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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)

(1) PROPOSED REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS WITH JBM GROUP; (2) CONTINUING CONNECTED TRANSACTIONS – THE FOCI DISTRIBUTION AGREEMENT; AND (3) PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS – THE TRADEMARK LICENCE AGREEMENT

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

HALCYON 鎧盛

PROPOSED REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS WITH JBM GROUP

Reference is made to the announcements of the Company dated 22 May 2025 and 29 May 2025 regarding the continuing connected transactions in relation to the Distribution Agreements entered into between the Group and the JBM Group.

The Group, together with the JBM Group, have reviewed and evaluated the continuing connected transactions under the Distribution Agreements and anticipates that the actual transaction amounts under certain Distribution Agreements, namely the Relevant Agreements, will exceed their respective previous projections to the effect that the Existing Annual Caps for such transactions under the Relevant Agreements will not be sufficient to meet the business requirements of the Group.

Accordingly, the Company proposes to revise the Existing Annual Caps for such transactions.

The proposed revision of the Existing Annual Caps has not amended and will not amend the terms and conditions of the Relevant Agreements. In addition, all terms and the relevant existing annual caps in respect of the other Distribution Agreements remain unchanged. In other words, no changes were made to the terms and conditions of Europharm Singapore Distribution Agreement, Tin Hee Tong Distribution Agreement, Europharm Hong Kong Distribution Agreement and Jacobson Medical Distribution Agreement and each of its annual caps for FY2026, FY2027 and 3M2028. The principal terms of the Distribution Agreements and other relevant information such as product details and pricing policies and internal control policies are set out in the announcements of the Company dated 22 May 2025 and 29 May 2025.

CONTINUING CONNECTED TRANSACTIONS – THE FOCI DISTRIBUTION AGREEMENT

On 12 June 2026, HKPCCH, an indirect subsidiary of JBM and Fu Qing, an indirect wholly-owned subsidiary of the Company entered into the Foci Distribution Agreement, whereby HKPCCH agreed to appoint Fu Qing as a distributor for exclusive distribution of the Foci Products in Singapore.

As Mr. Sum Kwong Yip, Derek ("**Mr. Sum**"), one of the substantial shareholders of the Company, is also one of the controlling shareholders of JBM, the JBM Group is thus an associate of Mr. Sum and a connected person of the Company. Accordingly, pursuant to Chapter 14A of the Listing Rules, Mr. Sum, his associates and the JBM Group are regarded as connected persons of the Company and the Foci Distribution Agreement and the transactions contemplated thereunder constituted continuing connected transactions of the Company.

PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS – THE TRADEMARK LICENCE AGREEMENT

Reference is made to the announcement of the Company dated 22 May 2025 regarding the continuing connected transactions in relation to the Trademark Licence Agreement entered into between the Group and the JBM Group.

On 12 June 2026, Tycoon Global, an indirect wholly-owned subsidiary of the Company, and JMM entered into the Trademark Supplemental Agreement, pursuant to which it was agreed that the royalty payable by Tycoon Global to JMM in consideration for the licence granted will be increased from 20% to 30% of the Net Selling Price, with effect from 12 June 2026.

The Group, together with the JBM Group, have reviewed and evaluated the continuing connected transactions under the Trademark Licence Agreement (including the fee as proposed by the trademark holder) and anticipates that the actual transaction amounts of the products affixed with or otherwise under the Licensed Marks under the Trademark Licence Agreement will exceed their respective previous projections to the effect that the existing annual caps for such transactions under the Trademark Licence Agreement will not be sufficient to meet the business requirements of the Group. Accordingly, the Company proposes to revise the existing annual caps for such transactions under the Trademark Licence Agreement.

Save for the amendments to the royalty fee and the proposed revision of the existing annual caps for the royalty fee, all other terms of the Trademark Licence Agreement remain unchanged.

LISTING RULES IMPLICATIONS

In the event that the Existing Annual Caps in respect of the Relevant Agreements are not revised, such caps will be exceeded according to the updated procurement plans of the Group. Pursuant to Rule 14A.54(1) of the Listing Rules, the Company must re-comply with the announcement and shareholders' approval requirements before the cap is exceeded.

As all the applicable percentage ratios in respect of the Foci Annual Caps, on a standalone basis, under the Foci Distribution Agreement are less than 5%, the transactions thereunder are exempt from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. However, given the Relevant Agreements and the Foci Distribution Agreement were entered into between the Group and the JBM Group and were of similar nature, the transactions contemplated under these agreements would have to be aggregated for the purpose of considering the Company's compliance obligations pursuant to Rules 14A.81 to 14A.83 of the Listing Rules. Accordingly, the aggregate proposed annual caps for the transactions contemplated under the Distribution Agreements (taking into account the Revised Annual Caps in respect of the Relevant Agreements) and the Foci Distribution Agreement for FY2026, FY2027 and 3M2028 are approximately HK$380.8 million, HK$438.9 million and HK$124.0 million respectively. As the duration of the Foci Distribution Agreement will run beyond 3M2028, the expected caps for the periods beyond 3M2028 are those set out in the section headed "B. Continuing Connected Transactions – The Foci Distribution Agreement".

