing of loss of CWA Group, which was then accounted as an associate of the Company, for the first two months of 2025.

EBITDA and adjusted net profit (non-HKFRS measures)

To supplement the Group's consolidated financial statements which are presented in accordance with HKFRS Accounting Standards ("**HKFRSs**"), the Company also uses (i) EBITDA; and (ii) profit for the Period adjusted by items which are non-cash in nature or non-indicative to the Group's operating performance ("**Adjusted Net Profit**") as additional financial measures, which are not required by, or presented in accordance with, HKFRS.

EBITDA(Note) is calculated based on (loss)/profit for the Period (1H2025: loss of HK$7.7 million; 1H2024: profit of HK$21.1 million) before interest (1H2025: HK$12.8 million; 1H2024: HK$10.3 million), tax expense (1H2025: HK$0.3 million; 1H2024: HK$3.1 million), depreciation and amortisation (1H2025: HK$10.5 million; 1H2024: HK$8.3 million), where "interest" is regarded as including finance income and finance costs.

The following table reconciles (loss)/profit for the Period to Adjusted Net Profit (Note) for both periods:

	1H2025	1H2024
	HK$'000	*HK$'000*
(Loss)/profit for the Period	**(7,666)**	21,119
Adjusted by:		
Share-based payment expenses	**8,071**	798
Written-off of inventories	**4,067**	849
Depreciation of property, plant and equipment	**2,548**	1,823
Depreciation of right-of-use assets	**4,497**	4,981
Amortisation of intangible assets	**3,471**	1,514
Gain on disposal of financial assets at fair value through profit or loss	**–**	(2)
Gain on remeasurement of previously held interests in an associated company	**(4,434)**	–
	10,554	31,082

Apart from the general increase in expenses as a result of the Accounting Effect of CWA 51% Buyback, the other main reason for the decline in Adjusted Net Profit is mainly due to sharing a loss of HK$4.0 million for PRC e-commerce segment, which was then accounted as an associate of the Company, for the first two months of 2025 while the Group recorded a profit of HK$3.6 million for sharing the profit of the CWA Group as an associate for 1H2024. Notwithstanding that the Group has been facing various challenges for its PRC e-commerce segment and coupled with the weakened consumer purchasing sentiment, the Group has been able to record an increase in revenue and maintain a steady gross profit margin for 1H2025.

Note:

Each of EBITDA and the Adjusted Net Profit is a non-HKFRS measure used by the management for monitoring the core business performance of the Group. Such measures are not an expressly permitted measure under GAAP in Hong Kong and may not be comparable to similarly titled measures for other companies. Accordingly, such non-GAAP measures should not be considered as an alternative to operating profits as an indicator of the operating performance of the Group or as an alternative to cash flows from operating activities as a measure of liquidity. The use of non-GAAP measures is provided solely to enhance the overall understanding of the Group's current financial performance. Additionally because the Group has historically reported certain non-GAAP results to investors, the Group considers the inclusion of non-GAAP measures provides consistency in its financial reporting.

LIQUIDITY AND FINANCIAL RESOURCES

During the Period, the Group has funded the liquidity and capital requirements primarily through bank borrowings, loan from shareholders, cash generated from the operating activities and equity issue.

As at 30 June 2025, the Group had cash and cash equivalents of approximately HK$40.8 million (31 December 2024: HK$34.0 million) which were mainly denominated in Hong Kong dollars and Chinese Renminbi. The gearing ratio (defined as net debt divided by total equity plus net debt, where net debt includes interest-bearing bank borrowings, loan from shareholders, lease liabilities less cash and cash equivalents) of the Group as at 30 June 2025 was 44.8% (31 December 2024: 38.3%). The increase was mainly due to the percentage of increment of net debt is higher than the percentage of increment of total equity during the Period.

CAPITAL STRUCTURE

As at 30 June 2025, the borrowings included secured interest-bearing bank borrowings of approximately HK$279.3 million (31 December 2024: HK$231.3 million), unsecured interest-bearing bank borrowings of approximately HK$80.8 million (31 December 2024: HK$39.0 million) and loan from shareholders with maturity date on 30 September 2025 of approximately HK$50.0 million (31 December 2024: HK$50.0 million), maturity date on 18 February 2030 of approximately HK$18.7 million (31 December 2024: Nil) and maturity date on 31 May 2030 of approximately HK$10.1 million (31 December 2024: Nil). Except for the Group's interest-bearing bank borrowings of HK$7.6 million (31 December 2024: HK$7.9 million) which was denominated in MOP, the Group's interest-bearing bank borrowings are all denominated in Hong Kong dollars. All borrowings are at floating rates.

