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

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If you are in doubt as to any aspect of this circular or as to the action you should take, you should consult a 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 **Hing Yip Holdings Limited**, you should at once hand this circular, the 2023 annual report and proxy form to the purchaser or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)**

**(1) PROPOSAL FOR  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE SHARES**  
**(2) RE-ELECTION OF RETIRING DIRECTORS**  
**(3) PROPOSED SHARE PREMIUM CANCELLATION**  
**(4) PROPOSED PAYMENT OF SPECIAL DIVIDEND  
AND**  
**(5) NOTICE OF ANNUAL GENERAL MEETING**

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A notice convening an annual general meeting of HING YIP HOLDINGS LIMITED to be held at Orchid Room, 2nd Floor, the Royal Garden, 69 Mody Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 26 June 2024 at 10:30 a.m. is set out in Appendix II on pages 12 to 16 of this circular. Whether or not you intend to attend the meeting, you are requested to complete the proxy form in accordance with the instructions printed thereon and return the same to the principal place of business of the Company at Unit 501, Wing On Plaza, 62 Mody Road, Tsimshatsui, Kowloon, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the proxy form shall not preclude you from attending and voting in person at the meeting should you so wish and in such event, the proxy form shall be deemed to be revoked.

Hong Kong, 25 April 2024

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## DEFINITIONS

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

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be held at Orchid Room, 2nd Floor, the Royal Garden, 69 Mody Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 26 June 2024 at 10:30 a.m., a notice of which is set out in Appendix II on pages 12 to 16 of this circular
“Accumulated Losses”	the accumulated losses of the Company as shown in the audited financial statements of the Company for the year ended 31 December 2023
“Board”	the board of Directors of the Company
“Bye-laws”	the existing bye-laws of the Company
“Company”	Hing Yip Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the Stock Exchange
“Companies Act”	Companies Act 1981 of Bermuda (as amended) from time to time
“Directors”	the directors of the Company for the time being
“Effective Date”	the date on which the Share Premium Cancellation shall become effective
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Latest Practicable Date”	18 April 2024, being the latest practicable date prior to the publication of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Record Date”	9 July 2024, being the record date for determination of entitlement to the Special Dividend

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## DEFINITIONS

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“Repurchase Proposal”	the proposal to give a general mandate to the Board to exercise the powers of the Company to repurchase during the period, as set out in the Repurchase Resolution, Shares up to a maximum of 10% of the total number of Shares in issue as at the date of passing the Repurchase Resolution
“Repurchase Resolution”	the proposed ordinary resolution as referred to in resolution no. 4A of the notice of the AGM
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Special Dividend”	the proposed special dividend of 0.42 HK cent per Share in cash to the Shareholders whose name appear on the register of members of the Company on the Record Date
“Share Premium Cancellation”	the proposed cancellation of the entire amount standing to the credit of the share premium account of the Company as at the Effective Date and applying the credits arising therefrom towards the elimination of all the Accumulated Losses and transferring the remaining balance (if any) to the contributed surplus account of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeover Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

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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:*

Mr. He Xiangming (*Chairman*)  
Mr. Fu Weiqiang (*President*)  
Mr. You Guang Wu

*Non-executive Director:*

Mr. Shi Xuguang

*Independent Non-executive Directors:*

Mr. Chan Kwok Wai  
Mr. Peng Xinyu  
Ms. Lin Junxian

*Registered Office:*

Clarendon House  
2 Church Street  
Hamilton HM 11  
Bermuda

*Head Office and Principal Place  
of Business:*

Unit 501, Wing On Plaza  
62 Mody Road, Tsimshatsui  
Kowloon, Hong Kong

25 April 2024

*To the Shareholders*

Dear Sir or Madam,

**(1) PROPOSAL FOR  
GENERAL MANDATES TO REPURCHASE SHARES  
AND TO ISSUE SHARES  
(2) RE-ELECTION OF RETIRING DIRECTORS  
(3) PROPOSED SHARE PREMIUM CANCELLATION  
(4) PROPOSED PAYMENT OF SPECIAL DIVIDEND  
AND  
(5) NOTICE OF ANNUAL GENERAL MEETING**

