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)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 JUNE 2026

The board (the "**Board**") of directors (the "**Directors**") of Ta Yang Group Holdings Limited (the "**Company**") announces the unaudited condensed consolidated interim results and financial position of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2026 with comparative figures for the corresponding period in the previous year as follows.

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Six months ended 30 June	
		2026	2025
	Notes	***HK$'000***	*HK$'000*
		(Unaudited)	(Unaudited)
Revenue	3	**376,912**	290,663
Cost of sales		**(350,566)**	(228,865)
Gross profit		**26,346**	61,798
Other income and net gain		**26,809**	9,257
Selling and distribution expenses		**(6,746)**	(11,417)
Administrative expenses		**(43,879)**	(44,765)
Finance costs		**(13,920)**	(12,439)
(Loss)/profit before tax		**(11,390)**	2,434
Income tax expense	5	**(25)**	(23)
(Loss)/profit for the period	6	**(11,415)**	2,411

	Notes	Six months ended 30 June **2026** ***HK$'000*** **(Unaudited)**	2025 *HK$'000* (Unaudited)
(Loss)/profit for the period attributable to:			
Owners of the Company		**(10,345)**	(12,116)
Non-controlling interests		**(1,070)**	14,527
		(11,415)	2,411

	Notes	Six months ended 30 June **2026** ***HK cents*** **(Unaudited)**	2025 *HK cents* (Unaudited)
Loss per share	7		
Basic and diluted		**(7.01)**	(8.45)

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
(Loss)/profit for the period	**(11,415)**	2,411
Other comprehensive income/(expenses)		
Item that will not be reclassified subsequently to profit or loss:		
Fair value gain/(loss) on financial assets at fair value through other comprehensive income	**492**	(302)
	492	(302)
Item that may be reclassified subsequently to profit or loss:		
Exchange differences arising on translating foreign operations	**16,025**	(9,907)
	16,025	(9,907)
Other comprehensive income/(expenses) for the period	**16,517**	(10,209)
Total comprehensive income/(expenses) for the period, net of income tax	**5,102**	(7,798)
Total comprehensive income/(expenses) for the period, net of income tax, attributable to:		
Owners of the Company	**4,451**	(22,325)
Non-controlling interests	**651**	14,527
	5,102	(7,798)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**At 30 June 2026** *HK$'000* **(Unaudited)**	At 31 December 2025 *HK$'000* (Audited)
Non-current assets			
Property, plant and equipment		**30,696**	48,871
Right-of-use assets		**55,590**	59,227
Investment properties		**15,300**	15,300
Goodwill		**20,552**	20,552
Financial assets at fair value through other comprehensive income		**11,242**	10,344
Deferred tax assets		**387**	387
Loan receivables		**55,176**	55,176
Deposit		**9,136**	9,660
		198,079	219,517
Current assets			
Inventories		**38,346**	34,597
Trade and other receivables	9	**393,480**	372,248
Loan receivables		**50,543**	47,541
Bank balances and cash		**12,792**	23,886
		495,161	478,272
Current liabilities			
Trade and other payables	10	**398,599**	421,419
Income tax payable		**16,214**	15,647
Convertible bond		**37,051**	37,051
Borrowings		**224,606**	206,175
Lease liabilities		**4,513**	8,541
		680,983	688,833
Net current liabilities		**(185,822)**	(210,561)
TOTAL ASSETS LESS CURRENT LIABILITIES		**12,257**	8,956

	At 30 June 2026 *HK$'000* (Unaudited)	At 31 December 2025 *HK$'000* (Audited)
Capital and reserves		
Share capital	**172,007**	172,007
Reserves	**(165,043)**	(171,233)
Equity attributable to owners of the Company	**6,964**	774
Non-controlling interests	**(1,386)**	(298)
Total equity	**5,578**	476
Non-current liabilities		
Lease liabilities	**3,286**	5,087
Deferred income	**1,549**	1,549
Deferred tax liabilities	**1,844**	1,844
Total non-current liabilities	**6,679**	8,480
	12,257	8,956

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION

1. GENERAL

Ta Yang Group Holdings Limited (the "**Company**") was incorporated in the Cayman Islands with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**"). The registered office of the Company is situated at Cricket Square, Hutchins Drive, P.O. Box 2681 GT, Grand Cayman KY1-1111, Cayman Islands. The principal place of business of the Company in Hong Kong is situated at 22/F, H Code, 45 Pottinger Street, Central, Hong Kong. The Company and its subsidiaries (collectively referred to as the "**Group**") are principally engaged in manufacturing and sale of silicone rubber and related products, providing retail services, providing healthcare and hotel services and providing international digital marketing services.

