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**THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION**

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**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 licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Hing Yip Holdings Limited**, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected, for transmission to the purchaser(s) or the transferee(s).

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**HING YIP HOLDINGS LIMITED**  
**興業控股有限公司**

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 00132)**

**MAJOR TRANSACTION**  
**ENTERING INTO A FINANCE LEASE AS THE LESSOR**

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A letter from the Board is set out on pages 5 to 11 of this circular.

The transactions being the subject matter of this circular have been approved by written shareholders' approval pursuant to the Listing Rules and this circular is being published to the Shareholders for information only.

27 March 2024

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## DEFINITIONS

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*In this circular, unless the context requires otherwise, the following terms have the meanings as respectively ascribed below:–*

“Assets”	shall have the meaning as disclosed in the section headed “INFORMATION ON THE ASSETS” in this circular
“Board”	the board of Directors of the Company
“Company”	Hing Yip Holdings Limited (formerly known as China Investments Holdings Limited), a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00132)
“Director(s)”	the director(s) of the Company
“Existing Finance Lease”	the finance lease agreement and incidental documentation dated 2 February 2024 entered into between Greengold Leasing and the Lessee, the details of which have been disclosed in the announcement of the Company dated 2 February 2024
“Finance Lease”	the finance lease agreement dated 6 March 2024 entered into between Greengold Leasing and the Lessee in relation to the transfer of ownership and lease back of the Assets
“Greengold Leasing”	Canton Greengold Financial Leasing Ltd.* (廣東綠金融租賃有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“Group”	the Company and its subsidiaries
“Guarantor 1”	Guangxi Fangchenggang Guineng Thermal Co., Ltd.* (廣西防城港桂能熱力有限公司), a company incorporated in the PRC with limited liability, which is held as to 20% by Guarantor 6, 20% by Guarantor 4, 14% by Guarantor 8, 12% by Pledgor 4, 10% by Guarantor 10, 10% by Guarantor 7, 10% by Pledgor 3, 2% by Wu Qifeng* (吳奇鋒) and 2% by Yang Bin* (楊彬), all being Independent Third Parties
“Guarantor 2”	Jiangsu Hongxin Rotary Compensator Technology Co., Ltd.* (江蘇宏鑫旋轉補償器科技有限公司), a company incorporated in the PRC with limited liability, which is held as to approximately 91% by Guarantor 6, approximately 7% by Guarantor 7 and approximately 2% by Guarantor 10, all being Independent Third Parties

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## DEFINITIONS

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“Guarantor 3”	Jiangsu Hongxin Pipeline Engineering Design Co., Ltd.* (江蘇宏鑫管道工程設計有限公司), a company incorporated in the PRC with limited liability, which is held as to 70% by Guarantor 2 and 30% by Guarantor 6, all being Independent Third Parties
“Guarantor 4”	Jiangsu Hongxin Annaite Energy Investment Co., Ltd.* (江蘇宏鑫安耐特能源投資有限公司), a company incorporated in the PRC with limited liability, which is wholly owned by Guarantor 6, all being Independent Third Parties
“Guarantor 5”	Guangxi Hongxin Energy Technology Co., Ltd.* (廣西宏鑫能源科技股份有限公司), a company incorporated in the PRC with limited liability, which is held as to 50% by Guarantor 6, 30% by Guarantor 4, 5% by Guarantor 7, 5% by Guarantor 10, 5% by Pledgor 3, 2.5% by Pledgor 4 and 2.5% by Guarantor 8, all being Independent Third Parties
“Guarantor 6”	Song Zhanggen* (宋章根), a Chinese individual and an Independent Third Party
“Guarantor 7”	Sun Jie* (孫潔), a Chinese individual and an Independent Third Party
“Guarantor 8”	Song Pugen* (宋普根), a Chinese individual and an Independent Third Party
“Guarantor 9”	Jiang Lijuan* (蔣麗娟), a Chinese individual and an Independent Third Party
“Guarantor 10”	Song Suwei* (宋蘇煒), a Chinese individual and an Independent Third Party
“Guarantors”	collectively, Guarantor 1, Guarantor 2, Guarantor 3, Guarantor 4, Guarantor 5, Guarantor 6, Guarantor 7, Guarantor 8, Guarantor 9 and Guarantor 10
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Incidental Documentation”	the agreements incidental to the Finance Lease, including the transfer agreement, the consultancy agreements, the guarantees, the asset pledge agreement, the receivables pledge agreements, share pledge agreements and the pledge agreements