**1. GENERAL MANDATE TO REPURCHASE SHARES**

At the annual general meeting of the Company held on Wednesday, 28 June 2023, a general mandate was given to the Board to exercise the powers of the Company to repurchase Shares. Such mandate will lapse at the conclusion of the forthcoming AGM to be held on Wednesday, 26 June 2024. It is therefore proposed to seek your approval by way of an ordinary resolution to be proposed at the AGM to give a new general mandate to the Board to exercise the powers of the Company to repurchase Shares up to a maximum of 10% of the total number of Shares in issue as at the date of passing the Repurchase Resolution.

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## LETTER FROM THE BOARD

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An explanatory statement, which is required to be sent to shareholders under the Listing Rules to regulate the repurchase by companies with primary listings on the Stock Exchange of their own securities on the Stock Exchange, will provide requisite information to you for your consideration of the Repurchase Proposal and is set out in Appendix I hereto.

### 2. GENERAL MANDATE TO ISSUE SHARES

It is also proposed at the AGM an ordinary resolution granting to the Board a general mandate to allot, issue and deal with Shares not exceeding 20% of the total number of Shares in issue as at the date of passing the resolution no. 4B. In addition, an ordinary resolution will be proposed to extend such general mandate by an aggregate number of Shares repurchased by the Company pursuant to the Repurchase Resolution.

As at the Latest Practicable Date, the total number of Shares in issue was 1,712,329,142 Shares. Subject to the passing of the ordinary resolution granting the general mandate to issue new Shares and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under such general mandate to issue a maximum of 342,465,828 Shares representing 20% of the total number of Shares in issue as at the Latest Practicable Date.

### 3. RE-ELECTION OF RETIRING DIRECTORS

#### (i) Re-election of retiring Directors

The Board currently has seven Directors, comprising three executive Directors namely Mr. HE Xiangming, Mr. FU Weiqiang and Mr. YOU Guang Wu, one non-executive Director namely Mr. SHI Xuguang and three independent non-executive Directors namely Mr. CHAN Kwok Wai, Mr. PENG Xinyu and Ms. LIN Junxian. Mr. CHAN Kwok Wai has served as independent non-executive Director for approximately 19 years.

Pursuant to the Bye-laws, Mr. YOU Guang Wu, Mr. CHAN Kwok Wai and Mr. PENG Xinyu, being the Directors longest in office since their last re-election, shall retire by rotation from office at the AGM. Mr. CHAN Kwok Wai and Mr. PENG Xinyu, the retiring Directors being eligible, shall offer themselves for re-election at the AGM.

Mr. CHAN Kwok Wai has served as an independent non-executive Director for more than nine years. Pursuant to Code B.2.3 of the Corporate Governance Code, if an independent non-executive director has served more than nine years, his further appointment should be subject to a separate resolution to be approved by Shareholders.

The nomination committee of the Company and the Board have reviewed the annual written confirmations of independence of Mr. CHAN Kwok Wai and Mr. PENG Xinyu and assessed their independence based on the independence criteria as set out in rule 3.13 of the Listing Rules. Each of Mr. CHAN Kwok Wai and Mr. PENG Xinyu does not have any other relationships with any Directors, senior management of the Company, substantial Shareholders or controlling Shareholders. The nomination committee of the Company and the Board are also not aware of any circumstance that might influence Mr. CHAN Kwok Wai and Mr. PENG Xinyu in exercising independent judgment and is satisfied that each of them has the required character, integrity, independence and experience to fulfill the role of an independent non-executive Director. On this basis, Mr. CHAN Kwok Wai and Mr. PENG Xinyu are considered independent.

