THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Yue Yuen Industrial (Holdings) Limited, you should at once hand this circular with the enclosed form of proxy to the purchaser or transferee or to the bank or stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

YUE YUEN INDUSTRIAL (HOLDINGS) LIMITED
裕元工業（集團）有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00551)

PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS, GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

Capitalized terms used in the lower portion of this cover page shall have the same meanings as those defined in the section headed “Definitions” of this circular.

A notice convening the AGM to be held at 2:00 p.m. on Friday, May 23, 2025 at 22nd Floor, C-Bons International Center, 108 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong is set out on pages AGM-1 to AGM-5 in this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company’s branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event no later than 2:00 p.m. on Wednesday, May 21, 2025 (Hong Kong Time), or not less than 48 hours before the time for holding the adjourned meeting (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting, or any adjournment thereof, should you so wish and in such event, the form of proxy shall be deemed to be revoked.

No refreshment or corporate souvenir will be provided at the AGM.

This circular is in English and Chinese. In case of any inconsistency, the English version shall prevail.

* *For identification purpose only*

April 23, 2025

CONTENTS

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

"Annual General Meeting" or "AGM"	the annual general meeting of the Company to be held at 2:00 p.m. on Friday, May 23, 2025 at 22nd Floor, C-Bons International Center, 108 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong or any adjournment hereof, the notice of which is set out on pages AGM-1 to AGM-5 in this circular
"Audit Committee"	the audit committee of the Company
"Board	the board of Directors
"Bye-laws"	the bye-laws of the Company, as amended, modified or otherwise supplemented from time to time
"close associate(s)"	has the meaning ascribed to if under the Listing Rules
"Company"	Yue Yuen Industrial (Holdings) Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange
"controlling shareholder(s)"	has the meaning ascribed to under the Listing Rules
"core connected person(s)"	has the meaning ascribed to under the Listing Rules
"Director(s)"	director(s) of the Company from time to time
"Extension Mandate"	a general and unconditional mandate proposed to be granted to the Directors to the effect that the Issue Mandate will be extended to add any Shares repurchased under the Repurchase Mandate
"Group"	the Company and its subsidiaries
"Issue Mandate"	a general and unconditional mandate authorising the Directors to issue Shares as described in the section headed "Proposed General Mandates to Issue and to Repurchase Shares"

"Latest Practicable Date"	April 14, 2025, being the latest practicable date prior to the printing of this circular for ascertaining certain information continued herein
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Nomination Committee"	the nomination committee of the Company
"PCC"	Pou Chen Corporation, a company with its shares listed and traded on the TWSE (stock code: 9904) and a controlling shareholder of the Company, which indirectly owns or controls approximately 51.36% of the Company's issued Shares as at the Latest Practicable Date
"Pou Sheng"	Pou Sheng International (Holdings) Limited (stock code: 3813), an exempted company incorporated in Bermuda with limited liability and a non wholly-owned subsidiary of the Company, whose ordinary shares are listed on the main board of the Stock Exchange
"Remuneration Committee"	the remuneration committee of the Company
"Repurchase Mandate"	a general and unconditional mandate authorising the Directors to repurchase Shares as described in the section headed "Proposed General Mandates to Issue and to Repurchase Shares"
"SFO"	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of HK$0.25 each in the capital of the Company
"Shareholder(s)"	the holder(s) of Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Takeovers Code"	the Code on Takeovers and Mergers issued by the Securities and Futures Commission in Hong Kong, as amended, supplemented or otherwise modified from time to time

"treasury shares"	has the meaning ascribed to under the Listing Rules
"TWSE"	the Taiwan Stock Exchange Corporation
"Wealthplus"	Wealthplus Holdings Limited, a company incorporated in British Virgin Islands with limited liability and a wholly-owned subsidiary of PCC
"Win Fortune"	Win Fortune Investments Limited, a company incorporated in British Virgin Islands, with limited liability and a wholly-owned subsidiary of PCC
"HK$"	Hong Kong dollars, the lawful currency of the Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"US$"	United States dollars, the lawful currency of the United States of America
"NT$"	New Taiwan dollars, the lawful currency of Taiwan
"%"	per cent