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## DEFINITIONS

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“Independent Third Party(ies)”	(an) independent third party(ies) not connected with the Group and any Director, chief executive or substantial shareholder of the Group or any of its subsidiaries or their respective associate of any of them as defined in the Listing Rules
“Latest Practicable Date”	26 March 2024, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information for inclusion in this circular
“Lessee”	Guangxi Liuzhou Liuneng Thermal Co., Ltd.* (廣西柳州柳能熱力有限公司), a company incorporated in the PRC with limited liability, which is held as to 45% by Guarantor 3, 21% by Pledgor 1, 20% by Guarantor 6, 6% by Guarantor 8 and 8% by Pledgor 2, all being Independent Third Parties
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Pledgor 1”	Huizhou Daya Bay Yuantong Labor Co., Ltd.* (惠州大亞灣遠通勞務派遣有限公司), a company incorporated in the PRC with limited liability, which is held as to 34% by Wang Tongda* (王同達), 33% by Wu Xinggang* (吳興剛) and 33% by Pledgor 2, all being Independent Third Parties
“Pledgor 2”	Liu Huabing* (劉華兵), a Chinese individual and an Independent Third Party
“Pledgor 3”	Song Zhicheng* (宋治承), a Chinese individual and an Independent Third Party
“Pledgor 4”	Yu Wenhai* (余文海), a Chinese individual and an Independent Third Party
“Pledgors”	collectively, Pledgor 1, Pledgor 2, Pledgor 3 and Pledgor 4
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC

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## DEFINITIONS

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“SFO”	the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.10 each of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

\* *For identification purpose only*

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## LETTER FROM THE BOARD

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### HING YIP HOLDINGS LIMITED 興業控股有限公司

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 00132)**

*Executive Directors:*

He Xiangming (*Chairman*)

Fu Weiqiang (*President*)

You Guang Wu

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

*Non-executive Director:*

Shi Xuguang

*Independent Non-executive Directors:*

Chan Kwok Wai

Peng Xinyu

Lin Junxian

27 March 2024

*To the Shareholders*

Dear Sir or Madam,

### **MAJOR TRANSACTION ENTERING INTO A FINANCE LEASE AS THE LESSOR**

#### **INTRODUCTION**

Reference is made to the announcement of the Company dated 6 March 2024 in relation to the entering into the Finance Lease with the Lessee, to obtain the ownership of the Assets from the Lessee at a consideration of RMB85,000,000 (equivalent to approximately HK\$92,395,000), which would be leased back to the Lessee for its use and possession for a term of 6 years.

The purpose of this circular is to provide you with, among other things, further information on the Finance Lease and Incidental Documentation and other information as required under the Listing Rules.

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## LETTER FROM THE BOARD

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### THE FINANCE LEASE AND INCIDENTAL DOCUMENTATION

Set out below is a summary of the principal terms of the Finance Lease and Incidental Documentation:–

#### **Date of the Finance Lease:**

6 March 2024

The Finance Lease will take effect upon compliance of the applicable requirements of the Listing Rules by the Company.

#### **Parties:**

- (1) Greengold Leasing, a subsidiary of the Company, as the lessor;
- (2) the Lessee; and
- (3) the Guarantors (in relation to the relevant guarantee) and the Pledgors (in relation to the relevant pledge).

To the best of the Directors's knowledge, information and belief having made all reasonable enquiry, the Lessee, the Guarantors, the Pledgors and their ultimate beneficial owners are Independent Third Parties.

#### **Transfer of Assets and consideration**

Greengold Leasing will be transferred the unencumbered ownership of the Assets from the Lessee on an "as-is" basis at the consideration of RMB85,000,000 (equivalent to approximately HK\$92,395,000) in cash, payable within 12 months from the date of the Finance Lease. The transfer agreement was entered into between Greengold Leasing and the Lessee on the date of the Finance Lease, effecting the terms of the Finance Lease in relation to the above-mentioned transfer of the Assets from the Lessee to Greengold Leasing.

Such consideration or financing amount was determined following arm's length negotiations by the parties to the Finance Lease with reference to the original cost of the Assets of approximately RMB92,516,000 (equivalent to approximately HK\$100,565,000), and their state including serviceable condition and depreciable life, which were reviewed by Greengold Leasing's experienced leasing team. The consideration amount for the transfer of ownership of the Assets will be funded through the internal resources of the Group.

#### **Lease period**

Greengold Leasing will lease back the Assets to the Lessee for its use and possession for a term of 6 years commencing from the day the consideration for the Assets transfer has been paid by Greengold Leasing.

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## LETTER FROM THE BOARD

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### **Payments under the Finance Lease**

The total amount of payments for the Finance Lease is approximately RMB109,966,000 (equivalent to approximately HK\$119,533,000), comprising (a) the lease principal payment of RMB85,000,000 (equivalent to approximately HK\$92,395,000) and (b) the aggregate lease interest and other fees and expenses under the Incidental Documentation of approximately RMB24,966,000 (equivalent to approximately HK\$27,138,000). Both the lease principal and interest will be paid quarterly over the lease period.

The terms of the Finance Lease, including the lease principal and interest, were determined after arm's length negotiations between the parties to the Finance Lease with reference to the lending and interest rate environment including the loan prime rate published by the National Interbank Funding Center from time to time (for reference purpose, the prevailing loan prime rate was 3.45% as at the date of the Finance Lease), and adjustments taking into account the principal amount of the Finance Lease and availability of funds, the interest risk of financing and servicing costs over the lease period, the credit risks associated and the overall return target and risk tolerance of the Group for the Finance Lease on a case by case basis.

### **Termination and transfer of the Assets to the Lessee**

The Lessee may terminate the Finance Lease provided that (1) all outstanding amounts due thereunder and a compensation equivalent to 8% of the total outstanding lease interest amount as at the time of early termination have been settled if the early termination occurs within 3 years from the date of commencement of the lease period and there are no events of default caused by the Lessee under the Finance Lease; or (2) all outstanding amounts due thereunder and a compensation equivalent to 20% of the total outstanding lease interest amount as at the time of early termination have been settled if there are events of default caused by the Lessee under the Finance Lease. At the end of the lease period or in the event of an early termination of the Finance Lease, subject to the settlement of all outstanding amounts due, the Lessee had agreed to purchase the Assets at a nominal purchase price of RMB100 (equivalent to approximately HK\$108.7).

### **Guarantees**

The Lessee and the Guarantors had executed guarantees on the date of the Finance Lease guaranteeing Greengold Leasing, effectively on a joint and several basis, the due and punctual settlement of any and all amount payable by the Lessee under the Finance Lease and the Existing Finance Lease.

### **Pledges**

Pursuant to the asset pledge agreement entered into between Greengold Leasing and the Lessee on the date of the Finance Lease, although the ownership of the Assets shall be transferred to Greengold Leasing as lessor as part of the Finance Lease, the Assets are treated as security of payment obligations of the Lessee under the Finance Lease and the Lessee may continue to utilize the Assets during the lease term.

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## LETTER FROM THE BOARD

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The Lessee and Guarantor 5 had executed receivables pledge agreements in favour of Greengold Leasing respectively, pledging their rights in receivables under certain agreements related to heat supply and steam supply and their supplemental agreements (with pledged receivables in the total amount of RMB225,000,000 each (equivalent to approximately HK\$244,575,000)) as security of the Lessee's payment obligations under the Finance Lease and Existing Finance Lease.

