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If you are in any doubt about this circular, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Yip's Chemical Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser.

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Yip's Chemical Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 408

**(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(2) RE-ELECTION OF DIRECTORS; AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the AGM of Yip's Chemical Holdings Limited to be held at 27/F., Fortis Tower, Nos. 77-79 Gloucester Road, Wanchai, Hong Kong on Monday, 3 June 2024 at 3:00 p.m. is set out on pages 17 to 20 of this circular. A proxy form for use at the AGM is accompanied herewith and published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at <https://www.yipschemical.com/en/announcements.aspx>.

Whether or not you are able to attend the AGM, you are requested to complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as practicable but in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment or postponement thereof. For the avoidance of doubt, holders of treasury Shares, if any, shall abstain from voting at the AGM.

Completion and return of the proxy form will not preclude you from subsequently attending and voting in person at the AGM or any adjourned or postponed meeting should you so wish.

26 April 2024

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“AGM”	the annual general meeting of the Company to be convened and held at 27/F., Fortis Tower, Nos. 77-79 Gloucester Road, Wanchai, Hong Kong on Monday, 3 June 2024 at 3:00 p.m. or any adjournment or postponement thereof for the purpose of considering and, if thought fit, approving the resolutions contained in the AGM Notice
“AGM Notice”	the notice convening the AGM set out on pages 17 to 20 in this circular
“Articles”	the articles of association of the Company as amended from time to time
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors (including non-executive Directors and independent non-executive Directors)
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“close associate(s)”	has the meaning ascribed to it under the Listing Rules
“Company”	Yip’s Chemical Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Stock Exchange
“core connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“General Allotment Mandate”	a general mandate to the Directors to allot, issue and/or otherwise deal with Shares (including any sale or transfer of treasury Shares out of treasury on or after the Listing Rules Amendments Effective Date) the number of which shall not exceed 20% of the aggregate number of issued shares of the Company (excluding treasury Shares, if any) as at the date of approval of the mandate (subject to adjustment in case of any Share consolidation or subdivision after such mandate has been approved, provided that the maximum number of Shares that may be allotted, issued and/or otherwise dealt with (including any sale or transfer of treasury Shares out of treasury on or after the Listing Rules Amendments Effective Date) as a percentage of the total number of issued Shares (excluding treasury Shares, if any) at the date immediately before and after such consolidation or subdivision shall be the same)
“General Extension Mandate”	a general mandate to the Directors to add to the General Allotment Mandate the number of Shares repurchased under the Repurchase Mandate
“Group”	the Company and its Subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	18 April 2024, being the latest practicable date prior to issuing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange as amended from time to time
“Listing Rules Amendments Effective Date”	11 June 2024, being the date on which the proposed amendments to the Listing Rules relating to treasury Shares will come into effect
“Nomination Committee”	the nomination committee of the Company
“PRC”	the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan for the purposes of this circular
“Repurchase Mandate”	a general mandate to the Directors to exercise all the powers of the Company to repurchase such number of Shares not exceeding 10% of the aggregate number of issued shares of the Company (excluding treasury Shares, if any) as at the date of approval of the mandate and the Company may hold the Shares so repurchased in treasury on or after the Listing Rules Amendments Effective Date (subject to adjustment in case of any Share consolidation or subdivision after such mandate has been approved, provided that the maximum number of Shares that may be repurchased as a percentage of the total number of issued Shares (excluding treasury Shares, if any) at the date immediately before and after such consolidation or subdivision shall be the same)
“RMB”	Reminbi, the lawful currency of the PRC
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (as amended from time to time)
“Share(s)”	ordinary share(s) of HK\$0.10 each (or of such other nominal amount as shall result from a sub-division, consolidation, re-classification or re-construction of such shares from time to time) in the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subsidiary”	any entity within the meaning of the term “subsidiary” as defined in the Listing Rules and the term “Subsidiaries” shall be construed accordingly
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-back published by the Securities and Futures Commission of Hong Kong as revised from time to time
“treasury Shares”	has the meaning ascribed to it under the Listing Rules which will come into effect on the Listing Rules Amendments Effective Date and as amended from time to time
“%”	per cent

LETTER FROM THE CHAIRMAN



Yip's Chemical Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 408

Non-executive Director:

Mr. Ip Chi Shing (*Chairman*)

Executive Directors:

Mr. Yip Tsz Hin (*Deputy Chairman*)

Mr. Ip Kwan (*Chief Executive Officer*)

Mr. Ho Sai Hou (*Chief Financial Officer*)

Independent Non-executive Directors:

Mr. Ho Pak Chuen, Patrick

Mr. Ku Yee Dao, Lawrence

Ms. Yau Ching Man

Registered Office:

PO Box 309

Ugland House

Grand Cayman

KY1-1104

Cayman Islands

*Head Office and Principal Place of
Business in Hong Kong:*

27/F., Fortis Tower

Nos. 77-79 Gloucester Road

Wanchai

Hong Kong

26 April 2024

To: the Shareholders

Dear Sir or Madam,

**(1) GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES;
(2) RE-ELECTION OF DIRECTORS; AND
(3) NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with information regarding the following proposals to be put forward at the AGM to the Shareholders for their consideration and, if thought fit, approval:

- (a) grant of General Allotment Mandate to the Directors;
- (b) grant of Repurchase Mandate to the Directors;

LETTER FROM THE CHAIRMAN

- (c) grant of General Extension Mandate to the Directors;
- (d) re-election of Directors; and
- (e) the declaration of final dividend of HK10 cents per Share for the year ended 31 December 2023.

