

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



Yip's Chemical Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 408)

MAJOR TRANSACTION IN RELATION TO ACQUISITION OF APPROXIMATELY 60.0% EQUITY INTEREST IN THE TARGET COMPANY

THE ACQUISITION

The Board is pleased to announce that before the trading hours of the Stock Exchange on 24 October 2025, the Purchaser, an indirect wholly-owned subsidiary of the Company, the Vendors, the Target Company and WFOE entered into the Acquisition Agreement, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendors have conditionally agreed to sell, the Sale Shares, being an aggregate of approximately 60.0% equity interest in the Target Company.

The Target Company is a leading enterprise in the PRC engaged in the research, design, manufacturing and provision of specialised systems solutions for managing chemical vapours emissions generated during the production, storage and transportation of chemicals, oil and gas.

The Initial Consideration is RMB288,000,000 (equivalent to approximately HK\$316.8 million). Subject to the performance of the Profit Guarantee for the Performance Period, (i) the Contingent Consideration of up to RMB96,000,000 (equivalent to approximately HK\$105.6 million) shall be payable by the Purchaser to the Vendors; or (ii) the Refund of up to RMB33,600,000 (equivalent to approximately HK\$37.0 million) shall be payable by the Vendors to the Purchaser. As such, the maximum amount of the Consideration would be RMB384,000,000 (equivalent to approximately HK\$422.4 million), and the minimum amount of the Consideration would be RMB254,400,000 (equivalent to approximately HK\$279.8million). The Initial Consideration, the Contingent Consideration (if any) and the Refund (if any) shall be settled in cash.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Acquisition (including the Potential Transfer) is more than 25% but are all less than 100%, the Acquisition (including the Potential Transfer) constitutes a major transaction for the Company and is subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders has a material interest in the Acquisition (including the Potential Transfer), and therefore no Shareholder is required to abstain from voting if a general meeting of the Company were to be convened to approve the Acquisition Agreement and the transactions contemplated thereunder (including the Acquisition and the Potential Transfer).

Pursuant to Rule 14.44 of the Listing Rules, on 24 October 2025, the Company has obtained the Written Approval from the Closely Allied Group who are together interested in 304,259,445 Shares, representing approximately 54.48% of the issued share capital of the Company (excluding the treasury Shares) as at the date of this announcement, to approve the Acquisition Agreement and the transactions contemplated thereunder (including the Acquisition and the Potential Transfer), i.e. the Written Approval.

DESPATCH OF CIRCULAR

The Circular containing, among other things, (i) details of the Acquisition Agreement and the transactions contemplated thereunder (including the Acquisition and the Potential Transfer); (ii) the financial information of the Target Group; (iii) the unaudited pro forma financial information of the Enlarged Group; (iv) the Valuation Report; and (v) other information as required under the Listing Rules, is expected to be despatched to the Shareholders in accordance with the Listing Rules, for information purposes only, on or before 14 November 2025.

THE ACQUISITION

The Board is pleased to announce that before the trading hours of the Stock Exchange on 24 October 2025, the Purchaser, an indirect wholly-owned subsidiary of the Company, the Vendors, the Target Company and WFOE entered into the Acquisition Agreement, pursuant to which the Purchaser has conditionally agreed to acquire, and the Vendors have conditionally agreed to sell, the Sale Shares, being an aggregate of approximately 60.0% equity interest in the Target Company.

The Initial Consideration is RMB288,000,000 (equivalent to approximately HK\$316.8 million). Subject to the performance of the Profit Guarantee for the Performance Period as described in the sub-section headed “*Consideration – Profit Guarantee and adjustments to the Consideration*” below, (i) the Contingent Consideration of up to RMB96,000,000 (equivalent to approximately HK\$105.6 million) shall be payable by the Purchaser to the Vendors; or (ii) the Refund of up to RMB33,600,000 (equivalent to approximately HK\$37.0 million) shall be payable by the Vendors to the Purchaser. As such, the maximum amount of the Consideration would be RMB384,000,000 (equivalent to approximately HK\$422.4 million), and the minimum amount of the Consideration would be RMB254,400,000 (equivalent to approximately HK\$279.8 million). The Initial Consideration, the Contingent Consideration (if any) and the Refund (if any) shall be settled in cash.

Principal terms of the Acquisition Agreement are set out below.

THE ACQUISITION AGREEMENT

Date

24 October 2025

Parties

- (i) Yip’s Puricycle Management (Shenzhen) Company Limited[#] (葉氏清源管理(深圳)有限公司), an indirect wholly-owned subsidiary of the Company, as purchaser;
- (ii) Mr. Zhang Guorui (張國瑞) (i.e. Vendor A), as one of the vendors;
- (iii) Ms. Liu Qing (劉青) (i.e. Vendor B), as another vendor;
- (iv) the Target Company; and
- (v) WFOE.

Vendor A is a PRC national and is the spouse of Vendor B. He is one of the founders of the Target Group. As at the date of the Acquisition Agreement, Vendor A (a) directly holds approximately 48.3% equity interest; and (b) through WFOE, indirectly holds approximately 32.2% equity interest, in the Target Company.

Vendor B is a PRC national and is the spouse of Vendor A. As at the date of the Acquisition Agreement, Vendor B (a) directly holds approximately 11.7% equity interest; and (b) through WFOE, indirectly holds approximately 7.8% equity interest, in the Target Company.

WFOE is a wholly foreign owned enterprise established in the PRC with limited liability, which is the beneficial owner of approximately 40.0% equity interest in the Target Company, and is indirectly owned as to 80.5% and 19.5% by Vendor A and Vendor B, respectively, as at the date of the Acquisition Agreement. It is principally engaged in investment holding.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Vendors and WFOE are Independent Third Parties.

Assets to be acquired

Pursuant to the Acquisition Agreement, the Purchaser has conditionally agreed to acquire, and

- (i) Vendor A has conditionally agreed to sell, the Sale Shares A, being approximately 48.3% equity interest directly held by Vendor A in the Target Company; and
- (ii) Vendor B has conditionally agreed to sell, the Sale Shares B, being approximately 11.7% equity interest directly held by Vendor B in the Target Company,

free from all encumbrances and together with all rights attached thereto as at the date of Completion.

Upon Completion, the Target Company shall be owned as to approximately 60.0% by the Purchaser and approximately 40.0% by WFOE. Members of the Target Group will become indirect non-wholly-owned subsidiaries of the Company and the financial results of the Target Group will be consolidated into the consolidated financial statements of the Group. Further details of the Target Group are set out in the section headed "*Information of the Target Group*" below.

Consideration

The Consideration comprises (i) the Initial Consideration; and (ii) (a) the Contingent Consideration or (b) the Refund (as the case may be), subject to performance of the Profit Guarantee by the Target Group for the Performance Period as further described below.

The Initial Consideration

The Initial Consideration is RMB288,000,000 (equivalent to approximately HK\$316.8 million), subject to adjustment as described in the section headed "*Profit Guarantee and adjustments to the Consideration*" below.

