THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult your stockbroker, a licensed dealer in securities or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisers.

If you have sold or transferred all your Shares, you should at once hand the Prospectus Documents to the purchaser(s) or transferee(s) or to the bank, or licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s). The Prospectus Documents should not, however, be distributed, forwarded or transmitted to, into or from any jurisdiction where to do so might constitute a violation of the relevant local securities laws or regulations.

Subject to the granting of listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC and you should consult your stockbroker, a licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser for details of those settlement arrangements and how such arrangements may affect your rights and interests. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

A copy of each of the Prospectus Documents, together with the other document(s) specified in the paragraph headed "13. Documents delivered to the Registrar of Companies" in Appendix III to this Prospectus, have been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, The Stock Exchange of Hong Kong Limited and the Securities and Futures Commission of Hong Kong take no responsibility as to the contents of any of the Prospectus Documents or any other document(s) referred to above. The securities described in this Prospectus have not been registered under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**") or the laws of any state in the United States, and may not be offered or sold within the United States, absent registration or an exemption from the registration requirements of the U.S. Securities Act and applicable state laws. There is no intention to register any portion of the Rights Shares or any securities described in this Prospectus in the United States or to conduct a public offering of securities in the United States.

Distribution of this Prospectus into jurisdictions other than Hong Kong may be restricted by law. Persons into whose possession this Prospectus comes should inform themselves of and observe any such restrictions. This Prospectus is not for release, publication or distribution, directly or indirectly, in or into the United States. The provision of this Prospectus to Shareholders in the United States and any other jurisdiction where distribution is restricted is for information purposes only and shall not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the Rights Shares or to take up any entitlements to the Rights Shares in the United States or any other jurisdiction in which such an offer or solicitation is unlawful. You should read the whole of the Prospectus Documents including the discussions of certain risks and other factors as set out in the section headed "Warning of the Risks of Dealing in the Shares and nil-paid Rights Shares" in the "Letter from the Board" of this Prospectus.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and HKSCC take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this Prospectus.

TAYANG 大洋

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)

RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) NEW SHARE HELD ON THE RECORD DATE AT A SUBSCRIPTION PRICE OF HK$0.80 PER RIGHTS SHARE ON A NON-UNDERWRITTEN BASIS

Capitalised terms used on this cover shall have the same meanings as those defined in this Prospectus.

The Rights Issue is on a non-underwritten basis. There is no statutory requirement for a minimum level of subscription in the Rights Issue and there is no minimum amount to be raised under the Rights Issue. The Rights Issue is subject to fulfillment or (where applicable) waiver of the conditions of the Rights Issue as set out in the section headed "Conditions of the Rights Issue" in the "Letter from the Board" on pages 9 to 36 of this Prospectus at or prior to the latest time for the Rights Issue to become unconditional (which is currently expected to be 4:00 p.m. on Thursday, 17 December 2026).

The conditions include non-occurrence of force majeure events.

If the conditions of the Rights Issue are not fulfilled or (where applicable) waived on or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed.

Dealings in the Shares have been on an ex-rights basis from Tuesday, 17 November 2026. Dealings in the Rights Shares in their nil-paid form will take place from Monday, 30 November 2026 to Monday, 7 December 2026 (both dates inclusive). **Any Shareholders or other persons contemplating selling or purchasing Shares and/or Rights Shares in their nil-paid form up to the latest time when the conditions of the Rights Issue are fulfilled or (where applicable) waived (which is expected to be 4:00 p.m. on Thursday, 17 December 2026) will accordingly bear the risk that the Rights Issue may not become unconditional and may not proceed. Shareholders and potential investors should therefore exercise caution when dealing in the Shares and/or the nil-paid Rights Shares, and if they are in any doubt about their position, they are recommended to consult their professional advisers**.

The latest time for acceptance and payment for the Rights Shares and application for excess Rights Shares is 4:00 p.m. on Thursday, 10 December 2026. The procedures for acceptance and transfer of the Rights Shares are set out in the section headed "Procedures for acceptance and payment or transfer" in the "Letter from the Board" on pages 9 to 36 of this Prospectus.

26 November 2026

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In this Prospectus, unless the context otherwise requires, the following terms or expressions shall have the following meanings:

"AFRC"	the Accounting and Financial Reporting Council in Hong Kong
"Announcements"	the announcements of the Company dated 4 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, 31 August 2026, 1 September 2026, 11 September 2026, 14 September 2026, 25 September 2026, 29 September 2026 and 9 October 2026 in relation to, among other matters, the Capital Reorganisation and the Rights Issue
"Articles"	the articles of association of the Company
"associate(s)"	has the same meaning ascribed to it under the Listing Rules
"Board"	the board of Directors
"Business Day(s)"	a day (other than a Saturday, Sunday and public holidays or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon) on which banks are open for business in Hong Kong
"Capital Reduction"	the proposed reduction of the issued share capital of the Company whereby the nominal or par value of each issued Existing Share will be reduced from HK$1.00 to HK$0.10 by cancelling the paid-up share capital to the extent of HK$0.90 on each issued Existing Shares
"Capital Reorganisation"	collectively, the Capital Reduction and the Share Subdivision
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CCASS Operational Procedures"	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time in effect

"Circular"	the circular of the Company dated 16 October 2026 in relation to, among other things, the Capital Reorganisation and the Rights Issue
"Companies Ordinance"	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
"CWUMPO"	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)
"Company"	Ta Yang Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange (Stock Code: 1991)
"connected person(s)"	has the meaning ascribed thereto under the Listing Rules
"controlling shareholder(s)"	has the meaning ascribed thereto under the Listing Rules
"Convertible Bonds"	the 10% per annum, 3-year convertible bond in the principal amount of HK$40,000,000 issued by the Company and subscribed by Rising Jiaruri Investment Management Co., Ltd (北京日信嘉銳投資管理有限公司), a company established in the PRC with limited liability on 21 July 2023 which are convertible into 15,564,202 Shares at the initial conversion price of HK$2.57 per Shares, with conversion period commencing 3 months after the date of issue of the convertible bond up to the Maturity Date
"Director(s)"	the director(s) of the Company for the time being
"EAF(s)"	the excess application form(s) for use by the Qualifying Shareholders who wish to apply for Rights Shares in excess for their provisional entitlements under the Rights Issue
"EGM"	the extraordinary general meeting of the Company held on 6 November 2026 for the purpose of considering, and, if thought fit, approving the Capital Reorganisation and the Rights Issue

"Excluded Shareholder(s)"	Overseas Shareholder(s) whom the Directors, after making enquiries regarding the legal restrictions under the laws of the relevant places or the requirements of the relevant overseas regulatory bodies or stock exchanges, consider it necessary or expedient to exclude them from the Rights Issue
"Existing Share(s)"	the ordinary share(s) of a nominal or par value of HK$1.00 each in the share capital of the Company prior to the Capital Reorganisation becoming effective
"Extreme Conditions"	extreme conditions including but not limited to serious disruption of public transport services, extensive flooding, major landslides or large-scale power outage after super typhoons as announced by the government of Hong Kong
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollar(s), the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"HKSCC Operational Procedures"	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Shareholder(s)"	Shareholders other than Lyton Maison Limited and Ms. Shi
"Last Trading Day"	4 February 2026, being the last trading day of the Shares on the Stock Exchange immediately prior to the release of the announcement dated 4 February 2026
"Latest Practicable Date"	23 November 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this Prospectus prior to its publication
"Latest Time for Acceptance"	4:00 p.m. on Thursday, 10 December 2026 (or such later time or date as may be determined by the Company), being the last day for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares

"Listing Committee"	has the same meaning ascribed to it under the Listing Rules
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Maturity Date"	the date upon expiry of 3 years from the date of issuance of the Convertible Bond
"New Share(s)"	the ordinary share(s) of a nominal or par value of HK$0.10 each in the share capital of the Company immediately following the Capital Reorganisation becoming effective
"Overseas Shareholder(s)"	Shareholder(s) (whose names appear on the register of members of the Company at the close of business on the Record Date) with registered address(es) outside Hong Kong
"PAL(s)"	the provisional allotment letter(s) to be issued to the Qualifying Shareholders in connection with the Rights Issue
"PRC"	the People's Republic of China, which for the purpose of this Prospectus, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
"Prospectus"	this prospectus (including any supplementary prospectus, if any) having been sent or made available (as the case may be) to the Qualifying Shareholders (and the Excluded Shareholder(s) for information only) in connection with the Rights Issue
"Prospectus Documents"	this Prospectus, the PAL(s) and the EAF(s)
"Prospectus Posting Date"	Thursday, 26 November 2026 or such other date as may be determined by the Company, being the date of despatch of the Prospectus Documents to the Qualifying Shareholders (or in case of Excluded Shareholder(s), the Prospectus only)
"Qualifying Shareholder(s)"	Shareholder(s), whose names appear on the register of members of the Company as at the Record Date, other than the Excluded Shareholder(s)

"Record Date"	Wednesday, 25 November 2026 (or on such other date as the Company may determine), being the date by reference to which entitlements to the Rights Issue will be determined
"Registrar"	Union Registrars Limited, the Hong Kong branch share registrar and transfer office of the Company
"Rights Issue"	the proposed issue of two (2) Rights Shares for every one (1) New Share held by the Qualifying Shareholders on the Record Date at the Subscription Price
"Rights Share(s)"	the New Share(s) proposed to be allotted and issued by the Company pursuant to the Rights Issue
"Scale-Down EAF Shares"	such number of Rights Shares applied for as excess application under the EAF(s) which would, if allotted by the Company, result in the incurring of an obligation to make a mandatory general offer under the Takeovers Code on the part of the applicant
"Scale-Down PAL Shares"	such number of Rights Shares applied for under the PAL(s) which would, if allotted by the Company, result in the incurring of an obligation to make a mandatory general offer under the Takeovers Code on the part of the applicant
"SFC"	the Securities and Futures Commission of Hong Kong
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	the Existing Share(s) and/or New Share(s) as the case may be
"Share Subdivision"	the proposed subdivision of each authorised but unissued Existing Share of a nominal or par value of HK$1.00 each into ten (10) New Shares of a nominal or par value of HK$0.10 each
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscription Price"	HK$0.80 per Rights Share

"substantial shareholder(s)"	has the same meaning ascribed thereto under the Listing Rules
"Takeovers Code"	the Hong Kong Code on Takeovers and Mergers
"treasury shares"	has the same meaning ascribed thereto under the Listing Rules
"%"	per cent

The expected timetable for the Rights Issue is set out below, which is for indicative purposes only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled:

Event	**Time and Date (Hong Kong Time)**
Despatch of the Prospectus Documents	Thursday, 26 November 2026
First day of dealings in nil-paid Rights Shares	Monday, 30 November 2026
Latest time for splitting of PALs	4:00 p.m. on Wednesday, 2 December 2026
Last day of dealings in nil-paid Rights Shares	Monday, 7 December 2026
Latest Time for Acceptance of and payment for the Rights Shares and application for and payment for excess Rights Shares	4:00 p.m. on Thursday, 10 December 2026
Latest time for the Rights Issue to become unconditional (if applicable)	4:00 p.m. on Thursday, 17 December 2026
Announcement of results of the Rights Issue	Wednesday, 23 December 2026
Despatch of refund cheques for wholly or partially unsuccessful excess applications, if any	Thursday, 24 December 2026
Despatch of share certificates for fully-paid Rights Shares	Thursday, 24 December 2026
Commencement of dealings in the fully-paid Rights Shares	9:00 a.m. on Monday, 28 December 2026

All times and dates as stated above refer to Hong Kong local times and dates. Details or deadlines specified in the expected timetable above or in other parts of this Prospectus are indicative only and may be extended, amended or varied by the Company. Any changes to the expected timetable will be published or notified to the Shareholders and the Stock Exchange as and when appropriate.

EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE

Whenever any part of the expected timetable of the Rights Issue may be interrupted by a typhoon, a black rainstorm warning or Extreme Conditions, the Company shall properly inform the Shareholders of the corresponding contingency arrangements, which contingency arrangements shall include the Latest Time for Acceptance not taking place on the time as scheduled:

(a) if a tropical cyclone warning signal no. 8 or above, a black rainstorm warning and/or Extreme Conditions is in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the day on which the Latest Time for Acceptance is initially scheduled to fall, the Latest Time for Acceptance be extended to 5:00 p.m. on the same Business Day;

(b) if a tropical cyclone warning signal no. 8 or above, a black rainstorm warning and/or Extreme Conditions is in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the day on which the Latest Time for Acceptance is initially scheduled to fall, the Latest Time for Acceptance be extended to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m..

If the Latest time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the section headed "Expected timetable" above may be affected. An announcement will be made by the Company in such event.

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)

Executive Directors:
Ms. Shi Qi
Mr. Li Jiuhua

Non-executive Directors:
Mr. Law Wai Ip Vincent
Mr. Gu Shixiang
Mr. Han Lei
Mr. Wang Dongzhu

Independent non-executive Directors:
Mr. Zhang Li
Dr. Xie Jun

Registered office:
Cricket Square
Hutchins Drive
P.O. Box 2681 GT
Grand Cayman KY1-1111
Cayman Islands

Principal place of business in Hong Kong:
22/F, H Code
45 Pottinger Street
Central
Hong Kong

26 November 2026

To the Qualifying Shareholders and, for information only, the Excluded Shareholders

Dear Sirs and Madams,

RIGHTS ISSUE ON THE BASIS OF TWO (2) RIGHTS SHARES FOR EVERY ONE (1) NEW SHARE HELD ON THE RECORD DATE AT A SUBSCRIPTION PRICE OF HK$0.80 PER RIGHTS SHARE ON A NON-UNDERWRITTEN BASIS

INTRODUCTION

Reference is made to the Announcements and the Circular, whereby the Company proposed, subject to the Capital Reorganisation becoming effective, to implement the Rights Issue on the basis of two (2) Rights Shares for every one (1) New Share held on the Record Date at the Subscription Price of HK$0.80 per Rights Share, to raise up to approximately HK$275.21 million (before deducting professional fees and other related expenses) 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) to the Qualifying Shareholders.

At the EGM held on 6 November 2026, the resolutions approving, among other matters, the Capital Reorganisation and the Rights Issue were duly passed by the Independent Shareholders by way of poll. The Capital Reorganisation became effective on 16 November 2026.

The purpose of this Prospectus is to provide you with, among other things, further details on the Rights Issue and the relevant financial information and other general information in respect of the Group.

RIGHTS ISSUE

The terms of the Rights Issue are set out as follows:

Rights Issue Statistics

Basis of Rights Issue:	Two (2) Rights Shares for every one (1) New Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price:	HK$0.80 per Rights Share
Number of Existing Shares in issue as at the Latest Practicable Date:	172,006,700 Existing Shares. As at the Latest Practicable Date, the Company does not hold any treasury shares.
Number of New Shares in issue upon the Capital Reorganisation becoming effective:	172,006,700 New Shares
Maximum number of Rights Shares to be issued under the Rights Issue:	Up to 344,013,400 Rights Shares (assuming no change in the number of New Shares in issue on or before the Record Date)
Aggregate nominal value of the Rights Shares:	Up to HK$34,401,340 (assuming no change in the number of Shares in issue on or before the Record Date)
Total number of New Shares in issue upon completion of the Rights Issue:	Up to 516,020,100 New Shares (assuming no change in the number of Shares in issue on or before the Record Date)
Gross proceeds from the proposed Rights Issue:	Up to approximately HK$275.21 million (assuming no changes in the share capital of the Company on or before the Record Date and all the Rights Shares are taken up)

Net price per Rights Share:	Approximately HK$0.80 per Rights Share (assuming no changes in the share capital of the Company on or before the Record Date)

As at the Latest Practicable Date, the Company (a) has no outstanding derivatives, options, warrants, conversion securities or other similar securities which are convertible or exchangeable into Shares; and (b) has no intention to issue or grant any Shares, convertible securities, warranties and/or options on or before the Record Date. The previously issued Convertible Bonds matured in July 2026, and no holders of the Convertible Bonds exercised the conversion rights prior to the Maturity Date.

Assuming no change in the number of issued Shares on or before the Record Date, the Rights Shares proposed to be issued pursuant to the terms of the Rights Issue represent: (i) 200.0% of the existing issued share capital of the Company as at the Latest Practicable Date; and (ii) approximately 66.7% of the issued share capital of the Company as enlarged by the allotment and issue of the Rights Shares.

Subscription Price

The Subscription Price of HK$0.80 per Rights Share is payable in full when a Qualifying Shareholder accepts the relevant provisional allotment of Rights Shares or, where applicable, applies for excess Rights Shares or when a transferee of nil-paid Rights Shares accepts the provisional allotment of the relevant Rights Shares.

The Subscription Price represents:

(i) a discount of approximately 2.44% to the closing price of HK$0.82 per Share as quoted on the Stock Exchange on the Last Trading Day;

(ii) a discount of approximately 4.53% to the average closing price of approximately HK$0.84 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;

(iii) a discount of approximately 7.83% to the average closing price of approximately HK$0.87 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;

(iv) a discount of approximately 1.88% to the theoretical ex-rights price of approximately HK$0.82 per Share based on the closing price of HK$0.82 per Share as quoted on the Stock Exchange on the Last Trading Day;

(v) a premium of approximately 7.38% to the closing price of HK$0.745 per Share as quoted on the Stock Exchange on the Latest Practicable Date;

(vi) a premium of approximately 17,778.47% to the audited consolidated net asset value per Share attributable to the Shareholders as at 31 December 2025 of approximately HK$0.0045 per Share, which is calculated by dividing the audited consolidated net assets of the Group attributable to the Shareholders of approximately HK$774,000 as at 31 December 2025 as set out in the annual report of the Company for the year ended 31 December 2025 by the number of Shares as at the Latest Practicable Date;

(vii) a premium of approximately 1,975.95% to the unaudited consolidated net asset value per Share attributable to the Shareholders as at 30 June 2026 of approximately HK$0.0405 per Share, which is calculated by dividing the unaudited consolidated net assets of the Group attributable to the Shareholders of approximately HK$6,964,000 as at 30 June 2026 as set out in the interim report of the Company for the six months ended 30 June 2026 by the number of Shares as at the Latest Practicable Date; and

(viii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 3.62%, represented by the theoretical diluted price of approximately HK$0.82 per Share to the benchmarked price of approximately HK$0.85 per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of (i) the closing price of the Shares of HK$0.82 as quoted on the Stock Exchange on the Last Trading Day; and (ii) the average of the closing prices of approximately HK$0.85 per Share as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the Last Trading Day).

The Subscription Price was determined by the Board with reference to the factors below:

(i) the recent market price of the Shares – the market prices of the Shares as traded on the Stock Exchange in the past twelve months prior to and including the Last Trading Day (the "**Relevant Period**"), as a benchmark to reflect the prevailing market conditions and recent market sentiment. During the Relevant Period, the Shares were traded on the Stock Exchange with an average closing price of approximately HK$0.96 per New Share. The Subscription Price represents a discount of approximately 16.99% to the average closing price for the Relevant Period;

(ii) the low trading volume of the Shares during the Relevant Period – trading liquidity of the Shares was generally thin during a substantial part of the Relevant Period, with an average trading volume amounting to approximately 0.27% of the total issued Shares;

(iii) the latest business performance and financial position of the Group – the Group remained loss-making and its financial position weakened during the two years ended 31 December 2025, with loss attributable to owners of the Company increasing from approximately HK$63.6 million for the year ended 31 December 2024 to approximately HK$73.3 million for the year ended 31 December 2025, net current liabilities increasing from approximately HK$135.0 million to approximately HK$210.6 million and equity attributable to owners of the Company decreasing significantly from approximately HK$31.3 million to approximately HK$0.8 million; and

(iv) the reasons for and benefits of the Rights Issue as discussed in the section headed "Reasons for the Rights Issue and the Use of Proceeds" in this Prospectus – which mentioned the proceeds will be strategically deployed to drive the Group's development in its digital marketing business, which has become one of the key revenue generator for the Group, and supporting long-term growth and creating value for the Company and its Shareholders as a whole.

Under the Rights Issue, each Qualifying Shareholder is entitled to subscribe for the Rights Shares at the same price in proportion to his/her/its existing shareholding in the Company.

The Company considers that the Rights Issue provides all Qualifying Shareholders with an equal opportunity to participate in the future development of the Company and to maintain their respective proportional interests in the Company should they elect to take up their assured entitlements.

In view of the above, the Directors consider that (i) all Qualifying Shareholders are provided with an equal opportunity to subscribe for their assured entitlements under the Rights Issue at the same Subscription Price and maintain their respective interests in the Company; (ii) while the Subscription Price represents a premium to the recent closing prices of the Shares, having considered the relatively low trading liquidity and limited trading volume of the Shares during the relevant period, the Directors are of the view that the prevailing market price may not fully reflect the underlying value and prospects of the Company and should not be regarded as the sole factor in determining the Subscription Price, and the Rights Issue accordingly provides Shareholders with an opportunity to participate in the future growth and development of the Company while avoiding dilution of their existing shareholdings; and (iii) the Subscription Price represents a premium over the unaudited consolidated net asset value per Share attributable to the Shareholders as at 30 June 2026. The Directors consider that the terms of the Rights Issue, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Basis of provisional allotment

The basis of the provisional allotment shall be two (2) Rights Shares for every one (1) New Share held by a Qualifying Shareholder as at the close of business on the Record Date.

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by completing a PAL and lodging the same with a remittance for the Rights Shares being applied for with the Registrar on or before 4:00 p.m. on the Latest Time for Acceptance.

Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company and not be an Excluded Shareholder on the Record Date.

In order to be registered as a member of the Company on the Record Date, a Shareholder must lodge the relevant transfer(s) of Share(s) (with the relevant share certificates) with the Registrar, Union Registrars Limited at Suites 3301–04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration by no later than 4:00 p.m. on Wednesday,18 November 2026.

Qualifying Shareholders who take up their pro rata entitlement in full will not suffer any dilution to their interests in the Company.

Excluded Shareholder(s) (if any)

The Company will not extend the Rights Issue to the Excluded Shareholders. Accordingly, no provisional allotment of Rights Shares will be made to Excluded Shareholders and Excluded Shareholders will not be entitled to apply for Rights Shares.

Overseas Shareholders (if any)

As at the Latest Practicable Date, there were two Shareholders whose addresses were situated in the PRC, interested in 2,740,000 Shares and 3,650,000 Shares, representing approximately 1.59% and 2.12%, respectively, of the total issued share capital of the Company, and one Shareholder whose address was situated in Australia, interested in 200 Shares, representing approximately 0.00012% of the total issued share capital of the Company. The Shares held by the Overseas Shareholders in aggregate represent 3.72% of the total issued share capital of the Company

In compliance with Rule 13.36(2)(a) of the Listing Rules, the Company has made enquiries regarding the feasibility of extending the Rights Issue to such Overseas Shareholders.

Taking into account the legal opinions as at the Latest Practicable Date provided by the legal advisers where such Overseas Shareholders are based, the Directors are of the view that it is necessary or expedient to extend the Rights Issue to the Overseas Shareholders with registered addresses in PRC and Australia and regard them as Qualifying Shareholders as based on the legal opinions, (i) there are no specific legal restrictions and/or regulatory requirements in such overseas jurisdictions applicable to the Company with respect to the offering of Rights Shares to the Overseas Shareholders with addresses in this jurisdictions; and (ii) there are no other requirements/formalities that the Company should comply with if the Rights Issue are extended to the Overseas Shareholders with registered addresses in PRC and Australia. Therefore, such Overseas Shareholders are not Excluded Shareholders, and the Rights Issue will be extended to such Overseas Shareholders.

As the Record Date has passed and the register of members of the Company was closed from Thursday, 19 November 2026 to Wednesday, 25 November 2026 (both days inclusive) for the purpose of determining entitlements to the Rights Issue, no additional Overseas Shareholder, and hence no additional Excluded Shareholder, arose on the Record Date.

