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

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**If you are in any doubt** as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Hing Yip Holdings Limited**, you should at once hand this circular to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or registered institution in securities, or other agent through whom the sale or transfer was effected, for transmission to the purchaser(s) or the transferee(s).

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

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 00132)**

**MAJOR TRANSACTION**  
**ENTERING INTO FINANCE LEASES AS THE LESSOR**

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A letter from the Board is set out on pages 4 to 11 of this circular.

The transactions being the subject matter of this circular have been approved by written shareholders' approval pursuant to the Listing Rules and this circular is being published to the Shareholders for information only.

7 August 2024

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## DEFINITIONS

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*In this circular, unless the context requires otherwise, the following terms have the meanings as respectively ascribed below:–*

“Assets 1”	shall have the meaning as disclosed in the section headed “INFORMATION ON THE ASSETS” in this circular
“Assets 2”	shall have the meaning as disclosed in the section headed “INFORMATION ON THE ASSETS” in this circular
“Assets 3”	shall have the meaning as disclosed in the section headed “INFORMATION ON THE ASSETS” in this circular
“Assets”	collectively, Assets 1, Assets 2 and Assets 3
“Board”	the board of Directors of the Company
“Company”	Hing Yip Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 00132)
“Director(s)”	the director(s) of the Company
“Finance Lease 1”	the finance lease agreement dated 17 July 2024 entered into between Greengold Leasing and the Lessee in relation to the transfer of ownership and lease back of Assets 1
“Finance Lease 2”	the finance lease agreement dated 17 July 2024 entered into between Greengold Leasing and the Lessee in relation to the transfer of ownership and lease back of Assets 2
“Finance Lease 3”	the finance lease agreement dated 17 July 2024 entered into between Greengold Leasing and the Lessee in relation to the transfer of ownership and lease back of Assets 3
“Finance Leases”	collectively, Finance Lease 1, Finance Lease 2 and Finance Lease 3
“Greengold Leasing”	Canton Greengold Financial Leasing Ltd.* (廣東綠金融租賃有限公司), a company incorporated in the PRC with limited liability and a subsidiary of the Company
“Group”	the Company and its subsidiaries

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## DEFINITIONS

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“Guarantor 1”	Gaomi Jiaoyun Group Co., Ltd.* (高密市交運集團有限公司), a company incorporated in the PRC with limited liability, which is held as to approximately 25% by Guarantor 4 and approximately 75% by Guarantor 6
“Guarantor 2”	Gaomi Jiaoyun Zhiye Co., Ltd.* (高密市交運置業有限公司), a company incorporated in the PRC with limited liability, which is held as to 99.98% by Guarantor 4 and 0.02% by Guarantor 6
“Guarantor 3”	Gaomi Xinji Health Industry Management Co., Ltd.* (高密市新濟健康產業管理有限公司), a company incorporated in the PRC with limited liability, which is wholly owned by Guarantor 1
“Guarantor 4”	Luan Linjiang* (欒林江), a Chinese individual
“Guarantor 5”	Cui Shuhua* (崔淑華), a Chinese individual
“Guarantor 6”	Luan Xiaolong* (欒小龍), a Chinese individual
“Guarantor 7”	Zhou Zhan* (周展), a Chinese individual
“Guarantors”	collectively, Guarantor 1, Guarantor 2, Guarantor 3, Guarantor 4, Guarantor 5, Guarantor 6 and Guarantor 7
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong Dollar, the lawful currency of Hong Kong
“Incidental Documentation”	the agreements incidental to the Finance Leases, including the transfer agreements, the guarantees, the consultancy agreements, the asset pledge agreements, the receivables pledge agreement, equity pledge agreements and the pledge agreement
“Independent Third Party(ies)”	(an) independent third party(ies) not connected with the Group and any Director, chief executive or substantial shareholder of the Group or any of its subsidiaries or their respective associate of any of them as defined in the Listing Rules
“Latest Practicable Date”	2 August 2024, being the latest practicable date prior to the publication of this circular for the purpose of ascertaining certain information for inclusion in this circular