The condensed consolidated interim financial information is presented in Hong Kong dollars ("**HK$**"). Other than those subsidiaries established in the PRC and the United Kingdom whose functional currencies are Renminbi ("**RMB**") and Pound Sterling ("**GBP**") respectively, the functional currency of the Group is HK$. As the Company is listed in Hong Kong, the directors of the Company (the "**Directors**") consider that it is appropriate to present the condensed consolidated interim financial information in HK$.

At 30 June 2026, the Directors consider the ultimate holding company of the Company to be Lyton Maison Limited which was incorporated in the British Virgin Islands (the "**BVI**").

2.1 BASIS OF PREPARATION

The condensed consolidated financial statements of the Group for the six months ended 30 June 2026 has been prepared in accordance with HKAS 34 "Interim Financial Reporting" issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**") and the applicable disclosure requirements of Appendix D2 to Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**").

2.2 ACCOUNTING POLICIES

The condensed consolidated financial statements have been prepared on the historical cost basis, except for certain properties and financial instruments, which are measured at fair values or revalued amounts, as appropriate.

The accounting policies used in the condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statement for the year ended 31 December 2025, except as described below.

Application of amendments to HKFRS Accounting Standards

In the current interim period, the Group has applied, for the first time, the following amendments to HKFRS Accounting Standards issued by the HKICPA which are effective for the Group's financial year beginning 1 January 2026 for the preparation of the Group's condensed consolidated financial statements:

Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments
Amendments to HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity
Amendments to HKFRS Accounting Standards	Annual Improvements to HKFRS Accounting Standards – Volume 11

Except as disclosed above, the application of the amendments to HKFRS Accounting Standards in the current interim period has no material impact on the Group's financial performance and positions for the current and prior periods and/or on the disclosures set out in these condensed consolidated financial statements.

3. REVENUE

Revenue represents fair value of the consideration received or receivable and for goods sold and services rendered in the normal course of business to customers, net of discounts and sales related taxes.

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Sales of goods – point of time	**108,594**	104,387
Digital marketing solution services – point of time	**268,318**	186,276
	376,912	290,663

4. SEGMENT INFORMATION

The Group's reportable and operating segments, based on information reported to the chief operating decision maker ("**CODM**"), being the chief executive officer of the Company, for the purpose of resource allocation and performance assessment (with a focus on the type of goods or services delivered or provided) are as follows:

- Silicone rubber and related products – manufacturing and sale of silicone rubber and related products;
- Retail services – providing retail services in the United Kingdom (the "**UK**");
- Healthcare and hotel services – providing healthcare and hotel services in the PRC; and
- Digital marketing solution services – provision of digital marketing services in the PRC.

No reporting segment identified by the CODM has been aggregated in arriving at the reportable segment of the Group.

Segment revenue and results

The following is an analysis of the Group's revenue and results by reportable and operating segments:

	Silicone rubber and related products *HK$'000* (unaudited)	**Retail services** *HK$'000* (unaudited)	**Healthcare and hotel services** *HK$'000* (unaudited)	**Digital marketing solution services** *HK$'000* (unaudited)	**Total** *HK$'000* (unaudited)
Six months ended 30 June 2026					
Revenue					
External sales	**106,629**	**1,965**	**–**	**268,318**	**376,912**
Segment results	**1,341**	**(547)**	**13,702**	**(1,769)**	**12,727**
Unallocated income					**–**
Unallocated expense					**(24,117)**
Loss before tax					**(11,390)**
Six months ended 30 June 2025					
Revenue					
External sales	102,048	2,339	–	186,276	290,663
Segment results	14,115	(7,097)	(11,278)	24,227	19,967
Unallocated income					–
Unallocated expense					(17,533)
Profit before tax					2,434

5. INCOME TAX EXPENSE

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Under-provision in prior periods	**25**	23
Deferred Taxation		
Current period	**–**	–
	25	23

No provision for Hong Kong Profits Tax has been made in the condensed consolidated interim financial information since the Group has tax losses brought forward to set off against current period's assessable profits.

Pursuant to the rules and regulations of the Cayman Islands and the BVI, the Group is not subject to any income tax in the Cayman Islands and the BVI.