YUE YUEN INDUSTRIAL (HOLDINGS) LIMITED
裕元工業(集團)有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00551)

Board of Directors:

Executive Directors:
Mr. Lu Chin Chu *(Chairman)*
Ms. Tsai Pei Chun, Patty *(Managing Director)*
Mr. Chan Lu Min
Mr. Lin Cheng-Tien
Mr. Liu George Hong-Chih
Mr. Shih Chih-Hung *(Chief Financial Officer)*

Independent Non-executive Directors:
Mr. Wong Hak Kun
Mr. Ho Lai Hong
Mr. Lin Shei-Yuan
Dr. Yang Ju-Huei

Registered Office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal Place of Business in Hong Kong:
22nd Floor
C-Bons International Center
108 Wai Yip Street
Kwun Tong, Kowloon
Hong Kong

April 23, 2025

To the Shareholders

Dear Sir or Madam,

PROPOSALS FOR RE-ELECTION OF RETIRING DIRECTORS, GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES AND NOTICE OF ANNUAL GENERAL MEETING

1. INTRODUCTION

The purpose of this circular is to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolutions to be proposed at the AGM.

* *For identification purpose only*

2. RE-ELECTION OF RETIRING DIRECTORS

In accordance with Bye-law 84 of the Bye-laws, Mr. Lin Cheng-Tien, Mr. Liu George Hong-Chih, Mr. Ho Lai Hong and Mr. Lin Shei-Yuan shall retire from office by rotation at the AGM. All of them, being eligible, shall offer themselves for re-election.

The Nomination Committee had reviewed the structure, size and composition of the Board, as well as the biographical details of Mr. Lin Cheng-Tien, Mr. Liu George Hong-Chih, Mr. Ho Lai Hong and Mr. Lin Shei-Yuan and their meeting of nomination criteria (including but not limited to, character and integrity, accomplishment, experience and knowledge in the relevant industry and commitment to devote sufficient time and attention to the Company's affairs as Board member) as set out in the nomination policy of the Company and considered the diversity aspects (including but not limited to, gender, age, cultural and educational background, professional experience, skills, knowledge and length of services) as set out in the Board diversity policy of the Company, and took the view that all of them have been contributing to the Group effectively and committed to their role as Directors. The Nomination Committee had also assessed the independence of all independent non-executive Directors with reference to the criteria as set out under Rule 3.13 of the Listing Rules, and was satisfied with their independence. Taking into consideration of the above, the Nomination Committee recommended to the Board the re-election of Mr. Lin Cheng-Tien, Mr. Liu George Hong-Chih, Mr. Ho Lai Hong and Mr. Lin Shei-Yuan as the Directors at the AGM. Mr. Ho Lai Hong and Mr. Lin Shei-Yuan, who are the members of the Nomination Committee, abstained from voting on their nomination at the Nomination Committee meeting.

The Board accepted the Nomination Committee's recommendation and separate ordinary resolutions relating to the re-election of each retiring Director will be proposed at the AGM for Shareholders' consideration and approval. Each retiring Director abstained from voting on the relevant resolutions at the Board meeting regarding his own re-election.

Details of the said Directors proposed to be re-elected at the AGM are set out in Appendix I to this circular.

3. GENERAL MANDATES TO ISSUE AND REPURCHASE SHARES

At the last annual general meeting of the Company held on May 24, 2024, ordinary resolutions were passed to grant general mandates to the Directors to repurchase Shares and issue new Shares. At the Latest Practicable Date, the number of Shares in issue was 1,604,556,486 and the Company did not have any treasury shares.

These mandates will lapse at the conclusion of the AGM. Ordinary resolutions will therefore be proposed at the AGM to renew these general mandates in order to give the Directors flexibility to repurchase or issue Shares in the circumstances as they consider appropriate. The relevant resolutions, in summary, are:

(a) the Issue Mandate to allot, issue or deal with Shares up to a maximum of 10% of the number of the Shares in issue as at the date of passing such resolution (i.e. a maximum amount of 160,455,648 Shares) on the basis that no further Shares are issued or repurchased prior to the date of the AGM;

(b) the Repurchase Mandate to repurchase Shares on the Stock Exchange up to a maximum of 10% of the number of the Shares in issue as at the date of passing such resolution (i.e. a maximum amount of 160,455,648 Shares) on the basis that no further Shares are issued or repurchased prior to the date of the AGM; and

(c) the Extension Mandate to increase the total number of the Shares which may be allotted and issued under the Issue Mandate by an additional number of the Shares which may be repurchased under the Repurchase Mandate.

