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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)

**QUARTERLY UPDATE ON GOING CONCERN MATTERS
IN THE ANNUAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2025**

Reference is made to the annual report of Ta Yang Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) for the financial year ended 31 December 2025 (the “**Annual Report**”). Unless otherwise defined, capitalised terms used hereunder shall have the same meanings as those defined in the Annual Report.

As disclosed in the Annual Report, the auditor of the Company (the “**Auditor**”) expressed a disclaimer of opinion on the consolidated financial statements of the Group for the year ended 31 December 2025 in relation to going concern (the “**Disclaimer of Opinion**”).

In response to the Disclaimer of Opinion, the Company disclosed on page 102 of the Annual Report its plans and measures to address the going concern issues. During the period from the date of the Annual Report up to the date of this announcement, the Company has taken the following steps to alleviate its liquidity pressure and improve its financial position, and has implemented the relevant plans and measures in response to the Disclaimer of Opinion:

- (1) The Group continued to maintain an effective and available undrawn credit facility of approximately HK\$130,000,000 from a financial institution, which is available for drawdown at any time as needed to provide working capital for the Group.
- (2) The Group entered into a loan facility agreement with Asia Pacific Technology & Development Investment Bank Limited in the amount of HK\$52,000,000. Subject to the progress of the winding-up petition (as detailed in point (4) below), the Group plans to draw down such facilities around mid-September 2026.
- (3) As part of the management’s ongoing efforts to strengthen the capital base of the Company and the working capital position of the Group, on 4 February 2026, the Company announced a proposed non-underwritten rights issue (the “**Rights Issue**”) on the basis of two (2) Rights Shares for every one (1) Share held on the Record Date,

raising gross proceeds of up to: (a) approximately HK\$275.21 million by issuing up to 344,013,400 Rights Shares (assuming no changes in the share capital of the Company on or before the Record Date); or (b) approximately HK\$300.11 million by issuing up to 375,141,804 Rights Shares (assuming no changes in the share capital of the Company on or before the Record Date other than the conversion in full of the Convertible Bonds). As of the date of this announcement, the circular for the Rights Issue is still in preparation, and the despatch of the circular is expected to be postponed to a date on or before Friday, 11 September 2026. For details, please refer to the announcement published by the Company on 31 August 2026.

- (4) In respect of the winding-up petition filed by Rising Jiarui Investment Management Co., Ltd. dated 9 March 2026 (the “**Petition**”), the Company has been vigorously opposing the Petition. At the hearing held on 22 June 2026 in the High Court, the High Court ordered a further adjournment of the hearing of the Petition to 21 September 2026. Further announcement(s) will be made by the Company as and when appropriate in accordance with the Listing Rules.
- (5) The Group will continue to implement cost control measures, including but not limited to reducing non-essential expenses and administrative costs. The relevant measures have already shown initial effectiveness, with selling and distribution expenses for the first half of 2026 decreasing by 40.9% as compared to the same period last year. Meanwhile, the Group continues to take measures to accelerate operating cash inflows, including stepping up the recovery of trade receivables.

The Board will continue its best endeavours to implement the measures set out in the Annual Report and other measures to address the issues pertaining to the Disclaimer of Opinion, and will provide quarterly updates as required under the Listing Rules and/or upon request by the Stock Exchange and make further announcement(s) as and when appropriate.

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

By order 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.