The Lessee and Guarantor 5 had executed pledge agreements in favour of Greengold Leasing respectively, pledging 100% interests of their respective two bank accounts (each representing the pledged receivables of all the outstanding amounts due) for a term of 7 years, as security of the Lessee's payment obligations under the Finance Lease and Existing Finance Lease.

Guarantor 5 had also executed another pledge agreement, pledging certain designated equipment and facilities of heat-transmission, distribution and supply in an industrial park, the book value of which is approximately RMB45,832,000 (equivalent to approximately HK\$49,819,000), situated in Guigang City, Guangxi Zhuang Autonomous Region for a term of 7 years, as security of the Lessee's payment obligations under the Finance Lease and the Existing Finance Lease.

Guarantor 3, Pledgor 1, Guarantor 6, Pledgor 2 and Guarantor 8 had executed share pledge agreements in favour of Greengold Leasing individually, pledging 45%, 21%, 20%, 8% and 6% of their shareholding interests in the Lessee respectively (with pledged receivables in the total amount of RMB225,000,000 each (equivalent to approximately HK\$244,575,000)) for a term of 7 years, as security of the Lessee's payment obligations under the Finance Lease and the Existing Finance Lease.

Additionally, Guarantor 6, Guarantor 4, Guarantor 10, Pledgor 3, Guarantor 7, Pledgor 4 and Guarantor 8 had executed share pledge agreements in favour of Greengold Leasing individually, pledging 50%, 30%, 5%, 5%, 5%, 2.5% and 2.5% of their shareholding interests in Guarantor 5 respectively (with pledged receivables in the total amount of RMB225,000,000 each (equivalent to approximately HK\$244,575,000)) for a term of 7 years, as security of the Lessee's payment obligations under the Finance Lease and the Existing Finance Lease.

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASE AND INCIDENTAL DOCUMENTATION**

The entering into of the Finance Lease and Incidental Documentation is part of Greengold Leasing's ordinary and usual course of business and is expected to provide a stable revenue and cashflow to the Group.

The Directors consider that the Finance Lease and Incidental Documentation and the transactions contemplated thereunder are on normal commercial terms which are made on an arm's length basis and are fair and reasonable and in the best interests of the Group and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### FINANCIAL EFFECTS OF THE FINANCE LEASE ARRANGEMENT

The Finance Lease is expected to attribute approximately RMB24,966,000 (equivalent to approximately HK\$27,138,000) to the Group's turnover, from the aggregate interest income and other fees and expenses over the whole period of such Finance Lease. The Group is not expected to bear the loan interest payment to the Group's cost of sales as the consideration will be funded through internal resources of the Group.

As at the date when the consideration for the Assets transfer was paid, the Group had also recorded on its balance sheet the relevant Finance Lease receivables of RMB85,000,000 (equivalent to approximately HK\$92,395,000) in respect of such Finance Lease and decreased cash and cash equivalents of RMB85,000,000 (equivalent to approximately HK\$92,395,000) of the Group.

### INFORMATION ON THE ASSETS

The Assets comprise certain designated heat-transmission, distribution and supply equipment and facilities of the Lessee situated in Liuzhou City, Guangxi Zhuang Autonomous Region, the PRC.

The Lessee will bear any maintenance, taxation and other costs and levies associated with the Assets.

### LISTING RULES IMPLICATION

Reference is made to the discloseable transaction announcement of the Company dated 2 February 2024 in relation to the entering into of the Existing Finance Lease between Greengold Leasing and the Lessee. As one of the applicable percentage ratios for the transactions contemplated under the Finance Lease, whether on a standalone basis or an aggregate basis with the transactions under the Existing Finance Lease, exceeds 25% but all of them are less than 100%, the entering into of the Finance Lease constitutes a major transaction for the Company under the Listing Rules and is subject to the announcement, circular and shareholders' approval requirements under the Listing Rules.

