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Tianyun International Holdings Limited **天韵國際控股有限公司**

(Incorporated in the British Virgin Islands with limited liability)

(Stock code: 6836)

VOLUNTARY ANNOUNCEMENT **IMPACT OF THE CORONAVIRUS DISEASE 2019 (COVID-19)** **OUTBREAK ON BUSINESS OPERATIONS**

This announcement is made by Tianyun International Holdings Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) on a voluntary basis for the purpose of keeping the shareholders and potential investors of the Company informed of the impact of the coronavirus disease 2019 (“**COVID-19**”) outbreak on the Group’s business operations.

BUSINESS AND OPERATION IN THE PRC

In light of the COVID-19 outbreak, many provinces and municipalities in the People’s Republic of China (the “**PRC**”) have implemented emergency public health measures and taken various actions to prevent the spread of the COVID-19 outbreak. The Group’s productions and operations in the PRC were suspended in late January 2020 but have gradually resumed since late February 2020.

As part of the Group’s efforts to ensure the health and safety of the Group’s staff and to facilitate the prevention and control of the epidemic, the Group has swiftly implemented a series of prevention and strict control measures, including but not limited to the setup of emergency leadership team for epidemic prevention and control, the provision of adequate protective equipment and masks for the staff and strict observance on personal and environmental hygiene. All staff have been co-operating with each other, and strictly comply with the prevention and control measures during the COVID-19 outbreak.

By implementing these measures, the directors of the Company (the “**Directors**”) believe that the Group has taken appropriate and reasonable steps to minimise the adverse impact arising from the COVID-19 outbreak to the Group’s business in the PRC. As of the date of this announcement, to the best knowledge and information of the Directors, none of the Group’s staff in the PRC have been diagnosed with COVID-19.

Due to the COVID-19 outbreak, the normal productions and operations of the Group’s businesses, and the logistics network for the delivery of raw materials and goods were partially affected in February and March 2020. The Group has been maintaining close communication with its suppliers and customers to adjust the logistics arrangement and delivery schedules as and when appropriate and to minimise any negative economic impact on various aspects.

Despite gradual resumption of production, based on the current available information, the Group anticipates there may be certain impact on its production capacities in mainland China for the first quarter of 2020. The first three months of the year has always been the slack season for production and shipment of the Group’s business and the sales of the Group generally rely in part on inventory produced before Chinese New Year. The Group expects its production facilities in mainland China will resume to normal production capacity in April 2020, subject to the development of the COVID-19 outbreak and the resumption of the supply chain.

CONTINUITY OF THE BUSINESS

The Group has solid fundamentals, with a strong balance sheet and profitability, and market leadership, and has sufficient capacity to cope with the current unstable and complex environment. The Directors expect that the adverse impact brought by the COVID-19 outbreak will be temporary and there will be no material adverse impact on the sustainability of the Group’s business in the long run. The Directors believe that the operation environment in the PRC will gradually return to normal after the relevant epidemic prevention measures are lifted.

It is still premature to assess or estimate the overall impact on the Group’s financial performance given that the continued changing situation of the COVID-19 outbreak. The Directors will continue to assess the impact of the COVID-19 outbreak on the operation and financial performance of the Group, and closely monitor the risks exposed by the Group on the uncertainties due to the COVID-19 outbreak. The Group will make further announcements as and when appropriate.

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

By Order of the Board
Tianyun International Holdings Limited
Yang Ziyuan
Chairman

Hong Kong, 24 March 2020

As at the date of this announcement, the Board of the Company comprises (i) Mr. Yang Ziyuan, Mr. Sun Xingyu and Mr. Wang Hu as the executive Directors; (ii) Ms. Chu Yinghong, Mr. Wong Yim Pan and Mr. Liu Zhumeng as the non-executive Directors; and (iii) Mr. Liang Zhongkang, Prof. Lu Yuanping and Mr. O'Yang Wiley as the independent non-executive Directors.