As the highest applicable percentage ratio in respect of the aggregate proposed annual caps exceeds 5%, the Distribution Agreements, the Foci Distribution Agreement and the transactions contemplated thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratio in respect of the revised annual caps under the Trademark Licence Agreement (as supplemented and varied by the Trademark Supplemental Agreement) are more than 0.1% but less than 5%, the Trademark Licence Agreement and the transactions contemplated thereunder are subject to the annual reporting, annual review and announcement requirements, but are exempt from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

Mr. Ng Kwan Ho, a non-executive Director, is considered to have material interests in the transactions contemplated under the Distribution Agreements, the Foci Distribution Agreement and the Trademark Licence Agreement by virtue of being the vice president – brand management and sales excellence of JBM. Accordingly, Mr. Ng Kwan Ho had abstained from voting on the resolutions of the Board to approve the transactions contemplated under the Distribution Agreements, the Foci Distribution Agreement and the Trademark Licence Agreement. Save as disclosed above, no other Director has any material interests in the transactions contemplated under the Distribution Agreements, the Foci Distribution Agreement and the Trademark Licence Agreement.

The Company will convene the EGM for the purpose of seeking approval from the Independent Shareholders on the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps. The Independent Board Committee, comprising all the independent non-executive Directors, has been established to consider the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps, and to advise the Independent Shareholders as to whether the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps are in the interests of the Company and the Shareholders as a whole. The Company has appointed the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. As Mr. Sum, his associates and the JBM Group are regarded as connected persons of the Company, they will abstain from voting on the resolutions to approve the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps at the EGM.

A circular containing, among other things, further details relating to (i) the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) the notice of the EGM is expected to be published on or before 10 July 2026 as more time is required to compile the information in the circular.

A. PROPOSED REVISION OF ANNUAL CAPS FOR CONTINUING CONNECTED TRANSACTIONS WITH JBM GROUP

The Group, together with the JBM Group, have reviewed and evaluated the continuing connected transactions under the Distribution Agreements and anticipates that the actual transaction amounts under certain Distribution Agreements, namely the Relevant Agreements, will exceed their respective previous projections to the effect that the Existing Annual Caps for such transactions under the Relevant Agreements will not be sufficient to meet the business requirements of the Group. Accordingly, the Company proposes to revise the Existing Annual Caps for such transactions.

A summary of the terms and conditions of each of the Relevant Agreements is set out in the announcement of the Company dated 22 May 2025.

Details of the corresponding revision of the Existing Annual Caps of each of the Relevant Agreements are set out below:

(1) Ho Chai Kung Distribution Agreement

Set out below is a summary of the historical purchases made by the Group from Ho Chai Kung and the Revised Annual Caps under Ho Chai Kung Distribution Agreement:

	FY2024 *HK$'000*	**FY2025** *HK$'000*	**3M2026** *HK$'000*
Historical purchase amount	115,703	144,003	79,609
	FY2026 *HK$'000*	**FY2027** *HK$'000*	**3M2028** *HK$'000*
Existing Annual Cap	174,000	208,800	62,600
Revised Annual Cap	200,000	230,000	66,000

(2) Li Chung Shing Tong (HK) Distribution Agreement

Set out below is a summary of the historical purchases made by the Group from Li Chung Shing Tong (HK) and the Revised Annual Caps under Li Chung Shing Tong (HK) Distribution Agreement:

	FY2024	**FY2025**	**3M2026**
	HK$'000	*HK$'000*	*HK$'000*
Historical purchase amount	56,303	70,160	27,138
	FY2026	**FY2027**	**3M2028**
	HK$'000	*HK$'000*	*HK$'000*
Existing Annual Cap	87,700	105,200	31,600
Revised Annual Cap	121,000	139,000	40,000

(3) Li Chung Shing Tong (Singapore) Distribution Agreement

Set out below is a summary of the historical purchases made by the Group from Li Chung Shing Tong (Singapore) and the Revised Annual Caps under Li Chung Shing Tong (Singapore) Distribution Agreement:

	FY2025	**3M2026**
	HK$'000	*HK$'000*
Historical purchase amount	7,159	4,630
	FY2026	**FY2027**	**3M2028**
	HK$'000	*HK$'000*	*HK$'000*
Existing Annual Cap	8,800	10,600	3,200
Revised Annual Cap	21,000	22,000	6,000

Basis for the determination of the Revised Annual Caps

The Revised Annual Caps have been determined with reference to (i) the historical transaction amounts, in particular, the amount of purchases made by the Group during the three months ended 31 March 2026 pursuant to the Relevant Agreements already accounted for approximately 30% to 72% of the Existing Annual Cap of the Relevant Agreements; and (ii) the expected sales and purchase volumes for the remaining term. In light of this, the Directors consider that the Revised Annual Caps are appropriate and sufficient to cover the anticipated transactions under the Relevant Agreements.