No Shareholder is materially interested in the Finance Lease and Incidental Documentation and no Shareholder is required to abstain from voting at a general meeting of the Company approving the transactions contemplated under the Finance Lease and Incidental Documentation, and the Company has, pursuant to Rule 14.44 of the Listing Rules, obtained written approval of the transactions contemplated under the Finance Lease and Incidental Documentation from Prize Rich Inc., a Shareholder holding 1,222,713,527 issued ordinary shares of the Company (representing 71.41% of its entire issued share capital). As such, the Company is exempted from convening a general meeting to approve the transactions contemplated under the Finance Lease and Incidental Documentation.

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## LETTER FROM THE BOARD

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### PRINCIPAL BUSINESSES OF THE PARTIES

#### The Group

The Group is principally engaged in wellness elderly care, finance leasing, big data and civil explosives businesses. Through its joint ventures and associated companies, the Group also participates and invests in fast growing sectors, including electric utilities in the PRC.

#### Greengold Leasing

Greengold Leasing is a subsidiary of the Company, which is principally engaged in the provision of financing, including through finance leasing, with a focus on environmental protection projects in the PRC.

#### The Lessee

The Lessee is a limited liability company established in the PRC and is principally engaged in heat generation and supply.

#### The Guarantors and the Pledgors

Guarantor 1 is a limited liability company established in the PRC and is principally engaged in heat generation and supply.

Guarantor 2 is a limited liability company established in the PRC and is principally engaged in research and development of rotary compensators.

Guarantor 3 is a limited liability company established in the PRC and is principally engaged in engineering supervision service.

Guarantor 4 is a limited liability company established in the PRC and is principally engaged in investments and asset management.

Guarantor 5 is a limited liability company established in the PRC and is principally engaged in heat generation and supply.

Guarantor 6 is a natural person and is a director of several companies which are principally engaged in the goods import and export trade in the PRC.

Guarantor 7 is a natural person and is a director of a company which is principally engaged in heat generation and supply in the PRC.

Guarantor 8 is a natural person and is a director of several companies which are principally engaged in research and development of bio-based material technology, technical services and environmental protection consultation services in the PRC.

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## LETTER FROM THE BOARD

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Guarantor 9 is a natural person and is the spouse of Guarantor 8.

Guarantor 10 is a natural person and is a director of a company which is principally engaged in heat generation and supply in the PRC.

Pledgor 1 is a limited liability company established in the PRC and is principally engaged in labour dispatch.

Pledgor 2 is a natural person and is a director of a company which is principally engaged in heat generation and supply in the PRC.

Pledgor 3 is a natural person and is an entrepreneur who is principally engaged in heat generation and supply in the PRC.

Pledgor 4 is a natural person and is a director of several companies which are principally engaged in sales of building materials, research and development of plant fiber production technology and equipment in the PRC.

### RECOMMENDATIONS

The Directors consider that the terms of the Finance Lease and Incidental Documentation and the transactions contemplated thereunder are on normal commercial terms which are made on an arm's length basis and are fair and reasonable, and in the best interests of the Group and the Shareholders as a whole.

Accordingly, if a general meeting were to be convened, the Board would recommend the Shareholders to vote in favour of the ordinary resolutions to approve the Finance Lease and Incidental Documentation and the transactions contemplated thereunder at such general meeting.

### ADDITIONAL INFORMATION

Your attention is drawn to the financial and general information as set out in the appendices to this circular.