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## LETTER FROM THE BOARD

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Mr. CHAN Kwok Wai holds a bachelor degree in Accounting and Commerce, and is a member of the CPA Australia and a member of Hong Kong Securities Institute and has over 30 years of experience in the finance and accounting industry. The Board believes that the skills and experiences he acquired from a different background have enabled him to bring valuable contribution to the Group. Accordingly, the Board proposed that he stands for re-election as independent non-executive Director at the AGM.

Having regard to the Board's diversity policy and the nomination policy adopted by the Company, the nomination committee of the Company recommended re-election of Mr. CHAN Kwok Wai and Mr. PENG Xinyu, the retiring Directors. Accordingly, the Board has proposed the said retiring Directors, to stand for re-election as Directors by way of separate resolution at the AGM. As a good corporate governance practice, each of the said retiring Directors abstained from voting at the relevant Board meeting on the respective proposals of their recommendations for re-election by the Shareholders at the AGM.

Details of the retiring Directors proposed for re-election at the AGM are set out in Appendix III to this circular.

### **(ii) Retirement of executive Director**

Reference was made to the announcement of the Company dated 28 March 2024 that Mr. YOU Guang Wu will retire by rotation and not offer himself for re-election at the AGM as he will reach the retirement age at the end of the year. Accordingly, he will retire as executive Director and a member of the strategy committee of the Company after the conclusion of the AGM but will be redesignated as the consultant of the Company.

Mr. YOU Guang Wu has confirmed that he has no disagreement with the Board, and there are no other matters relating to Mr. YOU Guang Wu that need to be brought to the attention of the Shareholders. Mr. YOU Guang Wu has demonstrated dedication, diligence and conscientiousness since he joined the Board in September 2004. The Board would like to express its sincere gratitude to Mr. YOU Guang Wu for his ongoing valuable and professional opinions and for his outstanding contribution to the high-quality and sustainable development of the Company.

## **4. PROPOSED SHARE PREMIUM CANCELLATION**

Reference is made to the announcement of the Company dated 27 March 2024 in relation to the proposed Share Premium Cancellation and the proposed payment of the Special Dividend.

The Board announces that the Company proposes to effect the Share Premium Cancellation by cancelling the entire amount standing to the credit of the share premium account of the Company and applying the credits arising therefrom towards the elimination of all the Accumulated Losses and transferring the remaining balance to the contributed surplus account of the Company. As at 31 December 2023, the amount standing to the credit of the share premium account of the Company was approximately HK\$725,199,000 and the amount of Accumulated Losses was approximately HK\$560,378,000.

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## LETTER FROM THE BOARD

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Pursuant to the Share Premium Cancellation, it is proposed that the entire amount standing to the share premium account of the Company as at the Effective Date be cancelled, with part of the credit arising therefrom being applied towards the elimination of the Accumulated Losses and the remaining balance in the amount of approximately HK\$164,821,000 being credited to the contributed surplus account of the Company. Upon the Share Premium Cancellation becoming effective, all the Accumulated Losses will be eliminated. The Company will apply part of the credit balance of the contributed surplus account, the amounts of which can more readily be distributed as dividends, to pay the Special Dividend.

The Share Premium Cancellation does not involve any reduction in the authorized or issued share capital of the Company nor does it involve any reduction in the nominal value of the Shares or the trading arrangements in respect of the Shares.

### **Conditions of the Share Premium Cancellation**

The Share Premium Cancellation is conditional upon:

- (i) the passing of a special resolution by the Shareholders at the AGM to approve the Share Premium Cancellation; and
- (ii) compliance by the Company with the requirements of section 46(2) of the Companies Act to effect the Share Premium Cancellation and the Directors being satisfied that on the Effective Date, there are no reasonable grounds for believing that the Company is, or after the Effective Date would be, unable to pay its liabilities as they become due.

Subject to the fulfillment of the above conditions, the Effective Date is expected to be the date of passing the special resolution by the Shareholders at the AGM to approve the Share Premium Cancellation or upon the day on which the above conditions are fulfilled (whichever is later). No Shareholders are required to abstain from voting on the special resolution proposed to approve the Share Premium Cancellation.