The Company will despatch the Prospectus Documents to the Qualifying Shareholders only and will, subject to the advice given in the legal opinions provided by the Company's legal advisers in the relevant overseas jurisdictions of the Overseas Shareholders, if any, and to the extent reasonably practicable, send the Prospectus (excluding the PAL and EAF) to the Excluded Shareholder(s) for information purposes only.

Overseas Shareholders should note that they may or may not be entitled to the Rights Issue, subject to the results of enquiries made by the Directors pursuant to Rule 13.36(2)(a) of the Listing Rules. The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, the Overseas Shareholders should exercise caution when dealing in the Shares.

Arrangements will be made for the Rights Shares, which would otherwise have been provisionally allotted to the Excluded Shareholders in their nil-paid form, to be sold in the market as soon as practicable after dealings in the nil-paid Rights Shares commence, and in any event before the last day for dealings in nil-paid Rights Shares if a premium (net of expenses) can be obtained. Proceeds of each sale, less expenses and stamp duty, of not less than HK$100 will be paid pro-rata (rounded down to the nearest cent) to the relevant Excluded Shareholder(s) in Hong Kong dollars. The Company will retain individual amount of less than HK$100 for its own benefit. Any unsold entitlements of the Excluded Shareholders will be made available for excess application by the Qualifying Shareholders.

Distribution of the Prospectus Documents

The Company will only send the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date. However, to the extent reasonably practicable and legally permitted, the Company will send this Prospectus and the overseas letter, for information purposes only, to the Excluded Shareholders (if any). The Company will not send any PALs or EAFs to the Excluded Shareholders (if any).

Distribution of the Prospectus Documents into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of the Prospectus Documents (including, without limitation, Shareholders and beneficial owners of the Shares, agents, custodians, nominees and trustees) should inform themselves of and observe any such restriction. Any failure to comply with such restriction may constitute a violation of the securities laws of any such jurisdiction. Any Shareholder or beneficial owner of the Shares who is in any doubt as to his/her/its position should consult an appropriate professional adviser without delay.

Receipt of this Prospectus and/or a PAL and/or an EAF or the crediting of nil-paid Rights Shares to a stock account in CCASS does not and will not constitute an offer in any jurisdiction in which it would be illegal to make an offer and, in those circumstances, this Prospectus and/or a PAL and/or an EAF must be treated as sent for information only and should not be copied or redistributed. Persons (including, without limitation, agents, custodians, nominees and trustees) who receive a copy of this Prospectus and/or a PAL and/or an EAF or whose stock account in CCASS is credited with nil-paid Rights Shares should not, in connection with the Rights Issue, distribute or send the same in, into or from, or transfer the nil-paid Rights Shares to any person in, into or from, any such jurisdiction. If a PAL or an EAF or a credit of nil-paid Rights Shares in CCASS is received by any person in any such territory, or by his/her/its agent or nominee, he/she/it should not seek to take up the rights referred to in the PAL or transfer the PAL (or apply for any excess Rights Shares under the EAF) or transfer the nil-paid Rights Shares in CCASS unless the Company determines that such action would not violate any applicable legal or regulatory requirements.

Any person (including, without limitation, agents, custodians, nominees and trustees) who does forward this Prospectus or a PAL or an EAF in, into or from any such jurisdiction (whether under a contractual or legal obligation or otherwise) should draw the recipient's attention to the contents of this section.

No part of the Prospectus Documents should be published, reproduced, distributed or otherwise made available in whole or in part to any other person without the prior written consent of the Company.

Beneficial owners of the Shares who reside outside Hong Kong should note that the Rights Issue does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, nil-paid Rights Shares or fully-paid Rights Shares

or to take up any entitlements to nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer or solicitation is unlawful.

It is the responsibility of the relevant beneficial owners and/or their respective agents, custodians, nominees or trustees wishing to make an application for the Rights Shares to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant territory or jurisdiction, including obtaining any governmental or other consents and to pay any taxes, duties and other amounts required to be paid in such territory or jurisdiction in connection therewith.

Status of the Rights Shares

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares in issue at the date of allotment and issue of the Rights Shares. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid by the Company after the date of allotment and issue of the Rights Shares.

Fractional entitlements to the Rights Shares

On the basis of provisional allotment of two (2) Rights Shares for every one (1) New Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise from the Rights Issue. No odd-lot matching services will be provided.

Procedures for acceptance and payment or transfer

The PALs and the EAFs relating to the Rights Shares are enclosed with this Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares as shown therein by completing such form(s) and lodging the same with separate remittance for the Rights Shares being applied for with the Registrar by the Latest Time for Acceptance.

If the Qualifying Shareholders wish to accept all the Rights Shares provisionally allotted to them as specified in the PAL, they must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance, with the Registrar, Union Registrars Limited at Suites 3301–04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong by 4:00 p.m. on Thursday, 10 December 2026 (or, under bad weather conditions, such later time and/or date as mentioned in the section headed "Effect of Bad Weather and/or Extreme Conditions on the Latest Time for Acceptance" in the section headed "Expected Timetable" in this prospectus). All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by banker's cashier orders which must be issued by, a licensed bank in Hong Kong and made payable to "**UNION REGISTRARS LIMITED – CLIENTS' ACCOUNT**" and crossed "**Account Payee Only**".

It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Thursday, 10 December 2026, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled and such Rights Shares will be available for application under the EAFs by the Qualifying Shareholders. The Company may, at its sole absolute discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require the relevant person(s) to complete the incomplete PAL at a later stage.

If the Qualifying Shareholders wish to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL or transfer part of his/her/its rights to more than one person, the entire and original PAL must be surrendered and lodged for cancellation by no later than 4:00 p.m. on Wednesday, 2 December 2026 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required. The new PALs will be available for collection from the Registrar at Union Registrars Limited at Suites 3301–04, 33/F, Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL. This process is commonly referred to as "splitting" of nil-paid Rights Shares. It should be noted that stamp duty is payable in connection with a transfer of rights to subscribe for the Rights Shares.

The Company reserves the rights to refuse to register any transfer in favour of any person in respect of which the Company believes such transfer may violate applicable legal or regulatory requirements.

No receipt will be given in respect of any application monies received.

If any of the conditions of the Rights Issue as set out in the section headed "Conditions of the Rights Issue" in this "Letter from the Board" of this Prospectus is not fulfilled or, where applicable, waived at or before 4:00 p.m. on Thursday, 17 December 2026 (or such later time and/or date as the Company may determine), the Rights Issue will not proceed. Under such circumstances, the monies received in respect of application for the Rights Shares will be returned to the Qualifying Shareholders or, in the case of joint applicants, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Thursday, 24 December 2026.

Application for excess Rights Shares

Qualifying Shareholders are entitled to apply for, by way of excess application:

(i) any unsold entitlements to the Rights Shares of the Excluded Shareholder(s) (if any);

(ii) any nil-paid Rights Shares provisionally allotted but not accepted by the Qualifying Shareholders or otherwise not subscribed for by renouncees or transferees of nil-paid Rights Shares;

(iii) the Scale-down PAL Shares (if any); and

(iv) the Scale-down EAF Shares (if any).

(i) to (iv) collectively referred to as "**Untaken Rights**".

Applications for excess Rights Shares may be made by completing an EAF and lodging the same with a separate remittance for the excess Rights Shares being applied for. The Directors will allocate any excess Rights Shares at their discretion on a fair and equitable basis on the following principles:

(i) any excess Rights Shares will be allocated to Qualifying Shareholders who apply for them on a pro rata basis by reference to the number of the excess Rights Shares applied for under each application;

(ii) no reference will be made to the Rights Shares subscribed through applications by PALs or the existing number of Shares held by Qualifying Shareholders;

(iii) no preference will be given to applications for topping up odd-lot holdings to whole lot holdings; and

(iv) pursuant to Rule 7.21(3)(b) of the Listing Rules, the Company will also take steps to identify the applications for excess Rights Shares made by any controlling shareholder or its associates (together, the "**Relevant Shareholders**"), whether in their own names or through nominees. The Company shall disregard the Relevant Shareholders' applications for excess Rights Shares to the extent that the total number of excess Right Shares they have applied for exceeds a maximum number equivalent to the total number of Rights Shares offered under the Rights Issue minus the number of Rights Shares taken up by the Relevant Shareholders under their assured entitlement to the Rights Shares.

If the aggregate number of Rights Shares not taken up by the Qualifying Shareholders and/or transferees of nil-paid Rights Shares under PALs is greater than the aggregate number of excess Rights Shares being applied for under EAFs, the Directors will allocate

to each Qualifying Shareholder who applies for excess Rights Shares the actual number of excess Rights Shares being applied for. Investors whose Shares are held by a nominee company (including HKSCC Nominees Limited) should note that for the purpose of the Rights Issue, the Board will regard the nominee company as a single Shareholder according to the register of members of the Company. Accordingly, the Investors should note that the aforesaid arrangement in relation to the allocation of excess Rights Shares will not be extended to beneficial owners individually.

Application for excess Rights Shares may be made by completing and signing the enclosed EAF in accordance with the instructions printed thereon and lodging it, together with a separate remittance for the full amount payable for application for the excess Rights Shares, with the Registrar by not later than 4:00 p.m. on Thursday, 10 December 2026 (or, under bad weather conditions, such later time and/or date as mentioned in the section headed "Effect of Bad Weather and/or Extreme Conditions on the Latest Time for Acceptance" in "Expected Timetable" in this Prospectus). All remittances must be made in Hong Kong dollars. Cheques must be drawn on an account with, and banker's cashier orders must be issued by, a licensed bank in Hong Kong and made payable to "**UNION REGISTRARS LIMITED – CLIENT A/C NO 2"** and crossed "**Account Payee Only**".

Cheques and banker's cashier orders

All cheques and banker's cashier orders will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and lodgement of a PAL or an EAF together with a cheque or banker's cashier order in payment of the Rights Shares applied for will constitute a warranty that the cheque or banker's cashier order will be honoured upon first presentation. If any cheque or banker's cashier order is not honoured upon first presentation, the PAL or EAF (as the case may be) is liable to be rejected and/or deemed invalid by the Company in its absolute discretion, and in the case of an acceptance of a Qualifying Shareholder's assured entitlement all such assured entitlement and all rights thereunder will be deemed to have been declined and will be cancelled.

Beneficial owners' instructions to their Intermediary

For beneficial owners whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, if they wish to subscribe for the Rights Shares provisionally allotted to them, or sell their nil-paid Rights Shares or "split" their nil-paid Rights Shares by accepting part of their provisional allotment and selling/transferring the remaining part, they should contact their Intermediary and provide their Intermediary with instructions or make arrangements with their Intermediary in relation to the acceptance, transfer and/or "splitting" of the rights to subscribe for the Rights Shares which have been provisionally allotted to them in respect of the Shares in which they are beneficially interested. Such instructions and the relevant arrangements should be given or made in advance of the relevant dates stated in the section headed "Expected Timetable" in this Prospectus and otherwise in accordance with the requirements of their Intermediary in

order to allow their Intermediary sufficient time to ensure that their instructions are given effect. The procedures for acceptance, transfer and/or "splitting" in these cases shall be in accordance with the General Rules of HKSCC, the HKSCC Operational Procedures and any other applicable requirements of CCASS.

Application for listing

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both nil-paid and fully-paid forms. No part of the share capital of the Company is listed or dealt in or on which listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

The board lot size of the nil-paid Rights Shares shall be the same as that of the fully-paid Rights Shares, i.e. 10,000 Shares in one board lot.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy or any other applicable fees and charges in Hong Kong.

Taxation

Qualifying Shareholders are recommended to consult their professional advisers if they are in doubt as to the taxation implications of subscribing for the Rights Shares, or about purchasing, holding or disposals of, or dealings in or exercising any rights in relation to the Shares or the Rights Shares, and similarly, the Excluded Shareholders (if any) as regards their receipt of the net proceeds of sale of the Rights Shares otherwise falling to be

issued to them under the Rights Issue under the laws of jurisdictions in which they are liable to taxation. It is emphasised that none of the Company, the Directors nor any other parties involved in the Rights Issue accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealings in or exercising any rights in relation to the Shares or the Rights Shares.

