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Yip's Chemical Holdings Limited
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 408)

VOLUNTARY ANNOUNCEMENT

SHARE BUYBACK PROGRAM

The board of directors (the “**Board**”) of Yip’s Chemical Holdings Limited (the “**Company**”) announces that the Company will implement a share buyback program (the “**Share Buyback Program**”) for the duration commencing from 18 June 2024 and ending on the date of the next annual general meeting of the Company to be held in 2025 (both days inclusive). The Share Buyback Program will be implemented through the exercise of the power of the Board under the general mandate to make on-market repurchases of shares of the Company (the “**Share(s)**”) granted by the shareholders of the Company (the “**Shareholders**”) at the annual general meeting (the “**AGM**”) of the Company which was held on 3 June 2024 (the “**Repurchase Mandate**”). Pursuant to the Repurchase Mandate, the Company is allowed to repurchase up to 56,848,409 Shares, representing 10% of the number of issued Shares as at the date of passing the resolution at the AGM. Details of the Repurchase Mandate are set out in the circular to Shareholders dated 26 April 2024.

Key details of the Share Buyback Program are as follows:

Purpose of the Share Buyback Program:

The Board considers that the current share price of the Company is below its intrinsic value and may not fully reflect the business prospects of the Company. The Board believes that actively optimising the Company’s capital structure through implementing the Share Buyback Program may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net asset value per Share and/or earnings per Share.

Maximum size of the Share Buyback Program:

Up to HK\$30 million.

Based on the closing price of the Shares on 17 June 2024 of HK\$1.48 per Share and assuming the HK\$30 million is fully utilised, approximately 3.57% of the total issued Shares as of the date of this announcement could be repurchased on-market under the Share Buyback Program.

The Company currently intends to hold any Shares which it repurchases under the Share Buyback Program in treasury, subject to market conditions and the Company's capital management needs at the relevant time of the repurchases.

Duration of the Share Buyback Program:

From 18 June 2024 and ending on the date of the next annual general meeting of the Company to be held in 2025 (both days inclusive), subject to any revocation or variation of the Repurchase Mandate by the Shareholders or full utilisation of the Repurchase Mandate.

Purchase Price:

In order to comply with the requirements of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), the purchase price of the Shares will not be higher by 5% or more than the average closing market price of the Shares on The Stock Exchange of Hong Kong Limited for the five trading days preceding the date of each repurchase under the Share Buyback Program.

Funding of the Share Buyback Program:

The Company intends to fund the repurchases of Shares under the Share Buyback Program using its available internal resources, while maintaining sufficient financial resources and available banking facilities for the continued growth of its operations and potential merger and acquisition.

Compliance with Applicable Laws, Rules and Regulations:

The Board will continue to monitor the market conditions and will repurchase Shares in the open market at appropriate times under the Share Buyback Program, which will be conducted in compliance with the Articles of Association of the Company, the Listing Rules, the Codes on Takeovers and Mergers and Share Buy-back (the "**Takeovers Code**"), and the law of Cayman Islands, as amended from time to time, and all applicable laws and regulations to which the Company is subject.

The Board has no intention to repurchase Shares under the Share Buyback Program to the extent that would trigger the obligations under the Takeovers Code to make a mandatory offer. The Board will also ensure that the Company continues to satisfy the minimum public float requirement under the Listing Rules.

Up to the date of this announcement, the Company has not repurchased any Share under the Repurchase Mandate. Shareholders and potential investors should note that any repurchase of Shares by the Company under the Share Buyback Program will be subject to market conditions and will be at the absolute discretion of the Board. There is no assurance of the timing, quantity and/or price of any repurchase of Shares under the Share Buyback Program and in particular, there is no assurance that the Share Buyback Program will be implemented in full or that any Shares will be repurchased by the Company at all. Shareholders and investors should therefore exercise caution when dealing in the Shares.

By Order of the Board
Yip's Chemical Holdings Limited
Ip Chi Shing
Chairman

Hong Kong, 17 June 2024

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*