The proposed revision of the Existing Annual Caps has not amended and will not amend the terms and conditions of the Relevant Agreements. In addition, all terms and the relevant existing annual caps in respect of the other Distribution Agreements remain unchanged. In other words, no changes were made to the terms and conditions of Europharm Singapore Distribution Agreement, Tin Hee Tong Distribution Agreement, Europharm Hong Kong Distribution Agreement and Jacobson Medical Distribution Agreement and each of its existing annual caps for FY2026, FY2027 and 3M2028. The principal terms of the Distribution Agreements and other relevant information such as product details, pricing policies and internal control policies are set out in the announcements of the Company dated 22 May 2025 and 29 May 2025.

B. CONTINUING CONNECTED TRANSACTIONS – THE FOCI DISTRIBUTION AGREEMENT

On 12 June 2026, HKPCCH, an indirect subsidiary of the JBM Group and Fu Qing, an indirect wholly-owned subsidiary of the Company entered into the Foci Distribution Agreement, whereby HKPCCH agreed to appoint Fu Qing as a distributor for exclusive distribution of the Foci Products in Singapore.

Principal terms of the Foci Distribution Agreement

The principal terms of the Foci Distribution Agreement are set out below:

Date	:	12 June 2026
Parties	:	1. HKPCCH; and 2. Fu Qing
Term	:	commencing on 12 June 2026 and ending on 11 June 2029
Nature of the transactions	:	HKPCCH agreed to appoint Fu Qing as a distributor for exclusive distribution of the Foci Products in Singapore, subject to Fu Qing obtaining all relevant licence and/or approval of the relevant regulatory authorities.

Fu Qing may, at its discretion, appoint any other member(s) of the Group or such other independent entity or entities where it deems fit to be an agent or a sub-distributor for the purpose of distribution of the Foci Products in Singapore.

Fu Qing shall commit to an annual purchase target in each corresponding period, or alternatively pay the shortfall amount in cash within 2 months after the end of the relevant period. Failure to meet this minimum purchase obligation shall entitle HKPCCH to unilaterally terminate the Foci Distribution Agreement immediately by written notice.

Historical transaction amounts and annual caps

The Group had not made any purchase from HKPCCH prior to the date of this announcement. Set out below is a summary of the Foci Annual Caps:

6M2026	**FY2027**	**FY2028**	**6M2029**
HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
1,000	2,500	3,000	1,500

The Foci Annual Caps is estimated with reference to the amount of historical sales of HKPCCH to the former distributors of such products, the expected sales of the Foci Products and the expected demand for such Foci Products from the market.

Products details, payment terms and pricing policies

The Board wishes to emphasise that the procurement process as contemplated under the Foci Distribution Agreement is the same with those processes which the Group has adopted for dealing with independent third parties. In connection with the purchase of the relevant products, the Group shall send a written request for quotation ("**Quotation Request**") to the JBM Group, which shall contain relevant details of the products. Within five days after the receipt of the Quotation Request, the JBM Group shall, in response to such Quotation Request send a written quotation ("**Written Quotation**") to the Group to list out (i) the ability to supply products in accordance with the product description stated in the Quotation Request; and (ii) the overall terms and conditions including but not limited to price, payment terms and credit terms offered by the JBM Group.

The details of the Foci Products, payment terms and pricing policy under the Foci Distribution Agreement are as follows:

Product details Foci Products are certain products manufactured by Foci, which are mainly traditional PCM.

Payment terms A credit period of 90 days (from the invoice date) would be given.

Pricing policy

Pursuant to Foci Distribution Agreement, the prices, quantities and detailed terms with respect to Foci 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. Prices and terms (including the payment terms) of the Foci Products shall be no less favourable to the Group than prices and terms (including the payment terms) of sale of such products by HKPCCH to its other independent customers (to the extent comparable is available for comparison purpose).

As the exclusive distribution rights of such Foci Products in Singapore have been granted to the Group, no third party sales from HKPCCH will be available to the Group for comparison purpose.

As such, to ensure that each purchase transaction of the Foci Products under the Foci Distribution Agreement will be conducted under normal commercial terms or better and fairly and reasonably, by following the usual procedures adopted by the Group in dealing with independent third party suppliers, in assessing the fairness and reasonableness of the purchase price, apart from ensuring the Group can enjoy a gross profit margin of not less than 20%, the Head of the Procurement Team of the Group will also consider other commercial terms in the procurement. The pricing of the Foci Products will principally be on a cost-plus basis.

Internal control policies

To determine whether to proceed with the transactions under the Foci Distribution Agreement, the Group's internal control policies and flow are as follows:

(i) the Procurement Team of the Group will first review the qualification of relevant suppliers, including but not limited to the particulars of the brands supplied;

(ii) the Sales Department of the Group will then prepare monthly sales forecast, estimated gross profit and costs and expenses in relation to the products;

(iii) the Head of the Procurement Team of the Group will review the purchase price and payment terms of each relevant purchase order; and

(iv) the Finance Department of the Group will review the six-month sales forecast and profit forecast of the products to ensure the transactions under the Agreements will be conducted under normal commercial terms or better and fairly and reasonably and in the interests of the Company as a whole.