Such proposed resolutions are set out in resolutions 5A, 5B and 5C in the notice of the AGM respectively.

The explanatory statement containing all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the ordinary resolution concerning the Repurchase Mandate as required by the Listing Rules is set out in Appendix II to this circular.

4. ANNUAL GENERAL MEETING AND PROXY ARRANGEMENT

The notice of the AGM is set out in pages AGM-1 to AGM-5 in this circular.

A form of proxy for the AGM is enclosed herewith. Whether or not you intend to attend the AGM, you are requested to complete the form of proxy and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong as soon as possible but in any event no later than 2:00 p.m. on Wednesday, May 21, 2025 (Hong Kong Time), or not less than 48 hours before the time for holding the adjourned meeting (as the case may be). Completion and return of a form of proxy will not preclude you from attending and voting in person at the AGM, or any adjournment thereof, should you so wish and in such event, the form of proxy shall be deemed to be revoked.

Pursuant to Rule 13.39(4) of the Listing Rules, all resolutions set out in the notice of the AGM will be voted by way of poll. The chairman of the AGM will therefore demand voting on the resolutions set out in the notice of the AGM be taken by way of poll pursuant to Bye-law 66 of the Bye-laws. An explanation of the detailed procedures of voting by poll will be provided to Shareholders at the AGM.

Pursuant to Bye-law 66(1) of the Bye-laws, on a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorized representative) or by proxy shall have one vote for every fully paid Share held. A Shareholder entitled to more than one vote is under no obligation to cast all his votes in the same way pursuant to Bye-law 69 of the Bye-laws.

The trustee of the share award scheme of the Company, which held 2,103,000 Shares as at the Latest Practicable Date, shall not exercise the voting rights at the AGM in respect of these Shares under the trust, unless otherwise required by law to vote in accordance with the beneficial owner's discretion and such direction is given. Save as disclosed above, so far as the Directors are aware, as at the Latest Practicable Date, no Shareholder will be required to abstain from voting under the Listing Rules in respect of any of the resolution to be proposed at the AGM.

After the conclusion of the AGM, the poll results will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.yueyuen.com) in the manner prescribed under Rules 13.39(5) and 13.39(5A) of the Listing Rules.

5. CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the entitlement to attend and vote at the AGM to be held on Friday, May 23, 2025 at 2:00 p.m. (and at any adjournment thereof), the register of members of the Company will be closed from Monday, May 19, 2025 to Friday, May 23, 2025 (both dates inclusive), during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the AGM, all transfer documents accompanied by relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, for registration not later than 4:30 p.m. on Friday, May 16, 2025. The record date for determing eligibility to attend and vote at the AGM will be on Monday, May 19, 2025.

6. RECOMMENDATIONS

The Directors consider that the re-election of retiring Directors, the grant of the Issue Mandate, the Repurchase Mandate and the Extension Mandate are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend that the Shareholders vote in favour of all the resolutions to be proposed at the AGM.

Your attention is drawn to the additional information set out in Appendix I (Particulars of Directors Proposed for Re-election) and Appendix II (Explanatory Statement) to this circular.

Yours faithfully,
For and on behalf of
Yue Yuen Industrial (Holdings) Limited
Lu Chin Chu
Chairman

Details of the Directors proposed to be re-elected at the AGM, as required to be disclosed under Rule 13.51(2) of the Listing Rules, are set out below:

(1) Mr. Lin Cheng-Tien

Mr. Lin Cheng-Tien, aged 65, has been an executive Director since March 20, 2015. He is also a director of certain subsidiaries of the Company. Mr. Lin graduated from South Fields College (currently as Leicester College) in United Kingdom, majoring in shoe manufacturing. Mr. Lin has more than 34 years of experience in the footwear sector. He joined PCC in 1990 and is currently a senior executive vice president of PCC responsible for the production, sales and marketing of certain footwear brand customers. He was the head of a business unit of PCC. Prior to joining the Group, Mr. Lin had worked with a renowned footwear manufacturing company in Taiwan responsible for the business and development of different brands. As at the Latest Practicable Date, Mr. Lin was interested in (a) 334,000 Shares; and (b) 297,760 PCC shares.

Save as disclosed above, Mr. Lin (a) does not have any former name or alias; (b) did not hold other position in any members of the Group; (c) did not hold any directorship in other listed public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (d) does not have other major appointments or professional qualifications; (e) does not have any relationship with any Director, senior management, substantial shareholders (as defined in the Listing Rules) or controlling shareholders of the Company; and (f) did not have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Pursuant to the service agreement entered into between the Company and Mr. Lin, Mr. Lin is appointed for a fixed term of three years commencing from March 13, 2024. His term of service is subject to retirement by rotation and re-election at least once every 3 years in accordance with the Bye-laws and the Listing Rules or at such time as may be required by resolution of the Board. Mr. Lin will not receive any Director's fee but (a) receive an aggregate salary of NT$2,880,000 (equivalent to approximate US$89,000) per annum for his appointment in the Group plus discretionary bonus; and (b) be granted options to subscribe for Shares under the Company's share option scheme or awarded Shares under the Company's share award scheme for holding his office as an executive Director. The remuneration (including the salary and discretionary bonus) and the terms under such service agreement are determined by the Board with the recommendation of the Remuneration Committee with reference to the Company's profitability, individual performance as well as the Company's remuneration policy and guidelines. For the financial year ended December 31, 2024, Mr. Lin received a total emoluments of approximate US$319,000 from the Group, details of which was set out in note 11 to the consolidated financial statements in the Company's 2024 annual report.

Save as disclosed above, the Board is not aware of any other information that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Lin.

(2) Mr. Liu George Hong-Chih

Mr. Liu George Hong-Chih, aged 52, joined the Company on April 29, 2013 and was appointed as an executive Director on June 28, 2013. He is also a director of certain subsidiaries of the Company. Mr. Liu holds a Master of Business Administration Degree in Finance and Entrepreneurial Management from The Wharton School of University of Pennsylvania in the United States of America and Bachelor of Arts Degree in Economics and International Studies from Yale University in the United States of America. He is currently a vice president of PCC, responsible for the business development and production management of certain major brands. Mr. Liu worked as a management consultant with Bain & Company in the United States of America and Beijing, China, after graduating from Yale University. He was with Morgan Stanley from 2000 to 2010 with primary responsibility in deal origination and execution and client coverage in Greater China. Mr. Liu last held the position of executive director with Morgan Stanley. In June 2010, Mr. Liu joined China International Capital Corporation Limited as managing director and head of Hong Kong Investment Banking Department. As at the Latest Practicable Date, Mr. Liu was (a) interested in 779,000 Shares; and (b) deemed to be interested in 414,000 ordinary shares in Pou Sheng through the interest of his spouse.

Save as disclosed above, Mr. Liu (a) does not have any former name or alias; (b) did not hold other position in any members of the Group; (c) did not hold any directorship in other listed public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (d) does not have other major appointments or professional qualifications; (e) does not have any relationship with any Director, senior management, substantial shareholders (as defined in the Listing Rules) or controlling shareholders of the Company; and (f) did not have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Pursuant to the service agreement entered into between the Company and Mr. Liu, Mr. Liu is appointed for a fixed term of three years commencing from June 28, 2022. His term of service is subject to retirement by rotation and re-election at least once every 3 years in accordance with the Bye-laws and the Listing Rules or at such time as may be required by resolution of the Board. Mr. Liu is not entitled to receive any Director's fee but is entitled to receive (a) an aggregate salary of HK$1,039,000 (equivalent to approximate US$133,000) per annum plus discretionary bonus for his appointment in the Group; and (b) be granted options to subscribe for Shares under the Company's share option scheme or awarded Shares under the Company's share award scheme for holding his office as an executive Director. The remuneration (including the salary and discretionary bonus) and the terms under such service agreement are determined by the Board with the recommendation of the Remuneration Committee with reference to the Company's profitability, individual performance as well as the Company's remuneration policy and guidelines. For the financial year ended December 31, 2024, Mr. Liu received a total emoluments of approximate US$736,000 from the Group, details of which was set out in note 11 to the consolidated financial statements in the Company's 2024 annual report.

