TA YANG GROUP HOLDINGS LIMITED
大洋集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1991)

PROFIT ALERT

This announcement is made by Ta Yang Group Holdings Limited (the "**Company**", together with its subsidiaries, the "**Group**") pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The board (the "**Board**") of directors (the "**Directors**") of the Company wishes to inform the shareholders of the Company (the "**Shareholders**") and potential investors that, based on preliminary review of the unaudited consolidated management accounts of the Group, the Group is expected to record:

(i) a decrease in revenue by approximately 36% to approximately HK$168.2 million for the six months ended 30 June 2021, as compared with approximately HK$261.5 million for the six months ended 30 June 2020, but maintained a relatively stable gross profit of approximately HK$45.0 million for the six months ended 30 June 2021, as compared with approximately HK$46.2 million for the six months ended 30 June 2020.

Such change in the revenue is caused by fluctuation in the sales volume of the silicone rubber and related products, including decrease in certain non-recurring orders placed during the six months ended 30 June 2020. On the other hand, most of the sales orders for the six months ended 30 June 2021 were of higher profit margin as compared with the six months ended 30 June 2020, and contributed to a relatively stable gross profit.

(ii) a decrease in loss before tax by approximately 32% to approximately HK$18.6 million for the six months ended 30 June 2021, as compared with approximately HK$27.5 million for the six months ended 30 June 2020

For the six months ended 30 June 2021, the Group has recorded a lower administrative expense, a higher other income and gain caused by disposal of property, plant and equipment, a lower finance cost, and a higher selling and distribution expense. Such movements as combination contributed to a decrease in loss before tax for the six months ended 30 June 2021.

The Company is in the process of finalising the results of the Group for the six months ended 30 June 2021. The information contained in this announcement is only based on a preliminary review of the unaudited consolidated management accounts of the Group and other information currently available to the Board, which is subject to possible adjustments arising from further review. The interim results of the Group for the six months ended 30 June 2021, which is expected to be published on 31 August 2021, may be different to the information referred in this announcement.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

On behalf of the Board
Ta Yang Group Holdings Limited
Shi Qi
Chairlady

Chengdu, 27 August 2021

As at the date this announcement, the Board comprises four executive Directors, namely Ms. Shi Qi, Mr. Liu Wengang, Mr. Cheng Hong and Mr. Gao Feng; two non-executive Directors, namely, Mr. Han Lei and Mr. Chan Tsun Hong Philip; and three independent non-executive Directors, namely Mr. Lin Bing, Mr. Hu Jiangbing and Ms. Wang Lina.