Each of the departments above will make assessment, review various aspects of the transactions and determine if the transactions will be conducted under normal commercial terms or better and fairly and reasonably and in the interests of the Company as a whole and the terms and pricing policies will be strictly followed.

The relevant personnel of the Group will keep track of the transaction record on the sale of the relevant products. The Group will have designated personnel from the relevant departments to monitor the actual transaction amounts and report to the management team on a monthly basis in relation to the transactions to ensure that the relevant annual cap is not exceeded. The Finance Department of the Group will revisit the underlying transactions on a monthly basis (including timely monitoring the utilisation of the relevant annual cap) and will timely comply with the requirements of Chapter 14A of the Listing Rules (if applicable).

In respect of the relevant workflow in IT system, an automatic notice will be sent to the designated personnel of the Finance Department of the Group alerting whenever the accumulated amounts of the completed transaction of the continuing connected transactions reach 75% of the relevant annual caps ("**75% Cap IT Alert**"). The Financial Reporting Team will then hold meetings with the Procurement Team with a view to revising and updating the procurement/sales forecast (as appropriate) for the remaining months of the relevant financial year so as to contain the purchases/ sales within the annual cap for the relevant year.

In case where the revised projected procurement amount will exceed the relevant annual cap, the Finance Department of the Group will, on the one hand, monitor the relevant transaction closely as elaborated below and on the other hand, assess the need to revise the relevant annual caps and where appropriate, to take the appropriate measures, including complying with the announcement and/or independent shareholders' approval requirements in accordance with the Listing Rules.

Once the 75% Cap IT Alert is sent to the Financial Reporting Team, in addition to the usual procurement/sales procedures, any further relevant continuing connected transactions to be entered into by any of the Group companies have to be approved by the Finance Department of the Group before their execution.

Whenever the accumulated amounts of the completed transaction of the continuing connected transactions reach 90% of the relevant annual caps, (i) any further continuing connected transactions to be entered into by any of the Group companies have to be additionally approved by the Finance Department of the Group before execution of such transactions; and (ii) the relevant sales department will report to the Finance Department of the Group to assess the need to revise the relevant annual caps and to take the appropriate measures, including complying with the announcement and/or independent shareholders' approval requirements in accordance with the Listing Rules.

Listing Rules Implications

As Mr. Sum, one of the substantial shareholders of the Company, is also one of the controlling shareholders of JBM, the JBM Group is thus an associate of Mr. Sum and a connected person of the Company. Accordingly, pursuant to Chapter 14A of the Listing Rules, Mr. Sum, his associates and the JBM Group are regarded as connected persons of the Company and the Foci Distribution Agreement and the transactions contemplated thereunder constituted continuing connected transactions of the Company. For a detailed discussion on the implications of the Listing Rules in respect of the Foci Distribution Agreement and the Distribution Agreements as a whole, please refer to the section headed "F. Listing Rules Implications" below.

For the reasons for and benefits of entering into of the Foci Distribution Agreement and the information of the parties, please refer to the sections headed "D. Reasons for and benefits of entering into of the Distribution Agreements and Foci Distribution Agreement and the proposed revision of the Existing Annual Caps" and "E. Information about the parties" respectively.

C. PARTIALLY EXEMPT CONTINUING CONNECTED TRANSACTIONS – THE TRADEMARK LICENCE AGREEMENT

Reference is made to the announcement of the Company dated 22 May 2025 regarding the continuing connected transactions in relation to the Trademark Licence Agreement entered into between the Group and the JBM Group, pursuant to which JMM agreed to grant Tycoon Global an exclusive licence to use and to sublicense the right to use the Licensed Marks solely in Hong Kong and Macau in connection with the distribution and other business activities specified in the Trademark Licence Agreement.

On 12 June 2026, Tycoon Global, an indirect wholly-owned subsidiary of the Company, and JMM entered into the Trademark Supplemental Agreement.

Principal terms of the Trademark Supplemental Agreement

The principal terms of the Trademark Supplemental Agreement are set out below:

Date: 12 June 2026

Parties: 1. Tycoon Global; and

2. JMM

Royalty fee adjustment: The royalty fee payable by Tycoon Global to JMM in consideration for the licence granted will be increased from 20% to 30% of the Net Selling Price, with effect from 12 June 2026.

The Group, together with the JBM Group, have reviewed and evaluated the continuing connected transactions under the Trademark Licence Agreement (including the fee as proposed by the trademark holder) and anticipates that the actual transaction amounts of the products affixed with or otherwise under the Licensed Marks under the Trademark Licence Agreement will exceed their previous projections to the effect that the existing annual caps for such transactions under the Trademark Licence Agreement will not be sufficient to meet the business requirements of the Group. Accordingly, the Company proposes to revise the existing annual caps for such transactions under the Trademark Licence Agreement.