The Initial Consideration shall be payable by the Purchaser to the Vendors in cash in the following manner:

- (i) the first payment in the amount of RMB86,400,000 (equivalent to approximately HK\$95.0 million) shall be payable by the Purchaser within 10 Business Days upon the fulfilment of all of the Conditions (save for Condition (vii)(b) relating to the tax declaration and withholding responsibility of the Vendors; Condition (vii)(c) relating to the completion of change of business registration of the Target Company; and Condition (xiv) relating to the confirmation letter of satisfaction of the Conditions);
- (ii) the second payment in the amount of RMB167,600,000 (equivalent to approximately HK\$184.4 million) shall be payable by the Purchaser within 10 Business Days upon the fulfilment of all of the Conditions and delivery by the Vendors and the Target Company to the Purchaser all the completion documents in accordance with the Acquisition Agreement; and
- (iii) the remaining balance in the amount of RMB34,000,000 (equivalent to approximately HK\$37.4 million) shall be payable by the Purchaser within 10 Business Days upon the Group having received the full repayment of the Earnest Money by the Vendors.

Prior to the entering into of the Acquisition Agreement, the Earnest Money in the amount of RMB34,000,000 (equivalent to approximately HK\$37.4 million) has been paid by the Purchaser or its designated party(ies) to the account designated by the Vendors, in relation to, among other things, the possible acquisition of the equity interest in the Target Company, subject to the entering into of a formal agreement, and the rights of the Group for carrying out of due diligence on the Target Group.

During the period from the Lock-Box Date to the date of Completion, if there is any payment made by the Target Group, any distribution declared or distributed by the Target Group (unless specifically allowed or agreed to by the Purchaser), or liabilities incurred for the benefit of, and/or any transfer of the Target Group's assets or other interests to, any of the Vendors or their respective related parties or connected persons (or any third party designated in writing by any of them), such amount (the "**Value Leakage Amount**") shall be deducted from relevant payments of the Initial Consideration payable by the Purchaser to the Vendors. For the avoidance of doubt, the pre-Completion dividends, which, under the terms of the Acquisition Agreement, may be declared and paid by the Target Company to the Vendors prior to Completion as mentioned in the sub-section headed "*The Acquisition Agreement — Pre-Completion dividends*" below, shall not be included in the Value Leakage Amount.

70% of the Initial Consideration will be settled by the Bank Loan obtained by the Purchaser for the purpose of the Acquisition with the remaining 30% settled by the internal resources of the Group.

Profit Guarantee and adjustments to the Consideration

Pursuant to the Acquisition Agreement, the Purchaser and the Vendors have agreed that the based amount, the maximum amount and the minimum amount of the Agreed Equity Value of the Target Company shall be RMB480.0 million (equivalent to approximately HK\$528.0 million), RMB640.0 million (equivalent to approximately HK\$704.0 million) and RMB424.0 million (equivalent to approximately HK\$466.4 million), respectively.

Based on the Agreed Equity Value and the Actual Profit (i.e. the consolidated net profit after tax) to be recorded by the Target Group for the Performance Period (i.e. the 36 months commencing from 1 January 2026 and ending on 31 December 2028), the Contingent Consideration or the Refund (as the case may be) shall be calculated in accordance with the following mechanism:

- (i) In the event that the Actual Profit for the Performance Period is equal to or more than RMB300,000,000 (equivalent to approximately HK\$330.0 million), the Purchaser shall pay to the Vendors the full amount of the Contingent Consideration of RMB96,000,000 (equivalent to approximately HK\$105.6 million), which is calculated in accordance with the following formula:

$$(RMB640 \text{ million} - RMB480 \text{ million}) \times 60\%$$

- (ii) In the event that the Actual Profit for the Performance Period is less than RMB300,000,000 (equivalent to approximately HK\$330.0 million) but is more than RMB180,000,000 (equivalent to approximately HK\$198.0 million), the Purchaser shall pay to the Vendors the Contingent Consideration in the amount calculated in accordance with the following formula:

$$(RMB640 \text{ million} - RMB480 \text{ million}) \times \frac{\text{Actual Profit} - RMB180 \text{ million}}{RMB300 \text{ million} - RMB180 \text{ million}} \times 60\%$$

- (iii) In the event that the Actual Profit for the Performance Period is equal to RMB180,000,000 (equivalent to approximately HK\$198.0 million), the Contingent Consideration shall be zero.

- (iv) In the event that the Actual Profit for the Performance Period is less than RMB180,000,000 (equivalent to approximately HK\$198.0 million) but is more than RMB150,000,000 (equivalent to approximately HK\$165.0 million), the Purchaser shall not be required to pay to the Vendors any Contingent Consideration, while the Vendors shall pay to the Purchaser the Refund in the amount calculated in accordance with the following formula:

$$(RMB480 \text{ million} - RMB424 \text{ million}) \times \frac{RMB180 \text{ million} - \text{Actual Profit}}{RMB180 \text{ million} - RMB150 \text{ million}} \times 60\%$$

- (v) In the event that the Actual Profit for the Performance Period is less than or equal to RMB150,000,000 (equivalent to approximately HK\$165.0 million), the Purchaser shall not be required to pay to the Vendors any Contingent Consideration, while the Vendors shall pay to the Purchaser the full amount of the Refund of RMB33,600,000 (equivalent to approximately HK\$37.0 million), which is calculated in accordance with the following formula:

$$(\text{RMB480 million} - \text{RMB424 million}) \times 60\%$$

The Purchaser shall, within 120 days after the expiration of the Performance Period, arrange for the audit of the financial results of the Target Group for the Performance Period in accordance with the HKFRS Accounting Standards, and calculate the Actual Profit for determining the amount of the Contingent Consideration or the Refund (the “**Audit Procedures**”).

If the Purchaser shall pay to the Vendors any Contingent Consideration, such amount of the Contingent Consideration shall be payable in cash within 10 Business Days upon the issuance of the aforementioned audit report and the Vendors having provided the tax payment certificate, and 70% of the Contingent Consideration will be settled by the Bank Loan obtained by the Purchaser for the purpose of the Acquisition with the remaining 30% will be settled by the internal resources of the Group.

If the Vendors shall pay to the Purchaser any Refund, such amount of the Refund shall be payable in cash within 10 days after the Purchaser issuing a written notice specifying the amount of the Refund. If the Vendors fail to pay the full amount of the Refund within 30 days of the written notice, the Purchaser shall have the right to require the Target Company to pay directly to the Purchaser such equivalent amount of dividend that may be distributed by the Target Company to WFOE to set off the outstanding amount of the Refund. If such amount of dividend that may be distributed to WFOE is not sufficient to set off such outstanding amount of the Refund, the Purchaser shall have the right to require WFOE to transfer equity interests in the Target Company held by WFOE with fair value equivalent to the shortfall, until the shortfall has been made up (the “**Potential Transfer**”). An independent qualified valuer acceptable to the Purchaser and the Vendors shall be appointed to assess the fair value of the Target Company at the time of the Potential Transfer. The Purchaser shall only be required to pay nominal consideration of RMB1.0 (equivalent to HK\$1.1) to WFOE for the Potential Transfer. For the avoidance of doubt, the Potential Transfer shall only be conducted in compliance with the applicable laws, rules and regulations (including the Listing Rules).