2. GENERAL ALLOTMENT MANDATE

At the last annual general meeting of the Company held on 5 June 2023, the ordinary resolution for a General Allotment Mandate was passed by the Shareholders and such mandate will lapse at the conclusion of the forthcoming AGM.

An ordinary resolution will be proposed at the AGM to approve the grant of a new General Allotment Mandate to the Directors to allot, issue and otherwise deal with Shares (including any sale or transfer of treasury Shares out of treasury on or after the Listing Rules Amendments Effective Date) up to 20% of the aggregate number of issued Shares (excluding treasury Shares, if any) as at the date of passing such resolution (subject to adjustment in case of any Share consolidation or subdivision after such mandate has been approved, provided that the maximum number of Shares that may be allotted, issued and/or otherwise dealt with (including any sale or transfer of treasury Shares out of treasury on or after the Listing Rules Amendments Effective Date) as a percentage of the total number of issued Shares (excluding treasury Shares, if any) at the date immediately before and after such consolidation or subdivision shall be the same).

As at the Latest Practicable Date, the aggregate number of issued Shares was 568,484,096 fully paid-up Shares. Subject to the passing of the resolution for the General Allotment Mandate and on the basis that no Shares will be allotted and issued or repurchased from the Latest Practicable Date and up to the date of the AGM, exercise in full of the General Allotment Mandate could result in the issuance (or sale or transfer (for the case of treasury Shares)) of up to 113,696,819 new Shares (subject to adjustment in case of any Share consolidation or subdivision after such mandate has been approved, provided that the maximum number of Shares that may be allotted, issued and/or otherwise dealt with (including any sale or transfer of treasury Shares out of treasury on or after the Listing Rules Amendments Effective Date) as a percentage of the total number of issued Shares (excluding treasury Shares, if any) at the date immediately before and after such consolidation or subdivision shall be the same). There is however no present intention for any issuance (including any sale or transfer of treasury Shares out of treasury on or after the Listing Rules Amendments Effective Date) of Shares pursuant to the General Allotment Mandate.

Subject to the approval of Shareholders, the Company may only use the General Allotment Mandate for the sale or transfer of treasury Shares on or after the Listing Rules Amendments Effective Date.

3. REPURCHASE MANDATE

At the last annual general meeting of the Company held on 5 June 2023, the ordinary resolution for a Repurchase Mandate was passed by the Shareholders and such mandate will lapse at the conclusion of the forthcoming AGM.

LETTER FROM THE CHAIRMAN

An ordinary resolution will be proposed at the AGM to approve the grant of a new Repurchase Mandate. The new Repurchase Mandate, if granted, will allow the Directors to exercise all the powers of the Company to repurchase its own Shares not exceeding 10% of the number of issued Shares (excluding treasury Shares, if any) as at the date of passing the relevant resolution and the Company may hold the Shares so repurchased in treasury on or after the Listing Rules Amendments Effective Date (subject to adjustment in case of any Share consolidation or subdivision after such mandate has been approved, provided that the maximum number of Shares that may be repurchased as a percentage of the total number of issued Shares (excluding treasury Shares, if any) at the date immediately before and after such consolidation or subdivision shall be the same).

Subject to the passing of the resolution for the Repurchase Mandate and on the basis that there were 568,484,096 fully paid-up Shares as at the Latest Practicable Date and assuming no Share will be issued or repurchased by the Company from the Latest Practicable Date to the date of AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 56,848,409 Shares and the Company may hold the Shares so repurchased in treasury on or after the Listing Rules Amendments Effective Date (subject to adjustment in case of any Share consolidation or subdivision after such mandate has been approved, provided that the maximum number of Shares that may be repurchased as a percentage of the total number of issued Shares (excluding treasury Shares, if any) at the date immediately before and after such consolidation or subdivision shall be the same).

An explanatory statement required under Rule 10.06(1)(b) of the Listing Rules to provide the Shareholders with all the information reasonably necessary for them to make an informed decision in relation to this resolution for Repurchase Mandate to be proposed at the AGM is set out in Appendix I to this circular.

4. GENERAL EXTENSION MANDATE

It is recommended that a General Extension Mandate be granted to the Directors permitting them, after the grant of the new Repurchase Mandate referred to above, to add to the new General Allotment Mandate the number of Shares repurchased pursuant to the new Repurchase Mandate.