Save as disclosed above, the Board is not aware of any other information that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Liu.

(3) Mr. Ho Lai Hong

Mr. Ho Lai Hong, aged 67, has been an independent non-executive Director, the chairman of Nomination Committee, the member of Audit Committee and Remuneration Committee since May 24, 2019. He holds a Master of Business Administration Degree from The Hong Kong Polytechnic University. Mr. Ho is a fellow member of The Hong Kong Chartered Governance Institute, a fellow member of the Hong Kong Securities and Investment Institute, a fellow and council member of the Hong Kong Institute of Directors. Mr. Ho has over 30 years of corporate banking, corporate finance and management experiences with Mizuho Bank Ltd. Prior to his retirement from Mizuho Bank Ltd. in March 2018, he was the General Manager/Alternate Chief Executive of Mizuho Bank Ltd. Hong Kong Branch. Mr. Ho is currently an executive director (re-designated from independent non-executive director on November 9, 2023) and chief executive officer (with effect from January 1, 2024) of Texwinca Holdings Limited (a company listed on the Stock Exchange). He was an independent non-executive director of KRP Development Holdings Limited, Leo Paper Group (Hong Kong) Limited and Foshan Water and Environmental Protection Co., Ltd.

Save as disclosed above, Mr. Ho (a) does not have any former name or alias; (b) did not hold other position in any members of the Group; (c) did not hold any directorship in other listed public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (d) does not have other major appointments or professional qualifications; (e) does not have any relationship with any Director, senior management, substantial shareholders (as defined in the Listing Rules) or controlling shareholders of the Company; and (f) did not have any interest in the Shares within the meaning of Part XV of the SFO as at the Latest Practicable Date.

Pursuant to the appointment letter entered into between the Company and Mr. Ho, Mr. Ho is appointed for a fixed term of three years commencing from May 24, 2022. His term of service is subject to retirement by rotation and re-election at least once every 3 years in accordance with the Bye-laws and the Listing Rules or at such time as may be required by resolution of the Board. Mr. Ho is entitled to receive a Director fee of HK$285,000 (equivalent to approximately US$37,000) per annum for holding his office as an independent non-executive Director. The Director's fee and the terms under the appointment letter are determined by the Board with the recommendation of the Remuneration Committee with reference to the Company's profitability as well as the Company's remuneration policy and guidelines.

Save as disclosed above, the Board is not aware of any other information that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Ho.

(4) Mr. Lin Shei-Yuan

Mr. Lin Shei-Yuan, aged 62, has been an independent non-executive Director, the members of Audit Committee, Remuneration Committee and Nomination Committee since November 12, 2021. He obtained a Master of Business Administration degree from Boston University in the United States of America in 1992. Mr. Lin is a seasoned banker with over 30 years of working experiences in the banking industry in Taiwan. He is currently the partner of IIH Assets Management Company Limited. He was the head of corporate and institutional banking of Australia and New Zealand Bank, Taiwan from September 2012 to February 2018, and before that, he was the general manager of international corporate banking of Standard Chartered Bank, Taiwan from December 2008 to August 2012. Mr. Lin served Citibank, Taiwan for more than 11 years since August 1997, with his rank up to the managing director of corporate banking and senior credit officer. During his tenure at the banks, Mr. Lin was mainly responsible for managing the corporate finance services and building up sustainable platforms to serve Taiwan listed clients required for their local and multinational operations. He accomplished a number of milestone financing programs and mergers and acquisitions transactions in Greater China and Southeast Asia.