Basis of the Consideration

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendors taking into account (i) the historical financial performance of the Target Group; (ii) the Agreed Equity Value; (iii) the Profit Guarantee; (iv) the Valuation of the Target Group compiled by the Valuer using the market approach; (v) the payment terms of the Consideration; and (vi) the opportunity for the Group to diversify its business into the field of chemical vapours capture and treatment as further discussed in the section headed "*Reasons for and benefits of the Acquisition*" below.

The Valuation of 60% equity interest in the Target Group as at the Valuation Date is RMB386,000,000 (equivalent to approximately HK\$424.6 million). Details of the Valuation are set out in the section headed "*Valuation*" below. The Initial Consideration of RMB288,000,000 (equivalent to approximately HK\$316.8 million), the maximum amount of the Consideration of RMB384,000,000 (equivalent to approximately HK\$422.4 million) and the minimum amount of the Consideration of RMB254,400,000 (equivalent to approximately HK\$279.8 million) represents discounts of about 25.4%, 0.5% and 34.1%, respectively, to the Valuation. The Valuation Report, which will contain details of the methodology and assumptions of the Valuation, will be set out in the Circular to be despatched to the Shareholders.

Excess Profit Dividend

Upon the expiration of the Performance Period, if the Actual Profit exceeds RMB300 million (equivalent to approximately HK\$330.0 million), WFOE shall have the right to require the Target Company to distribute a cash dividend (the "**Excess Profit Dividend**") from the Target Company's profits that meets the current requirements for profit distribution under the Company Law of the PRC, subject to the Target Company having the necessary cash levels to support its normal operation and development after the said dividend, within 10 Business Days after the completion of the Audit Procedures. The Excess Profit Dividend shall be calculated as 30% of the excess profit of which the Actual Profit exceeds RMB300 million (equivalent to approximately HK\$330.0 million). For the purpose of this calculation, the amount of the excess profit shall be capped at a maximum of RMB300 million (equivalent to approximately HK\$330.0 million).

Conditions precedent

Completion is conditional upon the fulfilment or waiver (as the case may be) of the following Conditions:

- (i) the transaction documents relating to the Acquisition having been duly signed by all parties and having become effective, and the signed transaction documents relating to the Acquisition having been delivered to the Purchaser;
- (ii) no restrictions, obstacles, or prohibitions relating to the Acquisition involving the Vendors having been raised or imposed by any government authority;
- (iii) no government agency having issued, enacted, consented to, or approved any laws, regulations, rules, normative documents, judicial orders, or administrative orders that prohibit the Acquisition (or result in such prohibition) or render the Acquisition illegal;
- (iv) (a) the representations and warranties made by the Target Company and the Vendors being true and accurate when made, and remaining true and accurate on the date of Completion and having the same force and effect as if made on the date of Completion; and (b) the commitments and undertakings to be performed by the Target Group and/or the Vendors on or before the date of Completion having been duly performed;
- (v) the registered capital of the Target Company having been fully paid up, and any taxes and fees arising from the actual payment (if any) are being borne by the existing shareholders of the Target Company; and the Sale Shares being free from any arrangements such as shareholder rights and interests held on behalf of others, trusts, or similar arrangements, and being free from pledge or other encumbrances, and there being no disputes with related parties concerning the Sale Shares;
- (vi) from the Lock-Box Date to the date of Completion, there being no event or events that have a material adverse effect on the Target Group, nor there being any evidence indicating that such event(s) which could cause a material adverse effect will occur;
- (vii) (a) all parties having obtained all necessary approvals, consents, or exemptions (if required) from government authorities and other relevant entities (including but not limited to the Acquisition having complied with the Listing Rules and the requirements of the Stock Exchange (including obtaining the Written Approval)), and all required notices to government authorities and/or other entities having been issued (if required), and such approvals, consents, exemptions, and notices remaining fully effective, including that the Target Group having obtained prior consents from the contractual counterparties under their ongoing contracts as required for the Acquisition; (b) the Vendors and the Target Company having completed all external procedures related to the Acquisition, including government registration changes with the relevant authorities and the Vendors' tax declaration and withholding obligations; and (c) a full set of application and supporting documents evidencing completion of such external procedures by the Vendors and the Target Company having been delivered to the Purchaser, including but not limited to the industrial and commercial registration change notification and the Vendors' tax payment certificates;

- (viii) the relevant resolutions by the board of directors and the shareholders of the Target Company having been passed: (a) the Target Company having approved the signing and performance of the Acquisition Agreement; (b) the existing shareholders of the Target Company having given written consent to waive the special shareholder rights related to the Acquisition, including but not limited to pre-emptive rights and other rights triggered or potentially triggered by the Acquisition; (c) the new articles of association and new shareholder agreement having been approved; (d) the Purchaser's nominees having been appointed as new directors of the Target Company, and whose appointment shall take effect on the date of Completion and constitute a majority of all the board of directors of the Target Company; and (e) the Purchaser's nominees having been appointed as new senior management of the Target Company, and whose appointment shall take effect on or before the date of Completion;
- (ix) the Vendors and the Target Group having completed the restructuring for the purpose of the Acquisition, and the Purchaser being satisfied with such restructuring;
- (x) the Purchaser having completed due diligence on the Target Group's business, legal, and financial aspects, and having been satisfied with the results thereof;
- (xi) the Target Company and the Vendors having provided to the Purchaser a confirmation letter of satisfaction of the conditions for the first payment of the Initial Consideration in the format and content as specified in the Acquisition Agreement;
- (xii) the Target Company and the Vendors having provided to the Purchaser a confirmation letter of satisfaction of the Conditions in the format and content as specified in the Acquisition Agreement;
- (xiii) (a) the representations and warranties made by the Purchaser being true and accurate when made, and remaining true and accurate on the date of Completion and having the same force and effect as if made on the date of Completion; and (b) the commitments and undertakings to be performed by the Purchaser on or before the date of Completion having been duly performed; and
- (xiv) the Purchaser having provided to the Vendors a confirmation letter of satisfaction of the Conditions in the format and content as specified in the Acquisition Agreement.

Conditions (iv) to (xii) above are capable of being waived by the Purchaser in writing (save for the Acquisition having complied with the Listing Rules and the requirements of the Stock Exchange (including obtaining the Written Approval) as set out in Condition (vii) which are not waivable). Conditions (xiii) to (xiv) are capable of being waived by the Vendors in writing.

If any of the Conditions is not fulfilled or waived (as the case may be) on or before 31 December 2025 or such other date as may be agreed between the Purchaser and the Vendors in writing due to reasons other than that causing by the Purchaser, the Purchaser shall have the right to notify the Target Company and the Vendors in writing to terminate the Acquisition Agreement.

If any of the Conditions is not fulfilled or waived (as the case may be) on or before 31 December 2025 or such other date as may be agreed between the Purchaser and the Vendors in writing due to reasons causing by the Purchaser, the Vendors shall have the right to notify the Target Company and the Purchaser in writing to terminate the Acquisition Agreement.

Completion

Completion shall take place within 10 Business Day after the date of which the above Conditions are fulfilled or waived (as the case may be) or such other date as may be agreed in writing between the Purchaser and the Vendors.