The authority conferred on the Directors by the new General Allotment Mandate, the new Repurchase Mandate and the General Extension Mandate would continue to be in force until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the Cayman Islands or the Articles to be held; and (iii) its revocation or variation by ordinary resolution of the Shareholders in a general meeting.

5. RE-ELECTION OF DIRECTORS

Reference is made to the announcement of the Company dated 22 March 2024 in relation to, among others, the appointment of Ms. Yau Ching Man (“**Ms. Yau**”) as an Independent Non-executive Director with effect from 22 March 2024. In accordance with Article 95 of the Articles, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an addition to the Board. Any Director so appointed shall hold office only until the first annual general meeting of the Company after his appointment and shall then be eligible for re-election at that meeting. Therefore, Ms. Yau shall hold office until the AGM (being the first annual general meeting of the Company after her appointment as an Independent Non-executive Director) and shall be eligible for re-election at the AGM.

LETTER FROM THE CHAIRMAN

In accordance with Article 112 of the Articles, at each annual general meeting of the Company, not less than one-third of the Directors for the time being shall retire from office by rotation. Any Director required to retire (and eligible to stand for re-election) pursuant to Article 95 shall not be taken into account in determining which Directors are to retire by rotation. The Directors to retire in every year shall be those who have been in office for the longest period since their last election but as between persons who became Directors on the same day those to retire shall be determined by lot (unless they otherwise agree between themselves). As set out in Appendix C1 to the Listing Rules, every Director shall be subject to retirement by rotation at least once every three years. Accordingly, the following Directors shall retire from office by rotation at the conclusion of the AGM, and all of them, being eligible, will offer themselves for re-election at the AGM:

Name	Position
(a) Mr. Ip Chi Shing	Non-executive Director
(b) Mr. Yip Tsz Hin	Executive Director
(c) Mr. Ho Sai Hou	Executive Director

The above Directors, being eligible, will offer themselves for re-election at the AGM. If re-elected at the AGM, all the aforesaid Directors will be subject to retirement by rotation, removal, vacation, termination and re-election in accordance with the Articles or the disqualification to act as a Director under the Articles, the law of the Cayman Islands and the Listing Rules.

The particulars of the aforesaid Directors required to be disclosed under the Listing Rules are set out in Appendix II to this circular.

Recommendation of the Nomination Committee on re-election of Independent Non-executive Directors

The Nomination Committee has taken into account the nomination policy and procedures adopted by the Company in making recommendation to the Board for the re-election of Ms. Yau as an Independent Non-executive Director. In particular, the Nomination Committee has assessed Ms. Yau against the following nomination criteria applicable to Independent Non-executive Directors:

- (a) willingness and ability to make sufficient time commitment to the affairs of the Company in order to effectively perform the duties of a Director, including attendance at and active participation in Board and Board committee meetings, and the other responsibilities of the relevant candidate (such as other directorships held in public companies the securities of which are listed on any securities market in Hong Kong or overseas and other major appointments, if any) and the effort and time that may be required by the candidate in fulfilling such role;
- (b) accomplishments of the candidate in her field;

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- (c) outstanding professional and personal reputation of the candidate; and
- (d) the candidate's ability to meet the independence criteria for directors established in the Listing Rules (for Independent Non-executive Directors).

The Nomination Committee has reviewed the written confirmation of independence of Ms. Yau based on the independence criteria as set out in Rule 3.13 of the Listing Rules and is satisfied that she remains independent in accordance with Rule 3.13 of the Listing Rules. In addition, the Nomination Committee has evaluated her performance as Independent Non-executive Director and considers that she has provided valuable contributions and devoted sufficient time to the Company and has demonstrated her abilities to provide independent, balanced and objective view to the Company's affairs.

The Nomination Committee is also of the view that Ms. Yau would bring to the Board her own perspective, skill and experience, as further described in her biography in Appendix II to this circular. With her strong and diversified educational background and professional experience, the Board considers that Ms. Yau would contribute to the diversity of the Board and her re-election would be in the interests of the Company and the Shareholders as a whole.

Recommendation of the Nomination Committee on re-election of Directors other than Independent Non-executive Director

The Nomination Committee has taken into account the nomination policy and procedures adopted by the Company in making the recommendation to the Board for the re-election of Mr. Ip Chi Shing, Mr. Yip Tsz Hin and Mr. Ho Sai Hou. The Nomination Committee is of the view that each of them has provided and would continue to provide valuable contribution and devote sufficient time to the Company and contribute to the diversity of the Board. Accordingly, the Nomination Committee considers that their re-election would be in the interests of the Company and the Shareholders as a whole. The Board, accepting the Nomination Committee's recommendation, also proposed that each of them stands for re-election as Director at the AGM. As a good corporate governance practice, Mr. Ip Chi Shing, Mr. Yip Tsz Hin and Mr. Ho Sai Hou have abstained from voting at the relevant Board meeting on the proposition of their respective recommendation for re-election by the Shareholders at the AGM.

6. ANNUAL GENERAL MEETING

A notice convening the AGM is set out on pages 17 to 20 of this circular is herein enclosed. A proxy form for use at the AGM is accompanied herewith and published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at <https://www.yipschemical.com/en/announcements.aspx>.

Whether or not you are able to attend the AGM in person, please complete the accompanying proxy form in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment or postponement thereof. Completion and return of the proxy form shall not preclude you from attending and voting at the AGM or any adjourned or postponed meeting should you so desire.

LETTER FROM THE CHAIRMAN

7. FINAL DIVIDEND

The Board has recommended the declaration of a final dividend of HK10 cents per Share to be paid out of the distributable profit of the Company to the Shareholders whose names appear on the register of members of the Company on Friday, 14 June 2024. An ordinary resolution will be proposed at the AGM to approve the declaration of final dividend.

8. CLOSURE OF REGISTER OF MEMBERS

8.1. Book Closure for ascertaining the Shareholders' entitlement to attend and vote at the AGM

The Hong Kong branch register of members of the Company will be closed from Tuesday, 28 May 2024 to Monday, 3 June 2024 (both dates inclusive) for the purpose of ascertaining Shareholders' entitlement to attend and vote at the forthcoming AGM. No transfer of Shares may be registered on those dates. In order to qualify for attending and voting at the AGM, all transfer forms accompanied by the relevant share certificates should be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 27 May 2024.

8.2. Book Closure for ascertaining the Shareholders' entitlement to the proposed final dividend

The Hong Kong branch register of members of the Company will be closed from Thursday, 13 June 2024 to Friday, 14 June 2024 (both dates inclusive) for the purpose of ascertaining Shareholders' entitlement to the proposed final dividend should the relevant resolution be passed. No transfer of the Shares may be registered on those dates. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates should be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, 12 June 2024.

9. VOTING BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except, the Chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Accordingly, the voting on all resolutions at the AGM will be conducted by way of poll. Holders of treasury Shares (if any) shall abstain from voting on matters that require shareholders' approval at the AGM.

LETTER FROM THE CHAIRMAN

10. RESPONSIBILITY OF THE DIRECTORS

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules 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 circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would render any statement herein this circular misleading.

11. RECOMMENDATION

The Board believes that the resolutions proposed in this circular are in the best interests of the Company and the Shareholders as a whole. The Board recommends that the Shareholders vote in favour of all resolutions to be proposed at the AGM.

Your attention is also drawn to Appendices I and II to this circular and the AGM Notice.

Yours faithfully,
Ip Chi Shing
Chairman

This explanatory statement contains all the information required pursuant to Rule 10.06(1)(b) and other relevant provisions of the Listing Rules.

1. THE SHARE REPURCHASE RULES

The Listing Rules permit companies whose primary listings are on the Stock Exchange to repurchase their fully-paid up shares on the Stock Exchange subject to certain restrictions. In this regard, the definition of “shares” in Chapter 10 of the Listing Rules would, and where used below in this explanatory statement (including the use of the word “Share(s)”) shall (unless the context otherwise requires) include shares of all classes and securities which carry a right to subscribe for or purchase Shares of the Company. The most important restrictions contained in the Listing Rules are summarised below:–

1.1. Exercise of the Repurchase Mandate

Exercise in full of the Repurchase Mandate, on the basis of 568,484,096 Shares in issue as at the Latest Practicable Date and on the basis that no Shares will be allotted and issued or repurchased from the Latest Practicable Date up to the date of passing of the resolution approving the Repurchase Mandate, could result in up to 56,848,409 Shares being repurchased by the Company, representing 10% of the number of issued Shares (excluding treasury Shares, if any) as at the Latest Practicable Date which may be held in treasury on or after the Listing Rules Amendments Effective Date (subject to adjustment in case of any Share consolidation or subdivision after such mandate has been approved, provided that the maximum number of Shares that may be repurchased as a percentage of the total number of issued Shares (excluding treasury Shares, if any) at the date immediately before and after such consolidation or subdivision shall be the same), during the period from the date on which the resolution granting the Repurchase Mandate is passed until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the Cayman Islands or the Articles to be held; and (iii) its revocation or variation by ordinary resolution of the Shareholders in a general meeting.

1.2. Reasons for Share Repurchases

The Directors believe that it is in the best interests of the Company and its Shareholders to have a general authority from the Shareholders to enable the Directors to repurchase the Shares in the market. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share of the Company and its assets per Share and/or earnings per Share and will only be made if the Directors believe that such repurchases will benefit the Company and its Shareholders as a whole.

1.3. Funding of Repurchases

In repurchasing Shares, the Company may only apply funds from the Company's internal source legally available for such purpose in accordance with the laws of the Cayman Islands and the Articles.

