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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)

SUPPLEMENTAL ANNOUNCEMENT IN RELATION TO ISSUANCE OF SHARES UNDER GENERAL MANDATE

Reference is made to the announcement of the Company dated 3 July 2025, in relation to the issuance of the Subscription Shares under General Mandate (the "**Announcement**"). Unless otherwise defined, capitalized terms used in this supplemental announcement shall have the same meanings as those defined in the Announcement.

INTENDED USE OF PROCEEDS FROM THE SUBSCRIPTION

As disclosed in the Announcement, the Company intends to apply HK$8 million and HK$10 million from the net proceeds from the Subscriptions as operating reserve funds of the digital marketing business (the "**Operating Reserve Funds**") and payment for the Yalong Bay project (the "**Yalong Bay Project**") respectively.

The Operating Reserve Funds intends to support the long-term strategic development and daily operations of the digital marketing business. The Company would like to provide further information on the intended breakdown of the use of Operating Reserve Funds which may include but is not limited to:

(i) approximately HK$3.2 million is intended to be used for technology platform upgrades and procurement of digital tools, such as data acquisition/labeling and algorithm development/outsourcing (around 40% of the Operating Reserve Funds will be applied);

(ii) approximately HK$2.4 million is intended to be used for team development and talent recruitment, including products and operations team setup (around 30% of the Operating Reserve Funds will be applied);

(iii) approximately HK$1.2 million is intended to be used for market expansion and customer acquisition, including sales channel development and brand building (around 15% of the Operating Reserve Funds will be applied); and

(iv) approximately HK$1.2 million is intended to be used as working capital and liquidity needs (around 15% of the Operating Reserve Funds will be applied).

In 2016, the Group acquired properties with four hotel buildings in Yalong Bay, Hainan, China. The properties comprises 194 service apartments and a total gross floor area of approximately 16,627.23 square meters. Upon acquisition, the properties were designated for the development of the Group's healthcare and hotel business segment. Details of the Yalong Bay Project were set out in the announcement of the Company dated 21 June 2016 and the circular of the Company dated 12 August 2016.

In 2021, a subsidiary of the Group secured a loan of approximately RMB160 million from Chongqing Ji'ai No. 2 Enterprise Management Limited Partnership. The original loan agreement used the Yalong Bay property as collateral.

Due to persistent underperformance in the healthcare and hotel business in recent years, the segment has been identified by the Group as a business pending integration and disposal. Consequently, the Group has progressively divested properties within the segment. The proceeds from these property sales, after covering daily operational expenses, have been allocated towards repaying the loan principal and interest.

As of July 2025, the Group still has approximately RMB90 million in outstanding loans from the healthcare and hotel business segment requiring repayment. The Group proposes to make a one-time repayment of part of the principal and accrued interest, amounting to approximately HK$10 million.

SUBSCRIPTION PRICE

The Board would like to clarify that on page 3 of the Announcement, the average closing price per Share quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreements was approximately HK$0.674 per Share. Accordingly, the Subscription Price of HK$1.20 per Share represents a premium of approximately 78.04% to the average closing price of approximately HK$0.674 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreements.

Save as the clarification and supplemental information in this announcement, all other information contained in the Announcement remains unchanged.

Shareholders and potential investors of the Company should note that the Completion of the Subscriptions is subject to the fulfilment of the conditions set out in the Subscription Agreements. The Subscriptions may or may not proceed. Shareholders and potential investors of the Company are therefore urged to exercise caution when dealing in the Shares or other securities of the Company.

By order of the Board
Ta Yang Group Holdings Limited
Shi Qi
Chairlady

Hong Kong, 28 July 2025

As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Shi Qi, Mr. Li Jiuhua and Mr. Gao Feng; three non-executive Directors, namely, Mr. Chan Tsun Hong Philip, Mr. Gu Shixiang and Mr. Han Lei; and two independent non-executive Directors, namely Mr. Chan Siu Tat and Dr. Feng Xin.