Share certificates and refund cheques for Rights Issues

Subject to the fulfilment and/or waiver (where applicable) of the conditions of the Rights Issue as set out in the section headed "Conditions of the Rights Issue" below, share certificates for all fully-paid Rights Shares are expected to be posted to those entitled thereto by ordinary post to their registered address, at their own risks, on or before Thursday, 24 December 2026. Each Shareholder (except HKSCC Nominees Limited) will receive one share certificate for all the allotted Rights Shares. Refund cheques in respect of wholly or partially unsuccessful applications for excess Rights Shares (if any) are expected to be posted on or before Thursday, 24 December 2026 by ordinary post to the applicants' registered address, at their own risk.

The Rights Issue on a non-underwritten basis

Subject to the fulfilment and/or waiver (where applicable) for the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares.

If there is an under-subscription of the Rights Issue as a result of Untaken Rights not being fully taken up by Qualifying Shareholders or transferees of nil-paid Rights Shares, the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. There is also no statutory requirement regarding minimum subscription level in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, Shareholder(s) who apply to take up all or part of its entitlement under PAL or applies for excess Rights Shares under EAF may unwittingly incur an obligation to make a general offer under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will, pursuant to Rule 7.19(5) of the Listing Rules, provide for Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the applications of any Shareholder (except for HKSCC Nominees Limited) for his/her/its entitlement under the PAL or for excess Rights Shares under the EAF will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code.

As at the Latest Practicable Date, the Company has not received any undertaking from any substantial shareholder of the Company of any intention as to whether such Shareholder will take up his/her/its entitlements under the Rights Issue (or otherwise).

Conditions of the Rights Issue

The Rights Issue is conditional upon the fulfilment, non-occurrence or waiver (as appropriate) of each of the following conditions:

(i) the Capital Reorganisation having become effective;

(ii) the meeting(s) of the Board properly and validly convened to approve and implement the Rights Issue;

(iii) the passing by the Independent Shareholders at the EGM of the necessary resolution(s) to approve the Rights Issue by no later than the Prospectus Posting Date;

(iv) the delivery of the Prospectus Documents to the Stock Exchange for authorisation and registration with the Registrar of Companies in Hong Kong in compliance with the Listing Rules and the CWUMPO not later than the Prospectus Posting Date;

(v) to the extent permitted under all applicable laws and regulations and the Company's constitutional documents, the Prospectus being made available on the Company's website and the Stock Exchange's website and the sending of PAL and EAF to the Qualifying Shareholders on the Prospectus Posting Date;

(vi) the Listing Committee granting and not having revoked, listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms either unconditionally or subject to such conditions which the Company accepts and the satisfaction of such conditions (if any and where relevant) by no later than the Prospectus Posting Date and such listings and permission to deal not having been withdrawn or revoked; and

(vii) all other necessary waivers, consent and approvals (if required) from the relevant governmental or regulatory authority for the Rights Issue and the transactions contemplated thereunder having been obtained and fulfilled.

All conditions set out above cannot be waived by any party. If any of the above conditions are not satisfied at or prior to the respective time stipulated therein, the Rights Issue will not proceed. As at the Latest Practicable Date, save for conditions (i), (ii) and (iii), none of the above conditions has been fulfilled. If any of the conditions above are not satisfied by the respective date set out above, the Rights Issue will not proceed.

As the proposed Rights Issue is subject to the above conditions, it may or may not proceed.

SHAREHOLDING STRUCTURE

Set out below is the shareholding structure of the Company (i) as at the Latest Practicable Date; (ii) immediately upon completion of the Rights Issue (assuming all Shareholders have taken up their entitled Rights Shares); and (iii) Immediately after completion of the Rights Issue (assuming none of the Shareholders have taken up any entitled Rights Share), for illustration purposes only:

Assuming there are no changes in the share capital of the Company on or before the Record Date:

Shareholders	**As at the Latest Practicable Date**		**Immediately after completion of the Rights Issue (assuming all Shareholders take up their respective entitlements to the Rights Shares in full)**		**Immediately after completion of the Rights Issue (assuming nil acceptance by the Shareholders of their entitlements to the Rights Shares)**	
	Number of Shares held	*%(Note 2)*	*Number of Shares held*	*%(Note 2)*	*Number of Shares held*	*%(Note 2)*
Lyton Maison Limited(Note 1)	79,687,549	46.33	239,062,647	46.33	79,687,549	46.33
Public Shareholders	92,319,151	53.67	276,957,453	53.67	92,319,151	53.67
Total	172,006,700	100.00	516,020,100	100.00	172,006,700	100.00

Notes:

1. Lyton Maison Limited is a limited company incorporated in the British Virgin Islands and solely owned by Ms. Shi Qi, an executive Director and the Chairlady of the Board, and is interested in 79,687,549 shares. Of the 79,687,549 shares held by Lyton Maison Limited, 79,687,549 shares were charged to Mason Resources Finance Limited, which was indirectly wholly-owned by Mason Group Holdings Limited.

2. The above percentage figures are subject to rounding adjustments.

REASONS FOR THE RIGHTS ISSUE AND THE USE OF PROCEEDS

The Company is an investment holding company and the Group is principally engaged in the design, research and development, and manufacturing of new eco-friendly silicone products, and its product categories cover, amongst others, new energy vehicles, photovoltaic components, aerospace materials, medical devices, consumer electronics, and beauty products. In addition to the aforesaid principal business, the Group is also engaged in (i) the operation of international digital marketing business; (ii) the operation of retail business in the United Kingdom; and (iii) the provision of healthcare and hotel services. In particular, the digital marketing business has become a key revenue pillar of the Group, accounting for approximately 69.93% of the Group's

total revenue for the year ended 31 December 2025. As stated in the annual report for the year ended 31 December 2025 of the Company, the Company is strategically expanding its existing digital marketing business by investing in AI Digital Human technology as its new driver for growth and momentum and to maintain its competitiveness.

The AI Digital Human is a proprietary technology developed and operated by the Group. It is designed to support and enhance the Group's existing digital marketing business through the integration of machine learning, natural language processing and sentiment analysis. The system operates on a model of self-developed AI technology, scenario-based digital human applications and commercialisation through the Group's digital marketing operations. Monetisation is expected to be achieved through service fees, performance-based billing models, such as cost-per-click ("**CPC**") and cost-per-action ("**CPA**"), and industry solution subscriptions. The Company believes that AI Digital Human technology can be integrated into its existing digital marketing operations by enhancing content creation, customer engagement and data analytics capabilities. By generating personalised content and providing real-time customer interaction, AI Digital Human applications are intended to complement the Group's existing influencer marketing and advertising services while improving operational efficiency and customer experience. The Group also expects that the integration of engagement data generated through AI Digital Human applications into its existing analytics systems may improve targeting capabilities and campaign optimisation. Upon completion of the development process, the Group aims to establish a self-owned AI Digital Human technology platform to support the long-term development of its digital marketing business. To facilitate the development and commercialisation of the AI Digital Human business, the Group has formulated a phased implementation plan. The net proceeds from the Rights Issue allocated to this initiative are intended to be deployed progressively in accordance with the development stage of the project and subject to periodic review by the management of the Group.

Phase	**Period**	**Key Milestones**	**Maximum Planned Investment**
Phase I	Month 0 to Month 6	Completion of integration and internal testing of the core AI Digital Human interaction modules, including natural language processing (NLP), speech synthesis and recognition, and avatar-driving technologies. The system will then be connected to the marketing ecosystem of Jusheng Technology for small-scale commercial pilot operations.	Approximately HK$124.05 million

Phase	Period	Key Milestones	Maximum Planned Investment
Phase II	Month 7 to Month 12	Launch of the first commercialized AI Digital Human marketing products in the education, gaming and healthcare and wellness sectors. During this stage, the Group intends to secure its initial enterprise customers and establish measurable advertising delivery capabilities under CPC and CPA monetisation models.	Approximately HK$78.02 million
Phase III	Month 13 to Month 24	Expansion of multilingual interaction capabilities, including Cantonese, English and Mandarin, and commencement of beta testing of an open API (Application Programming Interface)/SDK (Software Development Kit) platform to facilitate broader enterprise adoption and system integration. The Group also aims to establish a recurring-service business model for AI Digital Human marketing services.	Approximately HK$7.03 million

The Directors believe that the proposed investment in the AI Digital Human business represents an important component of the Group's strategy to expand its technology-enabled digital marketing capabilities and diversify its service offerings. The net proceeds from the Rights Issue are intended to provide the funding required for the phased development and commercialisation of the AI Digital Human business, thereby enabling the Group to develop a self-owned AI Digital Human technology platform and accelerate the integration of AI-driven solutions into its existing digital marketing operations.

The Directors consider the AI Digital Human business to be commercially viable given its ability to leverage the Group's existing digital marketing customer base, distribution channels and operational infrastructure. The Group established its AI Digital Department in 2023 and has since continuously invested in the research and development of AI Digital Human technologies.

The Directors further believe that the Group possesses the necessary management expertise and resources to support the development and operation of the AI Digital Human business. In particular, Dr. Xie Guanhong (謝冠宏), the person in charge of the AI Digital Human business, has over 30 years of experience in technology innovation, acoustics, electronics manufacturing and product commercialisation, together with extensive expertise in artificial intelligence and

intellectual property development. Professor Peng Zhengchun (彭爭春), who is responsible for AI-related technology development, has over 15 years of experience in intelligent sensing, robotics, flexible electronics and human-machine interaction technologies, and has led a number of national and provincial-level research projects in these fields. Mr. Zhang Wei (張偉), the Group's Technical Director, has over 30 years of experience in technology development, research management and industrialisation projects. The Group also benefits from Jusheng Technology's core operational team, which has approximately five years of experience in performance marketing and digital human livestreaming operations across multiple industries.

The Group's AI Digital Department currently comprises approximately 40 research, development and operational personnel. In addition, the Group has established a research and development framework covering machine learning, natural language processing and computer vision technologies and maintains cooperation with various technology partners. The Directors believe that such management expertise, operational experience and technical resources provide a solid foundation for the development and commercialisation of the AI Digital Human business.

The proposed AI Digital Human solutions are intended to complement and enhance the Group's existing digital marketing services through automated content generation, real-time customer engagement and data-driven optimisation, thereby strengthening service capabilities and improving customer experience. The business model is designed to support multiple commercialisation channels, including service fees, CPC/CPA-based performance marketing services and subscription-based industry solutions, which the Directors believe may broaden the Group's service offerings and strengthen client relationships. Revenue generated from the AI Digital Human business is expected to be reported under the Group's existing digital marketing business segment.

The Board will oversee the development of the AI Digital Human business through regular management reports on project progress, utilisation of proceeds, technology development, commercialisation milestones and operating performance, and may seek external professional or technical advice where appropriate. The Directors therefore believe that the Group has adequate management capabilities, technical resources and governance measures in place to support the development and operation of the AI Digital Human business.

In addition, the phased deployment of the proceeds of the Rights Issue will allow the Group to assess technological performance, market acceptance and operational effectiveness at each stage of development before deploying further resources. The Directors believe that the proposed investment will facilitate the integration of AI technologies into the Group's existing digital marketing operations, improve operational efficiency, enhance the Group's competitiveness and support the long-term development of its digital marketing business.

Leveraging Jusheng Technology's existing customer base and traffic resources generated through its marketing matrix, the Directors expect the AI Digital Human business to commence operations shortly following completion of the Rights Issue and to begin generating revenue in the ordinary course of business during the first full financial year thereafter. The business will principally involve the sale and deployment of AI Digital Human operation devices, together

with the provision of system maintenance, technical support, software upgrades and other value-added services to customers. The Directors believe that Jusheng Technology's existing customer network and market resources will facilitate the commercialisation of the AI Digital Human business and support its growth.