On the basis of the consolidated net tangible assets of the Group as at 31 December 2023, and taking into account the current working capital position of the Group, the Directors consider that there would be no material adverse effect on the working capital and gearing position of the Group in the event that the Repurchase Mandate is exercised in full at any time during the effective period of the Repurchase Mandate. The Directors do not propose to exercise the Repurchase Mandate to such extent as it would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing levels of the Group.

2. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous twelve months prior to the Latest Practicable Date were as follows:

	Per Share	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2023		
April	3.70	3.55
May	3.68	3.42
June	3.49	2.31
July	2.40	1.90
August	2.01	1.71
September	1.75	1.56
October	1.62	1.46
November	1.77	1.46
December	1.60	1.45
2024		
January	1.59	1.45
February	1.60	1.46
March	1.67	1.42
April (up to the Latest Practicable Date)	1.61	1.50

3. STATUS OF REPURCHASED SHARES

The Company may cancel any repurchased Shares or hold them as treasury Shares on or after the Listing Rules Amendments Effective Date subject to market conditions and the capital management needs of the Company at the relevant time of the repurchases.

For any treasury Shares deposited with CCASS pending resale on the Stock Exchange, the Company shall (i) procure its broker not to give any instructions to HKSCC to vote at general meetings of the Company for the treasury Shares deposited with CCASS; and (ii) in the case of dividends or distributions, withdraw the treasury Shares from CCASS, and either re-register them in its own name as treasury Shares or cancel them, in each case before the record date for the dividends or distributions, or take any other measures to ensure that it will not exercise any shareholders' rights or receive any entitlements which would otherwise be suspended under the applicable laws of the Cayman Islands if those Shares were registered in its own name as treasury Shares.

4. GENERAL

- (i) During the six months immediately preceding the Latest Practicable Date, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's Shares, whether on the Stock Exchange or otherwise.
- (ii) None of the Directors nor (to the best of the knowledge of the Directors having made all reasonable enquiries) any of their close associates have any present intention to sell any of the Shares to the Company in the event that the Repurchase Mandate is approved by the Shareholders.
- (iii) No core connected person of the Company has notified the Company that he/she has a present intention to sell Shares to the Company, or has undertaken not to do so, if the Repurchase Mandate is approved by the Shareholders.
- (iv) The Directors will exercise the power of the Company to make purchases pursuant to the Repurchase Mandate in accordance with the Listing Rules and any applicable laws of the Cayman Islands.
- (v) If on exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert could obtain or consolidate control of the Company and thereby become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Ip Chi Shing is interested or deemed to be interested in 197,000,532 Shares within the meaning of Part XV of the SFO (including the Shares held by his wife, the Shares held jointly with his wife and the Shares held through corporations controlled by him) representing approximately 34.65% of the total number of Shares in issue. In the event that the Directors exercise in full the Repurchase Mandate which is to be approved by the Shareholders and assuming no further Shares are issued from the Latest Practicable Date up to the date of such share repurchase, the percentage of issued share capital in the Company that Mr. Ip Chi Shing is interested or is deemed to be interested in will increase to approximately 38.50% of the total number Shares in issue. Such increase may give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code. The Directors have no intention to exercise the Repurchase Mandate to such an extent as would result in such mandatory offer obligation arising.

The Company has no intention to exercise the Repurchase Mandate to the effect that it will result in the public float to fall below 25% or such other minimum percentage prescribed by the Listing Rules from time to time.

Neither this explanatory statement nor the Repurchase Mandate has any unusual features.

Set out below are details of the Directors who are proposed to be re-elected at the AGM.

1. **Ms. Yau Ching Man (“Ms. Yau”)**, aged 40, joined the Group as an Independent Non-executive Director of the Company since 22 March 2024. Ms. Yau holds a Bachelor Degree in Computer Engineering from The University of Hong Kong. She is currently the Vice President (Administration) of Tao Heung Holdings Limited and is mainly responsible for human resources, information technology, corporate communications and administration functions. She is also currently an Elected Member (Restaurant Category) of The Quality Tourism Services Association (QTSA) Governing Council and the Board Member of Hong Kong Federation of Restaurants and Related Trades. Before joining the Group as an Independent Non-executive Director, she had also served as a member of the Senior Leadership Team and the Head of Operations of the Group, the General Manager of Best Lubricant Blending Limited, a wholly-owned subsidiary of the Group and Co-President of the Bauhinia Coatings Group from 2005 to 2018. She has over 10 years of extensive experience of corporate management in both PRC and Hong Kong.

A letter of appointment was entered into between the Company and Ms. Yau in respect of her appointment as an Independent Non-executive Director. Ms. Yau was not appointed for any specific length or proposed length of service with the Company but is subject to rotation, removal, vacation or termination of her office as a Director as set out in the Articles or the disqualification to act as a Director under the Articles, the laws of the Cayman Islands and the Listing Rules.