Taxation arising in the UK is calculated at the rate of 19% (2024: 19%).

Under the Law of the PRC on Enterprise Income Tax (the "**EIT Law**") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiaries is 25% for both years.

6. (LOSS)/PROFIT FOR THE PERIOD

(Loss)/Profit for the period has been arrived at after charging/(crediting):

	Six months ended 30 June	
	2026	2025
	HK$'000	*HK$'000*
	(Unaudited)	(Unaudited)
Cost of inventories sold	**84,730**	74,845
Traffic acquisition and monitoring costs (included in cost of sales)	**265,836**	154,020
Depreciation of property, plant and equipment	**3,018**	2,539
Depreciation of right-of-use assets	**4,666**	5,813
Exchange loss, net	**2,389**	487
Gross rental income	**(342)**	(430)
Less: Outgoings incurred for investment properties that generated rental income during the period	**–**	–
Net rental income	**(342)**	(430)
Interest income	**(97)**	(3,766)
Gain on disposal of property, plant and equipment	**(25,154)**	(154)

7. LOSS PER SHARE

Basic and diluted

Basic loss per share is calculated by dividing the loss for the period attributable to owners of the Company by the weighted average number of ordinary shares in issue for the six months ended 30 June 2026 and 2025.

	Six months ended 30 June	
	2026	2025
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company *(HK$'000)*	**(10,345)**	(12,116)
Weighted average number of ordinary shares in issue *('000)*	**147,591**	143,347

For the six months ended 30 June 2026 and 2025, the computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bond since their assumed exercise would result in a decrease in loss per share.

8. DIVIDENDS

The Directors do not recommend the payment of an interim dividend for the six months ended 30 June 2026 and 2025.

9. TRADE RECEIVABLES

An aging analysis of trade receivables based on the invoice date at the end of the reporting period is as follow:

	At 30 June 2026	At 31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
0 to 90 days	**42,694**	31,971
91 days to 1 year	**11,099**	13,338
	53,793	45,309

10. TRADE PAYABLES

An aging analysis of trade payables based on the invoice date at the end of the reporting period is as follow:

	At 30 June 2026	At 31 December 2025
	HK$'000	*HK$'000*
	(Unaudited)	(Audited)
Within 30 days or on demand	**17,322**	21,952
31 to 90 days	**19,554**	9,915
91 days to 1 year	**23,232**	24,860
Over 1 year	**2,534**	3,046
	62,642	59,773

11 EVENTS AFTER THE REPORTING PERIOD

Proposal for Share Capital Reorganisation and Rights Issue

On 5 February 2026, the Company announced a proposal to implement a capital reorganisation (involving capital reduction and share subdivision), and plans to conduct a non-underwritten rights issue on the basis of two rights shares for every one share held on the record date. The proposed rights issue aims to raise funds support the Company's operations and future development. On 20 February 2026, 13 March 2026, 24 April 2026, 30 June 2026, 17 July 2026, 20 July 2026, 7 August 2026, 13 August 2026, 21 August 2026 and 31 August 2026, the Company announced the delay in despatch of the circular related to the aforementioned matters. According to the latest revised expected timetable, the circular is expected to be despatched 11 September 2026, The aforementioned share capital restructuring and rights issue have not yet been completed as of the date of this announcement and remain subject to the fulfillment of various conditions before they can be finalised.

For details, please refer to the announcements dated 5 February 2026, 20 February 2026, 13 March 2026, 24 April 2026, 30 June 2026, 17 July 2026, 20 July 2026, 7 August 2026,13 August 2026, 21 August 2026 and 31 August 2026, respectively.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

For the six months ended 30 June 2026, the Group was principally engaged in: (i) the designing, manufacturing and sales of silicone rubber and related products (the "**Silicone Rubber Business**"); (ii) the provision of international digital marketing business (the "**Digital Marketing Business**"); (iii) the provision of retail services in the UK (the "**Retail Business**"); and (iv) the provision of healthcare and hotel services (the "**Healthcare and Hotel Business**").

During the period under review, the Group continued to advance its operations focusing around the operational efficiency, customer relationships, and cash flow management of its core businesses, while prudently evaluating disposal and cessation arrangements for non-core businesses. The Silicone Rubber Business serves application sectors including new energy vehicle components, photovoltaic modules, medical devices, consumer electronics, and daily consumer products; the Digital Marketing Business provides clients with solutions for traffic placement, content strategy, data analysis, e-commerce operations, livestreaming, and brand advertising; the UK Retail Business continues to operate its retail business characterized primarily by Asian food and household goods.

