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TSUN YIP HOLDINGS LIMITED

進業控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8356)

CONVERSION OF CONVERTIBLE BONDS

CONVERSION OF CONVERTIBLE BONDS

References are made to (i) the circular (the "**Circular**") jointly issued by Tsun Yip Holdings Limited (the "**Company**") and Shunleetat (BVI) Limited dated 15 March 2024 in relation to, among other things, the fifth amendment of the terms and conditions of the Convertible Bonds A, the subscription of the Convertible Bonds B and the subscription of the Convertible Bonds C; (ii) the announcement of the Company dated 15 April 2024 in relation to, among other things, the fifth supplemental deed (the "**Fifth Supplemental Deed**") dated 5 February 2024 and entered into between the Company and China Xinhua News Network Co., Limited (the "**CB Holder**") in relation to the amendment of the terms and conditions of the Convertible Bonds A having become effective and the issue of the Convertible Bonds B and the Convertible Bonds C; and (iii) the announcement (the "**Announcement**") of the Company dated 18 June 2024 in relation to, among other things, the adjustments to the Convertible Bonds. Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

Following the Fifth Supplemental Deed having become effective on 15 April 2024, the maturity date of the Convertible Bonds A has been extended to 9 December 2025. Pursuant to the terms and conditions of the Convertible Bonds A, the CB Holder (or its successor or transferee) shall on the maturity date, mandatorily convert all of the outstanding principal amount of the Convertible Bonds A into new shares of the Company (the "**Conversion Share(s)**") at the conversion price of HK$0.196 per Conversion Share, and the interest of HK$8,224,967 accrued from 10 December 2021 to 9 December 2025 will be settled by the issue of the New CB Interest Shares A at the issue price of HK$0.196 per New CB Interest Share A.

As disclosed in the announcement of the Company dated 15 April 2024, the completion of the issue of the Convertible Bonds B and the Convertible Bonds C took place on 15 April 2024, and the maturity date of each of the Convertible Bonds B and the Convertible Bonds C falls on 9 December 2025.

Pursuant to the terms and conditions of the Convertible Bonds B, the CB Holder (or its successor or transferee) shall on the maturity date, mandatorily convert all of the outstanding principal amount of the Convertible Bonds B into the Conversion Shares at the conversion price of HK$0.196 per Conversion Share, and the interest accrued from 15 April 2024 to 9 December 2025 (a total of 603 days) will be settled by the issue of the New CB Interest Shares B at the issue price of HK$0.196 per New CB Interest Share B.

Pursuant to the terms and conditions of the Convertible Bonds C, the CB Holder (or its successor or transferee) shall on the maturity date, mandatorily convert all of the outstanding principal amount of the Convertible Bonds C into the Conversion Shares at the conversion price of HK$0.196 per Conversion Share, and the interest accrued from 15 April 2024 to 9 December 2025 (a total of 603 days) will be settled by the issue of the New CB Interest Shares C at the issue price of HK$0.196 per New CB Interest Share C.

As disclosed in the announcement of the Company dated 18 June 2024, (i) the conversion price of each of the Convertible Bonds has been adjusted from HK$0.196 per Conversion Share to HK$19.6 per Conversion Share; and (ii) the issue price of the Interest Shares has also been adjusted from HK$0.196 per Share to HK$19.6 per Share with effect from Tuesday, 18 June 2024, being the Business Day immediately prior to the effective date of the Share Consolidation.

On 9 December 2025, the Company received a conversion notice from the CB Holder in relation to the conversion of (i) the Convertible Bonds A in the outstanding principal amount of HK$257,030,210 into 13,113,786 Conversion Shares; (ii) the Convertible Bonds B in the outstanding principal amount of HK$64,127,855 into 3,271,829 Conversion Shares; and (iii) the Convertible Bonds C in the outstanding principal amount of HK$16,240,000 into 828,571 Conversion Shares. Pursuant to the terms and conditions of the relevant Convertible Bonds, the Company will allot and issue an aggregate of 473,832 Interests Shares, comprising (i) 419,641 New CB Interest Shares A; (ii) 43,241 New CB Interest Shares B; and (iii) 10,950 New CB Interest Shares C to the CB Holder to settle the interests accrued under the Convertible Bonds.

Immediately after the allotment and issue of the Conversion Shares and the Interest Shares, the CB Holder will be interested an aggregate of 17,688,018 Shares, representing (i) approximately 30.9% of the total issued share capital of the Company as at the date of this announcement; and (ii) approximately 23.6% of the total issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares and the Interest Shares.

The Conversion Shares and the Interest Shares, when allotted and issued, will rank *pari passu* in all respects among themselves and with all the Shares in issue as at the date of allotment and issue of the Conversion Shares and the Interest Shares, including the right to any dividends or distributions made or declared on or after the date of allotment and issue of the Conversion Shares and the Interest Shares.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company as at the date of this announcement and immediately after the allotment and issue of the Conversion Shares and the Interest Shares is set out below:

Shareholders	**As at the date of this announcement**		**Immediately after the allotment and issue of the Conversion Shares and the Interest Shares**	
	Number of Shares	*Approx. %*	*Number of Shares*	*Approx. %*
Substantial Shareholder				
Shunleetat (BVI) Limited *(Note 1)*	16,013,327	28.0	16,013,327	21.4
CB Holder	–	–	17,688,018	23.6
Director				
Kan Kwok Cheung ("**Mr. Kan**") *(Note 1)*	16,666,666	29.1	16,666,666	22.2
Public Shareholders	24,540,173	42.9	24,540,173	32.8
Total	57,220,166	100.0	74,908,184	100.0

Notes:

(1) Shunleetat (BVI) Limited, being a company incorporated in the British Virgin Islands with limited liability, is wholly and beneficially owned by Mr. Kan, being an executive Director. As such, Mr. Kan is deemed, or taken to be interested in the Shares held by Shunleetat (BVI) Limited by virtue of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

(2) Certain percentage figures included in the above table have been subject to rounding adjustments. Accordingly, figures shown as totals may not be an arithmetic aggregation of the figures preceding them.

As of the date of this announcement, the Company has not received any information from the CB Holder regarding its long-term holding of the Conversion Shares and Interest Shares. Should the need arise, all reasonable assistance will be provided to the CB Holder to dispose of such Conversion Shares and Interest Shares, including, where appropriate, introducing suitable placing agent(s) to facilitate such placing. The Company will make further announcement(s) in this regard in compliance with the GEM Listing Rules as and when appropriate.

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

By order of the Board
Tsun Yip Holdings Limited
Kan Kwok Cheung
Chairman and Executive Director

Hong Kong, 9 December 2025

As at the date of this announcement, the Directors are Mr. Kan Kwok Cheung[1] (Chairman), Mr. Hui Ka Tsun[1], Mr. Kan Chun Ting Max[1], Ms. Lam Shun Kiu Rosita[2], Mr. Chin Chi Ho Stanley[3], Mr. Wong Chung Yip Kenneth[3] and Mr. Lai Ah Ming Leon[3].

[1] *Executive Director*
[2] *Non-executive Director*
[3] *Independent non-executive Director*

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the "Latest Listed Company Information" page of the website of the Stock Exchange at http://www.hkexnews.hk for at least 7 days from the date of its publication and on the website of the Company at http://www.tsunyip.hk.