On behalf of  
**Hing Yip Holdings Limited**  
**HE Xiangming**  
*Chairman*

**1. FINANCIAL INFORMATION OF THE GROUP**

Details of the audited consolidated financial information of the Group for each of the three years ended 31 December 2020, 2021 and 2022 are disclosed in the following annual reports of the Company for the years ended 31 December 2020, 2021 and 2022 respectively, and details of the unaudited consolidated interim financial information of the Group for the six months ended 30 June 2023 are disclosed in the following interim report of the Company for the six months ended 30 June 2023, which have been published and are available on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company (<http://chinainvestments.tonghair.com>):

- the annual report 2020 of the Company for the year ended 31 December 2020 which was published on 29 April 2021 (available on: <https://www1.hkexnews.hk/listedco/listconews/sehk/2021/0429/2021042901219.pdf>), please refer to pages 75 to 273 in particular;
- the annual report 2021 of the Company for the year ended 31 December 2021 which was published on 28 April 2022 (available on: <https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0428/2022042802012.pdf>), please refer to pages 126 to 301 in particular;
- the annual report 2022 of the Company for the year ended 31 December 2022 which was published on 27 April 2023 (available on: <https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042700579.pdf>), please refer to pages 131 to 309 in particular; and
- the interim report 2023 of the Company for the six months ended 30 June 2023 which was published on 20 September 2023 (available on: <https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0920/2023092000384.pdf>), please refer to pages 25 to 84 in particular.

**2. INDEBTEDNESS STATEMENT**

As at the close of business on 31 January 2024, the Group had outstanding interest bearing bank loans of approximately HK\$5,396,858,000 (comprising secured and guaranteed bank loans of approximately HK\$4,350,181,000 which were secured by the pledge of investment properties of HK\$295,466,000, plant, property and equipment of HK\$340,357,000, bank deposit of HK\$7,169,000, finance lease receivables and future interest receivable of HK\$3,448,576,000, paid-up capital of a non-wholly owned subsidiary of HK\$222,607,000, 26.794% shares held in an associate of HK\$99,114,000 and a future rental receivable from the properties; and unsecured and unguaranteed bank loans of approximately HK\$1,046,677,000. Among such loans, a small number of them are having a maturity profile in the near term (maturing in 2024) and the rest are in the midterm (maturing in 2025, 2026 and 2027) to long term (maturing in 2028, 2035, 2037, 2038, 2046 and 2047).

The Group had unsecured and unguaranteed interest bearing loans from its immediate holding company and non-controlling interest of approximately HK\$136,000,000 and HK\$28,394,000 respectively, all of which will mature in 2024 and 2025.

The Group had outstanding secured and guaranteed asset backed securities of approximately HK\$74,956,000 by the pledge of finance lease receivables and future interest receivable of HK\$116,675,000.

In addition, the Group had unsecured and unguaranteed lease liabilities and outstanding convertible notes of approximately HK\$1,018,758,000 and aggregate principal amount of HK\$166,232,000 issued by the Company will mature on 13 October 2024 respectively.

Save as aforesaid or otherwise disclosed herein, as at the close of business on 31 January 2024, the Group did not have any debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other contingent liabilities.

### **3. MATERIAL ADVERSE CHANGE**

At the Latest Practicable Date, the Directors confirm that there had been no material adverse change in the financial or trading position of the Group since 31 December 2022, being the date to which the latest published audited consolidated financial statements of the Company were made up.

### **4. WORKING CAPITAL**

The Directors, after due and careful enquiry, are of the opinion that, taking into account the existing cash and bank balances, other internal resources and available existing unutilised credit facilities, the Group has sufficient working capital for its present requirements and to satisfy its requirements for at least the next 12 months from the date of publication of this circular in the absence of unforeseen circumstances.

The Company has obtained the relevant confirmation as required under Rule 14.66 (12) of the Listing Rules.

### **5. FINANCIAL AND TRADING PROSPECT OF THE GROUP**

The global economy remains unstable, and economic growth remains slow, while rate hikes dampened consumer spending and corporate investment, and threatened the stability of the financial system. With more economic uncertainties as a result of the war in Ukraine, the insufficient total demand in China, the new headwinds of economic restructuring and upgrading, the unsatisfactory operation of enterprises in various industries, the sluggishness of real estate development and construction, the Group is still committed to its strategic mission by proactively adjusting its deployment, cohesively pursuing its core business. The Group will constantly enhance its business activities, and steadily develop its business in elderly care and wellness, financial leasing, industrial parks/property investment, big data and civil explosives.