### **Reasons for the Share Premium Cancellation**

The Share Premium Cancellation, after becoming effective, will facilitate the payment of the Special Dividend, subject to the passing of the relevant ordinary resolution and will also put the Company in a better position to declare dividends to the Shareholders in the future. The Board considers that the Accumulated Losses to be historical and proposes the reduction of the share premium account to eliminate the Accumulated Losses and to better reflect the financial position of the Company which it considers to be in the best interests of the Company and the Shareholders as a whole.

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## LETTER FROM THE BOARD

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### Effects of the Share Premium Cancellation

Implementation of the Share Premium Cancellation will not of itself alter the underlying assets, business, operations, management, financial position (other than as regards the payment of the relevant expenses) or the paid up share capital of the Company.

### 5. PROPOSED PAYMENT OF SPECIAL DIVIDEND

As stated in the announcement of the Company dated 27 March 2024 relating to the proposed Share Premium Cancellation and the proposed payment of the Special Dividend, the Board recommends the payment of the Special Dividend (for the year ended 31 December 2022: Nil) to the Shareholders whose names appear on the register of members of the Company on the Record Date, subject to the conditions as stated below.

The Special Dividend is permitted to be made out of the contributed surplus account in accordance with the provisions of the applicable laws of Bermuda. An ordinary resolution will be proposed at the AGM to approve the payment of the Special Dividend.

### Conditions of Payment of the Special Dividend

The payment of the Special Dividend is conditional upon:

- (i) the passing of a special resolution by the Shareholders at the AGM approving the Share Premium Cancellation and the Share Premium Cancellation has become effective; and
- (ii) the passing of an ordinary resolution by the Shareholders at the AGM approving the Special Dividend.

The Board is satisfied that the Company has sufficient funds available, after taking into account the criteria set out in section 54 of the Bermuda Companies Act, to pay the Special Dividend. Under section 54 of the Companies Act, a company shall not declare or pay a dividend, or make a distribution out of its contributed surplus, if there are reasonable grounds for believing that (a) the company is, or would after the payment be, unable to pay its liabilities as they become due, or (b) the realisable value of the company's assets would thereby be less than its liabilities.

No Shareholder will be required to abstain from voting on the resolution proposed to approve the payment of the Special Dividend.

Subject to the above conditions have been satisfied, the Special dividend will be paid on Wednesday, 24 July 2024 to those Shareholders whose names appear on the register of members of the Company on Tuesday, 9 July 2024. The register of members will be closed on 9 July 2024 and no transfer of shares will be effected on that day. In order to qualify for the proposed Special Dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Progressive Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Monday, 8 July 2024.

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## LETTER FROM THE BOARD

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### 6. ANNUAL GENERAL MEETING

Set out in Appendix II on pages 12 to 16 of this circular is a notice convening the AGM to consider, amongst other things, the ordinary resolutions relating to the above general mandates to repurchase and issue Shares, the re-election of retiring Directors, the proposed payment of Special Dividend and a special resolution relating to the proposed Share Premium Cancellation.

### 7. ACTION TO BE TAKEN

A proxy form for use at the AGM is enclosed with this circular. Whether or not you are able to attend the meeting, you are requested to complete and return the accompanying proxy form in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the AGM. Completion and return of the proxy form will not prevent you from attending and voting in person at the meeting if you so wish and in such event, the proxy form shall be deemed to be revoked.

### 8. VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, all votes at the shareholders' general meeting will be taken by poll except where 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. The Company will announce the results of the poll in the manner prescribed under Rules 13.39(5) and 13.39(5A) of the Listing Rules.

So far as the Board is aware, as at the Latest Practicable Date, no Shareholder is required to abstain from voting under the Listing Rules in respect of any of the resolutions to be proposed at the AGM.

