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If you have sold or transferred all your Shares in YUSEI HOLDINGS LIMITED, you should at once hand this circular and proxy form enclosed with this circular 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 transferee.

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YUSEI HOLDINGS LIMITED

友成控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 96)

GENERAL MANDATES TO ISSUE SHARES, RE-ELECTION OF DIRECTORS, AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting of Yusei Holdings Limited to be held at Lin Gang Industrial Zone, Henggenton Village, Guali Town, Xiaoshan District, Hangzhou City, Zhejiang, China on 24 June 2024, Monday, at 3:00 p.m. is set out on pages 8 to 11 of this circular.

Whether or not you are able to attend the annual general meeting, please complete the accompanying form of proxy in accordance with the instructions printed on the form and return it to the office of the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the annual general meeting or any adjournment of that meeting. Completion and return of the form of proxy will not preclude you from attending and voting in person at the annual general meeting or any adjournment of that meeting should you so wish.

* For identification purpose only

| |
|-----------------|
| CONTENTS |
|-----------------|

| | <i>Page</i> |
|---|-------------|
| DEFINITIONS | 1-2 |
| LETTER FROM THE BOARD | 3-7 |
| APPENDIX I — NOTICE OF ANNUAL GENERAL MEETING | 8-11 |
| APPENDIX II — BIOGRAPHICAL DETAILS OF RETIRING DIRECTORS FOR RE-ELECTION | 12-13 |

DEFINITIONS

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

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| “AGM” | the annual general meeting of the Company to be held at Lin Gang Industrial Zone, Henggenton Village, Guali Town, Xiaoshan District, Hangzhou City, Zhejiang, China, on 24 June 2024, Monday, at 3:00 p.m. for the purpose of considering and, if thought fit, approving the resolutions proposed in the AGM Notice |
| “AGM Notice” | the notice dated 22 May 2024 for convening the AGM and included in this circular |
| “Articles” | the articles of association of the Company as amended from time to time |
| “Board” | the board of Directors (including independent non-executive Directors) |
| “Company” | Yusei Holdings Limited, a limited company incorporated in the Cayman Islands, the Shares of which are listed on Stock Exchange (Stock Code: 96) |
| “Director(s)” | the director(s) of the Company |
| “General Mandate” | a general mandate to the Directors to allot and issue Shares with an aggregate nominal value not exceeding 20% of the aggregate nominal value of the issued share capital of the Company as at the date of approval of the mandate |
| “Group” | the Company and its subsidiaries |
| “HK\$” | Hong Kong dollars, the lawful currency of Hong Kong |
| “Hong Kong” | the Hong Kong Special Administrative Region of the People’s Republic of China |
| “Latest Practicable Date” | 20 May 2024, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained in this circular |

DEFINITIONS

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| “Listing Rules” | the Rules Governing the Listing of Securities on Stock Exchange as amended from time to time |
| “PRC” | the People’s Republic of China excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan for the purposes of this circular |
| “Record Date” | close of business on 4 July 2024, Thursday, being the record date for determination of entitlements to the final dividend |
| “SFO” | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| “Share(s)” | ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company |
| “Shareholder(s)” | holder(s) of the Share(s) |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited |
| “%” | per cent. |



YUSEI HOLDINGS LIMITED

友成控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 96)

Executive Directors:

Mr. Xu Yong

Mr. Manabu Shimabayashi

Non-executive Directors:

Mr. Katsutoshi Masuda

Mr. Toshimitsu Masuda

Independent Non-executive Directors:

Mr. Lo Ka Wai

Mr. Fan Xiaoping

Mr. Hisaki Takabayashi

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

*Headquarters, head office and principal place
of business in the PRC:*

Lin Gang Industrial Zone,

Henggentou Village,

Guali Town,

Xiaoshau District,

Hangzhou City,

Zhejiang

The PRC

22 May 2024

To the Shareholders,

Dear Sir or Madam,

**GENERAL MANDATES TO ISSUE SHARES,
RE-ELECTION OF DIRECTORS,
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide the Shareholders with information regarding the following proposed resolutions to be put forward at the AGM for the Shareholders' consideration and, if thought fit, approval of, among others:

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

* For identification purpose only

LETTER FROM THE BOARD

- (b) the re-election of retiring Directors; and
- (c) the declaration of final dividend.

2. GENERAL MANDATE

On 16 June 2023, resolution for the General Mandate was passed by the Shareholders and the General Mandate will lapse at the conclusion of the forthcoming AGM.

An ordinary resolution will be proposed at the AGM to approve the grant of the General Mandate. The new General Mandate, if granted, will allow the Directors to allot and issue further Shares with aggregate nominal value not exceeding 20% of the issued share capital of the Company as at the date of passing the relevant resolution.