Pre-Completion dividends

The Purchaser confirms that the Target Group has arranged to declare and pay pre-Completion dividends (the “**Pre-Completion Dividends**”) to the existing shareholders prior to Completion. The Pre-Completion Dividends shall not exceed RMB113,340,000 (equivalent to approximately HK\$124,674,000), comprising (i) dividends distributed and to be distributed to the Vendors of no more than RMB80,000,000 (equivalent to approximately HK\$88,000,000); and (ii) dividends to be distributed to WFOE of RMB33,340,000 (equivalent to approximately HK\$36,674,000). As at the date of the Acquisition Agreement, Pre-Completion Dividends amounting to approximately RMB55,030,000 (equivalent to approximately HK\$60,533,000) have already been distributed to the Vendors.

The Purchaser has agreed to the above arrangement in respect of the Pre-Completion Dividends, subject to (i) compliance with relevant laws and regulations; (ii) the Target Company and such relevant subsidiary(ies) which shall declare and pay the Pre-Completion Dividends having provided the relevant dividend resolution document(s) to the Purchaser; and (iii) the Target Company maintaining the necessary cash levels, being RMB33 million (equivalent to approximately HK\$36.3 million), for its normal operation.

Non-competition and retention of key personnel

The Target Company and the Vendors have jointly and severally undertaken that, among others,

- (i) unless agreed by the Purchaser and the Vendors, the senior management personnel of the Target Group, core technical staff, and other employees who play an important role in the Target Group, and their respective related parties or connected persons, shall not, in any way, directly or indirectly, engage in or invest in any business, entity, or operation that competes with, is similar to, or is of the same nature as the Target Group's business for three years from the date of Completion;
- (ii) unless agreed by the Purchaser, Vendor A and Mr. Hu Xiaopeng (胡小鹏), the manager of the Target Group and the son-in-law of the Vendors, shall, and the Vendor A and WFOE shall ensure that Mr. Hu Xiaopeng, continue to serve full-time at the Target Group in the same capacity and with the same or substantially the same responsibilities as before Completion for three years from the date of Completion; and
- (iii) In the case where (i) WFOE or its ultimate beneficial owners (i.e. Vendor A and Vendor B); (ii) the Purchaser; or (iii) any of their related parties or connected persons, directly or indirectly hold the equity interests in the Target Company or serve as a senior management, key technical staff, director or who substantively enjoys the rights of a shareholder of the Target Company, the Purchaser and WFOE shall each ensure that their respective de facto controlling shareholder, controlling shareholder and respective related parties or connected persons, do not engage in any business that is the same as, is similar to, or constitute substantial competition with the Target Group's principal business, in any form (including but not limited to investing in or holding interests in competing companies, serving in their positions or providing services, signing cooperation or agency agreements with them, or in any way engaging in or supporting the competitive activities). Despite the aforementioned clauses, Mr. Hu Xiaopeng shall, and the Vendor A and WFOE shall ensure that Mr. Hu Xiaopeng, unconditionally and indefinitely comply with the above non-competition obligations after Completion (i.e. regardless of whether Mr. Hu Xiaopeng holds any position or hold any equity interest in the Target Company). If any party breaches the aforementioned non-competition clauses, the non-breaching party shall have the right to require the breaching party or its connected persons to sell all or part of the equity interest held by them in the competing companies at a consideration of RMB1 to a party that is not competing and designated by the non-breaching party (the "**Transferee**"). In such case, all the profits since the establishment of such competing companies (including but not limited to distributable profits, capital reserves and asset appreciation) shall belong to the Transferee.

SHAREHOLDERS AGREEMENT

Upon Completion, the Purchaser, the Vendors, WFOE and the Target Company shall enter into the Shareholders Agreement to define and regulate the rights and obligations of the shareholders of the Target Company following Completion.

First right of subscription

If the Target Company intends to increase its registered capital through subscription by third party(ies), the shareholders of the Target Company shall have the first right, but not the obligation, to subscribe for the proposed additional registered capital, in proportion to their shareholding in the Target Company. If the proposed additional registered capital is not fully subscribed by the shareholders, the third party(ies) shall have the right to subscribe for the remaining additional registered capital.

First right of acquisition and tag-along right

If any shareholder of the Target Company intends to sell, transfer or otherwise dispose of all or part of the equity interests held directly or indirectly by it in the Target Company, the other shareholder shall have the first right, but not the obligation, to purchase such equity interests at the same price and conditions.

If any shareholder of the Target Company intends to sell, transfer or otherwise dispose of all or part of the equity interests held directly or indirectly by it in the Target Company, and the other shareholder does not exercise its rights to purchase such equity interests, the other shareholder shall otherwise have the right, but not the obligation, to sell, transfer or otherwise dispose of all or part of the equity interests in the Target Company at the same time on the same terms and conditions as the selling shareholder offered to the third party buyer. The selling shareholder shall be obligated to procure the third party buyer to purchase the equity interests to be sold, transferred or otherwise disposed of by the tag-along shareholder on the same price, terms and conditions.

Drag-along right

Upon receiving an offer from a third party buyer, the Purchaser shall have the right, but not the obligation, to require WFOE to jointly sell its direct and/or indirect equity interest in the Target Company until the third party buyer's acquisition requirements are fulfilled. WFOE shall agree to such sale and sell its and/or indirect equity interest to the third party buyer at the same price and conditions as the Purchaser. For the avoidance of doubt, such transactions must remain in compliance with the Listing Rules and other applicable laws and regulations.

Profit distribution right

Upon Completion, save as stipulated under the Acquisition Agreement, all accumulated undistributed profits realised by the Target Group as of the date of Completion shall be shared by all shareholders in proportion to their shareholding in the Target Company.

The board of directors of the Target Company shall be responsible for formulating the profit distribution proposal, which shall be approved by the shareholders of the Target Company representing a majority of the voting rights of the Target Company.

Lock-up period

For a period from the date of Completion to the expiration of the Performance Period, save for adjustments of the equity interests held by WFOE among Vendors and their family members (including their daughter and Mr. Hu Xiaopeng), each of the Purchaser and the ultimate beneficial owners of WFOE (i.e. Vendor A and Vendor B) shall not directly or indirectly transfer, donate, pledge, create rights or encumbrances over, or otherwise dispose of the equity interest in the Target Company held by them to any third party other than the parties or their respective related parties. If the Purchaser or WFOE reaches a legally binding agreement or arrangement for the transfer or disposal of its equity interest with a third party, the non-breaching party shall have the pre-emptive right to acquire all such equity interest at a nominal consideration of RMB1 (equivalent to approximately HK\$1.1), regardless of the price and/or conditions for the transfer or disposal of such equity interest which may have been agreed by the breaching party and the third party.

Non-competition

In the case where (i) WFOE or its de facto controlling shareholder (i.e. Vendor A); (ii) the Purchaser; or (iii) any of their related parties or connected persons, directly or indirectly hold the equity interests in the Target Company or serve as a senior management, key technical staff, director or who substantively enjoys the rights of a shareholder of the Target Company, the Purchaser and WFOE shall each ensure that their respective de facto controlling shareholder, controlling shareholder and respective related parties or connected persons, do not engage in any business that is the same as, is similar to, or constitute substantial competition with the Target Group's principal business, in any form (including but not limited to investing in or holding interests in competing companies, serving in their positions or providing services, signing cooperation or agency agreements with them, or in any way engaging in or supporting the competitive activities) within or outside the PRC.