2. **Mr. Ip Chi Shing (“Mr. Ip”)**, aged 76, is the Chairman, co-founder of the Group and a Non-executive Director of the Company. Mr. Ip was re-designated as a Non-executive Director of the Company since 1 January 2012. He focuses on the leading of the Board, formulating the Group’s long-term development strategy and the planning and inheritability of human resources of the Group etc. Mr. Ip is the brother of Mr. Yip Tsz Hin, the Deputy Chairman of the Group and an Executive Director of the Company and the father of Mr. Ip Kwan, the Chief Executive Officer of the Group, an Executive Director of the Company and a member of the Senior Leadership Team and the uncle of Mr. Yip Long, Brian and Mr. Yip Chun, Ivan, each a member of the Senior Leadership Team. In 2006, He established “Ip Chi Shing Charitable Foundation Limited” with the objectives of carrying out charity activities in Mainland China and Hong Kong including fostering education in Mainland China and providing care for the underprivileged groups in Hong Kong and making contributions to society.

As at the Latest Practicable Date, Mr. Ip was interested in 197,000,532 Shares^{Note} within the meaning of Part XV of the SFO. A letter of appointment was entered into between the Company and Mr. Ip in respect of his appointment as the Chairman and a Non-executive Director. Mr. Ip was not appointed for any specific length or proposed length of service with the Company but is subject to rotation, removal, vacation or termination of his office as a Director as set out in the Articles or the disqualification to act as a Director under the Articles, the laws of the Cayman Islands and the Listing Rules.

Note: Out of those Shares, 2,094,000 Shares were held by his wife, 7,098,000 Shares were held by Mr. Ip and his wife jointly, 21,200,000 Shares were held by Ip Chi Shing Charitable Foundation Limited, a charitable organization, and 5,304,000 Shares were held by Yip's Care Extension Foundation Limited. Mr. Ip Chi Shing controls 50% (together with his wife control 100%) and 60% (together with his younger sister and brother control 100%) of the voting power at the general meetings of Ip Chi Shing Charitable Foundation Limited and Yip's Care Extension Foundation Limited, respectively. He is therefore deemed to be interested in those Shares held by these two corporations under Part XV of the SFO.

3. **Mr. Yip Tsz Hin (“Mr. Yip”)**, aged 65, joined the Group in 1977. Mr. Yip is the Deputy Chairman of the Group and an Executive Director of the Company. He also acts as a director of certain subsidiaries of the Company and the Chairman of Handsome Chemical, an associate of the Group. Mr. Yip has over 40 years of experience in the manufacturing of and trading in petrochemical products. He is the brother of Mr. Ip Chi Shing, the Chairman of the Group and a Non-executive Director of the Company, the father of Mr. Yip Long, Brian and Mr. Yip Chun, Ivan, each a member of the Senior Leadership Team and the uncle of Mr. Ip Kwan, the Chief Executive Officer of the Group, an Executive Director of the Company and a member of the Senior Leadership Team.

As at the Latest Practicable Date, Mr. Yip was interested in 40,200,000 Shares within the meaning of Part XV of the SFO, of which 27,200,000 Shares were personal interests and his wife held 13,000,000 Shares. A service contract was entered into between the Company and Mr. Yip in respect of his appointment as an Executive Director. Mr. Yip was not appointed for any specific length or proposed length of service with the Company but is subject to rotation, removal, vacation or termination of his office as a Director as set out in the Articles or the disqualification to act as a Director under the Articles, the laws of the Cayman Islands and the Listing Rules. In addition, Mr. Yip also entered into service contract with the solvents associate of the Group in the PRC in respect of his appointment as the chairman of its board of directors.

4. **Mr. Ho Sai Hou (“Mr. Ho”)**, aged 57, joined the Group in 2010. He is the Chief Financial Officer of the Group, an Executive Director of the Company, a member of the Senior Leadership Team and the Company Secretary of the Company. Mr. Ho also acts as a director of certain subsidiaries of the Company and is responsible for the Group's human resources and corporate communication functions since May 2023. Before joining the Group, he acted as chief financial officer, executive director and company secretary for several listed companies in Hong Kong. Mr. Ho holds a Bachelor of Social Sciences Degree in Accounting from The University of Hong Kong and an Executive Master of Business Administration (EMBA) with The China Europe International Business School in 2007. He is a member of The Hong Kong Institute of Certified Public Accountants (HKICPA) and a fellow member of the Association of Chartered Certified Accountants (ACCA). Mr. Ho has over 20 years of experience in accounting, finance, taxation and company secretarial fields.

A service contract was entered into between the Company and Mr. Ho in respect of his appointment as a Chief Financial Officer and an Executive Director. Mr. Ho was not appointed for any specific length or proposed length of service with the Company but is subject to rotation, removal, vacation or termination of his office as a Director as set out in the Articles or the disqualification to act as a Director under the Articles, the laws of the Cayman Islands and the Listing Rules.

Save as disclosed above, each of the Directors proposed to be re-elected (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; (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; (iv) does not hold any position with the Company and other members of the Group; and (v) has no interest in the Shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, the Directors proposed to be re-elected confirmed that there are no other matters that need to be brought to the attention of the Shareholders and there is no other information which is required to be disclosed pursuant to rule 13.51(2)(h) to (w) of the Listing Rules.

DIRECTORS' EMOLUMENTS

The amounts of emoluments received by the above Directors to be re-elected at the forthcoming AGM for the year ended 31 December 2023 are set out in the table below:

Directors	Directors' emoluments				Total HK\$'000
	Directors Fees HK\$'000	Salaries and other benefits HK\$'000	Discretionary bonus HK\$'000	Retirement benefit scheme contributions HK\$'000	
Mr. Ip Chi Shing ^b	–	1,494	–	–	1,494
Mr. Yip Tsz Hin ^a	–	2,201	107	310	2,618
Mr. Ho Sai Hou ^a	–	2,588	797	239	3,624
Ms. Yau Ching Man ^b	–	–	–	–	–

The amount of emoluments to be received in 2024 by the Directors to be re-elected at the AGM are estimated below:

- (i) Mr. Ip Chi Shing will be entitled to receive salaries and other benefits of HK\$1,500,000 for the year of 2024;
- (ii) Mr. Yip Tsz Hin will be entitled to receive an annual salary of HK\$1,436,000, housing allowance of HK\$795,000 per annum and a discretionary bonus for the year of 2024;

- (iii) Mr. Ho Sai Hou will be entitled to receive an annual salary of HK\$2,667,000 and a discretionary bonus for the year of 2024; and
- (iv) Ms. Yau Ching Man will be entitled to receive a director's fee of approximately HK\$156,000 for the year of 2024.

Remarks:

- a. The director's emoluments of Executive Directors are covered by the respective service contract. The emolument of the above Executive Directors are/will be determined by the remuneration committee of the Company with reference to the Company's remuneration policy and taking into account, among other factors, the Director's qualification and experience, responsibilities undertaken, contribution to the Company, and the prevailing market level of remuneration for similar position. In addition to the emolument of the Company, Mr. Yip Tsz Hin also received annual salary of RMB1,800,000 and discretionary bonus of RMB750,000 from the solvents associate of the Group for the year ended 31 December 2023. Mr. Yip will be entitled to receive an annual salary of RMB1,944,000 and a discretionary bonus from the solvents associate of the Group for the year ending 31 December 2024 and such remuneration is/will be determined by the board of the solvents associate of the Group.
- b. The director's emoluments of Non-executive Director and Independent Non-executive Director are covered by the respective letter of appointment and determined by the Board based on the recommendation given by the remuneration committee of the Company with reference to the Company's remuneration policy and taking into account, among other factors, the Director's qualification and experience, responsibilities undertaken, contribution to the Company, and the prevailing market level of remuneration for similar position.

NOTICE OF ANNUAL GENERAL MEETING



Yip's Chemical Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 408

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “**AGM**”) of Yip’s Chemical Holdings Limited (the “**Company**”) will be held at 27/F., Fortis Tower, Nos. 77-79 Gloucester Road, Wanchai, Hong Kong on Monday, 3 June 2024 at 3:00 p.m. for transacting the following business:

ORDINARY RESOLUTION(S)

To consider and, if thought fit, pass the following resolution(s) (with or without modifications) as ordinary resolution(s) of the Company:

1. To receive and adopt the audited consolidated financial statements and the reports of the directors of the Company (“**Director(s)**”) and the independent auditor of the Company (“**Auditor**”) for the year ended 31 December 2023.
2. To declare a final dividend of HK10 cents per share of the Company (“**Share**”) for the year ended 31 December 2023.
3. To re-appoint Deloitte Touche Tohmatsu as the Auditor and to authorise the board of Directors (“**Board**”) to fix their remuneration.
4. To re-elect Ms. Yau Ching Man as an Independent Non-executive Director.
5. To re-elect Mr. Ip Chi Shing as a Non-executive Director.
6. To re-elect Mr. Yip Tsz Hin as an Executive Director.
7. To re-elect Mr. Ho Sai Hou as an Executive Director.
8. To authorise the Board to fix the remuneration of the Directors.