For the six months ended 30 June 2026, the Group recorded a revenue of approximately HK$376,912,000 (30 June 2025: approximately HK$290,663,000), representing an increase of approximately 29.7% compared to the same period in 2025.

For the six months ended 30 June 2026, the Group recorded a net loss of approximately HK$11,415,000 (30 June 2025: a net gain of approximately HK$2,411,000). Net loss attributable to the owners of the Company was approximately HK$10,345,000 as compared with a net loss attributable to the owners of the Company of approximately HK$12,116,000 for the same period of last year.

The Silicone Rubber Business

As the Group's long-standing core and primary business, the Silicone Rubber Business remained a critical revenue contributor of the Group for the six months ended 30 June 2026. Compared with the same period of last year, the segment revenue increased moderately as compared with the previous year. As of 30 June 2026, the Silicone Rubber Business recorded a sales revenue of approximately HK$106,629,000, representing an increase of approximately 4.5% from approximately HK$102,048,000 compared to the same period of last year, and accounting for approximately 28.3% (2025: approximately 35.1%) of the Group's total revenue.

Relying on its production facilities located in Dongguan and Huzhou, China, the Silicone Rubber Business provided silicone rubber and related products to customers in markets such as Asia, Europe, and North America during the period under review. The Group will continue to closely monitor factors including raw material prices, changes in customer orders, supply chain stability, international trade policies, and export market demand and will drive business growth through measures such as product structures optimization, customer base expansion, capacity utilization enhancement, and costs control.

The Group will continue to maintain the production and sales of traditional silicone products, and prudently accelerate the development of new environmentally friendly silicone materials in application fields such as new energy vehicles, photovoltaic modules, aerospace, medical devices, consumer electronics, and beauty products.

International Digital Marketing Business

For the six months ended 30 June 2026, the Digital Marketing Business recorded a sales revenue of approximately HK$268,318,000, representing an increase of 44% from approximately HK$186,276,000 compared to the same period of last year, and accounting for approximately 71.2% (corresponding period in 2025: approximately 64.1%) of the Group's total revenue. During the period under review, the Digital Marketing Business of the Group provided services including account setup and management, content strategy development, video production, audience engagement, data analytics, e-commerce operations, livestream hosting and ad placement based on customer needs. The development of the digital marketing industry is significantly influenced by platform policies, regulatory requirements, customer budgets, internet marketing trends, and shifts in market competition. The Group will continue to closely monitor customer structure, platform rules, internet and data compliance requirements, traffic acquisition costs, competitive landscapes, as well as service delivery efficiency. The Group will strive to enhance the sustainable profitability of this business through practical measures such as optimizing customer portfolio, strengthening receivables collection management, improving placement efficiency, monitoring traffic acquisition and costs control, and increasing investments in technology and talent.

The Retail Business

For the six months ended 30 June 2026, the Retail Business recorded a sales revenue of approximately HK$1,965,000, representing a decrease of approximately 16% from approximately HK$2,339,000 compared to the same period of last year, and accounting for approximately 0.5% (2025: approximately 0.8%) of the Group's total revenue.

The Group continued to operate its Retail Business in the UK primarily under our "EKAU" brand, which mainly provides food and household goods from China, Japan, South Korea, Southeast Asia, and other regions. During the period under review, the Group continued to enhance customer experience and operational efficiency through measures such as product mix adjustments, store and online channel operations, supplier management, inventory optimization, logistics efficiency improvements, and brand promotion. The performance of the Retail Business may be affected by factors such as local consumer demand, sales channels, import logistics costs, supply stability, exchange rates, and peer competition.

Healthcare and Hotel Business

For the six months ended 30 June 2026, the Healthcare and Hotel Business had not recorded new sales revenue. As announced by the Group in March 2026, in view of the poor performance, persistent losses, and minimal or no revenue contribution of the Sanya project as well as the Healthcare and Hotel Business since 2021, the Board has been seeking opportunities to realize the investment value of this segment, and intends to gradually wind down and discontinue the operations of this business.

BUSINESS PROSPECTS

The Group will continue to adopt a prudent approach to advancing its core business operations, and will closely monitor factors such as the global trade environment, raw material and logistics costs, customer demand, internet and data regulation, foreign exchange fluctuations, financing conditions, and market competition. The management will continue to implement cost management, working capital management, and accounts receivable recovery measures, and will adjust resources allocation in a timely manner based on market changes.