Maturity analysis of bank borrowings of the Group as at 30 June 2025 and 31 December 2024 is as follows:

	30 June 2025 *HK$'000*	31 December 2024 *HK$'000*
Within one year	**352,846**	262,855
In the second year	**509**	492
In the third to fifth years, inclusive	**1,613**	1,582
Beyond five years	**5,070**	5,367
	360,038	270,296

As at 30 June 2025, the Company's issued share capital was HK$8.9 million and the number of its issued ordinary shares was 894,000,000 of HK$0.01 each.

The purpose of the treasury policy is to safeguard the Group's financial assets and minimise the liquidity risk and interest rate risk and ensure the Group has sufficient liquidity and sources of funding to meet its current and future obligations.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES AND ANY RELATED HEDGES

The Group's reporting currency is Hong Kong dollars. The Group is exposed to currency risk primarily through sales and purchases, which give rise to receivables, payables and cash balances that are denominated in a foreign currency. The currency giving rise to this risk is primarily Chinese Renminbi. During the Period, the Group did not use any derivative financial instruments to hedge against the volatility associated with foreign currency transactions and other financial assets and liabilities arising in the ordinary course of business. The Group's management monitors foreign exchange exposure closely and will consider hedging significant foreign currency exposure should the need arise.

PLEDGE OF ASSETS

As at 30 June 2025, certain of the Group's leasehold land and buildings with a net carrying amount of approximately HK$30.8 million (31 December 2024: HK$31.9 million) were pledged to secure certain bank loans granted to the Group.

FUTURE PLANS FOR MATERIAL INVESTMENT AND CAPITAL ASSETS

Save as disclosed in this announcement, the Group does not have other plans for material investments and capital assets.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES

Exercise of Put Option

Reference is made to the announcements of the Company dated 7 July 2023, 27 July 2023, 3 October 2023, 5 February 2025 and 28 February 2025, and the circular of the Company dated 26 October 2023 ("**Major Disposal Circular**") in relation to, among other things, the disposal of the Sale Shares, being 51% of the issued shares of CWA, by Dynasty Garden Limited ("**Dynasty Garden**"), an indirect wholly-owned subsidiary of the Company, and the exercise of the Put Option by the purchaser, Eyolution Capital Fund ("**ECF**"). Capitalised terms used in this section shall have the same meanings as those defined in the Major Disposal Circular unless the context otherwise requires.

On 27 January 2025, the Company received a notice of exercise of the Put Option from ECF pursuant to which Dynasty Garden was required to purchase the Sale Shares back from ECF. The Put Option Triggering Event on which ECF relied on to exercise of the Put Option was that the Target Group had failed to meet one of its performance targets in relation to target turnover and target profits.

The Exercise Price for the Sale Shares was HK$106,000,000. As at 31 December 2024, ECF had not paid the Remaining Consideration (being an amount of HK$60,000,000) in accordance with the provisions of the SP Agreement. As such, the Exercise Price that was required to be paid by Dynasty Garden was HK$46,000,000 i.e. the amount of the Exercise Price in excess of the Remaining Consideration.

As a result of the exercise of Put Option by ECF, the Group completed the repurchase of 51% of CWA's issued shares. Accordingly, CWA and its subsidiaries have become wholly-owned subsidiaries of the Company, and their financial results have been consolidated into the Group's financial statements since 1 March 2025. As such, CWA and its subsidiaries are now no longer associated companies of the Company.

Save as disclosed above, the Group did not have any material acquisitions and disposals of subsidiaries and associated companies during the Period.

DISCLOSURE PURSUANT TO RULES 13.20 AND 13.22 OF THE LISTING RULES

Reference is made to the announcements of the Company dated 7 July 2023, 27 July 2023, 3 October 2023, 5 February 2025 and 28 February 2025, and the Major Disposal Circular in relation to, among other things, the disposal of the Sale Shares, being 51% of the issued shares of CWA, by Dynasty Garden and the exercise of the Put Option by ECF.

In February 2025, as a result of the exercise of Put Option by ECF, the Group completed the repurchase of 51% of CWA's issued shares. Accordingly, CWA and its subsidiaries have become wholly-owned subsidiaries of the Company, and their financial results have been consolidated into the Group's financial statements since 1 March 2025. As such, CWA and its subsidiaries are now no longer associated companies of the Company. Accordingly, the provision of financial assistance to CWA and its subsidiaries (as more particularly described in the circular of the Company dated 25 November 2024) ceased to be a notifiable transaction under Chapter 14 of the Rules Governing the Listing of Securities on the Stock Exchange ("**Listing Rules**") or subject to any implications relating to financial assistance or relevant advance to an entity under Chapter 13 of the Listing Rules since 1 March 2025.