Save as disclosed above, Mr. Lin (a) does not have any other former name or alias; (b) did not hold other position in any members of the Group; (c) did not hold any directorship in other listed public companies, the securities of which are listed on any securities market in Hong Kong or overseas in the last three years; (d) does not have other major appointments or professional qualifications; (e) does not have any relationship with any Director, senior management, substantial shareholders (as defined in the Listing Rules) or controlling shareholders of the Company; and (f) did not have any interest in the Shares within the meaning of Part XV of the SFO Securities and Futures Ordinance as at the Latest Practicable Date.

Pursuant to the appointment letter entered into between the Company and Mr. Lin, Mr. Lin is appointed for a fixed term of three years commencing from November 11, 2024. His term of service is subject to retirement by rotation and re-election at least once every 3 years in accordance with the Bye-laws and the Listing Rules or at such time as may be required by resolution of the Board. Mr. Lin is entitled to receive a Director fee of HK$285,000 (equivalent to approximately US$37,000) per annum for holding his office as an independent non-executive Director. The Director's fee and the terms under the appointment letter are determined by the Board with the recommendation of the Remuneration Committee with reference to the Company's profitability as well as the Company's remuneration policy and guidelines.

Save as disclosed above, the Board is not aware of any other information that is required to be disclosed pursuant to Rule 13.51(2) of the Listing Rules or any other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Lin.

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide Shareholders with all the information reasonably necessary for them to make an informed decision on whether to vote for or against the ordinary resolution in relation to the Repurchase Mandate to be proposed at the AGM.

At the AGM, an ordinary resolution will be proposed to approve the Repurchase Mandate. Under the Repurchase Mandate, the number of Shares that the Company may repurchase shall not exceed 10% of the number of the Shares in issue on the date the resolution granting the Repurchase Mandate is passed. As at the Latest Practicable Date, there were in issue an aggregate of 1,604,556,486 Shares and the Company does not have any treasury shares. Exercise in full of the Repurchase Mandate, on the basis that no further Shares are issued or repurchased prior to the date of the AGM, would accordingly result in up to 160,455,648 Shares being repurchased by the Company. All the Shares repurchased by the Company pursuant to the Repurchase Mandate will be cancelled and will not be held as treasury shares.

The Listing Rules permit companies with a primary listing on the Stock Exchange to repurchase their shares on the Stock Exchange subject to certain restrictions, the most important of which are summarized below:

(a) Shareholders' approval

The Listing Rules provide that all proposed repurchases of shares by a company with a primary listing on the Stock Exchange must be approved in advance by an ordinary resolution, either by way of general mandate or by specific approval of a specific transaction. The Shares to be repurchased must be fully paid up.

(b) Reasons for repurchases

The Directors believe that it is in the best interests of the Company and the Shareholders as a whole for Directors to have a general authority from Shareholders to enable the Company to repurchase 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 earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders.

(c) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with the Company's memorandum of association and Bye-laws and the applicable laws in Bermuda. A listed company may not repurchase its own shares on the Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Stock Exchange from time to time.

It is presently proposed that any repurchase of Shares would be made out of capital paid up on the repurchased Shares, funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose and, in the case of any premium payable on such repurchase, from funds of the Company otherwise available for dividend or distribution or from the Company's share premium account.

(d) Impact of repurchases

There might be a material adverse impact on the working capital requirements of the Company or the gearing level (as compared with the position disclosed in the audited financial statements of the Company for the year ended December 31, 2024 as set out in the Company's annual report) in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

(e) Takeovers Code

If as a result of a share repurchase a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition of voting rights according to Rule 32 of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (within the meaning under the Takeovers Code) 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, PCC, a controlling shareholder of the Company, was interested in 824,143,835 Shares, representing approximately 51.36% of the number of issued Shares. If the Repurchase Mandate was exercised in full, the shareholding of PCC in the Company would be increased to approximately 57.06%. The Directors are not aware of any consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate. In addition, the Company will not purchase its Shares which will reduce the total number of issued shares of the Company in public hands to below 25%.

(f) Undertaking

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, any of their close associates have any present intention to sell any Shares to the Company or its subsidiaries if the Repurchase Mandate is approved by the Shareholders.