Shareholders' meetings

A shareholders' meeting of the Target Company may be held only if shareholders representing at least half of all voting rights are in attendance. If the minimum number of voting rights is not met, any resolution passed will be invalid.

Board composition and meetings

The board of directors of the Target Company shall consist of five directors. The Purchaser shall have the right to nominate three directors (including one who shall serve as chairman) and WFOE shall have the right to nominate two directors.

A board meeting may be held only if more than half of the directors are present. If the minimum quorum is not met, any resolution passed shall be invalid.

Supervisor

The Target Company shall not have a board of supervisors; but shall have one supervisor appointed by the Purchaser. Directors and senior management of the Target Company shall not concurrently serve as a supervisor.

INFORMATION OF THE GROUP AND THE PURCHASER

The Group is principally engaged in the manufacture of and trading in coatings, inks and lubricants and properties investment and holding.

The Purchaser is Yip's Puricycle Management (Shenzhen) Company Limited[#] (葉氏清源管理(深圳)有限公司), which was established on 2 April 2025 under the laws of the PRC with limited liability. It is an indirect wholly-owned subsidiary of the Company and is principally engaged in investment holding.

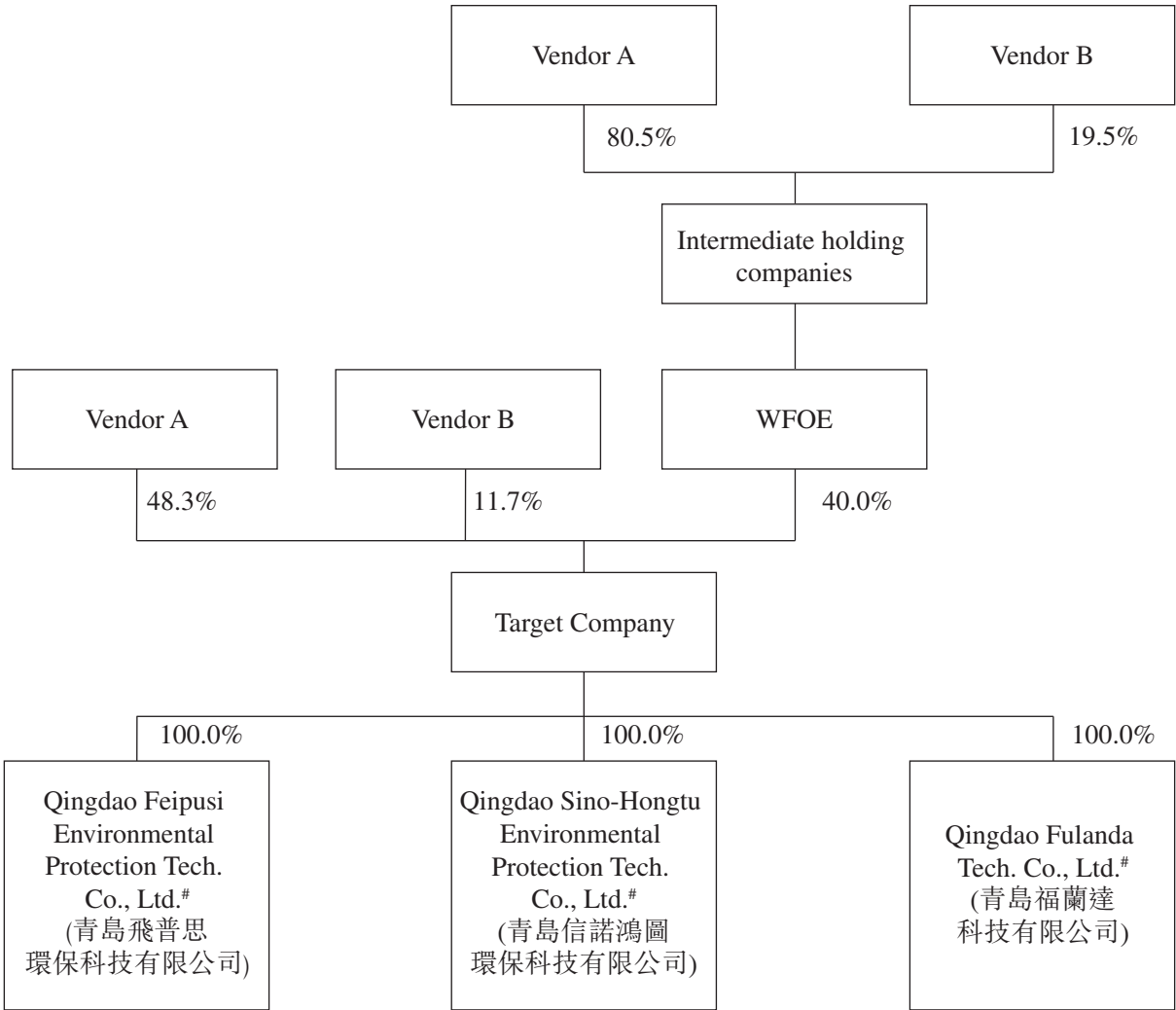
INFORMATION OF THE TARGET GROUP

Corporate information

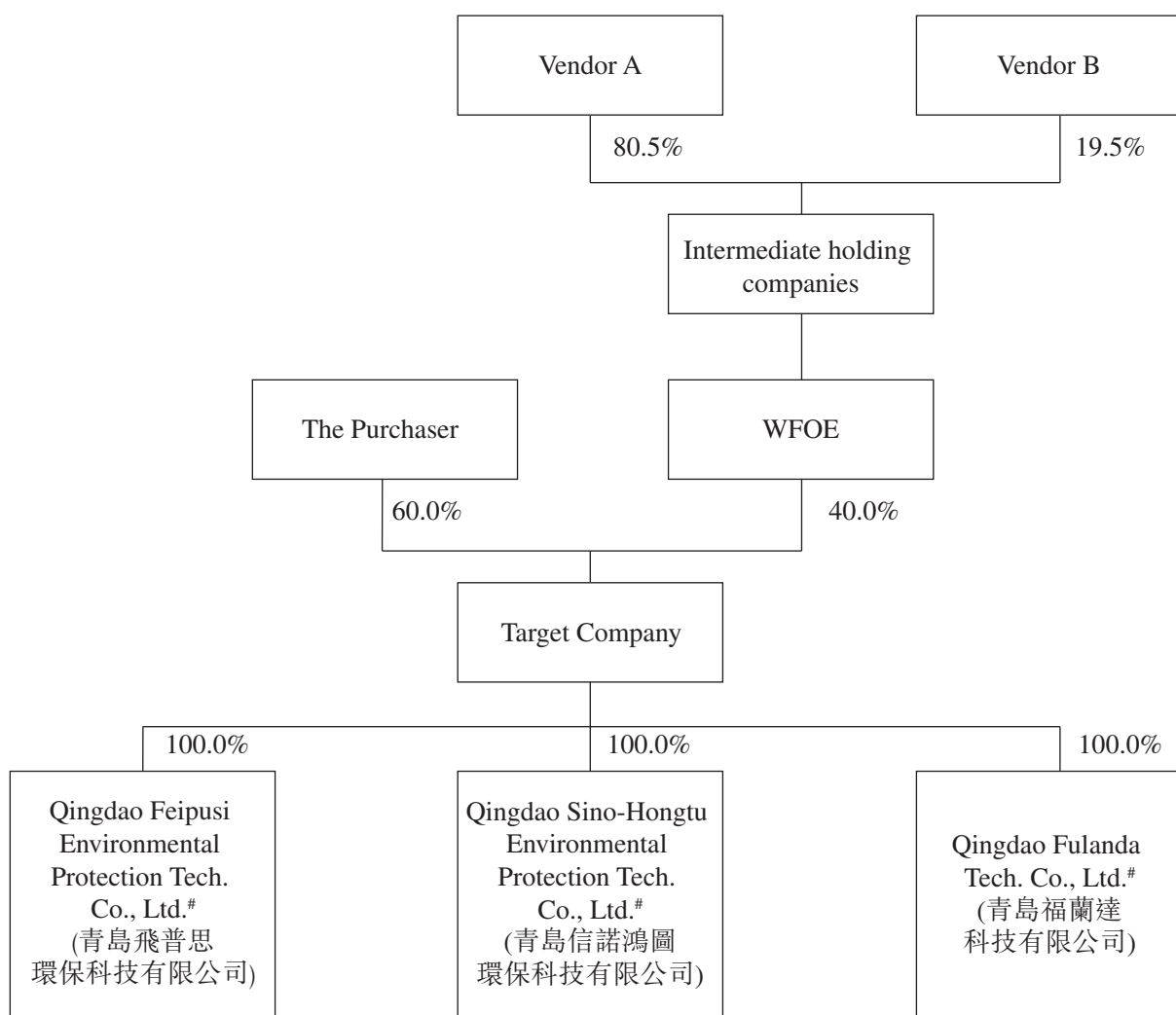
The Target Company was established on 30 January 2008 under the laws of the PRC with limited liability. As at the date of the Acquisition Agreement, the total registered capital of the Target Company amounts to RMB83.34 million, of which (a) RMB40.25 million, or approximately 48.3%, is owned by Vendor A; (b) RMB9.75 million, or approximately 11.7%, is owned by Vendor B; and (c) RMB33.34 million, or approximately 40.0%, is owned by WFOE.

Shareholding structure of the Target Group

Set out below is the simplified shareholding structure of the Target Group immediately following restructuring and prior to Completion:



Set out below is the simplified shareholding structure of the Target Group immediately following Completion:



Business

The Target Company is a national high-tech enterprise and the Target Group is principally engaged in the research, design, manufacturing, and provision of specialised systems solutions for managing chemical vapours emissions generated during the production, storage and transportation of chemicals, oil and gas.

The Target Group holds more than 10 patents and 20 software copyrights covering a wide range of chemical vapours capture and treatment technologies. These technologies are extensively used in managing chemical vapours emissions across industries including petrochemical, coal chemical, oil depot, and shipping terminal sectors.

The Target Group provides integrated solutions encompassing equipment, monitoring, and control systems designed to enhance chemical vapours capture efficiency and reduce emissions. Its services include engineering design, manufacturing, and technical support to ensure operational reliability and compliance with environmental regulations. Its technologies support efforts to minimise industrial emissions and improve resource utilisation in the sectors it serves.

Financial information

Set out below is the key financial information of the Target Group extracted from its unaudited combined management accounts which were prepared in accordance with the HKFRS Accounting Standards:

	For the year ended 31 December	
	2024	2023
	<i>HK\$ million</i>	<i>HK\$ million</i>
Revenue	266.2	202.7
Profit before taxation	68.3	63.0
Profit after taxation	60.3	55.1

As at 30 June 2025, the unaudited combined net assets of the Target Group amounted to approximately HK\$228.0 million.

VALUATION

The Company engaged BMI Appraisals Limited as the Valuer to conduct the Valuation of 60% equity interest in the Target Group as at the Valuation Date for the purpose of the Acquisition. The Valuation has been prepared in accordance with the International Valuation Standards issued by the International Valuation Standards Council.