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## DEFINITIONS

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“Lessee”	Gaomi Jiaoyun Heating Co., Ltd.* (高密市交運熱力有限公司), a company incorporated in the PRC with limited liability, which is held as to 80% by Guarantor 1, 10% by Guarantor 2 and 10% by the Pledgor
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Pledgor”	Luan Linxin* (樂林新), a Chinese individual
“PRC”	the People’s Republic of China which, for the purpose of this circular, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“SFO”	the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.10 each of the Company
“Shareholder(s)”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

\* For identification purpose only

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## LETTER FROM THE BOARD

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

*(Incorporated in Bermuda with limited liability)*

**(Stock code: 00132)**

*Executive Directors:*

He Xiangming (*Chairman*)

Fu Weiqiang (*President*)

*Non-executive Director:*

Shi Xuguang

*Independent Non-executive Directors:*

Chan Kwok Wai

Peng Xinyu

Lin Junxian

*Registered office:*

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

7 August 2024

*To the Shareholders*

Dear Sir or Madam,

### **MAJOR TRANSACTION ENTERING INTO FINANCE LEASES AS THE LESSOR**

#### **INTRODUCTION**

Reference is made to the announcement of the Company dated 17 July 2024 in relation to the entering into the Finance Leases with the Lessee, to obtain the ownership of the Assets from the Lessee at an aggregate consideration of RMB160,000,000 (equivalent to approximately HK\$171,840,000), which would be leased back to the Lessee for its use and possession for a term of 7 years.

The purpose of this circular is to provide you with, among other things, further information on the Finance Leases and Incidental Documentation and other information as required under the Listing Rules.

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## LETTER FROM THE BOARD

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### THE FINANCE LEASES AND INCIDENTAL DOCUMENTATION

Set out below is a summary of the principal terms of the Finance Leases and Incidental Documentation:–

**Date of the Finance Leases:**

17 July 2024

The Finance Leases will take effect upon compliance of the applicable requirements of the Listing Rules by the Company.

**Parties:**

- (1) Greengold Leasing, a subsidiary of the Company, as the lessor;
- (2) the Lessee; and
- (3) the Guarantors (in relation to the relevant guarantee) and the Pledgor (in relation to the relevant pledge).

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Lessee, the Guarantors, the Pledgor and their ultimate beneficial owners are Independent Third Parties.

**Transfer of Assets and consideration**

Greengold Leasing will be transferred the unencumbered ownership of Assets 1, Assets 2 and Assets 3 from the Lessee on an "as-is" basis at the consideration of RMB100,000,000 (equivalent to approximately HK\$107,400,000), RMB30,000,000 (equivalent to approximately HK\$32,220,000) and RMB30,000,000 (equivalent to approximately HK\$32,220,000) in cash pursuant to Finance Lease 1, Finance Lease 2 and Finance Lease 3 respectively, payable within 12 months from the date of Finance Leases. The transfer agreements for Finance Lease 1, Finance Lease 2 and Finance Lease 3 were entered into between Greengold Leasing and the Lessee on the date of the Finance Leases, effecting the terms of the Finance Leases in relation to the afore-mentioned transfer of the Assets from the Lessee to Greengold Leasing.

Such consideration or financing amount was determined following arm's length negotiations by the parties to the Finance Leases with reference to the original costs of Assets 1, Assets 2 and Assets 3 of approximately RMB128,240,000 (equivalent to approximately HK\$137,730,000), approximately RMB78,918,000 (equivalent to approximately HK\$84,758,000) and approximately RMB67,106,000 (equivalent to approximately HK\$72,072,000) respectively, and their state including serviceable condition and depreciable life, which were reviewed by Greengold Leasing's experienced leasing team. The consideration amount for the transfer of ownership of the Assets will be funded through the internal resources of the Group and/or external banking facilities.

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## LETTER FROM THE BOARD

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### **Lease period**

Greengold Leasing will lease back the Assets to the Lessee for its use and possession for a term of 7 years commencing from the day the consideration for the Assets transfer has been paid by Greengold Leasing.

### **Payments under the Finance Leases**

In respect of Finance Lease 1, the total amount of lease payments is approximately RMB128,284,000 (equivalent to approximately HK\$137,777,000), comprising (a) the lease principal payment of RMB100,000,000 (equivalent to approximately HK\$107,400,000) and (b) the aggregate lease interest and other fees and expenses under the relevant Incidental Documentation of approximately RMB28,284,000 (equivalent to approximately HK\$30,377,000). Both the lease principal and interest will be paid quarterly over the lease period.