Revenue is expected to be generated from the sale of AI Digital Human operation devices and the provision of system maintenance and value-added services. The AI Digital Human operation devices are designed to support customers' operation of AI Digital Humans for commercial applications, and the Group intends to provide ongoing maintenance, technical support and related services.

The foregoing is subject to, among other things, customer demand, customer deployment and activation rates, service subscription uptake, prevailing market conditions and the Group's implementation of its business plan. As the AI Digital Human business remains at an early stage of development, actual results may differ materially from those currently anticipated. The Company will continue to monitor the progress of the business and make further disclosure where appropriate in compliance with the Listing Rules.

Consistent with the phased deployment approach described above, the implementation timetable and key milestones have been formulated based on the Group's current business plan, taking into account the anticipated development progress of the technology, the proposed commercialisation strategy and the market opportunities currently identified by the Group. The Group will monitor the progress of the project on an ongoing basis and may adjust the implementation timetable and deployment plan in response to market conditions, technological developments and business requirements.

The estimated net proceeds of the Rights Issue (after deduction of estimated professional fees and other related expenses of approximately HK$0.73 million) will be up to approximately HK$274.48 million (assuming no changes in the share capital of the Company on or before the Record Date).

Assuming the Rights Issue is fully subscribed and there will be no changes in the share capital of the Company on or before the Record Date, the Company intends to apply the net proceeds from the Rights Issue and to supplement the Company's working capital requirements in the following manner:

(a) Approximately HK$116.0 million (being approximately 42.1% of the net proceeds) is intended to be applied towards the Group's investment in computing infrastructure for the AI Digital Human technology development, comprising:

    (i) approximately HK$38.2 million for the construction of high-specification computing data centre facilities, including server rack deployment, power capacity expansion, cooling system upgrades, and other infrastructure development; and

(ii) approximately HK$77.8 million for purchasing computer hardware, including 500 high-performance GPUs (such as H100 series), distributed server clusters, high-speed storage arrays, and computing resource scheduling software systems, to support the training and real-time inference requirements of models with hundreds of billions of parameters.

(b) Approximately HK$70.5 million (being approximately 25.6% of the net proceeds) is intended to be applied towards the Group's investment in data training investment for the AI Digital Human technology development, comprising:

(i) approximately HK$24.3 million for the procurement and construction of multimodal datasets, including industry-specific vertical data (such as knowledge graphs for finance, healthcare), general corpora, visual material libraries, etc.;

(ii) approximately HK$26.7 million for data labeling and cleansing, utilizing crowdsourcing platforms and professional labeling teams for fine-grained annotation of text, image, and speech data, and establishing an automated data cleansing toolchain to ensure data quality; and

(iii) approximately HK$19.5 million for training iteration costs, covering computing hours consumed during multiple rounds of model training and expenses for model tuning experiments, to ensure the intelligent agent meets commercial standards for interaction accuracy and response speed.

(c) Approximately HK$22.6 million (being approximately 8.2% of the net proceeds) is intended to be used for staff investment for AI Digital Human technology development for the coming two years, comprising:

(i) recruitment of 5 senior algorithm engineers, specializing in large-model optimization and multi-modal interaction algorithms, with an annual salary of approximately HK$0.8 million per person per year, totaling approximately HK$8.0 million;

(ii) recruitment of 4 data scientists, responsible for dataset construction and training effectiveness attribution analysis, with an annual salary of approximately HK$0.8 million per person per year, totaling approximately HK$6.4 million;

(iii) recruitment of 3 product managers, leading intelligent agent scenario implementation and user experience design, and 3 operations engineers, ensuring stable operation of computing clusters and data platforms, with annual salaries of approximately HK$0.6 million and HK$0.48 million respectively per person per year, respectively, totaling approximately HK$6.5 million; and

(iv) industry training and other miscellaneous expenses, estimated at approximately HK$0.87 million per year, totaling approximately HK$1.7 million aimed at ensuring team stability and continuous technological advancement.

(d) Approximately HK$65.4 million (being approximately 23.8% of the net proceeds) is intended to be used as general working capital of the Group and repayment of the Group's debts, comprising:

(i) approximately HK$18.2 million for the procurement of raw materials for the silicon business;

(ii) approximately HK$2.0 million for staff costs, HK$3.0 million for professional fees, HK$7.2 million for rental payments and HK$2.0 million for other general administrative expenses; and

(iii) approximately HK$33.0 million for the repayment of the Group's outstanding debt and interests, of which approximately HK$6.3 million for repayment of bank facility loans due within this year, approximately HK$3.3 million for repayment of finance leases due within this year and approximately HK$23.4 million for repayment of mortgage property loans.

In the event that there is an under-subscription of the Rights Issue, the net proceeds from the Rights Issue will be first applied towards the repayment of the Group's outstanding debt and interests. Any remaining proceeds will then be utilised in proportion among the other uses described above. To the extent that the net proceeds are insufficient to fully fund the proposed AI Digital Human investment plan, the Company may seek alternative financing arrangements to fund any shortfall, including equity financing at the project company level and, where appropriate, debt financing. Subject to the availability of such financing, the Company does not currently expect any material change to the implementation timetable or the overall business plan for the AI Digital Human business.

The Board considers it appropriate to allocate a substantial portion of the net proceeds from the Rights Issue to the development of the AI Digital Human business after taking into account the Group's financial position, indebtedness and business development strategy. The digital marketing business has become the Group's principal revenue contributor, accounting for approximately 69.93% of the Group's total revenue for the year ended 31 December 2025, and the AI Digital Human business is intended to enhance and expand the Group's existing digital marketing operations. The Board believes that the proposed allocation will strengthen the Group's technology capabilities and competitiveness by leveraging its existing customer base, distribution channels and operational infrastructure. While the Group had bank and other borrowings of approximately HK$323.4 million as at 31 May 2026 and is currently subject to a winding-up petition, the Company has been separately pursuing measures to address the matters underlying the winding-up petition, including discussions with the relevant creditor regarding refinancing and settlement arrangements. In addition, approximately HK$65.4 million of the estimated net proceeds is intended to be applied towards general working capital and repayment

of certain outstanding debts and interest, thereby supporting the Group's liquidity and operational requirements. The AI Digital Human project will also be implemented on a phased basis, with the proceeds deployed progressively and subject to periodic review against predetermined milestones, enabling the Group to assess technological performance, market acceptance and commercial viability before committing further resources. Accordingly, the Board considers that the proposed allocation of the net proceeds appropriately balances the Group's funding requirements with its long-term business development objectives and is in the interests of the Company and the Shareholders as a whole.

Apart from the Rights Issue, the Directors have considered other debt or equity fundraising alternatives such as bank borrowings, placing or an open offer. The Directors note that bank borrowings, if available, carry additional interest costs and create pressure to the liquidity of the Company, and placing of new shares dilutes the interests of existing Shareholders without giving them the opportunity to take part in the exercise. As opposed to an open offer, the Rights Issue enables the Shareholders to sell the nil-paid Rights Shares in the market. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Group. Having considered the above alternatives, the Directors are of the view that the Rights Issue is in the best interests of the Company and the Shareholders as a whole and that the Rights Issue is an appropriate fundraising method to strengthen the capital base of the Company, which in turn will support the Company's continuing development and business growth, while allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company.

FUND RAISING ACTIVITIES IN THE PAST 12 MONTHS

Set out below is the fundraising activities conducted by the Company during the twelve months immediately prior to the Last Trading Day:

Date of announcement	Event	Net Proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
3 July 2025	Issue of shares under general mandate granted by the Shareholders at the annual general meeting held on 27 June 2025	HK$34.39 million	(a) approximately HK$5 million is intended to be used for the procurement of artificial intelligence equipment and installation of servers for the digital marketing business; (b) approximately HK$2 million is intended to be used for marketing and promotion of the digital marketing business; (c) approximately HK$2 million is intended to be used for payment of staff costs for the digital marketing business; (d) approximately HK$3 million is intended to be used for general working capital of the digital marketing business;	The proceeds have been fully utilized as intended.

Date of announcement	Event	Net Proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
			(e) approximately HK$8 million is intended to be used for operational reserve funds of the digital marketing business; (i) approximately HK$3.2 million is intended to be used for technology platform upgrades and procurement of digital tools, such as data acquisition/labelling and algorithm development/outsourcing; (ii) approximately HK$2.4 million is intended to be used for team development and talent recruitment, including products and operations team setup; (iii) approximately HK$1.2 million is intended to be used for market expansion and customer acquisition, including sales channel development and brand building; and (iv) approximately HK$1.2 million is intended to be used as working capital and liquidity needs;	

Date of announcement	Event	Net Proceeds	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
			(f) approximately HK$10 million is intended to be used for payment of financing interest for the Yalong Bay project; and (g) the remaining balance of the proceeds of approximately HK$3.39 million is intended to be used for the general working capital of the Company.	
1 April 2025	Issue of shares under general mandate granted by the Shareholders at the annual general meeting held on 18 November 2024	HK$12 million	(a) approximately HK$4 million is intended to be used for purchasing digital marketing hardware and equipment; (b) approximately HK$2 million is intended to be used for the development of digital marketing system software; (c) approximately HK$1 million is intended to be used for the general working capital of the digital marketing business; (d) approximately HK$1 million is intended to be used for the payment of legal and professional fee; and (e) approximately HK$4 million is intended to be used for the general working capital of the Group.	The proceeds have been fully utilized as intended.

Save for the above, the Company has not conducted any other fundraising exercise during the 12-month period immediately preceding the Last Trading Day and the period from the Last Trading Day up to the Latest Practicable Date.

LISTING RULES IMPLICATIONS

In accordance with Rule 7.19A(1) and Rule 7.27A(1) of the Listing Rules, as the Rights Issue will increase the total number of issued Shares of the Company by more than 50% within a 12 months period immediately preceding the Latest Practicable Date, the Rights Issue is conditional upon the minority Shareholder's approval at the EGM, and any controlling shareholders and their respective associates, or where there are no controlling shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) in relation to the Rights Issue at the EGM. As such, the controlling shareholders of the Company as at the Latest Practicable Date of the EGM circular, namely, Lyton Maison Limited, Ms. Shi and their associates, have abstained from voting in favour of the resolution(s) relating to the Rights Issue at the EGM. Save for Ms. Shi and Lyton Maison Limited, no Shareholders and Directors were required to abstain from voting in favour of the resolution(s) relating to the Rights Issue at the EGM.

At the EGM held 6 November 2026, the proposed resolutions for approving the Rights Issue and the transactions contemplated were duly approved by the Independent Shareholders, details of which were disclosed in the poll results announcement of the Company dated 6 November 2026.

The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 7.27B of the Listing Rules.

WARNING OF THE RISKS OF DEALING IN THE SHARES AND NIL-PAID RIGHTS SHARES

The Rights Issue is subject to the fulfilment and/or waiver (where applicable) of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed "Conditions of the Rights Issue" in the "Letter from the Board" of this Prospectus. Shareholders and potential investors of the Company should note that if the conditions to the Rights Issue are not satisfied, the Rights Issue will not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. If there is an undersubscription of the Rights Issue as a result of Untaken Rights not being fully taken up by Qualifying Shareholders or transferees of nil-paid Rights Shares, the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Shares.

Any dealings in the Shares from the date of this Prospectus up to the date on which all the conditions of the Rights Issue are fulfilled and/or waived (where applicable), and any Shareholders dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders

or other persons contemplating any dealings in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.

FURTHER INFORMATION

Your attention is drawn to the additional information set out in the appendices to this Prospectus.