### 9. RECOMMENDATION

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

Yours faithfully,  
For and on behalf of the Board of  
**Hing Yip Holdings Limited**  
**He Xiangming**  
*Chairman*

*This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the requisite information to Shareholders for their consideration of the Repurchase Resolution.*

## **SHARE CAPITAL**

As at the Latest Practicable Date, the total number of Shares in issue was 1,712,329,142 Shares.

Subject to the passing of the Repurchase Resolution and on the basis that no further Shares are issued or repurchased prior to the AGM, the Company would be allowed under the Repurchase Resolution to repurchase a maximum of 171,232,914 Shares representing 10% of the total number of Shares in issue as at the Latest Practicable Date.

## **REASON FOR REPURCHASE**

The Directors believe that the Repurchase Proposal is in the best interests of the Company and the Shareholders. Such purchase may, depending on market conditions and funding arrangements at the time, may lead to an enhancement of the net asset value and/or earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

## **FUNDING OF REPURCHASE**

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws and the laws of Bermuda. The Companies Act 1981 of Bermuda provides that the amount of capital repaid in connection with a share repurchase may only be paid out of either the capital paid up on the relevant shares, or out of the funds of the Company otherwise available for dividend or distribution or the proceeds of a fresh issue of shares made for the purpose. The amount of premium payable on repurchase may only be paid out of either the funds of the Company that would otherwise be available for dividend or distribution or out of the share premium of the Company. Further, the Company cannot purchase its own shares if on the date on which the purchase is to be effected, there are reasonable grounds for believing that the Company is, or after the purchase would be, unable to pay its liabilities as they become due.

There might be an adverse impact on the working capital or gearing position of the Company as compared with the position disclosed in the audited accounts contained in the annual report for the year ended 31 December 2023 in the event that the Repurchase Proposal were to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the repurchase of Shares to such 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.

**SHARE PRICES**

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

	<b>Highest</b> <i>HK\$</i>	<b>Lowest</b> <i>HK\$</i>
April 2023	0.650	0.192
May 2023	0.290	0.210
June 2023	0.280	0.202
July 2023	0.226	0.175
August 2023	0.500	0.129
September 2023	0.300	0.115
October 2023	0.129	0.091
November 2023	0.300	0.110
December 2023	0.175	0.116
January 2024	0.154	0.119
February 2024	0.131	0.110
March 2024	0.200	0.091
April 2024 (up to the Latest Practicable Date)	0.158	0.110

**DIRECTORS STATEMENTS AND CONNECTED PERSONS**

The Directors will only exercise the power of the Company to make repurchases pursuant to the Repurchase Resolution and in accordance with the Listing Rules and the applicable laws of Bermuda.

The Directors confirmed that neither this explanatory statement nor the Repurchase Proposal has any unusual features.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates, have any present intention to sell any Shares to the Company or its subsidiaries under the Repurchase Proposal if such is approved by the Shareholders.

No core connected persons (as defined in the Listing Rules) have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to sell any of the Shares to the Company or its subsidiaries, in the event that the Repurchase Proposal is approved by the Shareholders.

**TAKEOVER CODE**

If on the exercise of the power to repurchase Shares pursuant to the Repurchase Proposal, 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 Rule 32 of the Takeover Code. As a result, a Shareholder or group of Shareholders acting in concert could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeover Code.

As at the Latest Practicable Date, Guangdong Nanhai Holding Group Co., Ltd.\* (廣東南海控股集團有限公司), through its wholly-owned subsidiary, Prize Rich Inc., was beneficially interested in 1,222,713,527 issued Shares, representing approximately 71.41% of the issued Shares. In the event that the Directors exercised in full the power to repurchase Shares under the Repurchase Proposal (if the shareholding of the above shareholder in the Company and the capital structure of the Company otherwise remain the same), the interest of the above shareholder would be increased to approximately 79.34%.

The Directors believe that such an increase would not give rise to an obligation to make a mandatory offer under the Takeover Code. The Directors have no present intention to repurchase Shares which would result in the number of Shares held by the public being reduced to less than 25%.