The Directors will exercise the power of the Company to make purchases pursuant to the proposed resolution in accordance with the Listing Rules and all applicable laws of Bermuda. Neither this explanatory statement nor the proposed Repurchase Mandate has any unusual features.

No core connected person of the Company has notified the Company that he/she/it 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.

(g) Share prices

The highest and lowest prices at which the Shares were traded on the Stock Exchange in each of the previous twelve months were as follows:

	Price per Share	
	Highest	**Lowest**
	HK$	*HK$*
2024		
April	14.66	10.82
May	16.76	13.54
June	16.18	13.98
July	15.30	11.78
August	13.74	11.50
September	15.24	12.72
October	17.48	13.56
November	17.48	15.52
December	18.40	17.06
2025		
January	17.40	15.08
February	17.78	15.02
March	16.24	12.32
April (Up to the Latest Practicable Date)	12.78	9.63

(h) Share repurchases made by the Company

During the six months immediately preceding the Latest Practicable Date, the Company has repurchased a total of 3,995,500 Shares on the Stock Exchange. All the repurchased Shares were subsequently cancelled by the Company. Particulars of the repurchases of Shares are as follows:

		Repurchase price per Share	
Date of repurchase	**No. of Shares repurchased**	**Highest price paid** *HK$*	**Lowest price paid** *HK$*
November 14, 2024	380,000	16.18	15.9
November 15, 2024	390,000	16.2	15.86
November 18, 2024	290,000	15.94	15.62
November 20, 2024	185,500	16.88	16.72
November 21, 2024	440,000	16.82	16.68
November 22, 2024	340,000	16.66	16.48
November 25, 2024	350,000	16.88	16.62
November 26, 2024	430,000	17.18	16.9
November 27, 2024	230,000	17.26	17.2
November 28, 2024	330,000	16.8	16.62
November 29, 2024	280,000	17.4	16.9
December 2, 2024	350,000	17.42	17.2
Total:	3,995,500		

Save as disclosed above, the Company has not purchased any Shares (whether on the Stock Exchange or otherwise) in the previous six months immediately preceding the Latest Practicable Date.

YUE YUEN INDUSTRIAL (HOLDINGS) LIMITED
裕元工業（集團）有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 00551)

NOTICE IS HEREBY GIVEN that the annual general meeting (the "**AGM**") of Yue Yuen Industrial (Holdings) Limited (the "**Company**") will be held at 2:00 p.m. on Friday, May 23, 2025 at 22nd Floor, C-Bons International Center, 108 Wai Yip Street, Kwun Tong, Kowloon, Hong Kong for the following purposes:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited financial statements and the reports of the directors and independent auditors of the Company for the year ended December 31, 2024.

2. To declare a final dividend of HK$0.9 per share of the Company ("**Shares**") for the year ended December 31, 2024.

3. (a) To re-elect Mr. Lin Cheng-Tien as an executive director of the Company ("**Director**").

   (b) To re-elect Mr. Liu George Hong-Chih as an executive Director.

   (c) To re-elect Mr. Ho Lai Hong as an independent non-executive Director.

   (d) To re-elect Mr. Lin Shei-Yuan as an independent non-executive Director.

   (e) To authorize the board of Directors (the "**Board**") to fix the remuneration of the Directors for the year ending December 31, 2025.

4. To re-appoint Deloitte Touche Tohmatsu as the external auditor of the Company to hold office until the conclusion of next AGM and to authorize the Board to fix their remuneration.

* *For identification purpose only*

As special business, to consider and, if thought fit, pass, with or without amendments, the following resolutions as ordinary resolutions:

5A. "**That**:

(a) subject to paragraph (c), the exercise by the Director during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional Shares and to make or grant offers, agreements and options which might require the exercise of such power in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") as amended from time to time, be and is hereby generally and unconditionally approved;

(b) the approval in paragraph (a) shall authorize the Directors during the Relevant Period (as defined below) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into Shares) which might require the exercise of such power after the end of the Relevant Period (as defined below);