For the Silicone Rubber Business, the Group will continue to maintain product quality and customer service standards, and advance the development of new silicone materials and high-value-added applications subject to market demand and funding arrangements. For the Digital Marketing Business, the Group will continue to optimize customer service, placement capabilities, and operational efficiency, while strictly complying with applicable internet, advertising, data, and platform rules. For the Retail Business, the Group will continue to optimize the product portfolio and supply chain arrangements, and prudently evaluate the operational efficiency of online and offline channels.

For the Healthcare and Hotel Business, the Group will continue to follow up on the relevant asset disposals and business cessation arrangements in accordance with applicable laws and the progress of arbitration and enforcement proceedings, and will make further announcements as and when appropriate.

FINANCIAL REVIEW

Revenue

For the six months ended 30 June 2026, the Group recorded a revenue of approximately HK$376,912,000 (2025: approximately HK$290,663,000), representing an increase of 29.7% compared to the same period in 2025.

For the six months ended 30 June 2026, the Silicone Rubber Business recorded a revenue of approximately HK$106,629,000 (2025: HK$102,048,000), accounting for 28.3% (2025: 35.1%) of the Group's total revenue.

The Digital Marketing Business generated approximately HK$268,318,000 (2025: HK$186,276,000) in revenue for the Group, accounting for approximately 71.2% (2025: 64.1%) of the Group's total revenue.

As of 30 June 2026, the Retail Business recorded a revenue of approximately HK$1,965,000 (2025: HK$2,339,000), accounting for approximately 0.5% (2025: 0.8%) of the Group's total revenue.

Finally, the performance of healthcare and hotels remained unsatisfactory, with minimal revenue recorded for the six months ended 30 June 2026. Due to the continued sluggish performance, it is expected that there will be no significant changes in the Healthcare and Hotel Business in the short term.

Gross Profit

For the six months ended 30 June 2026, the Group achieved a gross profit of approximately HK$26.3 million (2025: approximately HK$61.8 million), a decrease of approximately 57.4% compared to the same period in 2025. For the six months ended 30 June 2026, the gross profit margin has risen to approximately 7% (2025: approximately 21.3%).

Expenses

For the six months ended 30 June 2026, the selling and distribution expenses amounted to approximately HK$6.7 million (2025: approximately HK$11.4 million), a decrease of approximately 41.2% compared to the same period in 2025. For the six months ended 30 June 2026, administrative expenses amounted to approximately HK$43.9 million (2025: approximately HK$44.8 million), a decrease of approximately 2.0% compared to the same period in 2025. The changes in sales and distribution expenses, as well as administrative expenses, are mainly due to the Group's efforts to reduce costs, increase efficiency, and optimize personnel structure.

Loss attributable to owners of the Company

For the six months ended 30 June 2026, the Group recorded loss attributable to owners of the Company of approximately HK$10,345,000 (2025: approximately HK$12,100,000), representing a decrease of approximately 14.5% as compared with the corresponding period in 2025. For the six months ended 30 June 2026, loss per share was approximately HK7.01 cents (2025: approximately HK8.45 cent). The relevant changes in the loss attributable to the owners of our company are mainly due to (i) a significant decrease in the Group's retail business revenue compared to the same period last year, as well as an increase in material costs caused by global inflation, which has tightened the gross profit margin of this business; and (ii) the profitability level of the digital marketing segment has improved significantly.

Liquidity and financial resources

For the six months ended 30 June 2026, the Group's major source of funds was cash generated from operating activities and the Group's working capital remained healthy.

	At 30 June 2026	At 30 June 2025
Cash and cash equivalents *(HK$'000)*	**12,792**	7,304
Current ratio	**0.73**	0.78
Quick ratio	**0.67**	0.73
Gearing ratio	**40.01**	5.42

BUSINESS RISK

Performance of the Silicone Rubber Business and Retail Business of the Group is primarily affected by fluctuations in market prices of raw materials/products and market demands of the final products. For example, both the Silicone Rubber Business and the Retail Business require stocking of raw materials or retail inventories and the Group does not enter into any material contracts to hedge against such price fluctuations. As such, any price fluctuation in raw materials or retail inventories will exert pressures on the business costs and then impact competitiveness of the final products or services of the Group. If the Group fails to adapt and respond successfully to the changing demands and supplies, it may adversely affect business performance and development prospects.