**SHARE REPURCHASE MADE BY THE COMPANY**

The Company had not repurchased any Shares (whether on the Stock Exchange or otherwise) in the six months preceding the Latest Practicable Date.



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

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 00132)**

**NOTICE IS HEREBY GIVEN** that the annual general meeting of the Company will be held at Orchid Room, 2nd Floor, the Royal Garden, 69 Mody Road, Tsimshatsui, Kowloon, Hong Kong on Wednesday, 26 June 2024 at 10:30 a.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and independent auditor for the year ended 31 December 2023.
2. A. To re-elect Mr. CHAN Kwok Wai (who has served as an independent non-executive director of the Company for more than 9 years) as an independent non-executive director of the Company.  
B. To re-elect Mr. PENG Xinyu as an independent non-executive director of the Company.
3. To re-appoint HLM CPA Limited as auditor of the Company and to authorize the board of directors of the Company to fix the remuneration of auditor.
4. As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions of the Company:

**ORDINARY RESOLUTIONS**

A. **“THAT:**

- (a) subject to paragraph (b) below, the exercise by the board of directors of the Company (the “Board”) during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase shares of HK\$0.10 each in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or on any other stock exchange on which the securities of the Company may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose under the Hong Kong Code on Share Buy-backs, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or of any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;

- (b) the aggregate number of shares of the Company which the Board are authorized to repurchase pursuant to the approval in paragraph (a) above shall not exceed 10% of the total number of shares of the Company in issue as at the date of passing this Resolution (such total number to be subject to adjustment in case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this resolution) and the said approval shall be limited accordingly; and
- (c) 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 law or the bye-laws of the Company to be held; or
  - (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”

**B. “THAT:**

- (a) subject to paragraph (c) below, the exercise by the Board during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of HK\$0.10 each in the capital of the Company and to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall authorize the Board during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options (including bonds, warrants and debentures convertible into shares of the Company) which would or might require the exercise of such power after the end of the Relevant Period;

- (c) the aggregate number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Board pursuant to the approval in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) an issue of shares as scrip dividends pursuant to the bye-laws of the Company from time to time; or (iii) an issue of shares under any option scheme or similar arrangement for the time being adopted for the grant or issue of shares or rights to acquire shares of the Company, shall not exceed 20% of the total number of shares of the Company in issue as at the date of passing this Resolution (such total number to be subject to adjustment in case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this resolution) and the said approval shall be limited accordingly; 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 law or the bye-laws of the Company to be held; or
- (iii) the date on which the authority set out in this Resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company; and

“Rights Issue” means an offer of shares open for a period fixed by the Board to the holders of shares of the Company on the register on a fixed record date in proportion to their then holdings of such shares as at that date (subject to such exclusions or other arrangements as the Board 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 applicable to the Company).”

- C. “**THAT** subject to the passing of Resolutions No. 4A and No. 4B set out in the notice convening this meeting, the general mandate granted to the Board to allot, issue and deal with additional shares pursuant to Resolution No. 4B set out in the notice convening this meeting be and is hereby extended by the addition thereto of the aggregate number of shares repurchased by the Company under the authority granted pursuant to Resolution No. 4A set out in the notice convening this meeting (such total number to be subject to adjustment in case of any conversion of any or all of the shares of the Company into a larger or smaller number of shares of the Company after the passing of this resolution).”
5. As special business, to consider and, if thought fit, pass the following resolution as special resolution of the Company:

**SPECIAL RESOLUTION**

“**THAT**, subject to and conditional upon compliance with section 46(2) of the Companies Act 1981 of Bermuda (as amended) to effect the cancellation of the share premium account referred to below and with effect from the date of passing this special resolution or upon the day on which the above condition is fulfilled (whichever is later) (the “Effective Date”):