NOTICE OF ANNUAL GENERAL MEETING

9. To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions (with or without modification):

“THAT

- (a) a general mandate be and is hereby unconditionally given to the Directors to exercise during the Relevant Period (as hereinafter defined) all the powers of the Company to allot, issue and otherwise deal with unissued shares or securities convertible into shares or options, warrants or similar rights to subscribe for any Shares or such convertible securities (including any sale or transfer of treasury Shares of the Company on or after 11 June 2024 (the “**Listing Rules Amendments Effective Date**”)) and to make or grant offers, agreements or options which would or might require the exercise of such powers either during or after the Relevant Period, in addition to any Shares (together with the treasury Shares to be sold or transferred on or after the Listing Rules Amendments Effective Date) which may be issued from time to time (a) on a Rights Issue (as hereinafter defined) or (b) upon exercise of any options under any option scheme or similar arrangement for the time being adopted for the grant or issue of Shares or (c) upon the exercise of rights of subscription or conversion attaching to any warrants or convertible bonds issued by the Company or any securities which are convertible into Shares the issue of which warrants and other securities has previously been approved by shareholders of the Company or (d) as any scrip dividend pursuant to the Articles, not exceeding 20% of the aggregate number of issued Shares (excluding treasury Shares, if any) as at the date of this resolution (subject to adjustment in case of any Share consolidation or subdivision after such mandate has been approved, provided that the maximum number of Shares that may be allotted, issued and/or otherwise dealt with (including any sale or transfer of treasury Shares out of treasury on or after the Listing Rules Amendments Effective Date) as a percentage of the total number of issued Shares (excluding treasury Shares, if any) at the date immediately before and after such consolidation or subdivision shall be the same); and
- (b) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of;

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by any applicable law of the Cayman Islands or the articles of association of the Company; and
- (iii) the revocation or variation of this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of Shares open for a period fixed by the Directors to holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such Shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractions entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or of the requirements of any recognised regulatory body or any stock exchange applicable to the Company).”

NOTICE OF ANNUAL GENERAL MEETING

10. “**THAT** an unconditional general mandate be and is hereby granted to the Directors to repurchase shares of the Company and the Company may hold the Shares so repurchased in treasury on or after the Listing Rules Amendments Effective Date, and that the exercise by the Directors of all powers of the Company to purchase Shares subject to and in accordance with all applicable laws or the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited, be and is hereby generally and unconditionally approved, subject to the following conditions:
- (a) such mandate shall not extend beyond the Relevant Period (as hereinafter defined);
 - (b) such mandate shall authorise the Directors to procure the Company to repurchase Shares at such price as the Directors may at their discretion determine;
 - (c) the Shares to be repurchased by the Company pursuant to paragraph (a) of this resolution during the Relevant Period shall be no more than 10% of the aggregate number of issued Shares (excluding treasury Shares, if any) as at the date of passing this resolution (subject to adjustment in case of any Share consolidation or subdivision after such mandate has been approved, provided that the maximum number of Shares that may be repurchased as a percentage of the total number of issued Shares (excluding treasury Shares, if any) at the date immediately before and after such consolidation or subdivision shall be the same); and
 - (d) for the purpose of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

 - (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law of the Cayman Islands or the articles of association of the Company to be held; and
 - (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
11. “**THAT** conditional upon the resolutions nos. 9 and 10 being passed, the number of Shares which are repurchased by the Company pursuant to and in accordance with the resolution no. 10 above shall be added to the number of issued Shares (excluding treasury Shares, if any) that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with resolution no. 9 above.”

By order of the Board
Ip Chi Shing
Chairman

Hong Kong, 26 April 2024

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. The Hong Kong branch register of members of the Company will be closed from Tuesday, 28 May 2024 to Monday, 3 June 2024 (both dates inclusive) for the purpose of ascertaining shareholders' entitlement to attend and vote at the AGM. No transfer of the Shares may be registered on those dates. In order to qualify for the shareholders' entitlement to attend and vote at the AGM, all transfer forms accompanied by the relevant share certificates should be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Monday, 27 May 2024.
2. The Hong Kong branch register of members of the Company will be closed from Thursday, 13 June 2024 to Friday, 14 June 2024 (both dates inclusive) for the purpose of ascertaining Shareholders' entitlement to the proposed final dividend. No transfer of the Shares may be registered on those dates. In order to qualify for the proposed final dividend, all transfer forms accompanied by the relevant share certificates should be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong not later than 4:30 p.m. on Wednesday, 12 June 2024.
3. Any shareholder of the Company entitled to attend and vote at the AGM is entitled to appoint one or more proxies to attend and vote in his/her stead. A proxy need not be a shareholder of the Company. Proxy forms must be lodged at the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, not less than 48 hours before the time for holding the AGM.
4. The form of proxy and the power of attorney or other authority, if any, under which it is signed (or a notarially certified copy of such power of attorney or authority) must be deposited with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong no later than 48 hours before the time appointed for holding the AGM, otherwise the form of proxy shall not be treated as valid.
5. To safeguard the health and safety of shareholders of the Company and to prevent and control the spreading of various diseases, the following precautionary measures will be implemented at the AGM:
 - (a) Compulsory body temperature checks will be conducted;
 - (b) Attendees are suggested to wear the surgical face masks at all times; and
 - (c) No food or beverage will be provided.
6. References to time and dates in this notice are to Hong Kong time and dates.
7. As at the date hereof, the board of Directors comprises the following Directors:

Non-executive Directors:

Mr. Ip Chi Shing (*Chairman*)
Mr. Ho Pak Chuen, Patrick*
Mr. Ku Yee Dao, Lawrence*
Ms. Yau Ching Man*

Executive Directors:

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

* *Independent Non-executive Directors*