

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.

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)

VOLUNTARY ANNOUNCEMENT
STRATEGIC COOPERATION AGREEMENT

This announcement is made on a voluntary basis by Ta Yang Group Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) to provide the shareholders of the Company (the “**Shareholders**”) and potential investors an update on the latest business development of the Group.

STRATEGIC COOPERATION AGREEMENT

The board (the “**Board**”) of directors (the “**Director(s)**”) of the Company is pleased to announce that on 25 December 2023, the Group entered into a strategic cooperation agreement (the “**Strategic Cooperation Agreement**”) with Hangzhou Taipu Automobile Technology Co., Ltd* (杭州太僕汽車科技有限公司) (“**Taipu Auto**”) in relation to, among others, the equity investment in Taipu Auto (the “**Equity Investment**”) and the establishment and investment in a joint venture company (the “**JV**”).

BACKGROUND INFORMATION OF TAIPU AUTO

Taipu Auto is a company with solid operational experience and capabilities in the new energy vehicles and related sectors. The Board, having conducted rigorous due diligence and explored possible long-term cooperation opportunities for the Company, has developed a strategic cooperation framework with Taipu Auto, to realise the Company’s consensus on its future business development needs.

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, the ultimate beneficial owners of Taipu Auto are independent third parties of the Company and its connected persons (as defined under the Rules Governing the Listing Rules of the Stock Exchange of Hong Kong Limited) as of the date of this announcement.

REASONS FOR AND BENEFITS OF ENTERING INTO THE STRATEGIC COOPERATION AGREEMENT

In order to adapt to market changes and realise the Group's long-term development goals, the Group has decided to engage in new energy vehicles and new energy related manufacturing, and operations in the digital economy sector.

The Equity Investment is a key measure in the strategic transformation of the Group and forms a major part of the Group's future development. Through such investment, the Group will further expand its market share in new energy vehicles and new energy related manufacturing and operations, as well as enhance the Group's core competitiveness and profitability.

The strategic cooperation with Taipu Auto and the establishment and investment in the JV will help the Group transition into the aforesaid new business areas and will be key to the Company's future business operations. Taipu Auto possesses advanced technology and a professional team in areas including new energy vehicle technology, smart manufacturing and supply chain management, which will provide strong support and resources for the Group's future product design operations, new energy project operations and management in the digital economy sector.

The Company believes that through the Equity Investment and/or the strategic cooperation with Taipu Auto via the establishment and investment in the JV, the Group will be able to achieve further breakthrough and development in the new energy vehicles and new energy sectors and generate greater returns to the Shareholders.

GENERAL

The cooperation under the Strategic Cooperation Agreement may be subject to the entering of definitive agreement(s) and may or may not materialise as described or at all. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the shares of the Company. The Company will make further announcements on the latest developments and progress in relation to the strategic cooperation as and when appropriate.

The Company extends its sincere gratitude to its Shareholders, investors, and friends for their longstanding support and trust in the Group.

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

Hong Kong, 28 December 2023

As at the date of this announcement, the Board comprises three executive Directors, namely Ms. Shi Qi, Mr. Li Jiuhua and Mr. Gao Feng; three non-executive Directors, namely, Mr. Chan Tsun Hong Philip, Mr. Gu Shixiang and Mr. Han Lei; and four independent non-executive Directors, namely Mr. Chan Siu Tat, Mr. Hu Jiangbing, Ms. Wang Lina and Mr. Zheng Changxing.

* *For identification purpose only*