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

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The financial information of the Group for each of the three financial years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026 are set out in the following documents which have been published on the website of the Stock Exchange. The above-mentioned financial information have been published and is available on the website of the Stock Exchange (https://www.hkex.com.hk) and the Company's website (https://www.tayanggroup.com):

(a) Annual report of the Company for the year ended 31 December 2023 published on 24 October 2024 (pages 90 to 218)

https://www1.hkexnews.hk/listedco/listconews/sehk/2024/1024/2024102400322.pdf

(b) Annual report of the Company for the year ended 31 December 2024 published on 28 April 2025 (pages 88 to 218)

https://www1.hkexnews.hk/listedco/listconews/sehk/2025/0428/2025042800221.pdf

(c) Annual report of the Company for the year ended 31 December 2025 published on 29 May 2026 (pages 92 to 226)

https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0601/2026060103972.pdf

(d) Interim report of the Company for the six months ended 30 June 2026 published on 30 September 2026 (pages 4 to 20):

https://www1.hkexnews.hk/listedco/listconews/sehk/2026/0930/2026093001386.pdf

2. INDEBTEDNESS OF THE GROUP

As at the close of business on 31 October 2026, being the latest practicable date for this indebtedness statement prior to the printing of this Prospectus, the indebtedness of the Group was set out below:

(a) Bank borrowings – secured and guaranteed: approximately HK$10.1 million;

(b) Bank borrowings – unsecured and guaranteed: approximately HK$51.0 million;

(c) Bank borrowings – unsecured and unguaranteed: approximately HK$25.8 million;

(d) Other borrowings – unsecured and guaranteed: approximately HK$9.5 million;

(e) Other borrowings – unsecured and unguaranteed: approximately HK$47.4 million;

(f) Other borrowings – secured and guaranteed: approximately HK$146.0 million;

(g) Convertible bonds – unsecured and unguaranteed: approximately HK$33.4 million;

(h) Lease liabilities – unsecured and unguaranteed: approximately HK$5.6 million.

The approximate total amount of outstanding indebtedness is HK$328.8 million.

The secured and guaranteed bank borrowings are secured by certain properties and guaranteed by the personal guarantee of a shareholder. The loans are repayable in accordance with the repayment schedule as stipulated by the banks.

The unsecured and guaranteed bank borrowings are guaranteed by the personal guarantees of a shareholder and a related party. The loans are repayable in accordance with the repayment schedule as stipulated by the banks.

The unsecured and guaranteed other borrowings are guaranteed by the personal guarantees of a shareholder and a related party. The loans are repayable on demand.

The unsecured and unguaranteed other borrowings represent loans from shareholders and other related parties. These loans are repayable on demand.

The secured and guaranteed other borrowings are secured by certain properties and guaranteed by the personal guarantee of a shareholder. The loans are repayable on terms to be mutually agreed upon.

The convertible bonds bear interest at 10% per annum and matured in July 2026. None of the lease liabilities are secured or guaranteed.

Save as aforesaid, the Group did not have any mortgages, charges, debentures, loan capital, bank loans and overdrafts, debt securities or other similar indebtedness, lease liabilities or hire purchase commitments, liabilities under acceptances or acceptances credits, or any guarantees, or any other contingent liabilities outstanding at the close of business as at the Latest Practicable Date.

3. WORKING CAPITAL STATEMENT

The Directors, after due and careful enquiry, are of the opinion that the working capital available to the Group may not be sufficient for the Group's requirements for at least 12 months from the date of this Prospectus.

Given the above circumstances, the Group has undertaken certain plans and measures in view to improve its working capital position, which include:

(i) The Company announced its proposal to conduct the Rights Issue on the basis of two (2) rights shares for every one (1) share held on the record date, to raise gross proceeds of up to approximately HK$275.21 million by issuing up to 344,013,400 rights shares (assuming no change in the share capital of the Company on or before the record date). As of the date of this letter, the Rights Issue has not yet been completed and remains subject to the fulfilment of various conditions;

(ii) The Group has been in advanced negotiations with relevant creditors to extend overdue borrowings and interest and to waive their rights arising from events of default due to overdue payments. Management has made substantial progress with these creditors regarding feasible settlement plans and extended repayment schedules;

(iii) The Group has entered into a settlement agreement in respect of the Petition and the related indebtedness under the convertible bonds, pursuant to which the Company has paid a partial sum to the Petitioner in accordance with its terms and has made subsequent arrangements for the payment of the remaining sum. Management has been closely monitoring the Group's financial performance and liquidity position, and has implemented measures to improve profitability, control operating costs, and contain capital expenditures. The Group will continue to execute cost-control measures in the forthcoming years, including but not limited to reducing discretionary expenses and administrative costs. Concurrently, the Group is implementing measures to accelerate operating cash inflows, including intensifying efforts on the collection of trade receivables.

Taking into account the assumptions stated above, with the successful implementation of the plans and measures above, the Directors are of the view that the Group would have had sufficient working capital for at least 12 months from the date of this Prospectus. The Company has obtained the working capital sufficiency confirmation letter from its auditor as required under the Listing Rules.

4. MATERIAL ADVERSE CHANGES

Save as disclosed in this Prospectus, as at the Latest Practicable Date, the Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2025, being the date of the latest published audited accounts of the Group, up to and including the Latest Practicable Date.

5. FINANCIAL AND TRADING PROSPECT OF THE GROUP

The Group is principally engaged in the design, research and development, and manufacturing of new eco-friendly silicone products, and its product categories cover, amongst others, new energy vehicles, photovoltaic components, aerospace materials, medical devices, consumer electronics, and beauty products. In addition to the aforesaid principal business, the Group is also engaged in (i) the operation of international digital marketing business; (ii) the operation of retail business in the United Kingdom; and (iii) the provision of healthcare and hotel services.

The Silicone Rubber Business

For the six months ended 30 June 2026, the Silicone Rubber Business remained one of the Group's stable sources of revenue and cash flow. With over three decades of experience in silicone rubber manufacturing, the Group has maintained high production standards and product quality, earning the trust of customers worldwide. As an established manufacturer, the Group operates two production facilities in Dongguan and Huzhou, China, both equipped with comprehensive facilities and advanced machinery. The Silicone Rubber Business recorded sales revenue of approximately HK$106.6 million for the six months ended 30 June 2026, representing an increase of approximately 4.5% from approximately HK$102.0 million for the corresponding period in 2025, and accounted for approximately 28.3% of the Group's total revenue (2025: approximately 35.1%). Amid evolving market conditions and increasing competition, the factories' R&D teams remained committed to developing new silicone material applications, integrating traditional manufacturing expertise with emerging technologies, and advancing environmentally friendly silicone materials for sectors such as new energy vehicles, photovoltaic modules, aerospace, medical devices, consumer electronics and beauty products. The business principally manufactures and sells products including new energy vehicle and photovoltaic components, medical devices, consumer electronic products and peripheral accessories, as well as various daily consumer products, serving customers across Asia, Europe and North America. Looking ahead, the Group will continue to monitor raw material prices, customer demand, supply chain stability, international trade policies and export market conditions, while pursuing growth through product mix optimisation, customer base expansion, enhanced capacity utilisation and cost control. The Group will also continue to maintain the production and sales of traditional silicone products while prudently advancing the development of environmentally friendly silicone materials.

International Digital Marketing Business

Since its inception, the Digital Marketing Business has become a key business segment of the Group. Unlike traditional manufacturing, digital marketing is driven by the advancement of internet technologies, big data and artificial intelligence. Its growth has been supported by evolving consumer behaviour and increasing demand for online marketing solutions. As online consumption and the use of social media continue to rise, brands and merchants have increasingly allocated their marketing resources to mainstream social media and e-commerce platforms. Through its operating subsidiary, Jusheng Technology Co., Ltd., the Group provides digital marketing services by leveraging customer data and analytical capabilities to assist merchants in understanding user behaviour and preferences, enabling more targeted advertising and marketing strategies.

For the six months ended 30 June 2026, the Digital Marketing Business recorded sales revenue of approximately HK$268.3 million, representing an increase of approximately 44.0% from approximately HK$186.3 million for the corresponding period in 2025 and accounting for approximately 71.2% of the Group's total revenue (2025: approximately 64.1%). During the period, the business provided services including account setup and management, content strategy development, video production, audience engagement, data analytics, e-commerce operations, livestream hosting and advertising placement. Looking ahead, the performance of the Digital Marketing Business will continue to be influenced by factors such as platform policies, regulatory requirements, customer budgets, market competition, traffic acquisition costs and data compliance requirements. The Group will continue to monitor these factors closely and seek to enhance profitability through customer portfolio optimisation, strengthened receivables management, improved placement efficiency, effective cost control and continued investment 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 the "EKAU" brand, which mainly provides food and household goods from China, Japan, South Korea, Southeast Asia, and other regions. 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.

During the year ended 31 December 2025, the Group completed the disposal of its 60% equity interest in East Shack Limited (the "**Disposal**") and subsequently acquired the entire issued share capital of Yohome H.B. Ltd. as part of an overall restructuring of its UK retail business (the "**Acquisition**"). The transactions enabled the Group to exit a loss-making retail investment and reallocate resources to a retail operation with an

established profit-making track record while maintaining its strategic presence in the United Kingdom market. For further details of the Disposal and the Acquisition, please refer to the Company's announcements dated 7 November 2025 and 15 May 2026, respectively.

Healthcare and Hospitality Business

The Group ventured into the healthcare and hospitality business in the PRC after it acquired four hotel buildings at Sanya, Yalong Bay, Hainan Province, the PRC in 2016 (the "**Sanya Project**").

Owing to macroeconomic factors in the real estate sector and the severe impact of the COVID-19 pandemic on tourism and hospitality, the Sanya Project has been underperforming and loss-making since 2021. As disclosed in the annual reports of the Company since the year ended 31 December 2021 and the interim reports of the Company since the period ended 30 June 2021, the Company's healthcare and hospitality business segment, which consists primarily of the Sanya Project, has been underperforming and was identified by the Board as being of low strategic importance to the Group, with minimal or no revenue contribution and continued segment losses.

In light of the sustained underperformance of the Sanya Project and the healthcare and hospitality business, the Company has since then been actively exploring opportunities to realise the value of its investments in this segment and to wind down and cease its healthcare and hospitality business operations.

Web 4.0 Strategic Transformation

The Group will steadily advance its Web 4.0-driven strategic transformation, leveraging AI-powered digital humans as a key technological foundation. The Group intends to focus on three core sectors, namely education, gaming, and healthcare, actively promoting data standardization, digital asset representation, and global value synergy. The Group will continue to enhance its intelligent asset management capabilities and explore efficient, compliant pathways for global asset circulation.

Save for the abovementioned underperforming healthcare and hospitality businesses, which the Company intends to wind down, the Directors wish to emphasise that the Company has no intention of disposing of, scaling down, or otherwise reducing any of the Group's principal existing businesses.

The following is the text of a report received from the Company's reporting accountants, Rongcheng (Hong Kong) CPA Limited, Certified Public Accountants, Hong Kong, prepared for the purpose of inclusion in this Prospectus.

For illustrative purpose only, set out below is the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group after completion of the Rights Issue. Although reasonable care has been exercised in preparing the unaudited pro forma financial information, Shareholders who read the information should bear in mind that these figures are inherently subject to adjustments and may not give a complete picture of the Group's financial results and positions for the financial periods concerned.

A. STATEMENT OF UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to the owners of the Company has been prepared by the Directors in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") to illustrate the effect of the Rights Issue on the consolidated net tangible assets of the Group as if the Rights Issue had taken place on 30 June 2026.

The Unaudited Pro Forma Financial Information is prepared for illustrative purpose only and based on the judgements, estimates and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets of the Group attributable to the owners of the Company immediately after completion of the Rights Issue as at 30 June 2026 or any future date after completion of the Rights Issue.

The unaudited pro forma financial information is prepared based on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as at 30 June 2026, adjusted as described below:

	Unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2026 *HK$'000* *(Note 1)*	**Estimated net proceeds from the Rights Issue** *HK$'000* *(Note 2)*	**Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after completion of the Right Issue** *HK$'000*	**Unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company per share as at 30 June 2026** *HK$'000* *(Note 3)*	**Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per share immediately after completion of the Rights Issue** *HK$'000* *(Note 4)*
Assuming no changes in the share capital of the Company on or before the Record Date	(13,588)	274,480	260,892	(0.08)	0.51

Notes:

1. The unaudited consolidated net tangible assets of the Group as at 30 June 2026 is extracted from the interim report of the Company as at 30 June 2026, which is equal to the unaudited consolidated net assets attributable to owners as at 30 June 2026 of HK$6,964,000, after deducting goodwill of approximately HK$20,552,000.