Historical transaction amounts and revision of annual caps

Set out below is a summary of the historical amount of royalty fee under the Trademark Licence Agreement and the revised annual caps for the royalty fee contemplated thereunder:

	6M2024	**FY2025**	**3M2026**
	HK$'000	*HK$'000*	*HK$'000*
Historical amount of royalty fee	507	1,885	530
	FY2026	**FY2027**	**3M2028**
	HK$'000	*HK$'000*	*HK$'000*
Existing annual cap	2,000	2,400	700
Revised annual cap	9,500	9,700	3,000

The revised annual cap for the royalty fee for each of FY2026, FY2027 and 3M2028 is estimated with reference to the historical amount of royalty fee, the fee as proposed by the trademark holder, the expected sales of the products affixed with or otherwise under the Licensed Marks and the expected demand for such products from the market. In light of this, the Directors consider that the revised annual caps are appropriate and sufficient to cover the anticipated transactions under the Trademark Licence Agreement.

Save for the amendments to the royalty fee and the proposed revision of the existing annual caps for the royalty fee, all other terms of the Trademark Licence Agreement remain unchanged. The principal terms of the Trademark Licence Agreement and other relevant information such as pricing policies and internal control policies are set out in the announcement of the Company dated 22 May 2025.

D. REASONS FOR AND BENEFITS OF ENTERING INTO THE DISTRIBUTION AGREEMENTS, THE FOCI DISTRIBUTION AGREEMENT AND THE TRADEMARK LICENCE AGREEMENT AND THE PROPOSED REVISION OF THE EXISTING ANNUAL CAPS

Foci Distribution Agreement and the Distribution Agreements

The entering into of the Foci Distribution Agreement will further expand the Group's portfolio of PCM products. The Directors consider that a long term and steady relationship with the Group's suppliers is of significant importance to the Group as it enables stability in the supply to the Group which in turn avoids any unnecessary disruption to the Group's business and guarantees a smooth operation of the Group. The entering into of the Distribution Agreements and the Foci Distribution Agreement promotes the stable business relationship between the JBM Group and the Group and secures the exclusive distribution of certain major products in century-old brands such as Ho Chai Kung and Po Chai Pills, which have demonstrated strong historical sales performance.

The Group, together with the JBM Group, have reviewed and evaluated the continuing connected transactions under the Distribution Agreements and anticipates that the actual transaction amounts under certain Distribution Agreements, namely the Relevant Agreements, will exceed their respective previous projections to the effect that the Existing Annual Caps for such transactions under the Relevant Agreements will not be sufficient to meet the business requirements of the Group. Accordingly, the Company proposes to revise the Existing Annual Caps for such transactions. The proposed revision of the Existing Annual Caps will facilitate the Group to maintain stable sale of the relevant Products, thereby allowing the Group to continue to grow its business operation.

The proposed revision of the Existing Annual Caps has not amended and will not amend the terms and conditions of the Relevant Agreements. In addition, all terms and the relevant existing annual caps in respect of the other Distribution Agreements remain unchanged. In other words, no changes were made to the terms and conditions of Europharm Singapore Distribution Agreement, Tin Hee Tong Distribution Agreement, Europharm Hong Kong Distribution Agreement and Jacobson Medical Distribution Agreement and each of its existing annual caps for FY2026, FY2027 and 3M2028.

The Directors (excluding the independent non-executive Directors whose views will be given after taking into account the advice from the Independent Financial Adviser, and Mr. Ng Kwan Ho who had abstained from voting on the relevant Board resolutions) consider that the terms of each of the Foci Distribution Agreement (including the Foci Annual Caps) and the Distribution Agreements (including the Revised Annual Caps) arriving after arm's length negotiations between the parties, are fair and reasonable and the relevant transactions will be conducted in the ordinary and usual course of business of the Company on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole.

Trademark Licence Agreement

By virtue of the Trademark Licence Agreement (as supplemented and varied by the Trademark Supplemental Agreement), the Group will be able to continue to use the Licensed Marks for sale of the relevant products in Hong Kong and Macau which is conducive to the continued operations of the Company under its established brand and image.

In light of the continued strategic value of the JMM trademark to the Group's business and to ensure the ongoing availability of the licence, the Group has, following arm's-length commercial negotiations with JMM, agreed to amend the royalty rate from 20% to 30% of the Net Selling Price under the Trademark Supplemental Agreement. The increment was proposed by JMM and the Group, having considered that the sales attributable to the relevant licensed products are strong and can generate a stable income for the Group, has agreed to the amendment. The proposed adjustment is necessary to secure the continued licence and relevant distributorship rights, thereby safeguarding the Group's market position, protecting existing revenue streams, and avoiding the risk of disruption to the operations of the Group. The revised royalty rate and updated annual caps have been reached through mutually agreed commercial discussions in line with the commercial realities of the arrangement and are not more stringent than those required under the original licence terms. Thus, the proposed adjustments are considered fair and reasonable and in the interests of the shareholders of the Group as a whole.

The Directors (including the independent non-executive Directors and excluding Mr. Ng Kwan Ho who had abstained from voting on the relevant Board resolutions) consider that the terms of the Trademark Licence Agreement (as supplemented and varied by the Trademark Supplemental Agreement and including the revised annual caps) arriving after arm's length negotiations between the parties, are fair and reasonable and the relevant transactions will be conducted in the ordinary and usual course of business of the Company on normal commercial terms or better and in the interests of the Company and the Shareholders as a whole.