On the other hand, the Digital Marketing Business relies on internet marketing and traffic promotion as its main source of revenue, which is to some extent influenced by internet regulatory policies and relies on consistent and stable customer relationship. Therefore, the Group should ensure that the operation of the Digital Marketing Business is in compliance with the regulatory rules and is in line with the most popular marketing initiatives and strategies in order to provide customers with efficient services.

INDUSTRY RISK

All business segments of the Group are operating in highly competitive industries. For example, the Silicone Rubber Business faces competitions not only from other silicone rubber products, but also from products that are made of new materials; the Retail Business is competing with other local retail brands, as well as online shopping platforms; and the number of competitors joining the segment of the Digital Marketing Business is increasing. Competition may also intensify as the competitors expand their product categories, lower their selling prices, increase their qualities, or conduct promotions. If the Group does not compete successfully against existing or new competitors, its existing business scale may decline and the operation performance may shrink.

CREDIT RISK

As at 30 June 2026, the Group recorded total current assets of approximately HK$495,161,000 and total current liabilities of approximately HK$680,983,000. The bank balances and cash on hand of the Group remained tight when compared with its current liabilities. If the receivables are not fully recovered, the Group may not have sufficient resources to repay its short-term obligations as they fall due.

LEGAL AND EVENT RISK

The Company received a winding-up petition in March 2026; on 22 June 2026, the High Court conditionally adjourned the hearing of the petition further to 21 September 2026. This matter, as well as the arbitration, enforcement, and potential asset disposals related to the Healthcare and Hotel Business, may have an impact on the Group's financing, liquidity, financial position, and operational arrangements. The Group will make disclosures in a timely manner regarding any material developments in accordance with applicable laws and the Listing Rules.

CAPITAL STRUCTURE

As of 30 June 2026, the authorized share capital of the Company was HK$2,000,000,000, divided into 2,000,000,000 ordinary shares with a face value of HK$1.00 per share; the number of issued ordinary shares was 172,006,700 shares and there were no treasury shares.

PLEDGE OF ASSETS

Capital commitments contracted by the Group but not yet provided for in the financial statements as at 30 June 2026 were approximately HK$5,970,000 (31 December 2025: approximately HK$4,250,000), mainly related to expanding production capacity of the Silicone Rubber Business. Such capital commitments will be financed by the net proceeds from operating activities. As at 30 June 2026, certain land and buildings, investment properties, right-of-use assets and trade receivables of the Group of approximately HK$79,800,000 (31 December 2025: approximately HK$93,000,000) were pledged to secure borrowings granted to the Group.

CONTINGENT LIABILITIES

No material contingent liabilities of the Group were noted as at 30 June 2026 (31 December 2025: nil).

SIGNIFICANT INVESTMENTS, MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Save as disclosed in this announcement, the Group had no significant investments, material acquisition or disposal of any subsidiaries, associates or joint ventures for the six months ended 30 June 2026.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Save as disclosed in Note 11 to the consolidated financial statements, the Board are not aware of any significant event which had material effect on the Group subsequent to 30 June 2026 and up to the date of this announcement.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

Save as disclosed in this announcement, the Group did not have any concrete plan for material investments or capital assets as at 30 June 2026.

CURRENCY MANAGEMENT AND TREASURY POLICY

For the six months ended 30 June 2026, the Group's cash receipts were denominated in US dollars, Hong Kong dollars, Pound Sterling ("**GBP**") and Renminbi, while the labour costs, manufacturing overheads, selling and administrative expenses of the Group were mostly negotiated, measured and settled in Renminbi, Hong Kong dollars and GBP. As at 30 June 2026, the majority of the cash and cash equivalents were held in US dollars, Hong Kong dollars, GBP and Renminbi.

The revenue of the Group was mainly generated by the Silicone Business in the PRC, the Digital Marketing Business in the PRC and the Retail Business in the UK. Therefore, fluctuations of Renminbi and GBP will affect the Group's profitability. For the six months ended 30 June 2026, the Group did not enter into any financial instruments for hedging purpose. The Group will closely monitor the currency movements and take appropriate measures to deal with such exchange-rate exposure.

