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Yip's Chemical Holdings Limited

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 408)**

**RETIREMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR,  
RE-DESIGNATION OF NON-EXECUTIVE DIRECTOR  
AS INDEPENDENT NON-EXECUTIVE DIRECTOR AND  
CHANGE OF COMPOSITION OF BOARD COMMITTEES**

The board of directors (the “Board”) of Yip’s Chemical Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) hereby announces the following proposed changes in directorate and composition of Board committees:

**RETIREMENT OF INDEPENDENT NON-EXECUTIVE DIRECTOR**

Mr. Wong Kong Chi (“Mr. KC Wong”) is due to retire and will resign as an independent non-executive director of the Company (“INED”), the chairman of the audit committee, a member of the remuneration committee and a member of the health, safety and environment committee of the Company with effect from 1 January 2021.

Mr. KC Wong has confirmed that he has no disagreement with the Board and the Company, and there are no matters relating to his resignation that need to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited (the “Stock Exchange”).

The Board would like to take this opportunity to express its sincere gratitude to Mr. KC Wong for his valuable contributions to the Company during his tenure of service with the Company.

## **RE-DESIGNATION OF NON-EXECUTIVE DIRECTOR AS INDEPENDENT NON-EXECUTIVE DIRECTOR**

Following the retirement of Mr. KC Wong, Mr. Wong Yuk (“Mr. Nat Wong”), currently a non-executive director of the Company (“NED”), will be re-designated as an INED with effect from 1 January 2021.

Mr. Nat Wong, aged 57, joined the Group in 2015. He is currently a NED and, prior to 1 January 2019, was a co-chief executive officer of the Group, an executive director of the Company and a member of the senior leadership team. Mr. Nat Wong obtained a Bachelor of Science degree in Mechanical Engineering from The University of Hong Kong and completed a Master's degree in Business Administration with The Chinese University of Hong Kong in 1992. Before joining the Group, he was the Managing Director – China Strategy and Investment of Methanex, a global market leader in methanol. He had also worked with Shell for over 26 years and was its General Manager – Shell Specialities China/Hong Kong and China Local Senior Downstream Representative. Mr. Nat Wong has more than 30 years of extensive experience in the petrochemical industry.

Mr. Nat Wong will enter into a letter of appointment with the Company for his appointment as an INED, pursuant to which he will be entitled to an annual director's fee of HKD200,000. His remuneration will be reviewed and determined by the Board from time to time, based on the recommendation by the remuneration committee of the Company with reference to the Company's remuneration policy and taking into account, among other factors, his qualifications and experience, responsibilities undertaken, contribution to the Company, and the prevailing market level of remuneration for similar positions.

Mr. Nat Wong's initial term of directorship will last until the conclusion of the next annual general meeting of the Company at which he is eligible for re-election and he is also subject to retirement by rotation and re-election in accordance with the articles of association of the Company, the Rules Governing the Listing of Securities on the Stock Exchange (the “Listing Rules”) and the laws of the Cayman Islands.

Notwithstanding that Mr. Nat Wong (i) currently acts as a NED; and (ii) was a director of 紫荊花製漆(深圳)有限公司(Bauhinia Paints Manufacturing (Shenzhen) Company Limited)(“Bauhinia Paints”), a currently deregistered company established in the People's Republic of China and was a subsidiary of the Company, within two years prior to the date of his proposed re-designation, Mr. Nat Wong has confirmed, and the Board agrees, that Mr. Nat Wong is independent and satisfies all the indicative independence criteria set out in Rule 3.13 of the Listing Rules, save for Rule 3.13(7) of the Listing Rules, for the following reasons:-

- (i) Mr. Nat Wong has been redesignated from an executive director to a NED since 1 January 2019 and is no longer involved in any daily operations, management and business of the Group and has played a valuable role to bring objectivity and independent judgment to the Board's deliberations; and
- (ii) Mr. Nat Wong acted as a director of Bauhinia Paints which applied for deregistration on 13 November 2018 (by then Bauhinia Paints had already ceased its business), since then Mr. Nat Wong ceased to perform any executive role in Bauhinia Paints and the deregistration process of Bauhinia Paints was completed on 10 April 2020.

As at the date of this announcement, save as disclosed above, Mr. Nat Wong (i) does not have any relationship with any other directors, senior management or any substantial or controlling shareholders of the Company; (ii) does not have any interest in the shares of the Company and its associated corporations within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (iii) does not have other major appointments and professional qualifications; (iv) does not at present and did not in the past three years hold any directorship in other listed companies; and (v) does not hold any position with the Company and other members of the Group.

There is no information relating to the redesignation of Mr. Nat Wong that is required to be disclosed pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Listing Rules, and the Board is not aware of any other matters which need to be brought to the attention of the shareholders of the Company or the Stock Exchange.

#### **APPOINTMENT OF CHAIRMAN OF AUDIT COMMITTEE**

Following the retirement of Mr. KC Wong, Mr. Ku Yee Dao, Lawrence, currently an INED and a member of audit committee of the Company, will be appointed as the chairman of the audit committee of the Company with effect from 1 January 2021.

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

Hong Kong, 18 December 2020

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

*Non-executive Directors:*

Mr. Ip Chi Shing (*Chairman*)  
Mr. Wong Yuk  
Mr. Wong Kong Chi \*  
Mr. Ho Pak Chuen, Patrick \*  
Mr. Ku Yee Dao, Lawrence \*

*Executive Directors:*

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

\* *Independent Non-executive Directors*