

【Press Release - For Immediate Release】



天韵國際控股有限公司
Tianyun International Holdings Limited
(Stock code : 6836.HK)

Announced 2021 Interim Results

Net Profit Surged 87.5% YoY

**Significant growth in own brands sales with blockbuster new products
received overwhelming responses**

**Synergy of the three major production bases across Northern, Central and
Southwest China is gradually manifesting**

(Hong Kong, 26 August 2021) **Tianyun International Holdings Limited (“Tianyun International”, together with its subsidiaries, the “Group”)** (Stock code: 6836.HK), a leading seller and manufacturer of processed fruits products in China is pleased to announce its interim results for the 6 months ended 30 June 2021 (“Review Period”).

During the first half of 2021, China’s economy enjoyed a strong start with consumption and investment in the manufacturing sector driving continuous growth. Consumption confidence has steadily recovered while the consumer market exhibits vitality. Under the favorable business environment and continuously improving consumer sentiment, the Group maintained a flourishing business and a robust financial position. The Group continued to achieve breakthroughs in research and development (“R&D”) and innovation, realise enhancements in production capacity and production efficiency as well as continuous product structure optimization. The Group’s revenue, gross profit and net profit grew by 54.3%, 54.2% and 87.5% respectively reaching RMB 472.2 million, RMB 131.8 million and RMB 89.5 million. Among which own brand sales recorded a substantial increase of 92.0% driven by the increase in sales from both processed fruit products and newly launched beverage products. The encouraging results further consolidated the Group’s core competitiveness.

**Blockbuster new beverages received enthusiastic response giving a strong boost of
own brand development**

As a food enterprise with the most complete quality certifications in China, the Group’s own brands namely “**續果時代 (Bingo Times)**”, “**果小懶 (fruit zz)**” and “**天同時代 (Tiantong**

Times)” have always been loved by consumers for their safe, healthy and delicious images. The own brand products successfully landed renowned chain supermarkets and stores such as RT MART, AEON, Jingkelong, JHCVS and Jiajiali with sales network covering 27 provinces, direct municipalities and autonomous regions across the PRC.

During the Review Period, the Group launched its new own brand “享派 Shiok Party” vitamin sports drink, centred around sports and healthiness, bringing a brand new, healthy and safe choice to consumers. The “享派 Shiok Party” series beverages is made of natural and healthy ingredients and contain no added synthetic caffeine or preservatives. As these product features match health-conscious trends, “享派 Shiok Party” has rapidly seized the market with overwhelming responses from consumers and distributors and helped the Group securing its “crossover” position in the beverage industry. The Group also launched a proprietary developed chunky fruit beverage “妖果季” combining fruit chunks, fruit juice and vitamins into a single can in March this year. This new product instantly attracted strong interest from the market and distributors since its debut at the 2021 Spring Food and Drinks Fair. Three flavours including peach, grape and strawberry have been released and other flavours such as lychee, orange, coconut, hawthorn, pear and loquat will be launched gradually in the future.

Apart from new products, the Group continued to improve its technology and enhance its packaging. During the Review Period, the Group promoted a more extensive range of products and flavours and launched series of new packagings targeting younger age groups and fused with elements from Chinese traditions. The new designs helped satisfying the customers’ desire for new tastes and accelerating the penetration and visibility of the Group’s own brands.

OEM and Fresh Fruits Trading stayed on track

Despite the volatility of the global pandemic situation, there is still a robust worldwide appetite for importing various processed fruit products made in China. The Group’s OEM business kept up its development pace during the Review period, with business coverage over renowned international brands in regions across the five continents, including the United Kingdom, Europe, Canada, the United States, Australia, New Zealand, Southeast Asia, and Japan, bringing stable income to the Group. Furthermore, the Group selected and resold a small portion of fresh fruits to domestic fresh fruit wholesalers. During the Review Period, the Group takes the responsibility of providing consumers with abundant, more diversified and quality fruits, set the goal of increasing the sales and processing of fresh fruit raw materials from different origins at home and abroad, and actively seeks to have domestic and foreign sales channels for fresh fruits and to develop business cooperation related to fresh fruits to welcome the huge opportunities brought by the fresh food retail market in China.

