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Yip's Chemical Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 408)

RE-DESIGNATION OF CHIEF EXECUTIVE OFFICER

The Board announces that with effect from 1 January 2023:

1. Mr. Yip Tsz Hin will step down from his role as the Chief Executive Officer, but will remain as the Deputy Chairman, an Executive Director and a director of various subsidiaries of the Company; and
2. Mr. Ip Kwan, currently the Deputy Chief Executive Officer, an Executive Director and a member of the Senior Leadership Team, will be re-designated as the Chief Executive Officer.

RE-DESIGNATION OF CHIEF EXECUTIVE OFFICER

The board (the “Board”) of directors (the “Directors”) of Yip’s Chemical Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) announces that with effect from 1 January 2023:

1. Mr. Yip Tsz Hin (“Mr. Yip”) will step down from his role as the chief executive officer of the Group (the “Chief Executive Officer”) in order to focus on his other responsibilities within the Group and various associates of the Company, but he will remain as the deputy chairman of the Group (the “Deputy Chairman”), an executive director of the Company (an “Executive Director”) and a director of various subsidiaries of the Company; and

2. Mr. Ip Kwan (“Mr. Ip”), currently the deputy chief executive officer of the Group (the “Deputy Chief Executive Officer”), an Executive Director and a member of the senior leadership team of the Group (the “Senior Leadership Team”), will be re-designated as the Chief Executive Officer (“Re-designation”).

The biographical details of Mr. Yip are as follows:

Mr. Yip, aged 63, joined the Group in 1977. He is currently the Chief Executive Officer, the Deputy Chairman, an Executive Director and a member of the Senior Leadership Team as well as a director of various subsidiaries of the Company. Mr. Yip has over 40 years of experience in the manufacturing of and trading in petrochemical products. He is (i) the brother of Mr. Ip Chi Shing, the chairman of the Group and a non-executive Director; and (ii) the uncle of Mr. Ip.

Save as disclosed above, Mr. Yip (i) does not have any relationship with any other directors, senior management or any substantial or controlling shareholders of the Company; (ii) does not have other major appointments and professional qualifications; and (iii) does not at present and did not in the past three years hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Upon the Re-designation, the service contract entered into between the Company and Mr. Yip as the Chief Executive Officer and an Executive Director will be terminated and a new service contract will be entered into between the Company and Mr. Yip as an Executive Director with no specific term, but he will be subject to retirement by rotation and re-election in accordance with the articles of association of the Company (the “Articles of Association”) and the Rules Governing the Listing of Securities (the “Listing Rules”) on the Stock Exchange of Hong Kong Limited (the “Stock Exchange”). Under the new service contract, he will be entitled to receive an annual salary of HK\$1,393,600, housing reimbursement of HK\$795,420 per annum and a discretionary bonus, which has been reviewed and determined by the Board based on the recommendation given by the remuneration committee of the Company with reference to the Group’s remuneration policy and taking into account, among other factors, his qualification and experience, responsibilities undertaken, contribution to the Company, and the prevailing market level of remuneration for similar positions. In addition, he will receive an annual salary of RMB1,800,000 in his capacity as the chairman of the board of directors of 謙信化工集團有限公司 (Handsome Chemical Group Limited[#] (“Handsome Chemical”), a company established in the People’s Republic of China and an associate of the Company following the completion of the disposal of 51% effective interest in Handsome Chemical by the Group as announced in the announcement of the Company dated 25 July 2022). Mr. Yip will be subject to tax equalization scheme for his total remuneration received from both the Group and Handsome Chemical.

As at the date of this announcement, Mr. Yip is deemed to be interested in 45,116,248 shares of the Company (the “Shares”) within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the “SFO”), of which 31,116,248 Shares are held by him and 14,000,000 Shares are held by the spouse of Mr. Yip. Save as disclosed above, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

The biographical details of Mr. Ip are as follows:

Mr. Ip, aged 40, joined the Group in 2007. He is currently the Deputy Chief Executive Officer, an Executive Director and a member of the Senior Leadership Team as well as a director of various subsidiaries of the Company. He was previously the chief corporate development officer of the Group, the co-president, the general manager of the Bauhinia Advanced Materials Group (formerly known as the Bauhinia Coatings Group) and an assistant to directors of the Group. Mr. Ip is the son of Mr. Ip Chi Shing, the chairman of the Group and a non-executive Director, and a nephew of Mr. Yip. He graduated from the London School of Economics with a Bachelor degree in Government and Economics. Before joining the Group, he had worked in the investment banking industry for three years.

Save as disclosed above, Mr. Ip (i) does not have any relationship with any other directors, senior management or any substantial or controlling shareholders of the Company; (ii) does not have other major appointments and professional qualifications; and (iii) does not at present and did not in the past three years hold any directorship in other public companies the securities of which are listed on any securities market in Hong Kong or overseas.

Upon the Re-designation, the service contract entered into between the Company and Mr. Ip as the Deputy Chief Executive Officer and an Executive Director will be terminated and a new service contract will be entered into between the Company and Mr. Ip as the Chief Executive Officer and an Executive Director with no specific term, but he will be subject to retirement by rotation and re-election in accordance with the Articles of Association and the Listing Rules. Under the new service contract, he will be entitled to receive an annual salary of HK\$3,139,500 and a discretionary bonus in his capacity as the Chief Executive Officer and an Executive Director, which has been reviewed and determined by the Board based on the recommendation given by the remuneration committee of the Company with reference to the Group’s remuneration policy and taking into account, among other factors, his qualification and experience, responsibilities undertaken, contribution to the Company, and the prevailing market level of remuneration for similar positions.

As at the date of this announcement, Mr. Ip is deemed to be interested in 11,776,000 Shares within the meaning of Part XV of the SFO. Save as disclosed above, he does not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, as at the date of this announcement, there is no other information which is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and the Board is not aware of any other matters in relation to Mr. Yip, Mr. Ip and the Re-designation which need to be brought to the attention of the shareholders of the Company and the Stock Exchange.

By Order of the Board
Yip's Chemical Holdings Limited
Ip Chi Shing
Chairman

Hong Kong, 30 December 2022

As at the date of this announcement, the Board comprises the following:

Non-executive Directors:

Mr. Ip Chi Shing (*Chairman*)
Mr. Wong Yuk*
Mr. Ho Pak Chuen, Patrick*
Mr. Ku Yee Dao, Lawrence*

Executive Directors:

Mr. Yip Tsz Hin (*Deputy Chairman and Chief Executive Officer*)
Mr. Ip Kwan (*Deputy Chief Executive Officer*)
Mr. Ho Sai Hou (*Chief Financial Officer*)

**Independent Non-executive Directors*

#For identification purposes only