In respect of Finance Lease 2, the total amount of lease payments is approximately RMB38,485,000 (equivalent to approximately HK\$41,333,000), comprising (a) the lease principal payment of RMB30,000,000 (equivalent to approximately HK\$32,220,000) and (b) the aggregate lease interest and other fees and expenses under the relevant Incidental Documentation of approximately RMB8,485,000 (equivalent to approximately HK\$9,113,000). Both the lease principal and interest will be paid quarterly over the lease period.

In respect of Finance Lease 3, the total amount of lease payments is approximately RMB38,485,000 (equivalent to approximately HK\$41,333,000), comprising (a) the lease principal payment of RMB30,000,000 (equivalent to approximately HK\$32,220,000) and (b) the aggregate lease interest and other fees and expenses under the relevant Incidental Documentation of approximately RMB8,485,000 (equivalent to approximately HK\$9,113,000). Both the lease principal and interest will be paid quarterly over the lease period.

The terms of the Finance Leases, including the respective lease principal and interest, were determined after arm's length negotiations between the parties to the Finance Leases with reference to the lending and interest rate environment including the loan prime rate published by the National Interbank Funding Center from time to time (for reference purpose, the prevailing loan prime rate was 3.45% as at the date of the Finance Leases), and adjustments taking into account the principal amount of the Finance Leases and availability of funds, the interest risk of financing and servicing costs over the lease period, the credit risks associated and the overall return target and risk tolerance of the Group for the Finance Leases on a case by case basis.



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## LETTER FROM THE BOARD

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### **Termination and transfer of the Assets to the Lessee**

The Lessee may terminate the Finance Leases provided that all outstanding amounts due thereunder and a compensation equivalent to 20% of the total outstanding lease interest amount as at the time of early termination have been settled. The compensation of early termination may be waived if there are no events of default caused by the Lessee under the Finance Leases. At the end of the lease period or in the event of an early termination of the Finance Leases, subject to the settlement of all outstanding amounts, the Lessee had agreed to purchase the relevant Assets at a nominal purchase price of RMB100 each (equivalent to approximately HK\$107.4).

### **Guarantee deposits**

The Lessee will pay interest-free deposits of RMB5,000,000 (equivalent to approximately HK\$5,370,000), RMB1,500,000 (equivalent to approximately HK\$1,611,000) and RMB1,500,000 (equivalent to approximately HK\$1,611,000) respectively to Greengold Leasing on the same day the consideration for Assets 1, Assets 2 and Assets 3 transfer has been paid by Greengold Leasing to secure its payment obligations under Finance Lease 1, Finance Lease 2 and Finance Lease 3 respectively.

### **Guarantees**

The Guarantors had executed guarantees on the date of the Finance Leases guaranteeing Greengold Leasing, effectively on a joint and several basis, the due and punctual settlement of any and all amount payable by the Lessee under the Finance Leases.

### **Pledges**

Pursuant to the asset pledge agreements entered into between Greengold Leasing and the Lessee on the date of the Finance Leases, although the ownership of the Assets shall be transferred to Greengold Leasing as lessor as part of the Finance Leases, the Assets are treated as security of payment obligations of the Lessee under the Finance Leases and the Lessee may continue to utilize the relevant Assets during the lease term.

The Lessee had executed a receivables pledge agreement in favour of Greengold Leasing, pledging its rights in receivables under two heat supply agreements and their supplemental agreements (with pledge receivables in the total amount of RMB240,000,000 (equivalent to approximately HK\$257,760,000)) as security of its payment obligations under the Finance Leases.

The Lessee had also executed a pledge agreement in favour of Greengold Leasing, pledging 100% interests of its two bank accounts (representing the pledge receivables of all outstanding amounts due) for a term of 8 years and the franchise and other derivative rights under two heat supply agreements and their supplemental agreements, as security of its payment obligations under the Finance Leases.

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## LETTER FROM THE BOARD

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Additionally, Guarantor 1, Guarantor 2 and the Pledgor had executed equity pledge agreements in favour of Greengold Leasing individually, pledging 80%, 10% and 10% of their shareholding interests in the Lessee respectively (with pledged receivables in the total amount of RMB240,000,000 each (equivalent to approximately HK\$257,760,000)) for a term of 8 years, as security of the Lessee's payment obligations under the Finance Leases.

### **REASONS FOR AND BENEFITS OF ENTERING INTO THE FINANCE LEASES AND INCIDENTAL DOCUMENTATION**

The entering into of the Finance Leases and Incidental Documentation is part of Greengold Leasing's ordinary and usual course of business and is expected to provide a stable revenue and cashflow to the Group.

The Directors consider that the Finance Leases and Incidental Documentation and the transactions contemplated thereunder are on normal commercial terms which are made on an arm's length basis and are fair and reasonable and in the best interests of the Group and the Shareholders as a whole.

### **FINANCIAL EFFECTS OF THE FINANCE LEASES ARRANGEMENT**

The Finance Lease 1 is expected to attribute approximately RMB28,284,000 (equivalent to approximately HK\$30,377,000) to the Group's turnover, from the aggregate interest income and other fees and expenses over the whole period of such Finance Lease. On the other hand, the Group is expected to bear the aggregate loan interest payments of approximately RMB9,193,000 (equivalent to approximately HK\$9,873,000) to the Group's cost of sales in respect of secured external loans.

As at the date when the consideration for the Assets 1 transfer was paid, the Group had also recorded on its balance sheet the Finance Lease receivables of RMB100,000,000 (equivalent to approximately HK\$107,400,000) in respect of such Finance Lease and borrowings by the Group of RMB80,000,000 (equivalent to approximately HK\$85,920,000) and decreased cash and cash equivalents of RMB20,000,000 (equivalent to approximately HK\$21,480,000) of the Group.

The Finance Lease 2 is expected to attribute approximately RMB8,485,000 (equivalent to approximately HK\$9,113,000) to the Group's turnover, from the aggregate interest income and other fees and expenses over the whole period of such Finance Lease. On the other hand, the Group is expected to bear the aggregate loan interest payments of approximately RMB2,758,000 (equivalent to approximately HK\$2,962,000) to the Group's cost of sales in respect of secured external loans.

As at the date when the consideration for the Assets 2 transfer was paid, the Group had also recorded on its balance sheet the Finance Lease receivables of RMB30,000,000 (equivalent to approximately HK\$32,220,000) in respect of such Finance Lease and borrowings by the Group of RMB24,000,000 (equivalent to approximately HK\$25,776,000) and decreased cash and cash equivalents of RMB6,000,000 (equivalent to approximately HK\$6,444,000) of the Group.

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## LETTER FROM THE BOARD

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The Finance Lease 3 is expected to attribute approximately RMB8,485,000 (equivalent to approximately HK\$9,113,000) to the Group's turnover, from the aggregate interest income and other fees and expenses over the whole period of such Finance Lease. On the other hand, the Group is expected to bear the aggregate loan interest payments of approximately RMB2,758,000 (equivalent to approximately HK\$2,962,000) to the Group's cost of sales in respect of secured external loans.

As at the date when the consideration for the Assets 3 transfer was paid, the Group had also recorded on its balance sheet the Finance Lease receivables of RMB30,000,000 (equivalent to approximately HK\$32,220,000) in respect of such Finance Lease and borrowings by the Group of RMB24,000,000 (equivalent to approximately HK\$25,776,000) and decreased cash and cash equivalents of RMB6,000,000 (equivalent to approximately HK\$6,444,000) of the Group.

### INFORMATION ON THE ASSETS

Assets 1 comprise certain designated heat supply equipment and facilities of the Lessee situated in Gaomi City, Shandong Province, the PRC.

Assets 2 comprise certain other designated heat supply equipment and facilities of the Lessee situated in Gaomi City, Shandong Province, the PRC.

Assets 3 comprise certain other designated heat supply equipment and facilities of the Lessee situated in Gaomi City, Shandong Province, the PRC.

The Lessee will bear any maintenance, taxation and other costs and levies associated with the relevant Assets.

### LISTING RULES IMPLICATION

As one of the applicable percentage ratios for the transactions contemplated under the Finance Leases and Incidental Documentation exceeds 25% but all of them are less than 100%, the entering into of such transactions constitutes a major transaction for the Company under the Listing Rules and is subject to the announcement, circular and shareholders' approval requirements under the Listing Rules.

No Shareholder is materially interested in the Finance Leases and Incidental Documentation and no Shareholder is required to abstain from voting at a general meeting of the Company approving the transactions contemplated under the Finance Leases and Incidental Documentation, and the Company has, pursuant to Rule 14.44 of the Listing Rules, obtained written approval of the transactions contemplated under the Finance Leases and Incidental Documentation from Prize Rich Inc., a Shareholder holding 1,222,713,527 issued ordinary shares of the Company (representing 71.41% of its entire issued share capital). As such, the Company is exempted from convening a general meeting to approve the transactions contemplated under the Finance Leases and Incidental Documentation.

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## LETTER FROM THE BOARD

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### PRINCIPAL BUSINESSES OF THE PARTIES

#### The Group

The Group is principally engaged in wellness elderly care, finance leasing, big data and civil explosives businesses. Through its joint ventures and associated companies, the Group also participates and invests in fast growing sectors, including electric utilities in the PRC.

#### Greengold Leasing

Greengold Leasing is a subsidiary of the Company, which is principally engaged in the provision of financing, including through finance leasing, with a focus on environmental protection projects in the PRC.

#### The Lessee

The Lessee is a limited liability company established in the PRC and is principally engaged in heat supply.

#### The Guarantors and Pledgor

Guarantor 1 is a limited liability company established in the PRC and is principally engaged in investment advisory.

Guarantor 2 is a limited liability company established in the PRC and is principally engaged in real estate development and operation.

Guarantor 3 is a limited liability company established in the PRC and is principally engaged in health advisory.

Guarantor 4 is a natural person and is a director of several companies which are principally engaged in utilities business.

Guarantor 5 is a natural person and is the spouse of Guarantor 4.

Guarantor 6 is a natural person and is a director of several companies which are principally engaged in utilities business.

Guarantor 7 is a natural person and is the spouse of Guarantor 6.

The Pledgor is a natural person and is a director of several companies which are principally engaged in utilities business.

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## LETTER FROM THE BOARD

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### RECOMMENDATIONS

The Directors consider that the terms of the Finance Leases and Incidental Documentation and the transactions contemplated thereunder are on normal commercial terms which are made on an arm's length basis and are fair and reasonable, and in the best interests of the Group and the Shareholders as a whole.

Accordingly, if a general meeting were to be convened, the Board would recommend the Shareholders to vote in favour of the ordinary resolutions to approve the Finance Leases and Incidental Documentation and the transactions contemplated thereunder at such general meeting.

### ADDITIONAL INFORMATION

Your attention is drawn to the financial and general information as set out in the appendices to this circular.

On behalf of  
**Hing Yip Holdings Limited**  
**HE Xiangming**  
*Chairman*

**1. FINANCIAL INFORMATION OF THE GROUP**

Details of the audited consolidated financial information of the Group for each of the three years ended 31 December 2021, 2022 and 2023 are disclosed in the following annual reports of the Company for the years ended 31 December 2021, 2022 and 2023 respectively, which have been published and are available on the website of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the website of the Company (<http://hingyipkh.quamhkir.com>):

- the annual report 2021 of the Company for the year ended 31 December 2021 which was published on 28 April 2022 (available on: <https://www1.hkexnews.hk/listedco/listconews/sehk/2022/0428/2022042802012.pdf>), please refer to pages 126 to 301 in particular;
- the annual report 2022 of the Company for the year ended 31 December 2022 which was published on 27 April 2023 (available on: <https://www1.hkexnews.hk/listedco/listconews/sehk/2023/0427/2023042700579.pdf>), please refer to pages 131 to 309 in particular; and
- the annual report 2023 of the Company for the year ended 31 December 2023 which was published on 24 April 2024 (available on: <https://www1.hkexnews.hk/listedco/listconews/sehk/2024/0424/2024042402274.pdf>), please refer to pages 100 to 254 in particular.

**2. INDEBTEDNESS STATEMENT**

As at the close of business on 30 June 2024, the Group had outstanding interest bearing bank loans of approximately HK\$5,109,681,000 (comprising secured and guaranteed bank loans of approximately HK\$4,093,310,000 which were secured by the pledge of investment properties of approximately HK\$330,699,000, plant, property and equipment of approximately HK\$86,842,000, bank deposit of approximately HK\$6,949,000, finance lease receivables and future interest receivable of approximately HK\$3,818,607,000, and 26.794% equity interests in an associate of approximately HK\$98,996,000; and unsecured and unguaranteed bank loans of approximately HK\$1,016,371,000. Among such loans, a small number of them are having a maturity profile in the near term (maturing in 2024) and the rest are in the mid-term (maturing in 2025, 2026 and 2027) to long term (maturing in 2028, 2029, 2034, 2035, 2037, 2038, 2039 and 2047).

The Group had unsecured and unguaranteed interest bearing loans from its immediate holding company of approximately HK\$136,000,000, which will mature in 2024 and 2025.

The Group had outstanding secured and guaranteed other loan of approximately HK\$49,423,000 which were secured by the pledge of finance lease receivables and future interest receivable of approximately HK\$46,835,000.

In addition, the Group had unsecured and unguaranteed lease liabilities of approximately HK\$4,841,000, and outstanding convertible notes with aggregate principal amount of HK\$166,232,000 issued by the Company which will mature on 13 October 2024.

Save as aforesaid or otherwise disclosed herein, as at the close of business on 30 June 2024, the Group did not have any debt securities issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees or other contingent liabilities.

### **3. MATERIAL ADVERSE CHANGE**

At the Latest Practicable Date, the Directors confirm that there had been no material adverse change in the financial or trading position of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up.

### **4. WORKING CAPITAL**

The Directors, after due and careful enquiry, are of the opinion that, taking into account the existing cash and bank balances, other internal resources and available existing unutilised credit facilities, the Group has sufficient working capital for its present requirements and to satisfy its requirements for at least the next 12 months from the date of publication of this circular in the absence of unforeseen circumstances.

The Company has obtained the relevant confirmation as required under Rule 14.66 (12) of the Listing Rules.

### **5. FINANCIAL AND TRADING PROSPECT OF THE GROUP**

The global economy remains unstable, and economic growth remains slow, while rate hikes dampened consumer spending and corporate investment, and threatened the stability of the financial system. With more economic uncertainties as a result of the war in Ukraine and Israeli-Gaza area, the insufficient total demand in China, swamped Chinese real estate issuers, slower economic restructuring and upgrading, subdued consumer confidence and consumption, and the unsatisfactory operation of enterprises in various industries, the Group is still committed to its strategic orientation, striving to become a first-class technology-based health care services provider in the Greater Bay Area, building a “1+X” ecosystem, taking the wellness and elderly care business as the principal direction, and technology, financial leasing, civil explosives business as the strategic support, and firmly establishing the standpoint of the Group as a whole.

For our wellness and elderly care business, Guangdong Taoyuan Comprehensive Health Operation Company Limited (“**Taoyuan Comprehensive Health**”) will continue to consolidate its elderly care business and strengthen its principal business. The Group will continue to expand the construction of elderly care facilities, increase the number of institutional nursing beds, improve the quality of services, and strengthen the standard operation and branding of its elderly care business, asset-light trustee operation, rehabilitation hospital qualification and facilities upgrade. In addition, the Company will accelerate to replicate the successful experience and model to other regions, expand asset-light trustee operations, and march into the Greater Bay Area from Nanhai to

become the first echelon in the Guangdong-Hong Kong-Macao Greater Bay Area. At the same time, the Group is anticipating to promote high-end business, deepen business cooperation at home and abroad, and extend the development of high-end elderly care and high-quality projects related to aging population, medical care, biomedicine and other areas. The Group is committed to serving the community while enabling our elderly care and wellness business to continue to grow and become an important contributor to the Company's profitability by further improving management, reducing costs, increasing efficiency, enhancing the quality and strengthening service quality.

