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# 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)

## **ISSUE OF SHARES UNDER GENERAL MANDATE**

On 3 July 2025 (after trading hours), the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue an aggregate of 28,660,000 Subscription Shares at the Subscription Price of HK\$1.20 per Subscription Share. The obligations of each of the Subscribers under the Subscription Agreements are several (not joint or joint and several) and their rights are separate and independent. No placing agent has been appointed for the Subscriptions.

Assuming that there will be no change in the number of issued Shares between the date of this announcement and the Completion Date, the 28,660,000 Subscription Shares represent (i) approximately 19.99% of the existing issued Shares of the Company as at the date of this announcement; and (ii) approximately 16.66% of the issued Shares of the Company as enlarged by the allotment and issue of the Subscription Shares.

The Subscription Shares will be allotted and issued under the General Mandate, and therefore the allotment and issue of the Subscription Shares is not subject to the approval of the Shareholders. The Company will apply to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

The net proceeds will be approximately HK\$34.39 million. The net proceeds are intended to be used as general working capital of the Group to support the Group's further business development, including, but not limited to, its digital marketing business.

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

#### **INTRODUCTION**

On 3 July 2025 (after trading hours), the Company entered into the Subscription Agreements with the Subscribers, pursuant to which the Subscribers have conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue an aggregate of 28,660,000 Subscription Shares at the Subscription Price of HK\$1.20 per Subscription Share. The number of Shares to be subscribed by Subscriber I is 13,600,000 Shares, Subscriber II is 6,670,000 Shares, Subscriber III is 3,650,000, Subscriber IV is 2,740,000 and Subscriber V is 2,000,000. The obligations of each of the Subscribers under the Subscription Agreements are several (not joint or joint and several) and their rights are separate and independent. No placing agent has been appointed for the Subscriptions.

#### THE SUBSCRIPTION AGREEMENTS

The principal terms of the Subscription Agreements are set out as follows:

#### Date

3 July 2025

#### Parties

- (1) The Company (as the issuer); and
- (2) Liu Dewei (being Subscriber I), Liu Binghan (being Subscriber II), Xue Hao (being Subscriber III), Hu Jiong (being Subscriber IV) and Lin Yuan (being Subscriber V) as the subscribers

#### **Background Information of the Subscribers**

(1) Subscriber I

Subscriber I, Liu Dewei, is a Chinese citizen and a businessman.

(2) Subscriber II

Subscriber II, Lu Binghan, is a Chinese citizen and a businessman.

(3) Subscriber III

Subscriber III, Xue Hao, is a Chinese citizen and a businessman.

(4) Subscriber IV

Subscriber IV, Hu Jiong, is a Chinese citizen and a businessman.

#### (5) Subscriber V

Subscriber V, Lin Yuan, is a Chinese citizen and a businessman.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Subscribers is an Independent Third Party. Upon completion of the Subscriptions, none of the Subscribers will become a substantial Shareholder (as defined in the Listing Rules).

#### **Subscription Shares**

Subject to the fulfilment of the conditions set out below, the Subscribers shall subscribe an aggregate of 28,660,000 Subscription Shares. The aggregate nominal value of the Subscription Shares will be HK\$28,660,000.

As at the date of this announcement, the Company has 143,346,700 Shares in issue. Assuming there will be no change in the number of issued Shares between the date of this announcement and the Completion Date, the 28,660,000 Subscription Shares represent: (i) approximately 19.99% of the existing issued Shares of the Company as at the date of this announcement; and (ii) approximately 16.66% of the issued Shares of the Company as enlarged by the allotment and issuance of the Subscription Shares.

#### **Subscription Price**

The Subscription Price represents:

- a premium of approximately 90.48% to the closing price of HK\$0.630 per Share as quoted on the Stock Exchange on 3 July 2025, being the closing price on the date of the Subscription Agreements; and
- (ii) a premium of approximately 83.49% to the average closing price of approximately HK\$0.654 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription Agreements.