E. INFORMATION ABOUT THE PARTIES

The Group

The Group is a reputable omnichannel brand marketing and management service integrator of health and well-being related products, specializes in providing one-stop services for brand of PCM, health supplement, skin care, personal care and other healthcare products, including brand agent, marketing, management, distribution, and sales through its diversified online and offline sales channels, through the operation of distributing products to chain retailers, non-chain retailers and traders, and operation of offline stores, online stores and e-commerce portals to consumers.

Dynasty Garden is an investment holding company which is an indirect wholly-owned subsidiary of the Company.

Tycoon Singapore is principally engaged in the distribution business of healthcare and wellbeing related products in Singapore which is an indirect wholly-owned subsidiary of the Company.

Million Effort is an investment holding company incorporated in the British Virgin Islands with limited liability and an indirect wholly-owned subsidiary of the Group.

Tycoon Global is a major operating company principally engaged in the distribution business of healthcare and wellbeing related products in Hong Kong which is an indirect wholly-owned subsidiary of the Company.

The JBM Group

JBM is an exempted company with limited liability incorporated in the Cayman Islands and an investment holding company, the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2161). The JBM Group is principally engaged in the manufacturing, sale and distribution of proprietary Chinese medicines, branded medicines, and health and wellness products.

Ho Chai Kung is a company incorporated in Hong Kong with limited liability and is principally engaged in the marketing and sales of proprietary medicines.

JMM is a company incorporated in Hong Kong with limited liability and is principally engaged in the provision of marketing and promotion services in respect of the own-brand products and other products.

Europharm is a company incorporated in Hong Kong with limited liability and is principally engaged in the manufacturing and sale of PCM.

Li Chung Shing Tong (HK) is a company incorporated in Hong Kong with limited liability and is principally engaged in the manufacturing and sale of PCM.

Li Chung Shing Tong (Singapore) is a company incorporated in Singapore with limited liability and is principally engaged in the trading of PCM.

Tin Hee Tong is a company incorporated in Hong Kong with limited liability and is principally engaged in the manufacturing, marketing and sales of PCM.

Jacobson Medical is a company incorporated in Hong Kong with limited liability and is principally engaged in trading of medical supplies and pharmaceutical products.

HKPCCH is a company incorporated in Hong Kong with limited liability and is principally engaged in trading, wholesaling and retailing of Chinese medicines.

F. LISTING RULES IMPLICATIONS

In the event that the Existing Annual Caps in respect of the Relevant Agreements are not revised, such caps will be exceeded according to the updated procurement plans of the Group. Pursuant to Rule 14A.54(1) of the Listing Rules, the Company must re-comply with the announcement and shareholders' approval requirements before the cap is exceeded.

As all the applicable percentage ratios in respect of the Foci Annual Caps, on a standalone basis, under the Foci Distribution Agreement are less than 5%, the transactions thereunder are exempt from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. However, given the Relevant Agreements and the Foci Distribution Agreement were entered into between the Group and the JBM Group and were of similar nature, the transactions contemplated under these agreements would have to be aggregated for the purpose of considering the Company's compliance obligations pursuant to Rules 14A.81 to 14A.83 of the Listing Rules. Accordingly, the aggregate proposed annual caps for the transactions contemplated under the Distribution Agreements (taking into account the Revised Annual Caps in respect of the Relevant Agreements) and the Foci Distribution Agreement for FY2026, FY2027 and 3M2028 are approximately HK$380.8 million, HK$438.9 million and HK$124.0 million respectively. As the duration of the Foci Distribution Agreement will run beyond 3M2028, the expected caps for the periods beyond 3M2028 are those set out in the section headed "B. Continuing Connected Transactions – The Foci Distribution Agreement".

As the highest applicable percentage ratio in respect of the aggregate proposed annual caps exceeds 5%, the Distribution Agreements, the Foci Distribution Agreement and the transactions contemplated thereunder are subject to the reporting, announcement, annual review and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the applicable percentage ratios in respect of the revised annual caps under the Trademark Licence Agreement (as supplemented and varied by the Trademark Supplemental Agreement) are more than 0.1% but less than 5%, the Trademark Licence Agreement and the transactions contemplated thereunder are subject to the annual reporting, annual review and announcement requirements, but are exempt from the circular and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

GENERAL

Mr. Ng Kwan Ho, a non-executive Director, is considered to have material interests in the transactions contemplated under the Distribution Agreements, the Foci Distribution Agreement and the Trademark Licence Agreement by virtue of being the vice president – brand management and sales excellence of JBM. Accordingly, Mr. Ng Kwan Ho had abstained from voting on the resolutions of the Board to approve the transactions contemplated under the Distribution Agreements, the Foci Distribution Agreement and the Trademark Licence Agreement. Save as disclosed above, no other Director has any material interests in the transactions contemplated under the Distribution Agreements, the Foci Distribution Agreement and the Trademark Licence Agreement.