2. The estimated net proceeds of the Rights Issue (after deduction of estimated professional fees and other related expenses of approximately HK$0.73 million) will be up to approximately HK$274.48 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).

3. The number of shares used for the calculation of unaudited consolidated net tangible assets per share before the completion of the Rights Issue is based on 172,006,700 shares in issue as at 30 June 2026.

4. The unaudited pro forma adjusted consolidated net tangible assets of the Group per Share as at 30 June 2026 immediately after completion of the Rights Issue is calculated based on the unaudited pro forma adjusted consolidated net tangible assets of the Group immediately after completion of Rights Issues divided by 516,020,100 Shares (assuming no change in the number of Shares in issue on or before the Record Date).

5. Save as disclosed above, no adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2026.

B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of the independent reporting accountants' assurance report received from Rongcheng (Hong Kong) CPA Limited, Certified Public Accountants, Hong Kong, the reporting accountants of the Company, in respect of the Group's unaudited pro forma financial information prepared for the purpose of incorporation in this prospectus.

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To the Directors of Ta Yang Group Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Ta Yang Group Holdings Limited (the "**Company**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") by the directors of the Company (the "**Directors**") for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma adjusted consolidated net tangible assets as at 30 June 2026 as set out on pages II-1 to II-3 of Appendix II of the prospectus issued by the Company dated 26 November 2026 (the "**Prospectus**") issued in relation to proposed rights issue (the "**Rights Issue**"). The applicable criteria on the basis of which the Directors have compiled the unaudited pro forma financial information are described in Section A of Appendix II to the Prospectus.

The unaudited pro forma financial information has been compiled by the Directors to illustrate the impact of the Rights Issue on the Group's net tangible assets as at 30 June 2026 as if the transaction had been taken place on 30 June 2026. As part of this process, information about the Group's net tangible assets has been extracted by the Directors from the Group's unaudited consolidated financial statements as included in the interim report as at 30 June 2026.

Directors' Responsibilities

The Directors are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("**AG 7**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the "Code of Ethics for Professional Accountants" issued by the Hong Kong Institute of Certified Public

Accountants (the "**HKICPA**"), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 "Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements" issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants' Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the Directors have compiled the pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma financial information included in a Prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2026 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and

- The unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

a) the pro forma financial information has been properly compiled on the basis stated;

b) such basis is consistent with the accounting policies of the Group; and

c) the adjustments are appropriate for the purposes of the pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.

Yours faithfully,

Rongcheng (Hong Kong) CPA Limited
Certified Public Accountants
LEE, Wai Chi
Practising Certificate Number: P07830
Hong Kong

26 November 2026

1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company (a) as at the Latest Practicable Date (excluding treasury shares, if any); and (b) Immediately after the completion of the Rights Issue (assuming no change in the number of New Shares in issue on or before the Record Date) will be, as follows:

(a) As at the Latest Practicable Date

	Number of Shares	Nominal value of ordinary Shares *(HK$)*
Authorised share capital:		
Ordinary Shares of HK$0.10 each	20,000,000,000	2,000,000,000
Issued and fully paid:		
Ordinary Shares of HK$0.10 each	172,006,700	17,200,670

(b) Immediately following the completion of the Rights Issue (assuming no change in the number of New Shares in issue on or before the Record Date)

	Number of Shares	Nominal value of ordinary Shares *(HK$)*
Authorised share capital:		
Ordinary Shares of HK$0.10 each	20,000,000,000	2,000,000,000
Issued and fully paid:		
Ordinary Shares of HK$0.10 each	516,020,100	51,602,010

The Rights Shares, when allotted, issued and fully paid, will rank *pari passu* in all respects with the Shares in issue at the date of allotment and issue of the Rights Shares. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid by the Company after the date of allotment and issue of the Rights Shares.

The Company has applied to the Listing Committee for the listing of and permission to deal in the Rights Shares (in both their nil-paid and fully-paid forms). No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, the Company has (a) no outstanding derivatives, options, warrants, conversion securities or other similar securities which are convertible or exchangeable into Shares; and (b) no intention to issue or grant any Shares, convertible securities, warranties and/or options on or before the Record Date.

As at the Latest Practicable Date, the Company did not have any treasury shares.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which (i) were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required to be recorded in the register maintained by the Company pursuant to Section 352 of the SFO; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers as set out in the Appendix C3 to the Listing Rules (the "**Model Code**") were as follows:

(a) Directors' and chief executive's interests and short positions in the shares, underlying shares and debentures

Shareholders	Nature of interest	Total number of shares/underlying shares held	Approximate percentage of interest in the Company*(Note 1)*
Ms. Shi Qi*(Note 2)*	Interest of controlled corporation	79,687,549 (Long)	46.33%
		79,687,549 (Short)	46.33%

Notes:

1. The shareholding percentage in the Company is calculated on the basis of 172,006,700 Shares in issue as at the Latest Practicable Date.

2. Lyton Maison Limited, a limited company incorporated in the British Virgin Islands and solely owned by Ms. Shi Qi, was interested in 79,687,549 shares. 79,687,549 shares held by Lyton Maison Limited were charged to Mason Resources Finance Limited, which was indirectly wholly-owned by Mason Group Holdings Limited.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors, or chief executives of the Company has any interests or short positions in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO to be entered in the register referred to therein, or which were required to be notified to the Company and the Stock Exchange, pursuant to the Model Code.

(b) Substantial shareholders' interests and short positions in shares and underlying shares

As at the Latest Practicable Date, so far as is known to the Directors and chief executive of the Company, the following persons (other than Directors or chief executives of the Company) were interested in 5% or more of the issued share capital of the Company which were recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the Listing Rules of the Stock Exchange:

Shareholders	Nature of interest	Total number of shares/underlying shares held	Approximate percentage of interest in the Company*(Note 1)*
Lyton Maison Limited*(Note 2)*	Beneficial owner	79,687,549 (Long)	46.33%
		79,687,549 (Short)	46.33%
Mason Resources Finance Limited*(Note 2)*	Person having a security interest in shares	79,687,549 (Long)	46.33%
Mason Group Holdings Limited*(Note 2)*	Interest of controlled corporation	79,687,549 (Long)	46.33%
Liu Dewei	Beneficial owner	13,600,000	7.91%

Notes:

1. The shareholding percentage in the Company is calculated on the basis of 172,006,700 Shares in issue as at the Latest Practicable Date.

2. Lyton Maison Limited was interested in 79,687,549 shares. Of the 79,687,549 shares held by Lyton Maison Limited were charged to Mason Resources Finance Limited, which was indirectly wholly-owned by Mason Group Holdings Limited.

As at the Latest Practicable Date and save as disclosed, the Directors are not aware of any other person, other than the Directors and the chief executive of the Company who had, or was deemed to have, interests or short positions in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO; or who is directly or indirectly, interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at the general meetings of the Company or options in respect of such share capital.

4. LITIGATION

In 2021, Ta Yang (Hainan) Health Industry Development Limited* (大洋(海南)健康產業發展有限公司) ("**Ta Yang Hainan**"), Ta Yang Medical Investment Limited (大洋醫療投資有限公司) ("**Ta Yang Medical**"), and the Company entered into a loan restructuring agreement with Chongqing Ji'ai No. 2 Enterprise Management Limited Partnership ("**Chongqing Ji Ai**"), pursuant to which the Chongqing Ji Ai provided financing equivalent to approximately RMB148 million (approximately HK$169 million), restructured to RMB143 million (approximately HK$163 million) (the "**Loan**"), to refinance an original bank loan in relation to the Sanya Project. The Loan was secured by, among others, mortgage over 72 properties of the Sanya Project (the "**Sanya Properties**") and pledge of Ta Yang Medical's 100% equity interest in Ta Yang Hainan (the "**Securities**").

As part of the process to resolve the Loan and to facilitate the disposal of its assets, the Group and Chongqing Ji Ai mutually agreed that arbitration and the resulting judicial auction would likely result in more favorable tax consequences. Pursuant to this mutual understanding, on 26 June 2025, Chongqing Ji Ai initiated an arbitration proceeding against Ta Yang Hainan, Ta Yang Medical, and the Company (the "**Arbitration**") regarding the overdue debts of approximately RMB113 million (approximately HK$129 million) (the "**Total Indebtedness**").

On 17 September 2025, an arbitration award was issued based on the settlement agreement signed between the parties on 4 September 2025, which confirmed the Total Indebtedness and Chongqing Ji Ai's right to apply for judicial enforcement against the Securities in the event of non-payment. Subsequently, Chongqing Ji Ai will apply for enforcement of the award, which is expected to result in the judicial auction of the Sanya Properties.

In the event that the proceeds from the judicial auction are less than the Total Indebtedness, the Company shall enter into negotiations with Chongqing Ji Ai regarding the extension of the outstanding loan. In such circumstances, it is expected that the parties will enter into a new loan agreement for the remaining balance on terms to be further negotiated between them. For details, please refer to the announcement of the Company dated 20 March 2026.

Winding-up Petition

The Company received a winding-up petition (the "**Petition**") which was filed against the Company dated 19 March 2026 at the High Court by the petitioner, Rising Jiarui Investment Management Co., Ltd (北京日信嘉銳投資管理有限公司) (the "**Petitioner**"), for the winding up of the Company under the provisions of the CWUMPO. The Petition was filed against the Company in relation to the non-payment of an amount of HK$50,377,777.78 inclusive of interest accrued up to 24 February 2026 relating to the HK$40,000,000 10.0% Convertible Bond due 20 July 2026 issued by the Company, details of which have been set out in the announcement of the Company dated 21 July 2023.

* *For identification purpose only*

Following the hearing of the High Court on 10 June 2026, 22 June 2026, 21 September 2026 and 26 October 2026, the High Court has ordered the hearing of the Petition to be further adjourned to 25 January 2027. The High Court also ordered the Company to pay to the High Court within 28 days from 21 September 2026 a sum of HK$20 million as security money. The Company has consulted its Hong Kong legal adviser in respect of the Winding Up Petition and has been advised that no validation order under section 182 of the CWUMPO is required for the allotment and issuance of new shares (including by way of the rights issue) by the Company.

On 26 October 2026, the Company and the Petitioner entered into a settlement agreement (the "**Settlement Agreement**") in respect of the Petition and the related indebtedness under the Convertible Bonds. Subsequent to the signing of the Settlement Agreement, the Company has paid part of the settlement sum to the Petitioner and will pay the remaining balance in accordance with the terms of the Settlement Agreement. Both parties will, in accordance with the Settlement Agreement, apply to the High Court of Hong Kong for withdrawal of the Petition.

The Company will make further announcement(s) to keep its shareholders and investors informed of any significant development of the Petition as and when appropriate. For details, please refer to the announcements of the Company dated 23 March 2026, 10 June 2026, 22 June 2026, 21 September 2026, 26 October 2026 and 2 November 2026.

Save as disclosed above, as at the Latest Practicable Date, no member of the Group was engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

5. MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the Latest Practicable Date:

(a) the subscription agreements dated 1 April 2025 entered into between the Company and each of Gai Bo Tao, Zhang Li, Qie Jing in relation to the subscription of an aggregate 120,000,000 subscription shares at the aggregate value of HK$12,000,000;

(b) the subscription agreements dated 3 July 2025 entered into between the Company and each of Liu Dewei, Liu Binghan, Xue Hao, Hu Jiong and Lin Yuan in relation to the subscription of an aggregate 28,660,000 subscription shares at the aggregate value of HK$34,392,000;

(c) the Settlement Agreement dated 26 October 2026 entered into between the Company and Rising Jiarui Investment Management Co., Ltd in respect of the Petition and the related indebtedness under the Convertible Bonds;

(d) share purchase agreement dated 20 November 2024, entered into between WTS 2020 Limited, a subsidiary of the Group ("**WTS 2020**"), as seller and New Vision International Limited as purchaser, in relation to the disposal of the 60% equity interest in East Shack Limited; and

(e) sale and purchase agreement dated 21 November 2024, entered between Yiqun Xin as the transferor and WTS 2020 as the transferee, in relation to the transfer of the entire issued share capital of Yohome H.B. Ltd.