SIGNIFICANT INVESTMENT HELD

The Group did not hold any significant investments during the Period.

CAPITAL COMMITMENT

As at 30 June 2025, the Group had no material capital commitment (31 December 2024: Nil).

CONTINGENT LIABILITIES

As at 30 June 2025, the Group had no material contingent liabilities (31 December 2024: Nil).

EMPLOYEES AND REMUNERATION POLICY

As at 30 June 2025, the Group employed a total of 234 employees (30 June 2024: 250). During the Period, the total staff costs incurred was approximately HK$43.3 million (Last Period: HK$31.5 million). The Group's remuneration policy is based on position, duties and performance of the employees. Employees' remuneration varies according to their positions, which may include salary, overtime allowance, bonus and subsidies. The performance appraisal cycle varies according to the positions of employees. In order to provide incentives to and to recognise the contributions of employees of the Group, the Group has also adopted a Share Award Scheme and a Share Option Scheme.

DIVIDEND

The Board does not recommend the payment of any interim dividend for the Period (Last Period: Nil).

EVENTS AFTER THE REPORTING PERIOD

Change of Directors

Mr. Hu Yang resigned as a non-executive Director with effect from 1 July 2025. The Board has resolved to appoint Mr. Ng Kwan Ho and Mr. Cao Ran as non-executive Directors with effect from 1 July 2025.

Save as disclosed, there has been no significant event affecting the Group after the Period and up to the date of this announcement.

CORPORATE GOVERNANCE CODE

The Group is committed to maintaining high standards of corporate governance to safeguard the interests of the shareholders and to enhance corporate value and accountability. The Company has adopted the code provisions set out in the Corporate Governance Code ("**CG Code**") contained in Appendix C1 to the Listing Rules.

To the best of the knowledge of the Board, the Company has fully complied with the requirements under the CG Code during the Period, except for the deviation from code provision C.2.1 of the CG Code.

Under the code provision C.2.1 of the CG Code, the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive officer should be clearly established and set out in writing. The roles of the chairman and the chief executive officer of the Group is not separated and are performed by the same individual, Mr. Wong Ka Chun Michael, who has been responsible for overall strategic planning and management of the Group since the Group was founded and has extensive knowledge and experience in the healthcare and personal care products industry. The Directors meet regularly to consider major matters affecting the operations of the Group. As such, the Directors consider that this structure will not impair the balance of power and authority between the Directors and the management of the Group and believe that this structure will enable the Group to make and implement decisions promptly and efficiently.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

During the Period, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company (including sale of treasury share). As at 30 June 2025, the Company did not hold any treasury shares.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted its own code of conduct regarding securities transactions of the Company by the Directors ("**Securities Dealing Code**") on terms no less exacting than the required standard set out in the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") as set out in Appendix C3 to the Listing Rules. Having made specific enquiries with the Directors, all the Directors confirmed that they had complied with the Securities Dealing Code during the Period.

REVIEW OF INTERIM RESULTS BY THE AUDIT COMMITTEE

The audit committee of the Board ("**Audit Committee**") has reviewed with the Company's management, the accounting principles and practices adopted by the Group, has discussed internal control and financial reporting matters and has reviewed the unaudited condensed consolidated financial statements of the Group for the Period.

The Audit Committee is satisfied that the unaudited condensed consolidated financial statements of the Group for the Period were prepared in accordance with the applicable accounting standards and fairly present the Group's financial position and results for the Period.

PUBLICATION OF THE 2025 INTERIM RESULTS ANNOUNCEMENT AND 2025 INTERIM REPORT

This interim results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.tycoongroup.com.hk). The interim report of the Company for the Period containing all the information required under the Listing Rules will be published on the aforementioned websites and despatched to the Shareholders upon request in due course.

By Order of the Board
Tycoon Group Holdings Limited
Wong Ka Chun Michael
Chairman, Executive Director and Chief Executive Officer

Hong Kong, 29 August 2025

As at the date of this announcement, the executive director is Mr. Wong Ka Chun Michael; the non-executive directors are Ms. Li Ka Wa Helen, Mr. Lau Ka On David, Mr. Cao Ran, Ms. Liang Yan and Mr. Ng Kwan Ho; and the independent non-executive directors are Mr. Chung Siu Wah, Ms. Chan Ka Lai Vanessa and Mr. Mak Chung Hong (also known as Mak Tommy Chung Hong).