The Company will convene the EGM for the purpose of seeking approval from the Independent Shareholders on the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps. The Independent Board Committee, comprising all the independent non-executive Directors, has been established to consider the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps, and to advise the Independent Shareholders as to whether the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps are in the interests of the Company and the Shareholders as a whole. The Company has appointed the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee. As Mr. Sum, his associates and the JBM Group are regarded as connected persons of the Company, they will abstain from voting on the resolutions to approve the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps at the EGM.

A circular containing, among other things, further details relating to (i) the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps; (ii) a letter of recommendation from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; and (iv) the notice of the EGM is expected to be published on or before 10 July 2026 as more time is required to compile the information in the circular.

DEFINITIONS

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

"3M2028"	the three months ending 31 March 2028
"6M2024"	the six months ended 30 June 2024
"6M2026"	the six months ending 31 December 2026
"6M2029"	the six months ending 30 June 2029
"associate"	has the meaning ascribed to it in the Listing Rules
"Board"	the board of Directors
"connected person"	has the meaning ascribed to it in the Listing Rules

"Company"	Tycoon Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange
"Director(s)"	the director(s) of the Company
"Distribution Agreements"	collectively, Ho Chai Kung Distribution Agreement, Li Chung Shing Tong (HK) Distribution Agreement, Li Chung Shing Tong (Singapore) Distribution Agreement, Europharm Singapore Distribution Agreement, Tin Hee Tong Distribution Agreement, Europharm Hong Kong Distribution Agreement, Jacobson Medical Distribution Agreement as referred to in the announcement of the Company dated 22 May 2025 (as, where appropriate, supplemented and varied by the Supplemental Agreements)
"Dynasty Garden"	DYNASTY GARDEN LIMITED, a company incorporated in the BVI with limited liability and an indirect wholly-owned subsidiary of the Company
"EGM"	an extraordinary general meeting of the Company to be held to, among other things, consider and, if thought fit, approve the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps
"Europharm"	Europharm Laboratoires (Hong Kong) Company Limited (歐化藥業(香港)有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the JBM Group
"Europharm Hong Kong Distribution Agreement"	the distribution agreement dated 1 April 2025 and entered between Europharm and Dynasty Garden
"Europharm Products"	certain PCM manufactured and sold by Europharm
"Europharm SG Products"	Certain PCM sold by Europharm in Singapore
"Europharm Singapore Distribution Agreement"	the distribution agreement dated 1 April 2025 and entered between Europharm and Tycoon Singapore
"Existing Annual Cap(s)"	the existing annual caps for each of FY2026, FY2027 and 3M2028 for the transactions contemplated under the Relevant Agreements

"Foci"	LanZhou Foci Pharmaceutical Co., Ltd. (蘭州佛慈製藥股份有限公司), a company with limited liability incorporated in the PRC and the issued shares of which are listed on the Shenzhen Stock Exchange (stock code: 2644.SZ)
"Foci Annual Caps"	the proposed annual caps for the purchase of the Foci Products for 6M2026, FY2027, FY2028 and 6M2029 contemplated under the Foci Distribution Agreement
"Foci Distribution Agreement"	the distribution agreement dated 12 June 2026 and entered between HKPCCH and Fu Qing
"Foci Products"	certain PCM manufactured by Foci which has authorised HKPCCH to distribute in Singapore
"Fu Qing"	Fu Qing Chinese Medical Trading Pte. Limited, a company incorporated in Singapore with limited liability and an indirect wholly-owned subsidiary of the Company
"FY"	financial year ending or ended 31 December
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"Ho Chai Kung"	Ho Chai Kung Medicine Manufactory Limited (香港何濟公藥廠有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the JBM Group
"Ho Chai Kung Distribution Agreement"	the distribution agreement dated 1 April 2025 and entered between Ho Chai Kung and Dynasty Garden
"Ho Chai Kung Products"	certain PCM manufactured and sold by Ho Chai Kung's affiliates
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"HKPCCH"	Hong Kong Premier Concentrated Chinese Herbs Ltd. (香港海天濃縮中藥有限公司), a company incorporated in Hong Kong with limited liability and an indirect non-wholly-owned subsidiary of the JBM Group

"Independent Board Committee"	the independent board committee established by the Board comprising all the independent non-executive Directors, namely Mr. Chung Siu Wah, Ms. Chan Ka Lai Vanessa and Mr. Mak Chung Hong (also known as Mak Tommy Chung Hong), to consider the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps
"Independent Financial Adviser"	Halcyon Capital Limited, a licensed corporation to carry out Type 6 (advising on corporate finance) regulated activities under the SFO
"Independent Shareholders"	the Shareholders other than persons (if any) who are involved or interested in the Distribution Agreements and the Foci Distribution Agreement, and who do not have any material interest in the transactions contemplated under the Distribution Agreements and the Foci Distribution Agreement and the revised aggregate proposed annual caps to be considered at the EGM
"independent third party"	third party independent of the Company and the connected persons of the Company
"Jacobson Medical"	Jacobson Medical (Hong Kong) Limited (雅各臣藥業(香港)有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the JBM Group
"Jacobson Medical Distribution Agreement"	the distribution agreement dated 1 April 2025 and entered between Jacobson Medical and Dynasty Garden
"Jacobson Medical Products"	Certain PCM, pharmaceutical and healthcare products sold by Jacobson Medical
"JBM"	JBM (Healthcare) Limited (健倍苗苗保健有限公司), an exempted company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 2161)
"JBM Group"	JBM and its subsidiaries
"JMM"	JMM Healthcare Limited (健滿滿保健有限公司), a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the JBM Group