Production capacity improvement and outstanding automation lay a solid foundation for business development

Currently, construction for the Group's new No. 5 and No. 6 production workshops in Shandong has fully commenced with remarkable progress. It is expected that construction will be completed and operations will commence in 2021. The Group's overall production capacity will progressively increase. In addition, the Group is setting up a production base in the Honghe Hani and Yi Prefecture of Yunnan Province in China, which is expected to commence operation in 2022. The Yunnan production base has a planned land area of over 130,000 square metres and total designed production capacity of 90,000 tonnes per annum. The Group intends to establish a research centre, processing centre, grading centre, sales and trading centre, and storage and logistics center, focusing on tropical processed fruit products. At the same time, the Yunnan production base will facilitate greater optimisation of the Group's arrangements with warehousing and transportation across China, thereby enhancing cost efficiency of own brand products.

During the Review Period, the Group's new project in Yuan'an County of Yichang City has strategic significance for the Group's expansion in the Central China market as it will effectively raise the Group's production capacity of beverage products. With the gradual release of the new production capacity of the Group's production bases in Shandong, Hubei and Yunnan, it is expected that the total production capacity of the Group will be significantly increased, which will help the Group's long-term and solid development.

Mr. Yang Ziyuan, Chairman and CEO of the Group said, "Looking ahead, as China's food and beverage industry continues to benefit from the trends of the acceleration of internal circulation and consumption upgrade, the Group will seize the pace of economic recovery and strive for good results in product line extension, new product research and development, capacity expansion and stable operation. With policy support, retail consumption and service industries are expected to pick up further which will promote economic development in the next stage. Over the years, the Group has established solid foothold in China processed food industry with sound advantages in product quality, brand, production capacity and sales network.

Faced with the rapid changes and development of the industry, the Group has full confidence towards the future. We will continue to uphold the philosophy of stable operation, continue to promote endogenous growth, and hope to accelerate development through appropriate mergers and acquisitions and strategic cooperation opportunities, The Group will strive to further expand its China and global market share and to create value for shareholders and investors."

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About Tianyun International Holding Limited (Stock Code: 6836.HK)

Tianyun International Holdings Limited (the “Company”) and its subsidiaries (collectively referred to as the “Group”) are principally engaged in (i) the research and development, production and sales of processed fruit packaged in metal containers, plastic cups, glass containers and aluminum foil bags, and beverages ii) trading of fresh fruit. Processed fruit products are sold both under its own brands “續果時代 (Bingo Times)” , “果小懶 (fruit zz)” and “天同時代 (Tiantong Times)” and on an OEM basis. The beverages are sold under its own brand “享派 ShioK Party” .

The Group has been consistently committed to providing its customers with healthy and safe products. As a food enterprise with the most complete quality certifications, we rigorously adhere to stringent international production standards and are accredited with BRC (A), IFS Food (High), FDA (FSMA), HALAL, SC, KOSHER, BSCI and ISO22000, etc. in respect of our production facilities, quality control and management. The Group has also passed the internal food production standards reviews and audits from several UK and US supermarket chains. At the same time, as a Chinese “Equal production line; Equal standard; Equal quality” food production and export enterprise, the Group has been supplying products of equivalent quality to domestic and international markets. Since 2016, the Group’s own-brand processed fruit products have continued to achieve high market recognition, and the Group became China’s first fruit processing company to place a “Zero Added Preservatives” label on its products.

The Group was awarded the China’s Most Promising Listed Companies by the internationally renowned financial magazine Forbes, and the “2017 Linyi Mayor Quality Award” by the PRC Government respectively in 2017. The Group’s proprietary researched, developed and produced pure fruit snack food received the national “Certificate of Invention Patent” in 2018. The Group was awarded the National Hi-tech Enterprise Certificate in 2019. In 2020, the Group was recognised as one of the Most Valuable Chinese Brands for the fourth consecutive year.

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