(c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of the subscription rights under the share option scheme or similar arrangements of the Company; or (c) (iii) any scrip dividend or similar arrangements providing for the allotment and issue of shares in lieu of the whole or part of the dividend on Shares in accordance with the bye-laws of the Company (the "**Bye-laws**") in force from time to time; or (iv) the exercise of rights of subscription or conversion under the terms of any warrants of the Company or any securities which are convertible into Shares, shall not exceed 10% of the number of the Shares in issue as at the date of passing this resolution and the said approval shall be limited accordingly; and

(d) for the purposes of this resolution:

"Relevant Period" means the period from the passing of this resolution until whichever is the earlier of:

(i) the conclusion of the next AGM; or

(ii) the expiry of the period within which the next AGM is required to be held under the laws of Bermuda or the Bye-laws or any applicable laws to be held; or

(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.

"Rights Issue" means an offer of Shares open for a period fixed by the Directors to holders of Shares on the register of members 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 fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in any territory outside Hong Kong Special Administrative Region of the People's Republic of China)."

5B. "**That**:

(a) the exercise by the Directors during the Relevant Period (as defined below) of all powers of the Company to purchase its own Shares, subject to and in accordance with all applicable laws and/or the requirements of the Listing Rules as amended from time to time, be and is hereby generally and unconditionally approved;

(b) the aggregate number of Shares purchased or agreed conditionally or unconditionally to be purchased by the Company pursuant to the approval in paragraph (a) during the Relevant Period (as defined below) shall not exceed 10% of the number of the Shares in issue as at the date of passing this resolution and the said approval be limited accordingly; and

(c) for the purposes of this resolution:

"Relevant Period" means the period from the passing of this resolution until whichever is the earlier of:

(i) the conclusion of the next AGM; or

(ii) the expiry of the period within which the next AGM is required to be held under the laws of Bermuda or the Bye-laws or any applicable laws to be held; or

(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."

5C. "**That** conditional upon the ordinary resolution designated "5B" above being passed (with or without amendments), the aggregate number of Shares which are repurchased by the Company under the authority granted to the Directors as mentioned in that resolution shall be added to the aggregate number of Shares that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to the ordinary resolution designated "5A" above."

For and on behalf of
Yue Yuen Industrial (Holdings) Limited
Lu Chin Chu
Chairman

Hong Kong, April 23, 2025

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Principal place of business in Hong Kong:
22nd Floor, C-Bons International Center
108 Wai Yip Street
Kwun Tong, Kowloon
Hong Kong

Notes:

(1) A member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A member who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote in his/her stead. A proxy need not be a member of the Company. In order to be valid, the form of proxy must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong together with a power of attorney or other authority, if any, under which it is signed or a certified copy of that power or authority, no later than 2:00 p.m. on Wednesday, May 21, 2025 (Hong Kong Time), or not less than 48 hours before the time for holding the adjourned meeting (as the case may be).

(2) The register of members of the Company will be closed from Monday, May 19, 2025 to Friday, May 23, 2025, both dates inclusive, during which period no transfer of shares will be effected. All transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Friday, May 16, 2025 in order to establish the identity of the shareholders who are entitled to attend and vote at the AGM ("Entitlement to AGM"). The record date for the Entitlement to AGM will be on Monday, May 19, 2025.

(3) The register of members of the Company will be closed from Monday, June 9, 2025 to Wednesday, June 11, 2025, both dates inclusive, during which period no transfer of shares will be effected. All transfers, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, no later than 4:30 p.m. on Friday, June 6, 2025 in order to establish the identity of the shareholders who are entitled to qualify for the final dividend ("Entitlement to Final Dividend"). The record date for the Entitlement to Final Dividend will be on Monday, June 9, 2025.

(4) Unless otherwise announced by the Company, the AGM will be held as scheduled even when a tropical cyclone warning signal No. 8 or above or "extreme conditions" or a black rainstorm warning signal is in force or to be in force at any time on the date of the AGM.

After considering their own situations, members should decide whether they would attend the AGM under bad weather condition and if they do so, they are advised to exercise care and caution.

(5) No refreshment or corporate souvenir will be provided at the AGM.

(6) References to time and dates in this notice are to Hong Kong time and dates.

(7) The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.