"Licensed Marks"	the trademarks, service marks, domain names and trade names owned by, licensed to or controlled by JMM, including, without limitation, those covered by the registrations in Hong Kong set forth in the Trademark Licence Agreement, together with (a) all adaptations, derivations and combinations thereof, and (b) all good will connected with the use thereof or symbolized thereby in Hong Kong and Macau in connection with the distribution and other business activities specified in the Trademark Licence Agreement
"Li Chung Shing Tong (HK)"	Li Chung Shing Tong (Holdings) Limited (李眾勝堂(集團)有限公司), a company incorporated in Hong Kong with limited liability and an indirect non-wholly-owned subsidiary of the JBM Group
"Li Chung Shing Tong (HK) Distribution Agreement"	the distribution agreement dated 1 April 2025 and entered between Li Chung Shing Tong (HK) and Dynasty Garden
"Li Chung Shing Tong (Singapore)"	Li Chung Shing Tong (S) Pte Ltd, a company incorporated in Singapore with limited liability and an indirect wholly-owned subsidiary of the JBM Group
"Li Chung Shing Tong (Singapore) Distribution Agreement"	the distribution agreement dated 1 April 2025 and entered between Li Chung Shing Tong (Singapore) and Tycoon Singapore
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Macau"	the Macao Special Administrative Region of the PRC
"Net Selling Price"	the gross amount actually invoiced, charged or billed by Licensee for the sale of the product affixed with or otherwise under the Licensed Marks ("**Product(s)**") less each and all of the following (collectively "**Deductions**") to the extent actually paid, deducted or accrued: (i) documented adjustments, including those granted in consideration of price adjustments, billing errors, rejected goods, damaged goods, recalled units, returns, rebates, chargebacks reimbursements or similar payments and (ii) normal and customary documented discounts, offinvoice or buying allowances including volume (quantity) discounts and other advertising and promotion allowances related to the sale of the Product, provided that they are consistent with normal and customary commercial practices in Hong Kong and Macau and related directly to the sales of the Product. The total amount of Deductions may not exceed 20% of the gross amount actually invoiced, charged or billed by Licensee for the sale of the Product. For the purpose of calculating any Royalty due, "Net Selling Price" shall be determined from Licensee's books and records

"PCM"	"proprietary Chinese medicines" as defined in the Chinese Medicine Ordinance (Cap. 549 of the Laws of Hong Kong)
"Po Chai Pills (HK)"	PCM manufactured by Li Chung Shing Tong (HK)
"Po Chai Pills (SG)"	PCM sold by Li Chung Shing Tong (Singapore)
"PRC"	the People's Republic of China, for the purpose of this announcement, excluding Hong Kong and Macau
"Relevant Agreements"	collectively, Ho Chai Kung Distribution Agreement, Li Chung Shing Tong (HK) Distribution Agreement and Li Chung Shing Tong (Singapore) Distribution Agreement
"Revised Annual Cap(s)"	the revised annual cap(s) for each of FY2026, FY2027 and 3M2028 for the transactions contemplated under the Relevant Agreements
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended from time to time
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	shareholder(s) of the Company
"Singapore"	the Republic of Singapore
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Supplemental Agreements"	the supplemental agreements dated 29 May 2025 between the Group and each of Europharm and Jacobson Medical (as referred to in the announcement of the Company dated 29 May 2025)
"Tin Hee Tong"	Tin Hee Tong Medicine Factory Limited (天喜堂藥廠有限公司), a company incorporated in Hong Kong with limited liability and an indirect non-wholly-owned subsidiary of the JBM Group
"Tin Hee Tong Distribution Agreement"	the exclusive distribution agreement dated 1 April 2025 and entered between Tin Hee Tong and Tycoon Global
"Tin Hee Tong Products"	PCM manufactured by Tin Hee Tong

"Trademark Licence Agreement"	collectively, the trademark licence agreement dated 19 June 2024 and the supplementary agreement dated 1 April 2025 and entered between JMM and Tycoon Global
"Trademark Supplemental Agreement"	a supplemental agreement dated 12 June 2026 to the Trademark Licence Agreement
"Tycoon Global" or "Licensee"	Tycoon Global Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
"Tycoon Singapore"	Tycoon Asia Pacific (Singapore) Pte. Limited, a company incorporated in Singapore with limited liability and an indirect wholly-owned subsidiary of the Company
"%"	per cent.

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

Hong Kong, 12 June 2026

As at the date of this announcement, the executive Director is Mr. Wong Ka Chun Michael; the non-executive Directors are Mr. Cao Ran, Ms. Liang Yan, Ms. Li Ka Wa Helen, Mr. Lau Ka On David 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).