As at the Latest Practicable Date, the Company had 636,549,600 fully paid-up Shares in issue. Subject to the passing of the resolution granting the General Mandate and on the basis that no further Shares will be allotted and issued or repurchased from the Latest Practicable Date to the date of the AGM, exercise in full of the General Mandate could result in new issue of 127,309,920 Shares. The Board is currently exploring various possibilities to raise fund for its future operation or expansion which may involve issuance of new Shares under the General Mandate.

3. RE-ELECTION OF DIRECTORS

In accordance with Articles 87 and 88 of the Articles of Association, Messrs Katsutoshi Masuda, Shimabayashi Manabu and Hisaki Takabayashi (the “Retiring Directors”) will retire by rotation and, being eligible, will offer themselves for reelection at the AGM.

Following the review of the Board’s composition by the Nomination Committee, the Retiring Directors were nominated to the Board for it to recommend to the Shareholders for re-election at the AGM. All the Retiring Directors abstained from voting on the resolutions of Nomination Committee, where applicable, for considering his own nomination.

Biographical information of the Retiring Directors that are required to be disclosed under the Listing Rules is set out in Appendix II to this circular.

LETTER FROM THE BOARD

Mr. Hisaki Takabayashi being an Independent Non-executive Director of the Company eligible for re-election at the AGM, has made an annual confirmation of independence pursuant to Rule 3.13 of the Listing Rules. He has served as Independent Non-executive Director of the Company for more than 9 years. During the years of appointment, he has demonstrated his abilities to provide an independent view to the Company's matters. Notwithstanding the years of service as Independent Non-executive Director of the Company, the Nomination Committee is of the view that he is able to continue to fulfill his role as required and thus recommend him for re-election at the AGM. The Nomination Committee had taken into account the contribution of Mr. Hisaki Takabayashi to the Board and the commitment to the respective roles and were satisfied that Mr. Hisaki Takabayashi has the required integrity, skills and experience to continue fulfilling the role of an Independent Non-executive Director, and their respective long service on the Board would not affect exercise of independent judgement. The Nomination Committee is of the view that Mr. Hisaki Takabayashi meets the independence guidelines set out in Rule 3.13 of the Listing Rules and is independent in accordance with the terms of the guidelines.

On 28 March 2024, the Board accepted the nomination by the Nomination Committee and recommended the Retiring Directors to stand for re-election by the Shareholders at the AGM. The Board considers that the re-election of the Retiring Directors as Directors is in the best interest of the Company and the Shareholders as a whole. The Retiring Directors abstained from the discussion and voting at the Board meeting regarding their respective nominations.

4. ANNUAL GENERAL MEETING

The AGM Notice is set out on pages 8 to 11 of this circular and a form of proxy for use at the AGM is enclosed with this circular.

Whether or not you are able to attend the AGM, please complete the accompanying form of proxy in accordance with the instructions printed on the form and return it to the office of the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17 M Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment of that meeting. Completion and return of the form of proxy shall not preclude you from attending and voting at the AGM or any adjournment of that meeting should you so desire.

5. FINAL DIVIDEND

The Board has recommended the declaration of a final dividend of RMB1.30 cents per Share to be paid out of retained earnings account to the Shareholders whose names appear on the register of members of the Company on 4 July 2024, Thursday. An ordinary resolution will be proposed at the AGM to declare the final dividend.

LETTER FROM THE BOARD

6. EXPECTED TIMETABLE

Expected Timetable for Entitlement to Attend and Vote at AGM

In order to qualify to attend and vote at the AGM, all transfers of Shares accompanied by the relevant share certificates must be lodged with the office of the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at (Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai Hong Kong), by no later than 4:30 p.m. on 17 June 2024, Monday.

The register of members of the Company will be closed from 18 June 2024, Tuesday to 24 June 2024, Monday (both dates inclusive), for the purposes of determining the entitlements of the Shareholders to attend and vote at the AGM. No transfer of the Shares may be registered on those dates.

Expected Timetable for final dividend

The last day of dealings in Shares with entitlement to the proposed final dividend will be 25 June 2024, Tuesday. In order to qualify for the proposed final dividend, all transfers of Shares accompanied by the relevant share certificates must be lodged with the office of the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wan Chai Hong Kong, by no later than 4:30 p.m. on 27 June 2024, Thursday.

The register of members of the Company will be closed from 28 June 2024, Friday to 4 July 2024, Thursday, (both days inclusive), for the purposes of determining the entitlements of the Shareholders to the proposed final dividend after the passing of relevant resolutions. No transfer of the Shares may be registered on those dates.

Subject to the relevant resolutions being passed at the AGM, the proposed final dividend will be payable on or about 31 July 2024, Wednesday, to Shareholders whose names appear on the register of members of the Company on 4 July 2024, Thursday.

Dates or deadlines specified in this circular are indicative only and may be varied by the Company. Any consequential changes to the expected timetable above will be published or notified to the Shareholders in accordance with the Listing Rules.

LETTER FROM THE BOARD

7. VOTING BY POLL

In accordance with Rule 13.39(4) of the Listing Rules, any vote of shareholders at a general meeting must be taken by poll except where the Chairman of the AGM, in good faith, decides to allow a resolution which relates to purely a procedural or administrative matter to be voted on by a show of hands. Accordingly, save for purely procedural or administrative matters, the voting on all resolutions at the AGM will be conducted by a way of poll.

8. RECOMMENDATION

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

9. RESPONSIBILITY OF THE DIRECTORS

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement in this circular misleading.

Yours faithfully,
By order of the Board
Katsutoshi Masuda
Chairman

**YUSEI HOLDINGS LIMITED****友成控股有限公司***

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 96)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY given that the Annual General Meeting of the Company will be held at Lin Gang Industrial Zone, Henggentou Village, Guali Town, Xiaoshan District, Hangzhou City, Zhejiang, China on 24 June 2024 (Monday) at 3:00 p.m. for the purposes of considering and, if thought fit, passing with or without modification the following resolutions as ordinary resolutions of the Company:

1. To receive and consider the audited consolidated financial statements and the reports of the Directors and Auditors for the year ended 31 December 2023.
2. To declare a final dividend of RMB1.30 cents per share.
3.
 - (a) To re-elect Mr. Katsutoshi Masuda as the Company's director.
 - (b) To re-elect Mr. Shimabayashi Manabu as the Company's director.
 - (c) To authorise the board of directors to fix their remuneration.
4. To re-elect Mr. Hisaki Takabayashi (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 and to authorise the Board to fix his remuneration.
5. To re-appoint SHINEWING (HK) CPA Limited, the auditors of the Company, and authorise the Directors to fix their remuneration.
6. "THAT
 - (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and otherwise deal with additional ordinary Shares or securities convertible into Shares, or options, warrants or similar rights to subscribe for any Shares and to make or grant offers, agreements or options which might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby approved generally and unconditionally;

* For identification purpose only

- (b) the approval in paragraph (a) above shall be in addition to any other authorisations given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted and issued, or agreed conditionally or unconditionally to be allotted, issued or otherwise dealt with (whether pursuant to options or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution, otherwise than pursuant to:
 - (i) a Rights Issue (as defined in paragraph (d) below); or
 - (ii) the grant or exercise of any option under the share option scheme of the Company or similar arrangement for the time being adopted or to be adopted for the grant or issue to officers and/or employees of the Company and/or any of its subsidiaries, of options to subscribe for, or rights to acquire Shares; or
 - (iii) any scrip dividend or similar arrangement providing for the allotment of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company in force from time to time;

any issue of Shares upon the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into Shares, shall not exceed the aggregate of:

- (i) 20 per cent of the aggregate nominal amount of the share capital of the Company in issue as at the date of the passing of this Resolution; and
 - (ii) (if the Directors are so authorised by a separate ordinary resolution of the shareholders of the Company) the nominal amount of any share capital of the Company repurchased by the Company subsequent to the passing of this Resolution (up to a maximum equivalent to 10% of the aggregate nominal amount of the share capital of the Company in issue on the date of the passing of this Resolution), and the authority pursuant to paragraph (a) of this Resolution shall be limited accordingly;
- (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 the articles of association of the Company, the Companies Law, Cap 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands or any other applicable law of the Cayman Islands to be held; and
- (iii) the passing of an ordinary resolution by the shareholders of the Company in general meeting revoking or varying the authority given to the Directors under this Resolution;

“Rights Issue” means the allotment, issue or grant of Shares pursuant to an offer of Shares, or offer or issue of warrants, options or other securities giving rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register 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, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any relevant jurisdiction, or any recognized regulatory body or any stock exchange in any territory applicable to the Company.”

On behalf of the Board
Katsutoshi Masuda
Chairman

PRC, 22 May 2024

Notes:

- i. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more than one proxy to attend and, subject to the provisions of the articles and association of the Company, vote in his stead. A proxy need not be a member of the Company.
- ii. For the purpose of ascertaining shareholders’ right to attend and vote at the AGM of the Company, the registers of members of the Company will be closed from 18 June 2024 to 24 June 2024 (both days inclusive) during which period no transfer of shares will be effected. In order for a shareholder to be eligible to attend and vote at the AGM, all instrument of transfer must be lodged with Computershare Hong Kong Investor Services Limited, the Company’s Hong Kong branch share registrar and transfer office, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on 17 June 2024.
- iii. For the purpose of ascertaining shareholders’ entitlement to the proposed final dividends, the register of members of the Company will be closed from 28 June 2024 to 4 July 2024, both days inclusive, during which period no transfer of shares will be effected. In order to qualify for the proposed final dividends (subject to shareholders’ approval at the AGM), all instrument of transfer must be lodged with Computershare Hong Kong Investor Services Limited, the Company’s Hong Kong branch share registrar and transfer office, at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, not later than 4:30 p.m. on 27 June 2024.

- iv. To be valid, the form of proxy together with a power of attorney or other authority, if any, under which it is signed or a certified copy of such power or authority must be deposited at the Company's branch share registrar and transfer office in Hong Kong, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not later than 48 hours before the time of the meeting or any adjourned meeting.
- v. Delivery of an instrument appointing a proxy should not preclude member from attending and voting in person at the above meeting or any adjournment thereof and in such event, the instrument appointing a proxy shall be deemed to be revoked.
- vi. In the case of joint holders of a share, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she/it were solely entitled thereto. If more than one of such joint holders are present at the above meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. For this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
- vii. The biographical details of Messrs Katsutoshi Masuda, Shimabayashi Manabu and Hisaki Takabayashi the Directors who offer themselves for re-election are provided in Appendix II of this circular.
- viii. The translation into Chinese language of this notice is for reference only. In case of any inconsistency, the English version shall prevail.
- ix. Attendants should bear their own travelling, accommodation and other expenses.

Details of the retiring directors proposed to be re-elected at the AGM are set out follows:

1. MR. KATSUTOSHI MASUDA (增田勝年先生), NON-EXECUTIVE DIRECTOR

Aged 79, is the chairman and a non-executive Director of the Company. Mr. Masuda was appointed as the chairman of the Company on 2 June 2005 and as a Director on 21 April 2005. Mr. Masuda has over 35 years of experience in mould fabrication and manufacturing. Mr. Masuda founded Conpri Limited (“Conpri”), the Company’s ultimate holding company and is currently also a director and shareholder of Conpri and Yusei Machinery Corporation (“Yusei Japan”). Mr. Masuda is one of the founders of the Group in April 1992 and is responsible for the major strategy of the Group. Mr. Masuda is the father of Mr. Toshimitsu Masuda, one of the Company’s non-executive director. Mr. Masuda entered into letter of appointment with the Company and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Masuda’s annual director fee is HK\$1,000,000. Mr. Masuda, through corporate interest, holds 233,316,864 Shares in Company, representing 36.65% of the Company’s issued share capital.

Save as disclosed above, Mr. Masuda does not have any interest in Shares within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Masuda does not have any other relationships with any directors, senior management, substantial shareholders of the Company and has not held any other directorships in listed public companies in the last three years and there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

2. MR. SHIMABAYASHI MANABU (島林學步先生), EXECUTIVE DIRECTOR

Aged 50, is the executive director and deputy general manager of Yusei. Mr. Shimabayashi was appointed as an executive Director of the Company with effect from the date on which the listing of the Shares is transferred from GEM to Main Board of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”). He graduated from Seijo University (成城大學) with a bachelor degree in economics in 1996. He was employed by an accountants’ firm in Shizuoka, Japan from 1996 to 2007. Mr. Shimabayashi joined the Group in 2007 as head of management department of Zhejiang Yusei.

Mr. Shimabayashi entered into letter of appointment with the Company and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Shimabayashi’s annual director fee is RMB630,000. Mr. Shimabayashi directly holds 1,900,800 Shares in the Company, representing 0.30% of the Company’s issued share capital.

Save as disclosed above, Mr. Shimabayashi does not have any interest in Shares within the meaning of Part XV of the SFO. Save as disclosed above, Mr. Shimabayashi does not have any other relationships with any directors, senior management, substantial shareholders of the Company and has not held any other directorships in listed public companies in the last three years and there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.

3. MR. HISAKI TAKABAYASHI (高林久記先生), INDEPENDENT NON-EXECUTIVE DIRECTOR

Aged 63, was appointed as an independent non-executive Director on 2 September 2005. Mr. Takabayashi graduated from 大東文化大學 (Daitobonka University) with a bachelor degree in Chinese in March 1983. Mr. Takabayashi was the deputy representative of the Shanghai Office of 日本靜岡縣國際經濟振興會 (Shizuoka International Economic Organisation) in 2002. At present, Mr. Takabayashi is the Business Bureau Supervisor of 日本靜岡縣日中友好協進會 (Japan and China Friendship Council of Shizuoka Prefecture).

Mr. Takabayashi entered into letter of appointment with the Company and is subject to retirement by rotation and re-election in accordance with the Articles of Association. Mr. Takabayashi's director fee is HK\$30,000 for the year. Mr. Takabayashi does not have any interest in Shares within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Takabayashi does not have any other relationships with any directors, senior management, substantial shareholders of the Company and has not held any other directorships in listed public companies in the last three years and there is no other information to be disclosed pursuant to the requirements of Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules.