



**Yoho Group Holdings Limited**  
友和集團控股有限公司

**Yoho Group Announces 2022/23 Interim Results**  
**Adjusted Net Profit Surges 131.6% to HK\$15.8 million**  
**Fully Leverages the Synergies of the OMO Model**  
**Online Marketplace Operations Becomes New Growth Engine**

(Hong Kong, 24 November 2022) – **Yoho Group Holdings Limited** (“Yoho Group” or the “Group”; Stock Code: 2347), a leading e-commerce platform in Hong Kong, is pleased to announce its interim results for the six months ended 30 September 2022 (the “Period”) today. During the Period, the sales performance of the Hong Kong retail market stayed weak given the volatile COVID-19 epidemic situation and the uncertainties in the global political and economic landscape. In view of the complex and turbulent macro environment, the Group flexibly adjusted its marketing strategy and demonstrated the strong resilience embodied in its online-merge-online (“OMO”) retail business in navigating the market challenges. Meanwhile, as a leading e-commerce platform in Hong Kong, Yoho Group fully benefited from the structural changes in consumer shopping behaviors amid the pandemic. The Group successfully seized the opportunities arising from the accelerated e-commerce penetration and achieved fruitful results for the Period.

**Overall Performance**

During the Period, the Group continued to outperform the overall Hong Kong retail market, with gross merchandise value<sup>1</sup> (“GMV”) and revenue reaching approximately HK\$482.9 million and HK\$448.2 million respectively, representing a period-on-period increase of approximately 27.2% and 30.0%. Benefiting from the healthy growth of its GMV and effective cost control, the Group’s adjusted net profit<sup>2</sup> surged 131.6% to approximately HK\$15.8 million for the Period. The Group’s overall gross profit margin reached approximately 15.1%, up by 0.6 percentage points over the same period last year. In terms of operational data, the number of registered members further increased to approximately 876,000 as of 30 September 2022. During the Period, the number of orders<sup>3</sup> intake increased to approximately 257,000 with basket value<sup>4</sup> per order increased to approximately HK\$1,880, representing a period-on-period increase of approximately 19.6% and 6.3% respectively, reflecting the expanding customer base and the stronger customer confidence of the Yoho e-commerce platform (“Platform”).

**Business Review**

In order to fully harness the synergies of the Group’s OMO model and further optimize its seamless retail network, Yoho Group has established its largest Yoho flagship store at Hang Lung Centre, Causeway Bay and celebrated the grand opening on 7 October 2022. The store spanning 12,000 square feet features a rich and diverse product portfolio with more than 24,000 active stock-keeping units (“SKUs”). The Group’s offline retail network currently covers Kowloon East, Kowloon West and Hong Kong Island, offering existing and potential customers in various districts better shopping experiences.

In addition, the Group has been proactively promoting the traffic growth of the Platform and strengthening its capability of monetizing the significant traffic. Capitalizing on its well-developed Platform and vast customer base, the Group plans to launch its online marketplace operations (“3P Model”) in the financial year for the year ended 31 March 2023, where quality third-party merchants (“Merchants”) may sell their products to customers through the Platform. The Group will charge Merchants a commission for every completed transaction. The Group soft launched its 3P Model on 21 November 2022. At present, Merchants on the Platform mainly supply products that are not currently offered by the Group under its direct-to-consumer model (“1P Model”) with higher purchase frequency and quality. With the introduction of the 3P Model, the product categories available on the Platform have been expanded from 5 to 12. New categories are makeup and skincare, health and wellness, household, mother and baby, pet supplies, wines and spirits as well as toys. As of 21 November 2022, the Platform attracted more than 130 quality Merchants to sell on the Platform, soft launching over 3,000 new SKUs which cover 1,500 brands. The Group also expects that the number of SKUs under the 3P Model will grow rapidly with 1,500 brands introduced.

**Development Strategy**

1. The “GMV” for a particular financial period is equivalent to the total gross sales dollar value of all relevant orders intake for products and services during that financial period, regardless of whether the products and services are delivered, returned or cancelled; before deductions for discounts offered by the Group and set-offs by virtue of conversion of membership points; and inclusive of shipping and handling charges, duty and taxes.
2. Adjusted net profit is defined as non-HKFRS measures as profit for the period adjusted by (i) fair value change in convertible redeemable preferred shares and (ii) expenses relating to the listing of the Group’s shares on The Stock Exchange of Hong Kong Limited in June 2022.
3. The “number of orders intake” for a particular financial period consists of orders placed with the Group, orders made by its customers at its retail stores, and orders from consumers received via online redemption platform(s) of third-party reward scheme(s) and third-party online marketplaces during that financial period.
4. The “basket value” for a particular financial period is calculated by dividing the Group’s GMV by the number of orders intake during that financial period.