HUMAN RESOURCES AND REMUNERATION POLICIES

As the Group is committed to improving production capacity, developing high-quality products, and expanding industry chain, experienced workers, engineers and professionals are crucial to the Group. The Group offers on-the-job training and encourages staff to attend continuous professional training in order to enhance their skills and knowledge. The Group also offers competitive remuneration packages, including quality staff quarters, training, medical care, insurance coverage and retirement benefits to all employees. As at 30 June 2026, the Group employed 620 permanent and temporary employees (31 December 2025: 633).

INTERIM DIVIDEND

The Board does not recommend payment of interim dividend for the six months ended 30 June 2026 (2025: nil).

CORPORATE GOVERNANCE PRACTICES

The Company strives to attain and maintain high standards of corporate governance best suited to the needs and interests of the Group as it believes that effective corporate governance practices are fundamental to enhancing Shareholder value and safeguarding interests of Shareholders and other stakeholders. The Board sets appropriate policies and implements corporate governance practices appropriate to the conduct and growth of the Group's business.

To the best knowledge of the Board, the Company has complied with the applicable code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules throughout the six months ended 30 June 2026 except of the followings:

Under Code Provision C.1.6 of the CG Code, independent non-executive Directors and other non-executive Directors, as equal Board members, should attend general meetings of the Company to gain and develop a balanced understanding of the views of the Shareholders. Mr. Han Lei, the non-executive Director, did not attend the annual general meeting of the Company held on 30 June 2026 due to his other work commitments.

Following the resignation of Ms. Zhang Li as the chairman of the Audit Committee on 1 June 2026, the Board comprises of two executive Directors, four non-executive Directors and two independent non-executive Directors. As a result of the foregoing, the Company is not in compliance with the requirements of (i) Rule 3.10(1) of the Listing Rules that the Board must include at least three independent non-executive Directors; (ii) Rule 3.10(2) of the Listing Rules that at least one of the independent non-executive directors must have appropriate professional qualifications or accounting or related financial management expertise; and (iii) Rule 3.21 of the Listing Rules that the Audit Committee must comprise a minimum of three members. The Company is in the process of identifying suitable candidate(s) to fill the vacancies of independent non-executive Director, the chairman of the audit committee of the Company in order to meet the aforementioned Listing Rules requirements, and will use its best endeavors to ensure a suitable candidate is appointed as soon as practicable.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") set out in Appendix C3 to the Listing Rules. Specific enquiries had been made to all Directors and each Director had confirmed that she/he had complied with the Model Code for the six months ended 30 June 2026.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the six months ended 30 June 2026, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

Currently, the audit committee of the Company (the "**Audit Committee**") comprises two independent non-executive Directors, namely Mr. Zhang Li and Dr. Xie Jun. Following the resignation of Ms. Zhang Li as the chairman of the Audit Committee on 1 June 2026, the position of the chairman of the Audit Committee remains vacant as at the date of this announcement. The Audit Committee had reviewed with the management the accounting principles and practices adopted by the Company and discussed financial reporting matters. The interim results of the Group for the six months ended 30 June 2026 have not been audited. The Audit Committee has reviewed the unaudited condensed consolidated financial statements of the Group for the six months ended 30 June 2026 and is of the view that the consolidated financial statements have been prepared in accordance with the applicable accounting standards, the Listing Rules and the statutory provisions and sufficient disclosures have been made.

PUBLICATION OF INTERIM RESULTS ANNOUNCEMENT AND INTERIM REPORT

This results announcement is published on the Stock Exchange's website (www.hkex.com.hk) and the Company's website (http://www.tayanggroup.com). The interim report will be dispatched to the shareholders of the Company and will be available on websites of the Stock Exchange and the Company in due course.

APPRECIATION

On behalf of the Board, I would like to take this opportunity to express my sincere thanks and gratitude to our management and staff for their hard work and dedication, as well as our shareholders, business partners and associates, bankers, auditors and other stakeholders for their continuous support to the Group.

Shareholders and potential investors of the Company are advised to exercise due caution when dealing in the securities of the Company. When in doubt, Shareholders and potential investors of the Company are advised to seek advice from professional or financial advisers.

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

Hong Kong, 31 August 2026

As at the date of this announcement, the Board comprises two executive Directors, namely Ms. Shi Qi and Mr. Li Jiuhua; four non-executive Directors, namely, Mr. Law Wai Ip Vincent, Mr. Gu Shixiang, Mr. Han Lei and Mr. Wang Dongzhu; and two independent non-executive Directors, namely Mr. Zhang Li and Dr. Xie Jun.