6. DIRECTOR'S INTEREST IN GROUP'S ASSETS OR CONTRACT OR ARRANGEMENT OF SIGNIFICANCE

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025, the date to which the latest published audited accounts of the Group were made up.

There was no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date, in which any of the Directors was materially interested and which was significant in relation to the business of the Group as a whole.

7. QUALIFICATION AND CONSENT OF THE EXPERT

The following is the qualification of the expert or professional advisers who have given opinion or advice contained in this Prospectus (the "**Expert**"):

Name	**Qualification**
Rongcheng (Hong Kong) CPA Limited	Certified Public Accountants

As at the Latest Practicable Date, the above expert had given and had not withdrawn their written consent to the issue of this Prospectus, with the inclusion of the references to their name and/or their opinion or report in the form and context in which they are included.

As at the Latest Practicable Date, (i) the above expert has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion therein of its letter and references to its name and/or its advice in the form and context in which they respectively appear; (ii) the above expert was not beneficially interested in any share of any member of the Group nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (iii) the above expert did not have any direct or indirect interest in any assets which have been acquired, or disposed of by, or leased to any member of the Group, or are proposed to be acquired, or

disposed of by, or leased to any member of the Group since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

8. CORPORATE INFORMATION AND THE PARTIES INVOLVED IN THE RIGHTS ISSUE

Board of Directors	*Executive Directors* Ms. Shi Qi Mr. Li Jiuhua *Non-Executive Directors* Mr. Law Wai Ip Vincent Mr. Gu Shixiang Mr. Han Lei Mr. Wang Dongzhu *Independent non-executive Directors* Mr. Zhang Li Dr. Xie Jun
Registered Office	Cricket Square Hutchins Drive P.O. Box 2681 GT Grand Cayman KY1-1111 Cayman Islands
Principal Place of Business in Hong Kong	22/F, H Code 45 Pottinger Street Central Hong Kong
Authorised Representatives	Ms. Shi Qi Ms. Leong Kai Weng Subrina
Business address of Directors and the Authorised Representatives	22/F, H Code 45 Pottinger Street Central Hong Kong
Company Secretary	Ms. Leong Kai Weng Subrina
Auditor and Reporting Accountant	Rongcheng (Hong Kong) CPA Limited *Certified Public Accountants* *(Registered Public Interest Entity Auditor)*

Principal Bankers	Dongguan Rural Commercial Bank Co., Ltd. No. 2 Hongfu East Road Dongcheng District Dongguan City Guangdong Province PRC China CITIC Bank International Limited The Chinese Bank Building 61 to 65 Des Voeux Road Central Hong Kong DBS Bank (Hong Kong) Limited G/F, The Center 99 Queen's Road Central Central Hong Kong
Principal Share Registrar and Transfer Office	Suntera (Cayman) Limited Suite 3204, Unit 2A Block 3, Building D P.O. Box 1586, Gardenia Court Camana Bay Grand Cayman KY1-1100 Cayman Islands
Hong Kong Branch Share Registrar and Transfer Office	Union Registrars Limited Suites 3301–04, 33/F. Two Chinachem Exchange Square 338 King's Road North Point Hong Kong

9. PARTICULARS OF DIRECTORS AND COMPANY SECRETARY

Executive Directors

Ms. Shi Qi ("**Ms. Shi**"), aged 47, was appointed as Chairlady and an executive Director in April 2016. Ms. Shi obtained a master's degree of business administration from Centenary University, majoring in finance, in May 2009. Ms. Shi has more than 10 years of experience in corporate reorganization, corporate and project financing, investments in real estate, securities and non-securities assets and risk management. In 2009, she founded Seven Ocean Investments Limited ("**Seven Ocean**"), and under her leadership, Seven Ocean has developed from a small scale financing company to a company that principally engages in providing financing and corporate solutions and consultancy services, and large scale medical and healthcare development projects.

Mr. Li Jiuhua ("**Mr. Li**"), aged 62, was appointed as Chief Executive Officer and an executive Director in November 2022. Mr. Li graduated from Xiamen University with a bachelor degree in finance in 2003, and obtained a master degree in business administration from the Jiangxi University of Finance and Economics in 2011. Mr. Li has 35 years of experience in the securities and finance industries. He was (i) the deputy chief executive officer of China Huarong International Holdings Limited, a subsidiary of China Huarong Asset Management Co., Ltd. (a company listed on the Stock Exchange with stock code of 2799) from March 2017 to August 2017; (ii) an executive director of Zhong Ji Longevity Science Group Limited ("**Zhong Ji**", a company listed on the Stock Exchange with stock code of 767) from September 2017 to January 2020, and also the chief executive officer of Zhong Ji from October 2017 to January 2020; (iii) the chairman of Zhong Bang International Holdings Limited and the assistant to general manager for Jiangxi Ganjiang Traditional Chinese Medicine Branch Chuangcheng Construction Investment Group Co., Ltd. (江西贛江中醫藥科創城建設投資集團有限公司) from February 2020 to November 2021; and (iv) the executive director and chief executive officer of Zhong Ji from December 2021 to April 2022.

Non-executive Directors

Mr. Gu Shixiang ("**Mr. Gu**"), aged 59, was appointed as a non-executive Director in December 2022. Mr. Gu graduated from Anhui Agricultural University and has over 20 years of experience in management and was last employed by China Landlord Group Limited as the chief executive officer.

Mr. Han Lei ("**Mr. Han**"), aged 56, was appointed as a non-executive Director in April 2016. Mr. Han has experience in entertainment and music industry. Mr. Han has participated in CCTV Spring Festival Evening Galas and different TV programmes.

Mr. Wang Dongzhu ("**Mr. Wang**"), aged 62, was appointed as a non-executive Director in January 2026. Mr. Wang possesses over twenty years of experience in the fields of e-commerce and corporate management, with expertise in industrial planning,

technological innovation applications, and development strategies for small and medium-sized enterprises. Mr. Wang has served as the chairman of Fujian Xunwang Network Technology Co., Ltd. (福建訊網網絡科技股份有限公司) since 2010.

Mr. Law Wai Ip Vincent ("**Mr. Law**"), aged 51, was appointed as a non-executive Director in February 2026. Mr. Law has extensive experience in corporate governance, compliance, and mergers and acquisitions. He served as the company secretary and authorized representative of Asia Television Holdings Limited (stock code: 707) from December 2018 to April 2021 and as the company secretary and authorized representative of Success Dragon International Holdings Limited (stock code: 1182) from September 2019 to March 2020, respectively. He is currently the Chief Operating Officer of Mason Group Holdings Limited (previous stock code: 273) and a director of several subsidiaries, responsible for overseeing operations and fulfilling his responsibilities in compliance and company secretarial functions. Mr. Law is an associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute UK & Ireland. Mr. Law holds a Master of Science degree with distinction in Professional Accounting and Corporate Governance from the City University of Hong Kong, a Master of Philosophy degree from the Chinese University of Hong Kong, and a Bachelor of Science (Honors) degree from Hong Kong Baptist University.

Independent Non-executive Directors

Mr. Zhang Li ("**Mr. Zhang**"), aged 53, has been appointed as an independent non-executive Director of the Company since January 2026. Mr. Zhang has over 20 years of experience in finance and capital markets, having held senior roles at multiple listed companies, and currently serves as chairman and executive director of Value Convergence Holdings Limited. Mr. Zhang holds a Bachelor's degree in Economics from Northwest University of Political Science and Law ("**NWUPL**") and contributes to academia as dean, visiting professor, and executive dean at NWUPL.

Dr. Xie Jun ("**Dr. Xie**"), aged 43, has been appointed as an independent non-executive Director of the Company since January 2026. Dr. Xie has over 16 years of experience in financial investment, digital assets, and technology management, and currently leads several institutions including Asia Pacific Investment Bank, Asia Digital Bank, and Asia Digital Asset Exchange. Dr. Xie holds postdoctoral research experience in computer science and technology from Tsinghua University and the National Academy of Governance.

Save as disclosed above, none of the Directors or senior management had held any directorship in other publicly listed companies whether in Hong Kong or overseas in the past three years preceding the Latest Practicable Date. None of the management has any relationship with any directors, the other members of the senior management, substantial shareholders or controlling shareholders of the Company as at the Latest Practicable Date.

Business Address of the Directors and Senior Management

The business address of the Directors and chief executive officer is the same as the Company's head office and principal place of business in Hong Kong at 22/F, H Code, 45 Pottinger Street, Central, Hong Kong.

Company Secretary

Ms. Leong Kai Weng Subrina ("**Ms. Leong**"), aged 39, has over 16 years of experience in the fields of financial reporting, corporate finance, company secretarial and auditing. Ms. Leong served as a senior associate in assurance department in Pricewaterhousecoopers from 2009 to 2013. From 2013 to 2016, she was a finance manager attached to Ares Asia Limited, a company listed on the Stock Exchange (stock code: 0645). Ms. Leong served as a financial consultant in China International Development Corporation Limited, a company listed on the Stock Exchange (stock code: 0264), from 2016 to 2020. From 2016 to 2020, she worked as the financial controller in Gilston Group Limited, a company listed on the Stock Exchange (stock code: 2011). From 2021 to 2023, she has served as the company secretary of Target Insurance Holdings Limited, a company previously listed on the Stock Exchange (previous stock code: 6161). She was the chief financial officer and company secretary of Kelfred Holdings Limited, a company listed on the Stock Exchange (stock code: 1134) from 2021 to 2024. She also served as a financial consultant in Sincere Watch (Hong Kong) Limited, a company listed on the Stock Exchange (stock code: 0444) from 2024 to 2025. Ms. Leong is also the company secretary of International Genius Company, a company listed on the Stock Exchange (stock code: 0033), from 2021 to June 2026. She is also the company secretary of China Next-Gen Commerce and Supply Chain Limited, a company listed on the Stock Exchange (stock code: 3928) since 2025. Ms. Leong also served as the company secretary of Embry Holdings Limited, a company listed on the Stock Exchange (stock code: 1388) since July 2026. Ms. Leong also served as an independent non-executive director in Soft International Group Limited, a company listed on the Stock Exchange (stock code: 2569), since 2025.

10. DIRECTOR'S SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with the Company or any member of the Group which were not expiring or determinable by the Group within one year without payment of compensation (other than statutory compensation).

11. MISCELLANEOUS

As at the Latest Practicable Date, to the best knowledge of the Directors, there were no restrictions affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.

As at the Latest Practicable Date, there was no contract for the hire or hire purchase of plant to or by any member of the Group for a period of over one year which are substantial in relation to the Group's business.

As at the Latest Practicable Date, the Group had no exposure to foreign exchange liabilities.

The English language text of this Prospectus shall prevail over its Chinese language text, in case of any inconsistency.

12. LEGAL EFFECT

This Prospectus, the PAL and the EAF, and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong. This Prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the CWUMPO, so far as applicable.

13. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES

A copy of each of the Prospectus Documents, together with copies of the PAL and EAF and the written consent referred to in the paragraph headed "7. Qualification and Consent of the Experts" in this Appendix, has been registered with the Registrar of Companies in Hong Kong for registration pursuant to section 342C of the CWUMPO.

14. EXPENSES

The expenses in connection with the Rights Issue, including but not limited to financial advisory fees, printing, translation, registration, legal, accounting, levy and documentation charges, are estimated to be approximately HK$0.73 million and are payable by the Company.

15. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (http://www.hkexnews.hk) and the Company (https://www.tayanggroup.com) for 14 days from the date of this Prospectus:

(i) the accountant's report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this Prospectus;

(ii) the material contracts as referred to in the paragraph headed "5. MATERIAL CONTRACTS" in this Appendix;

(iii) the written consents referred to in the paragraph headed "7. QUALIFICATION AND CONSENT OF THE EXPERTS" in this Appendix; and

(iv) the Prospectus Documents.