Looking ahead, Yoho Group will continue to promote its overall development with three growth engines, namely its 1P Model, 3P Model and cross-border e-commerce business. On the 1P Model front, the Group will strive to capture a larger market share through organic growth by actively tapping into the vast potential customer base, driving repeated purchases of existing users, and strengthening the breadth and depth of its inventory level. The Group targets to introduce more popular brands in both local and overseas markets to maintain a more advantageous supply of products. Moreover, the Group plans to establish two large retail stores in New Territories East and New Territories West in 2023, improving its offline retail presence and strengthening its logistics deployment to enhance the efficiency for last-mile delivery, thus meeting the rapid growth in the demand for “Quick Commerce”.

On the 3P Model front, the Group will fully utilize its significant website traffic and large customer base to accelerate the development of its online marketplace operations. It is expected that the 1P Model and 3P Model will generate synergies and become a two-way traffic driver. The valuable operational resources under the 1P Model would attract more quality merchants to join the Platform. In that case, the product categories available on the Platform can be enriched and complemented in a swift and cost-efficient manner. The diversified and enhanced product portfolio would strengthen the Group's capabilities of acquiring new customers and engaging its existing users more frequently. In addition, the 3P Model will facilitate the Group to expand its source of income with an asset-light strategy. On top of charging commissions from Merchants, the Group also plans to provide Merchants with other value-added services, including digital advertising services, in the future, to establish a more diversified income structure and enhance efficiency as well as flexibility in its capital deployment.

In terms of the cross-border e-commerce business, the Group will continue to scale up the operations and carry out the business nationwide with the Greater Bay Area as a starting point. The Group expects that the cross-border e-commerce business will create a new source of traffic for the Platform and promote the organic growth of the Group. The Group will also set up a dedicated China business team and aim to complete the entire cross-border e-commerce transaction with its self-developed system to reduce dependency on third-party platforms. Moreover, the Group has been actively making preparations for collaboration with KOL with enormous influence among China consumers, development of official mini-application for the WeChat platform and establishment of flagship stores on the major e-commerce portals in the PRC, etc, thereby enhancing its brand reputation in China and attract consumers who are looking to purchase products of assured authenticity and quality from reputable retailers.

**Mr. Franz Wu, Chairman and Chief Executive Office of Yoho Group**, said, “The macroeconomic environment and Hong Kong retail market have faced complex changes and severe challenges over the past half year. In view of the volatile market environment, local consumer sentiment and purchasing power have inevitably weakened. However, leveraging our competitive edge and business flexibility, we have adjusted our strategy rapidly by focusing on products with stable demand and achieved sustainable growth in a challenging market. We remain optimistic towards the Group's development in the upcoming half year despite the uncertainties in the global and Hong Kong economies. Looking ahead, Yoho Group will capitalize on its stable and reliable edges, improving profitability, ample cash reserve and healthy debt ratio to implement the development plan made upon its listing. We will strive to seize every market opportunity to create greater returns for shareholders and provide best-in-class shopping experiences to consumers.”

Please click here to watch the 1-minute highlight video of Yoho Group 2022/23 Interim Results:  
<https://youtu.be/uxVxwsb2LA>

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**About Yoho Group Holdings Limited (Stock Code: 2347)**

Yoho Group Holdings Limited, Hong Kong's first B2C e-commerce company listed on the HKEX main board, operates on the online-merge-offline (OMO) business model. It has more than 900,000 registered members and more than 2,290,000 monthly active users and offers a diverse product portfolio covering approximately 24,000 SKUs (with a focus on consumer electronics and home appliances). According to Frost & Sullivan 2020/21 data, Yoho ranked first as an e-commerce platform with a primary focus on consumer electronics and home appliances in Hong Kong in terms of website traffic and recorded the highest online retail sales of consumer electronics and home appliances among all Hong Kong e-commerce platforms.

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