The Subscription Price was arrived at after arm's length negotiations between the Company and each of the Subscribers with reference to the prevailing market price, the recent trading performance of the Shares and the current challenging operating environment and economic uncertainties. The Directors consider that the Subscription Price and the terms of the Subscription Agreements are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

#### **Conditions of the Subscriptions**

Completion of the Subscription Agreements shall be subject to and conditional upon the following:

- (a) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Subscription Shares;
- (b) all other necessary consents, approvals, reports and filings pursuant to the Listing Rules and applicable laws for the consummation of the transactions contemplated in the Agreement having been obtained by the Company and the Subscribers;
- (c) all Company's representations, warranties and undertakings remaining true and accurate in all material respects and not misleading in any material respect; and
- (d) all Subscribers' representations, warranties and undertakings remaining true and accurate in all material respects and not misleading in any material respect.

The above condition precedent (c) and (d) can be fully or partly waived by the Company and the Subscribers, respectively. However, the above condition precedent (a) and (b) cannot be waived by the Subscribers and the Company.

The Subscribers and the Company undertake to use their reasonable endeavours to ensure that the conditions precedent are fulfilled as early as practicable. If any of the conditions precedent is not fulfilled by the relevant party or waived (as the case may be) on or before the Long Stop Date (or such other day as the Company and the Subscriber may agree), the Subscription Agreements shall terminate and neither the Company nor the Subscribers shall be liable to each other or have any claim against one another for damages, compensation or otherwise save and except any liability arising from antecedent breaches by either party.

#### **Completion of the Subscriptions**

Completion of the Subscriptions shall take place within seven Business Day after all the conditions are met or waived (as the case may be) (or such later date as may be agreed between the parties to the Subscription Agreements).

#### **Ranking of the Subscription Shares**

The Subscription Shares, when fully paid, will rank *pari passu* in all respects among themselves and with the Shares in issue or to be issued by the Company on or prior to the date of completion of the Subscriptions, including the rights to all dividends and other distributions declared, made or paid at any time after the date of allotment.

#### **Application for Listing**

An application will be made by the Company to the Stock Exchange for the granting of listing of, and permission to deal in, the Subscription Shares.

#### General Mandate to issue the Subscription Shares

The Subscription Shares will be allotted and issued pursuant to the General Mandate granted to the Directors at the AGM, pursuant to which the Directors are authorised to allot, issue and otherwise deal with up to 28,669,340 new Shares, representing 20% of the number of Shares in issue as at the date of the AGM.

Since the AGM up to the date of this announcement, the Company has not allotted and issued any new Shares under the General Mandate. No further shareholders' approval is required for the allotment and issue of the Subscription Shares.

## REASONS FOR AND BENEFITS OF THE SUBSCRIPTIONS AND USE OF PROCEEDS

The Directors consider that the business expansion plans of the Company, especially with the gradual growth of the of the Group's digital marketing business, requires the Company to increase its capital, with an aim to improving and enhancing its profitability. The issue of the Subscription Shares represents an opportunity to raise additional funds for the Group's general working capital needs. In particular, the Directors are of the view that (i) the Subscriptions will not result in interest costs or other expenses; (ii) the Subscriptions will ensure that the Company can obtain funds of a certain amount within a short time; and (iii) issuance of new Shares by the consideration of cash will improve the financial position of the Company, by increasing liquidity. The Directors believe that the Subscription Agreements are made on normal commercial terms, are fair and reasonable, and in the interests of the Company and the Shareholders as a whole. In addition, the Subscription Price and the quantity of the Subscriptions were made with a reference to the prevailing and recent market prices and trading volume of the Shares.

The net proceeds from the Subscription will be approximately HK\$34.39 million. Further details of the intended use of the net proceeds are as follows:

- (a) approximately HK\$5 million (representing approximately 15% of the net proceeds from the Subscriptions) 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 (representing approximately 6% of the net proceeds from the Subscriptions) is intended to be used for marketing and promotion of the digital marketing business;

- (c) approximately HK\$2 million (representing approximately 6% of the net proceeds from the Subscriptions) is intended to be used for payment of staff costs for the digital marketing business;
- (d) approximately HK\$3 million (representing approximately 9% of the net proceeds from the Subscriptions) is intended to be used for general working capital of the digital marketing business;
- (e) approximately HK\$8 million (representing approximately 23% of the net proceeds from the Subscriptions) is intended to be used for operational reserve funds of the digital marketing business;
- (f) approximately HK\$10 million (representing approximately 29% of the net proceeds from the Subscriptions) 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 (representing approximately 12% of the net proceeds from the Subscriptions) is intended to be used for the general working capital of the Company.

#### EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

As disclosed in the announcement of the Company dated 19 February 2024, the Company proposed to implement a rights issue on the basis of one rights share for every two Shares held on the record date at the subscription price of HK\$0.120 per rights share, to raise up to (i) approximately HK\$78.4 million (before deducting professional fees and other related expenses) by issuing up to 653,383,500 rights shares (assuming no changes in the share capital of the Company on or before the record date); or (ii) approximately HK\$87.7 million (before deducting professional fees and other related expenses) by issuing no changes in the share capital of the Company on or before the record date); or (ii) approximately HK\$87.7 million (before deducting professional fees and other related expenses) by issuing up to 731,204,511 rights shares (assuming no changes in the share capital of the Company on or before the record date other than the conversion in full of the Convertible Bonds issued by the Company on 21 July 2023) to the qualifying Shareholders. As disclosed in the announcements of the Company dated 1 March 2024, 12 March 2024 and 3 April 2024, in view of the suspension of trading in the Shares, the despatch date of the prospectus documents in respect of the Rights Issue was postponed. The Right Issue was subsequently terminated on 1 April 2025, the details of which are disclosed in the announcement of the Company dated 1 April 2025.

Date of announcement	Fund raising activity	Net proceeds (approximately)		unced intended f proceeds	proceeds as at the date of this announcement
1 April 2025, 7 April 2025 and 9 June 2025	Placing of new shares under general mandate	Approximately HK\$12.0 million	(a)	approximately HK\$4 million (representing approximately 33% of the net proceeds from the Subscriptions) is intended to be used for the purchase of digital marketing hardware and equipment;	Used in accordance with the intended use
			(b)	approximately HK\$2 million (representing approximately 17% of the net proceeds from the Subscriptions) is intended to be used for the development of digital marketing system software;	
			(c)	approximately HK\$1 million (representing approximately 8% of the net proceeds from the Subscriptions) is intended to be used for general working capital of the digital marketing business;	
			(d)	approximately HK\$1 million (representing approximately 8% of the net proceeds from the Subscriptions) is intended to be used for payment of legal and professional fees; and	
			(e)	The remaining proceeds are intended to be used as general	

Actual use of

Save as disclosed above, the Company has not conducted any equity fund raising activities in the past 12 months immediately preceding the date of this announcement.

working capital of the Group.

#### EFFECT ON SHAREHOLDING STRUCTURE OF THE COMPANY

The table below illustrates the shareholding structures of the Company: (i) as at the date of this announcement; (ii) immediately upon the Completion pursuant to the Subscription Agreements; and (iii) immediately upon the Completion and assuming full conversion of the Convertible Bonds, assuming that there will be no other change to the share capital of and shareholding in the Company other than the allotment and issue of the Subscription Shares and the conversion shares upon conversion of the Convertible Bonds:

						ately after
	_		_		•	and assuming
	Immediately before Completion		Immediately after Completion		full conversion of the Convertible Bonds	
	% of		$\% \ of$		% of	
	Number of	shareholdings	Number of	shareholdings	Number of	shareholdings
	Shares	(Approximately)	Shares	(Approximately)	Shares	(Approximately)
Lyton Maison Limited						
(Note 1)	79,687,549	55.59	79,687,549	46.33	79,687,549	42.48
Hu Jiangbing (Note 2)	85,000	0.06	85,000	0.05	85,000	0.05
MDK Corporate Services						
Limited	670,000	0.47	670,000	0.39	670,000	0.36
Rising Jiarui Investment						
Management Co., Ltd.						
(Note 3)	-	_	-	_	15,564,202	8.30
Subscribers	-	_	28,660,000	16.66	28,660,000	15.28
Other public Shareholders	62,904,151	43.88	62,904,151	36.57	62,904,151	33.53
Total	143,346,700	100.00	172,006,700	100.00	187,570,902	100.00