- (a) the entire amount standing to the credit of the share premium account of the Company as at the Effective Date be and is hereby reduced to nil (the “Share Premium Cancellation”);
- (b) the board of directors of the Company (the “Board”) be and are hereby authorised to apply part of the credit arising from the Share Premium Cancellation to eliminate in full the accumulated losses of the Company as at the Effective Date and the remaining balance (if any) of the credit arising therefrom be credited to the contributed surplus account of the Company and the Board be and are hereby authorised to use the amount then standing to the credit of the contributed surplus account in any manner as may be permitted under the bye-laws of the Company and all applicable laws, including, without limitation, eliminating or setting off the accumulated losses of the Company or paying dividend or making other distributions from time to time without further authorisation from the shareholders of the Company and all such actions in relation thereto be approved, confirmed and ratified; and
- (c) the Board be and are hereby authorised to do all such acts and things and execute all documents which they consider necessary, desirable or expedient for the implementation of and giving effect to the foregoing and the transactions contemplated thereunder.”

6. As special business, to consider and, if thought fit, pass with or without amendments, the following resolution as ordinary resolution of the Company:

**ORDINARY RESOLUTION**

“**THAT** subject to the passing of the special resolution in item 5 above and Share Premium Cancellation mentioned therein becoming effective, the payment of a special dividend of 0.42 HK cent per Share in cash out of the contributed surplus account of the Company to shareholders of the Company as recorded on the register of members of the Company on Tuesday, 9 July 2024 be and is hereby approved.”

By Order of the Board  
**Hing Yip Holdings Limited**  
**Lo Tai On**  
*Company Secretary*

Hong Kong, 25 April 2024

*Notes:*

1. The annual general meeting will be held in form of a physical meeting. Any member of the Company entitled to attend, speak and vote at the meeting shall be entitled to appoint one or more proxies to attend, speak and, on a poll, vote instead of him. A proxy need not be a member of the Company but must attend the meeting in person to represent you.
2. To be valid, the proxy form, together with any power of attorney or other authority (if any) under which it is signed, or a certified copy thereof, must be lodged with the principal place of business of the Company at Unit 501, Wing On Plaza, 62 Mody Road, Tsimshatsui, Kowloon, Hong Kong not less than forty-eight hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the proxy form shall not preclude any member from attending and voting in person at the meeting if the member so wishes and in such event, the proxy form shall be deemed to be revoked.
3. Where there are joint holders of any share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders is present at the meeting, the vote of the holder so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof. Several executors or administrators of a deceased member in whose name any share stands shall be deemed joint holders thereof.
4. With regard to item 2 of this notice, the board of directors of the Company proposes that Mr. CHAN Kwok Wai and Mr. PENG Xinyu, the retiring directors, be re-elected as directors of the Company. Their particulars are set out in the Appendix III on pages 17 to 18 of the circular to the shareholders of the Company dated 25 April 2024.
5. Members whose names appear on the register of members of the Company on Friday, 21 June 2024 will be entitled to attend, speak and vote at the AGM. In order to qualify for the attendance and voting at the meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Progressive Limited at 17/F, Far East Finance Center, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Friday, 21 June 2024.

Subject to the passing of the special resolution in item 5 and the ordinary resolution in item 6 and the conditions mentioned therein are fulfilled, the special dividend will be paid on Wednesday, 24 July, 2024 to those members whose names appear on the register of members of the Company on Tuesday, 9 July 2024. The register of members will be closed on 9 July 2024 and no transfer of shares will be effected on the day. In order to qualify for the proposed special dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Progressive Limited at 17/F, Far East Finance Center, 16 Harcourt Road, Hong Kong for registration no later than 4:30 p.m. on Monday, 8 July 2024.

6. In case of the annual general meeting (or any adjournment thereof) is anticipated to be affected by black rainstorm or tropical cyclone with warning signal no. 8 or above, members are suggested to visit the Company's website at <http://hingyiphk.quamhkir.com> for arrangements of the annual general meeting (or any adjournment thereof).