The Valuer has preliminarily assessed the market value of 60% equity interest in the Target Group as at the Valuation Date to be RMB386,000,000 (equivalent to approximately HK\$424.6 million).

Basis and key assumptions

The Valuation has been carried out on the basis of market value. Market value is defined as “the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm’s length transaction after proper marketing where the parties had each acted knowledgeably, prudently and without compulsion”.

In conducting the Valuation, the Valuer has adopted certain assumptions which will be set out in the Valuation Report and forms part of the circular in respect of, among others, the Acquisition to be sent by the Company to its Shareholders. The key assumptions adopted by the Valuer are extracted below:

- there will be no material change in the existing political, legal, fiscal, technological, economic and market conditions in the jurisdiction where the Target Group is currently or will be situated;
- there will be no material change in the taxation laws and regulations in the jurisdiction where the Target Group is currently or will be situated, that the tax rates will remain unchanged and that all applicable laws and regulations will be complied with;
- the market return, market risk, interest rates and exchange rates will not differ materially from those of present or expected;
- the supply and demand, both domestically and internationally, of the products and/or services of the Target Group or similar products and/or services will not differ materially from those of present or expected;
- the market prices and the relevant costs, both domestically and internationally, of the products and/or services of the Target Group or similar products and/or services will not differ materially from those of present or expected;
- the products and/or services of the Target Group or similar products and/or services are marketable and liquid, that there are active markets for the exchange of the products and/or services of the Target Group or similar products and/or services;
- the market data, industry information and statistical figures obtained from publicly available sources are true and accurate;
- all licenses, permits, certificates and consents issued by any local, provincial or national government or other authorised entity or organisation that will affect the operation of the Target Group have been obtained or can be obtained upon request with an immaterial cost;
- the core operation of the Target Group will not differ materially from those of present or expected;
- the financial and operational information in respect of the Target Group have been prepared on a reasonable basis that have been arrived at after due and careful consideration by the senior management of the Company;

- the Target Group currently has, or will have, adequate human capital and capacity required for the production and/or provision of the products and/or services of the Target Group, and the required human capital and capacity will be acquired in a timely manner that will not affect the operation of the Target Group;
- the Target Group has acquired, or will acquire, adequate financial capital for the investments in projected capital expenditure and/or working capital from time to time, and any scheduled interest or repayment of loan and payable will be paid on time;
- the senior management of the Target Group will implement only those prospective financial and operational strategies that will maximise the efficiency of the operation of the Target Group;
- the senior management of the Target Group has sufficient knowledge and experience in respect of the operation of the Target Group, and the turnover of any director, management or key person will not affect the operation of the Target Group;
- the senior management of the Target Group has adopted reasonable and appropriate contingency measures against any human disruption such as fraud, corruption and strike, and the occurrence of any human disruption will not affect the operation of the Target Group; and
- the senior management of the Target Group has adopted reasonable and appropriate contingency measures against any natural disaster such as fire, flood and hurricane, and the occurrence of any natural disaster will not affect the operation of the Target Group.

Valuation approach

The following generally accepted valuation approaches have been considered in the course of the Valuation, being (i) the income approach; (ii) the cost approach; and (iii) the market approach. The Valuer has considered the following:

- (i) the income approach provides an indication of value based on the principle that an informed buyer would pay no more than the present value of anticipated future economic benefits generated by the subject asset. The income approach was considered inappropriate as it heavily relies on subjective assumptions to which the valuation is highly sensitive and detailed operational information and long-term financial projections are also needed to arrive at an indication of value;
- (ii) the cost approach provides an indication of value based on the principle that an informed buyer would pay no more than the cost of producing the same or a substitute asset with equal utility as the subject asset. The cost approach was considered inappropriate as the replication cost of the Target Group may not represent the value of the Target Group; and

- (iii) the market approach provides an indication of value by comparing the subject asset to similar assets that have been sold in the market, with appropriate adjustments for the differences between the subject asset and the assets that are considered to be comparable to the subject asset. The market approach was considered to be the most appropriate valuation approach in the valuation, as it is the most direct valuation approach which reflects the value obtained as a result of a consensus of what others in the market place have judged it to be.

Under the market approach, the guideline company method was adopted in the valuation. The guideline company method computes a price multiple for publicly listed companies that are considered to be comparable to the subject asset and then applies the result to a base of the subject asset, with adjustments of control premium and discount for lack of marketability if applicable. In applying the guideline company method, price multiples for publicly listed companies that are considered to be comparable to the Target Group were calculated. The price multiples are ratios that relate business value to some measure of the company's financial performance.

View of the Directors

The Directors have reviewed the valuation methodologies, key assumptions and parameters adopted by the Valuer in arriving at the Valuation, and are satisfied that they are fair and reasonable.

REASONS FOR AND BENEFITS OF THE ACQUISITION

As part of the goal to become a leading development platform for chemical businesses and drive future growth, the Group has been looking for expansion opportunities beyond its current core businesses, particularly in areas that improve the environment and chemicals related to new energy sectors. At the same time, the targeted opportunities must also create synergies with the Group's core competencies and support long-term development.

The Acquisition supports this goal by enabling the Group to expand into a growing market for the management of emissions of chemical vapours generated during the production, storage and transportation of chemicals, oil and gas. With the Chinese government actively promoting industrial emissions reduction policies and strengthening support through environmental regulations, the demand for environmental solutions is expected to grow steadily, presenting significant market potential.

The Target Group is a leading enterprise in the PRC engaged in the research, design, manufacturing and provision of specialised systems solutions for managing chemical vapours emissions generated during the production, storage and transportation of chemicals, oil and gas. This allows customers to benefit from the economic value of the otherwise wasted vapours and from more environmentally friendly processes that are in line with increasingly stringent environmental regulations. The Target Group's technologies have received industry recognition, and its installations have been used at the sites of a strong client base that includes reputable energy companies, major local and multinational chemical companies, and state-owned enterprises in the PRC.

Vendor A, the founder of the Target Group, brings extensive industry experience. Together with other senior management and the research and development team, the Target Group has cultivated deep expertise in this field over the years and established solid technological barriers. It holds more than 10 patents and 20 software copyrights and has made technological progress in chemical vapours capture and treatment.

The Group believes that the Target Group is well positioned in the chemical emissions management sector, and will continue to grow with support from government policies and environmental regulations in the PRC aimed at reducing industrial emissions. At the same time, a growing base of customers will be attracted to the inherent economic benefits for investing in the Target Group's products and services. The Group will continue to drive growth for the Target Group by improving its management systems to increase efficiencies as well as providing new business development opportunities through the Group's existing upstream supplier network and expanding into overseas markets. At the same time, it will continue investing in research and development, enhancing and strengthening its technological advantage to further fortify its market position.

The Acquisition offers the Group an opportunity to diversify its income streams and creates long term growth and value for Shareholder by expanding into the specialised segment for the management of chemical vapours emissions. The Directors consider the Acquisition strategically aligns with the Group's objectives to enhance technological capabilities, enter niche markets within the chemical sector, and leverage increasing regulatory demand for environmental solutions.

Taking into account the above, the Directors consider that the terms of the Acquisition Agreement are on normal commercial terms and are fair and reasonable, and the Acquisition is in the interest of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated under Rule 14.07 of the Listing Rules in respect of the Acquisition (including the Potential Transfer) is more than 25% but are all less than 100%, the Acquisition (including the Potential Transfer) constitutes a major transaction for the Company and is subject to the notification, announcement, circular and shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, none of the Shareholders has a material interest in the Acquisition (including the Potential Transfer), and therefore no Shareholder is required to abstain from voting if a general meeting of the Company were to be convened to approve the Acquisition Agreement and the transactions contemplated thereunder (including the Acquisition and the Potential Transfer).

Pursuant to Rule 14.44 of the Listing Rules, on 24 October 2025, the Company has obtained the Written Approval from the Closely Allied Group who are together interested in 304,259,445 Shares, representing approximately 54.48% of the issued share capital of the Company (excluding the treasury Shares) as at the date of this announcement, to approve the Acquisition Agreement and the transactions contemplated thereunder (including the Acquisition and the Potential Transfer), i.e. the Written Approval.

The Closely Allied Group comprise (i) Mr. Ip Chi Shing and his family members, namely (a) Mr. Yip Tsz Hin, the brother of Mr. Ip Chi Shing; (b) Ms. Ip Fung Kuen, the sister of Mr. Ip Chi Shing; (c) Mr. Ip Kwan, the son of Mr. Ip Chi Shing; and (d) Madam Yip Tso Ka Lai, Brenda, the spouse of Mr. Yip Tsz Hin; and (ii) companies controlled by them, namely (a) Ip Chi Shing Charitable Foundation Limited; and (b) Yip's Care Extension Foundation Limited.

Set out below is the shareholding of the Closely Allied Group in the Company:

Name of Shareholder	No. of Shares held	Percentage of shareholding
Mr. Ip Chi Shing (<i>Note 1</i>)	187,808,532	33.63%
Mr. Yip Tsz Hin (<i>Note 2</i>)	40,200,000	7.20%
Mr. Ip Kwan	26,869,000	4.81%
Ms. Ip Fung Kuen	49,381,913	8.84%
Total	304,259,445	54.48%

Notes:

- Out of these Shares, 21,200,000 Shares are held by Ip Chi Shing Charitable Foundation Limited, a charitable organisation; and 5,304,000 Shares are held by Yip's Care Extension Foundation Limited, a limited company. Mr. Ip Chi Shing controls 50% (and together with his spouse, control 100%) and 60% (and together with his younger sister and brother, control 100%) of the voting power at the general meetings of Ip Chi Shing Charitable Foundation Limited and Yip's Care Extension Foundation Limited, respectively. He is therefore deemed to be interested in these Shares held by these two corporations under the SFO.*
- Out of these Shares, 13,000,000 Shares are held by Madam Yip Tso Ka Lai, Brenda, the spouse of Mr. Yip Tsz Hin.*

DESPATCH OF CIRCULAR

The Circular containing, among other things, (i) details of the Acquisition Agreement and the transactions contemplated thereunder (including the Acquisition and the Potential Transfer); (ii) the financial information of the Target Group; (iii) the unaudited pro forma financial information of the Enlarged Group; (iv) the Valuation Report; and (v) other information as required under the Listing Rules, is expected to be despatched to the Shareholders in accordance with the Listing Rules, for information purposes only, on or before 14 November 2025.

DEFINITIONS

Unless the context requires otherwise, capitalised terms used in this announcement shall have the same meanings as set forth below.

“Acquisition”	the proposed acquisition by the Purchaser of the Sale Shares from the Vendors pursuant to the terms and conditions of the Acquisition Agreement
“Acquisition Agreement”	the sale and purchase agreement dated 24 October 2025 entered into among the Purchaser, Vendor A, Vendor B, the Target Company and WFOE in relation to the Acquisition
“Actual Profit”	the cumulative audited consolidated net profit after tax recorded by the Target Group
“Agreed Equity Value”	the based amount, the maximum amount and the minimum amount of the equity value of the Target Company as agreed between the Purchaser and the Vendors of RMB480.0 million (equivalent to approximately HK\$528.0 million), RMB640.0 million (equivalent to approximately HK\$704.0 million) and RMB424.0 million (equivalent to approximately HK\$466.4 million), respectively
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Bank Loan”	the bank loan facility obtained by the Purchaser for the sole purpose of the Acquisition
“Board”	the board of Directors
“Business Day(s)”	day(s) on which banks in the PRC are open for general business, excluding a Saturday, a Sunday and any other day that banks are not open for business

“Circular”	the circular to be despatched to the Shareholders, for information purpose only, in relation to, among other things, the Acquisition
“Closely Allied Group”	a closely allied group of the Shareholders comprising Mr. Ip Chi Shing, Mr. Yip Tsz Hin, Ms. Ip Fung Kuen, Mr. Ip Kwan, Madam Yip Tso Ka Lai, Brenda, Ip Chi Shing Charitable Foundation Limited; and Yip’s Care Extension Foundation Limited who are together interested in 304,259,445 Shares, representing approximately 54.48% of the issued share capital of the Company (excluding the treasury Shares) as at the date of this announcement
“Company”	Yip’s Chemical Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Main Board of the Stock Exchange (stock code: 408)
“Completion”	completion of the Acquisition
“Condition(s)”	the condition(s) precedent to Completion
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Consideration”	the consideration comprising (i) the Initial Consideration; and (ii) the Contingent Consideration or the Refund (as the case may be)
“Contingent Consideration”	the contingent consideration of up to RMB96,000,000 (equivalent to approximately HK\$105.6 million) payable by the Purchaser to the Vendors for the Acquisition, subject to the performance of the Profit Guarantee for the Performance Period
“Director(s)”	the director(s) of the Company from time to time
“Earnest Money”	the earnest money paid by the Purchaser or its designated party(ies) to the account designated by the Vendors in the amount of RMB34.0 million (equivalent to approximately HK\$37.4 million)
“Enlarged Group”	the Group as enlarged by the Target Group upon Completion
“Group”	the Company and its subsidiaries from time to time
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons

“Initial Consideration”	the initial consideration of RMB288.0 million (equivalent to approximately HK\$316.8 million) payable by the Purchaser to the Vendors for the Acquisition
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Lock-Box Date”	30 June 2025
“Performance Period”	the period of 36 months commencing 1 January 2026 and ending 31 December 2028 (both dates inclusive)
“PRC”	the People’s Republic of China which, for the purpose of this announcement, excludes Hong Kong, the Macao Special Administrative Region and Taiwan
“Profit Guarantee”	the guarantee provided by the Vendors in respect of the Actual Profit of the Target Group to be recorded for the Performance Period, which would be at least in the range of RMB180 million (equivalent to approximately HK\$198.0 million) and RMB300 million (equivalent to approximately HK\$330.0 million), for the purpose of calculating the Contingent Consideration or the Refund
“Purchaser”	Yip’s Puricycle Management (Shenzhen) Company Limited# (葉氏清源管理(深圳)有限公司), a company established in the PRC with limited liability, and an indirect wholly-owned subsidiary of the Company
“Refund”	the refund of up to RMB33,600,000 (equivalent to approximately HK\$37.0 million) payable by the Vendors to the Purchaser, subject to the performance of the Profit Guarantee for the Performance Period
“Sale Shares”	the Sale Shares A and the Sale Shares B
“Sale Shares A”	approximately 48.3% equity interest of the Target Company as at the date of the Acquisition Agreement
“Sale Shares B”	approximately 11.7% equity interest of the Target Company as at the date of the Acquisition Agreement
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued Share(s)

“Shareholders Agreement”	the shareholders agreement to be entered into between the Purchaser, the Vendors, WFOE and the Target Company to define and regulate the rights and obligations of the shareholders of the Target Company following Completion
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Company”	Beijing Sino-Hypro Petrochemical Tech. Co., Ltd. [#] (北京信諾海博石化科技發展有限公司), a company established in the PRC with limited liability, and is owned as to approximately 48.3%, 11.7% and 40.0% by Vendor A, Vendor B and WFOE, respectively, as at the date of the Acquisition Agreement
“Target Group”	the Target Company and its subsidiaries
“Valuation”	the valuation of 60% equity value of the Target Group at RMB386 million (equivalent to approximately HK\$424.6 million) by the Valuer as at 30 June 2025
“Valuation Report”	the report prepared by the Valuer in respect of the Valuation
“Valuer”	BMI Appraisals Limited, an independent professional firm providing valuation and consulting services
“Vendor A”	Mr. Zhang Guorui (張國瑞), who (a) directly holds approximately 48.3% equity interest; and (b) through WFOE, indirectly holds approximately 32.2% equity interest, in the Target Company, and is the spouse of Vendor B
“Vendor B”	Ms. Liu Qing (劉青), who (a) directly holds approximately 11.7% equity interest; and (b) through WFOE, indirectly holds approximately 7.8% equity interest, in the Target Company, and is the spouse of Vendor A
“Vendors”	Vendor A and Vendor B
“WFOE”	Beijing Xinzhinuo Tech. Co., Ltd. [#] (北京鑫至諾科技有限公司), a wholly foreign owned enterprise established in the PRC with limited liability, which is the beneficial owner of approximately 40.0% equity interest in the Target Company, and is indirectly owned as to 80.5% and 19.5% by Vendor A and Vendor B, respectively, as at the date of the Acquisition Agreement

“Written Approval”	the written shareholder’s approval obtained by the Company from the Closely Allied Group on 24 October 2025 to approve the Acquisition Agreement and the transactions contemplated thereunder (including the Acquisition and the Potential Transfer) pursuant to Rule 14.44 of the Listing Rules
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent.

In this announcement, amounts in RMB are translated into HK\$ on the basis of RMB1.00 to HK\$1.10. The conversion rate is for illustration purpose only and should not be taken as a representation that RMB could actually be converted into HK\$ at such rate or at other rates or at all.

The English translation of certain Chinese names or words in this announcement are included for reference purpose only and should not be regarded as the official English translation of such Chinese names or words.

By order of the Board
Yip’s Chemical Holdings Limited
Ip Chi Shing
Chairman

Hong Kong, 24 October 2025

As at the date of this announcement, the Board comprises the following:

Non-executive Directors:

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

Executive Directors:

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

* *Independent non-executive Directors*