For our big data business, the Group will continue to meet the needs arising from the latest development of the industry, continue its efforts to expand its market scale and accelerate the implementation of investments and acquisitions, provide guidance to local enterprises in the application of industrial Internet technologies such as identification analysis for digital transformation, form a cluster of digital economy at the industry level, and comprehensively promote the high-quality development of local manufacturing industry. Our goal remains to accelerate the establishment of a quality service system for manufacturing enterprises, and strive to become a first class full-chain industrial Internet platform service provider in the Guangdong-Hong Kong-Macao Greater Bay Area.

For our financial leasing business, with the philosophy of "marketization, specialization and differentiation" in mind, we are committed to turning ourselves into a leading domestic environmental professional financial leasing company, focusing on municipal environmental protection. We aim to establish a standardized evaluation system for industrial projects and launch off-the-shelf products in each segment with precise marketing and sales strategy. We are also looking to promote the high-quality development of environmental protection industry with a green finance focus on the domestic environmental protection industry, to provide professional, efficient, high-quality financial leasing products and services, in order to win quality customers as our objective. In terms of enhanced fund management, we will deepen cooperation with credit granting banks to improve our credit worthiness and optimize financing conditions, to meet the requirements of large and private enterprise projects from outside the province. In addition, we will exploit bank facilities with lower cost by introducing bank bidding and building a closer tie with banks to optimize the cost of capital; complete the rating of entities and strive to attain an AA rating after the completion of industrial and commercial changes. The Group will further strengthen its risk control management, financial and integrated management to mitigate the risk of doubtful debts and strive to attain an A rating for the annual classified supervisory rating.

For our civil explosives business, the Group will further pursue key reforms, actively carry out the technological transformation of clean energy to achieve energy conservation, emission reduction and cost reduction, and carry out reforms in operation and human resources management to continuously enhance the vitality of the Group's development. The Group has made every effort to complete creating conditions for the release of mixed assembly capacity and to establish cooperation in the operation of mixed assembly capacity, so as to substantially improve its future performance and contribute steady revenue streams to the Group in the future.

In addition, the Group will aggressively explore opportunities to carry out investment and merger and acquisition of biopharmaceutical and high-tech enterprises or projects to seek leapfrog development of the business of the Company, thereby delivering good returns to the shareholders of the Company.



## 1. RESPONSIBILITY STATEMENT

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 herein or this circular misleading.

## 2. DISCLOSURE OF INTERESTS

### (a) Interests and short positions of directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company and any associated corporations (within the meaning of Part XV of the SFO) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or (ii) entered in the register required to be kept under Section 352 of the SFO or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) adopted by the Company were as follows:

#### *Long positions in the Shares*

Name of Director	Capacity	Nature of interest	Number of Shares held	Approximate percentage of total issued Shares as at the Latest Practicable Date <sup>1</sup>
He Xiangming	Beneficial owner	Personal	1,441,000	0.08%

*Note:* 1. The percentage was calculated based on 1,712,329,142 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, none of the Directors and chief executives of the Company had, as at the Latest Practicable Date, any interests or short positions in any shares and underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and chief executives of the Company were taken or deemed to have pursuant to Divisions 7 and 8 of Part XV of the SFO), or which were entered in the register required to be kept by the Company under Section 352 of the SFO, or which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code.

**(b) Interests and short positions of the Shareholders in the Shares, underlying Shares of the Company**

As at the Latest Practicable Date, so far as is known to any Director or chief executive of the Company, the interests and short positions of the Shareholders (other than Directors or chief executives of the Company) who had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept by the Company pursuant to Section 336 of the SFO, were as follows:–

Name of Shareholder	Capacity of Shareholder	Number of Shares/underlying Shares		Approximate percentage of total issued Shares as at the Latest Practicable Date <sup>1</sup>
		Long position	Short position	
Glories Holdings (HK) Limited	Beneficial Owner	1,441,439,842 <sup>2</sup>	–	84.18%
Prize Rich Inc.	Corporate Interest	1,441,439,842 <sup>2</sup>	–	84.18%
廣東南海控股集團有限公司 (Guangdong Nanhai Holding Group Co., Ltd.*)	Corporate interest	1,441,439,842 <sup>2</sup>	–	84.18%

*Notes:* 1. The percentage was calculated based on 1,712,329,142 Shares in issue as at the Latest Practicable Date.