The following are the particulars of the retiring Directors proposed to be re-elected at the AGM of the Company to be held on 26 June 2024:

**Mr. CHAN Kwok Wai**, aged 65, was appointed as an independent non-executive Director on 22 September 2004 and is the chairman of the audit committee and a member of each of the nomination committee and the remuneration committee of the Company. Mr. CHAN holds a bachelor degree in Accounting and Commerce, and is member of the CPA Australia and a member of Hong Kong Securities Institute. He has over 30 years of experience in the finance and accounting industry. Mr. CHAN is also currently independent non-executive director of 3 other listed public companies in Hong Kong, namely Chinese Estates Holdings Limited, Tern Properties Company Limited, National Electronics Holdings Limited, and was an independent non-executive director of Far East Consortium International Limited for the period from 18 November 2005 to 30 August 2022.

Mr. CHAN has given a written confirmation of independence to the Company and the nomination committee has evaluated and reviewed it in accordance with the independence criteria as set out in rule 3.13 of the Listing Rules. The Board is not aware of any circumstance that might influence Mr. CHAN in exercising independent judgment and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an independent non-executive Director and can maintain his independent opinion in the affairs of the Group. The nomination committee and the Board consider him is an independent person.

The Board is of the view that Mr. CHAN is beneficial to the Board with his extensive experience in the finance and accounting industry. The Board believes that his skill and experience will be able to bring valuable contribution to the Group.

The Company entered into a service agreement with Mr. CHAN for a period of three years until 30 June 2025. He is subject to the retirement by rotation and re-election in accordance with the Bye-laws. Mr. CHAN receives a director's fee of HK\$120,000 per annum in accordance with the remuneration and performance management code of directors and senior management which was approved by the shareholders of the Company at the second special general meeting held on 18 January 2024 (the "Remuneration and Performance Management Code").

Save as disclosed above, Mr. CHAN (i) does not hold any directorship in the last three years in any other listed public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company or any of its subsidiaries; (iii) does not have any relationships with any other Directors, senior management of the Company, substantial Shareholders or controlling Shareholders; and (iv) does not have any interest in Shares within the meaning of Part XV of the SFO.

**Mr. PENG Xinyu**, aged 59, was appointed as an independent non-executive Director on 23 June 2022 and is the chairman of remuneration committee and a member of each of the audit committee, nomination committee and strategy committee. He holds a doctoral degree in Science from Sun Yat-sen University and is a professor at the School of Business Administration of South China University of Technology. He has a solid theoretical foundation and rich practical experience in economics, investment and financing, financial management and enterprise management. He had served as the person in charge of investment and financial management, chief economist, general manager and independent director of several companies, and has rich experience in corporate mergers and acquisitions and investment.

Mr. PENG has given a written confirmation of independence to the Company and the nomination committee has evaluated and reviewed it in accordance with the independence criteria as set out in rule 3.13 of the Listing Rules. The Board is not aware of any circumstance that might influence Mr. PENG in exercising independent judgment and is satisfied that he has the required character, integrity, independence and experience to fulfill the role of an independent non-executive Director and can maintain his independent opinion in the affairs of the Group. The nomination committee and the Board consider him is an independent person.

The Company entered into a service agreement with Mr. PENG for a period of two years until 30 June 2024. He is subject to the retirement by rotation and re-election in accordance with the Bye-laws. Mr. PENG receives a director's fee of HK\$120,000 per annum in accordance with the Remuneration and Performance Management Code.

Save as disclosed in above, Mr. PENG (i) does not hold any directorships in the last three years in any other listed public companies, the securities of which are listed on any securities market in Hong Kong or overseas; (ii) does not hold any other position in the Company or any of its subsidiaries; (iii) does not have any relationships with any other Directors, senior management of the Company, substantial Shareholders or controlling Shareholders; and (iv) does not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there are no other matters that need to be brought to the attention of the Shareholders in connection with their re-election and no any information that needs to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules.