

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.



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)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules.

The Board wishes to inform the shareholders of the Company and potential investors that the interim results of the Group for the Period are expected to record a loss as compared to the profit recorded for the six months ended 31 January 2011.

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

This announcement is made by Ta Yang Group Holdings Limited (the “Company” and together with its subsidiaries, the “Group”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”).

The board of directors of the Company (the “Board”) wishes to inform the shareholders of the Company and potential investors that the interim results of the Group for the six months ended 31 January 2012 (the “Period”) are expected to record a loss as compared to the profit recorded for the six months ended 31 January 2011.

The Board considers that the loss for the Period was primarily attributable to:

- (i) lower revenue records than anticipated due to the economic downturn arose from European sovereign debt crisis;
- (ii) decrease in gross profit margin is resulted from surging raw material costs and the rising labour costs in Mainland China; and
- (iii) increase in depreciation due to the significant additions of plant and machinery catering for business expansion.

The Company is still in the progress of finalizing the interim results of the Group for the Period. This announcement is only based on the preliminary assessment by the management of the Company on the unaudited management accounts for the Period and the current information available, which have not been reviewed or audited by the Company's auditor. Therefore the actual results to be reported in the Group's interim results announcement and interim report may be different from what is disclosed in this announcement. The interim results announcement of the Company for the Period is expected to be released before 31 March 2012.

The Board considers that the overall operation of the Group as a whole remains sound and healthy, and the financial position of the Group remains solid.

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

By Order of the Board
Huang Sheng-Shun
Chairman

Hong Kong, 29 February 2012

As at the date hereof, the Board of the Company has four executive directors, namely Mr. Huang Sheng-Shun, Mr. Huang Te-Wei, Mr. Lin Hung-Ming, Mr. Wong Tak Leung and two non-executive directors namely Mr. Wu Ih Chen, Mr. Kirk Yang and three independent non-executive directors namely, Professor Jou Yow-Jen, Mr. Yeung Chi Tat and Mr. Hsieh Yu.