2. These 1,441,439,842 shares/underlying shares are held by Prize Rich Inc., which is wholly-owned by Guangdong Nanhai Holding Group Co., Ltd.\* (廣東南海控股集團有限公司). On 25 July 2022, Prize Rich Inc. agreed to transfer 1,222,713,527 shares and HK\$166,232,000 convertible bonds (with underlying shares of 218,726,315) to its wholly-owned subsidiary, Glories Holdings (HK) Limited, pursuant to the equity and convertible bonds transfer agreement.

Saved as disclosed above, as at the Latest Practicable Date, the Company had not been notified by any person (other than directors and chief executives of the Company) who had interests or short positions in the Shares and underlying Shares under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were entered in the register required to be kept under Section 336 of the SFO.

As at the Latest Practicable Date, no Director or proposed Director is a director or employee of a company which has an interest or short position in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO.

### 3. DIRECTORS' COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or his or her respective close associates was considered to have an interest in a business which competes or was likely to compete, either directly or indirectly, with the business of the Group other than those business to which the Directors or his or her close associates were appointed to represent the interests of the Company and/or the Group.

### 4. DIRECTORS' INTEREST IN CONTRACTS AND ASSETS OF THE GROUP

As at the Latest Practicable Date,

- (a) none of the Directors was materially interested in any contract or arrangement subsisting and which was significant in relation to the business of the Group; and
- (b) none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2023, being the date to which the latest published audited consolidated financial statements of the Company were made up.

### 5. MATERIAL CONTRACTS

The following contracts were entered into by the Group within the two years immediately preceding the date of this circular and which is or may be material or of significance:

- (a) the equity transfer agreement dated 6 December 2023 entered into between CIH Finance Investments Holdings Limited, a wholly owned subsidiary of the Company, and Guangdong Nanhai Holding Group Co., Ltd.\* (廣東南海控股集團有限公司) in relation to the disposal of 72% equity interest of Guangdong Sino Rock Tyco Construction Co., Ltd.\* (廣東中岩泰科建設有限公司) at a consideration of RMB972,000,000; and
- (b) the seventh capital injection agreement dated 4 June 2024 entered into among CIH Finance Investments Holdings Limited (“**CIH Finance**”), Guangdong Zhongchuang Xingke Investments Co., Ltd.\* (廣東中創興科投資有限公司), Foshan City Yueqiao Construction Investment Co., Ltd.\* (佛山市粵樵建設投資有限公司), Foshan City Nanhai Dali Water Supply Company\* (佛山市南海大瀝自來水公司), Foshan Huaxing Glass Co., Ltd.\* (佛山華興玻璃有限公司), Foshan City Nanhai District Lianzhifu Investment Co., Ltd.\* (佛山市南海區聯智富投資有限公司), Foshan City Nanhai Zhizao Investment Co., Ltd.\* (佛山市南海智造投資有限公司) and Greengold Leasing, pursuant to which CIH Finance agreed to contribute RMB140,907,030.57 in cash to the capital of Greengold Leasing to provide working capital for its operation. For further details, please refer to the announcements of the Company dated 4 June 2024 and 25 June 2024.

**6. LITIGATION**

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against any member of the Group.

**7. DIRECTORS' SERVICE CONTRACTS**

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter, into a service contract with any member of the Group which is not determinable by the Group within one (1) year without payment of compensation (other than statutory compensation).

**8. GENERAL**

- (a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda.
- (b) The branch share registrar of the Company is Tricor Progressive Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong.
- (c) The Company's head office and principal place of business in Hong Kong is at Unit 501, Wing On Plaza, 62 Mody Road, Tsimshatsui, Kowloon, Hong Kong.
- (d) The company secretary of the Company is Mr. Lo Tai On, who is a member of the Hong Kong Institute of Certified Public Accountants.

**9. DOCUMENTS ON DISPLAY**

Copies of the following documents will be published and displayed on the websites of the Stock Exchange (<http://www.hkexnews.hk>) and the Company (<http://hingyipk.quamhkir.com>) for a period of 14 days from the date of this circular (both days inclusive):

- (a) the Finance Leases and Incidental Documentation; and
- (b) this circular.

\* *For identification purpose only*