For our elderly care and wellness business, Guangdong Taoyuan Comprehensive Health Operation Company Limited (“**Taoyuan Comprehensive Health**”) will continue to consolidate its elderly care business and strengthen its principal business. The Group will strengthen the standard operation and branding of its elderly care business, proactively expand its asset-light trustee operation, increase the number of operating beds, and seize the opportunity to become the first echelon in the Guangdong-Hong Kong-Macao Greater Bay Area, and in this way, it will introduce long-term strategic investors whose business will mutually empower the Group. In terms of medical and care services integration, the Group has been promoting care service with medical service and assisting medical service with care service by establishing a rehabilitation hospital focusing on geriatrics and rehabilitation and building a regional medical and care service consortium with the

People’s Hospital of the district. Our community care and household care business operations are based on the community-rooted Taoyuan Intelligent Recreation Port and are actively striving for market share. In addition, the Company is committed to serving the community while enabling our elderly care and wellness business to continue to grow and become an important contributor to the Company’s profitability by further improving management, reducing costs, increasing efficiency, enhancing the quality and strengthening service quality.

For our big data business, the Group will continue its efforts to expand its market scale and accelerate the implementation of investments and acquisitions. The Group will continue to boost the scale of the identification application market by further solidifying its cooperation with ICT, FTU and operators, and actively striving for the construction of identification nodes and the declaration of special projects. The Group will also continue to make our service products the rigid demand of manufacturing enterprises and the government, create a quality manufacturing service brand and render “commonality” services to manufacturing enterprises as a collaborative partner, and promote the implementation of a new round of investment and acquisition projects. The Group will complete the launch of the new product DEMO and the Code for Success APP in light of the market demand and product feedback, and continue to diversify its product offering to promote the quality development of the Company. The Group will continue to be positioned as a first-class provider of industrial Internet platform services in the Guangdong-Hong Kong-Macao Greater Bay Area, actively engage in merger and acquisition initiatives and integration, and develop and become stronger in the tide of transformation and upgrading of Industry 4.0 in Nanhai, Foshan, the Guangdong-Hong Kong-Macao Greater Bay Area and in China.

For our financial leasing business, with the strategic goal of developing it into a leading domestic professional financial leasing company featuring environmental protection, the Group will continue to intensively tap into segments of the municipal environmental protection industry, vigorously tap into the upstream and downstream of its partners, and intensify its effort in the direct leasing business of environmental protection equipment and high-end equipment. To improve fund management, the Group will conduct effective management and replace existing high-cost financing to alleviate the pressure of concentrated repayment at maturity and the cost of funds; complete the rating of entities and strive to attain an AA rating after the completion of industrial and commercial changes. The Group will further strengthen its risk control management to mitigate the risk of doubtful debts and strive to attain an A rating for the annual classified supervisory rating.

For our civil explosives business, the Group will further pursue key reforms, actively carry out the technological transformation of clean energy to achieve energy conservation, emission reduction and cost reduction, and carry out reforms in operation and human resources management to continuously enhance the vitality of the Group’s development. The Group has made every effort to complete creating conditions for the release of mixed assembly capacity and to establish cooperation in the operation of mixed assembly capacity, so as to substantially improve its future performance and contribute steady revenue streams to the Group in the future.

In addition, the Group will aggressively explore opportunities to carry out investment and merger and acquisition of biopharmaceutical and high-tech enterprises or projects to seek leapfrog development of the business of the Company, thereby delivering good returns to the shareholders of the Company.

**1. RESPONSIBILITY STATEMENT**

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 make any statement herein or this circular misleading.