Notes:

- 1. Lyton Maison Limited is interested in 796,875,490 Shares and is solely owned by Shi Qi, the chairlady and an executive Director of the Company. Of the 796,875,479 shares held by Lyton Maison Limited, 654,810,600 shares were charged to Mason Resources Finance Limited, which was indirectly wholly-owned by Mason Group Holdings Limited.
- 2. Hu Jiangbing was an independent non-executive Director and retired on 18 November 2024.
- 3. Rising Jiarui Investment Management Co., Ltd. holds the Convertible Bonds and is ultimately and beneficially owned by Li Bing (李冰) and Zhang Baohui (張寶輝).

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

### DEFINITIONS

"AGM"	the annual general meeting of the Company held on 27 June 2025
"Board"	the board of Directors
"Business Day(s)"	any day (other than a public holiday, Saturday, Sunday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted or the Extreme Conditions is announced in Hong Kong between 9:00 a.m. to 5:00 p.m.) on which banks are generally open for business in Hong Kong
"Company"	Ta Yang Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and whose shares are listed on the Main Board of the Stock Exchange with stock code 1991
"Completion"	the completion of the Subscriptions
"Completion Date"	seven Business Days following the date on which the conditions precedent of the Subscription Agreements are fulfilled or waived as the case may be or such other date as may be agreed by the Company and the Subscribers in writing
"connected person(s)"	has the same meaning ascribed to it in the Listing Rules
"Convertible Bonds"	the 10% per annum, 3 years convertible bond in the principal amount of HK\$40,000,000 issued by the Company on 21 July 2023, details of which are set out in the announcements of the Company dated 3 July 2023, 10 July 2023 and 21 July 2023
"Director(s)"	the director(s) of the Company
"General Mandate"	the general mandate granted to the Directors at the AGM to allot, issue and otherwise deal with new Shares not exceeding 20% of the shares in issue as at the date of the AGM
"Group"	the Company and its subsidiaries from time to time
"HK\$"	Hong Kong dollars, the lawful currency of Hong Kong

"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party(ies)"	to the best of the Directors' knowledge, information and belief having made all reasonable enquiries, any person or company and their respective ultimate beneficial owner(s) (if applicable) who are third parties independent of the Company and its connected persons
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Long Stop Date"	30 September 2025, or any other date as agreed in writing between the Subscribers and the Company under the Subscription Agreements
"Share(s)"	ordinary share(s) of par value of HK\$1.0 each in the existing share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscriber I"	Liu Dewei (劉德巍), being the subscriber under the Subscription Agreements
"Subscriber II"	Liu Binghan (劉冰函), being the subscriber under the Subscription Agreements
"Subscriber III"	Xue Hao (薜浩), being the subscriber under the Subscription Agreements
"Subscriber IV"	Hu Jiong (胡炯), being the subscriber under the Subscription Agreements
"Subscriber V"	Lin Yuan (林轅), being the subscriber under the Subscription Agreements
"Subscribers"	collectively, Subscriber I, Subscriber II , Subscriber III, Subscriber IV and Subscriber V
"Subscription Agreements"	the subscription agreements dated 3 July 2025 and entered into between the Company and each of Subscriber I, Subscriber II, Subscriber III, Subscriber IV and Subscriber V, in relation to the Subscriptions, collectively refer to the Subscription Agreements

"Subscription Price"	HK\$1.20 per Subscription Share
"Subscription Share(s)"	an aggregate of 28,660,000 Shares to be subscribed by the Subscribers pursuant to the Subscription Agreements
"Subscriptions"	the subscriptions for the Subscription Shares by the Subscribers pursuant to the Subscription Agreements
"%"	per cent.
	By order of the Board To Yong Crown Holdings Limited

Ta Yang Group Holdings Limited Shi Qi Chairlady

Hong Kong, 3 July 2025

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