**2. DISCLOSURE OF INTERESTS**

**(a) Interests and short positions of directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations**

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or (ii) entered in the register required to be kept under Section 352 of the SFO or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) adopted by the Company were as follows:

*Long positions in the Shares*

Name of Director	Capacity	Nature of interest	Number of Shares held	Approximate percentage of total issued Shares as at the Latest Practicable Date <sup>1</sup>
He Xiangming	Beneficial owner	Personal	1,441,000	0.08%

*Note:* 1. The percentage was calculated based on 1,712,329,142 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, none of the Directors and chief executives of the Company had, as at the Latest Practicable Date, any interests or short positions in any shares and underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or which were entered in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

**(b) Interests and short positions of the Shareholders in the Shares, underlying Shares of the Company**

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the interests and short positions of the Shareholders (other than Directors or chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:–

Name of Shareholder	Capacity of Shareholder	Number of Shares/underlying Shares		Approximate percentage of total issued Shares as at the Latest Practicable Date <sup>1</sup>
		Long position	Short position	
Glories Holdings (HK) Limited	Beneficial Owner	1,441,439,842 <sup>2</sup>	–	84.18%
Prize Rich Inc.	Corporate Interest	1,441,439,842 <sup>2</sup>	–	84.18%
廣東南海控股集團有限公司 (Guangdong Nanhai Holding Group Co., Ltd.*)	Corporate interest	1,441,439,842 <sup>2</sup>	–	84.18%

*Notes:* 1. The percentage was calculated based on 1,712,329,142 Shares in issue as at the Latest Practicable Date.

2. These 1,441,439,842 shares/underlying shares are held by Prize Rich Inc., which is wholly-owned by Guangdong Nanhai Holding Group Co., Ltd.\* (廣東南海控股集團有限公司). On 25 July 2022, Prize Rich Inc. agreed to transfer 1,222,713,527 shares and HK\$166,232,000 convertible bonds (with underlying shares of 218,726,315) to its wholly-owned subsidiary, Glories Holdings (HK) Limited, pursuant to the equity and convertible bonds transfer agreement.

Saved as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any person (other than directors and chief executives of the Company) who had interests or short positions in the Shares and underlying Shares under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept under Section 336 of the SFO.

As at the Latest Practicable Date, no Director or proposed Director is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

**3. DIRECTORS' COMPETING INTERESTS**

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or his or her respective close associates was considered to have an interest in a business which competes or was likely to compete, either directly or indirectly, with the business of the Group other than those business to which the Directors or his or her close associates were appointed to represent the interests of the Company and/or the Group.

**4. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS OF THE GROUP**

As at the Latest Practicable Date,

- (a) none of the Directors was materially interested in any contract or arrangement subsisting and which was significant in relation to the business of the Group; and
- (b) none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2022, being the date to which the latest published audited consolidated financial statements of the Company were made up.

**5. MATERIAL CONTRACT**

The following contract was entered into by the Group within the two years immediately preceding the date of this circular and which is or may be material or of significance:

- (a) the equity transfer agreement dated 6 December 2023 entered into between CIH Finance Investments Holdings Limited, a wholly owned subsidiary of the Company, and Guangdong Nanhai Holding Group Co., Ltd.\* (廣東南海控股集團有限公司) in relation to the disposal of 72% equity interest of Guangdong Sino Rock Tyco Construction Co., Ltd.\* (廣東中岩泰科建設有限公司) at a consideration of RMB972,000,000.

**6. LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

**7. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group which is not determinable by the Group within one (1) year without payment of compensation (other than statutory compensation).

**8. GENERAL**

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The branch share registrar of the Company is Tricor Progressive Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (c) The Company's head office and principal place of business in Hong Kong is at Unit 501, Wing On Plaza, 62 Mody Road, Tsimshatsui, Kowloon, Hong Kong.
- (d) The company secretary of the Company is Mr. Lo Tai On, who is a member of the Hong Kong Institute of Certified Public Accountants.

**9. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published and displayed on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://hingyipkh.quamhkir.com>) for a period of 14 days from the date of this circular (both days inclusive):

- (a) the Finance Lease and Incidental Documentation; and
- (b) this circular.

\* *For identification purpose only*