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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
DISPOSAL OF 31% EQUITY INTEREST IN
GUANGDONG NANHONG CIVIL EXPLOSIVES CO., LTD.
FURTHER ANNOUNCEMENT**

Reference is made to the announcement of Hing Yip Holdings Limited (the “**Company**”) dated 30 September 2025 (the “**Announcement**”) in relation to the disposal of 31% equity interest in Guangdong Nanhong Civil Explosives Co., Ltd.*. Capitalised terms used herein shall have the same meanings as those defined in the Announcement unless the context requires otherwise.

As disclosed in the Announcement, as discounted cash flow method of income approach was adopted in the valuation report prepared by the Independent Valuer (the “**Valuation Report**”), the valuation on the entire shareholders’ equity of Guangdong Nanhong Civil Explosives Co., Ltd.* (the “**Valuation**”) is regarded as a profit forecast under Rule 14.61 of the Listing Rules. This announcement is made by the Company to disclose further details of the profit forecast in relation to the Valuation in compliance with Rule 14.60A of the Listing Rules.

PROFIT FORECAST IN RELATION TO THE VALUATION

General assumptions of the profit forecast in relation to the Valuation

- (a) Transaction assumption: It is assumed that the Target Company is already in a transaction. The valuer estimates its value by simulating market conditions based on the transaction terms of the Target Company.

- (b) Open market assumption: It is assumed that the Target Company will be traded in an open market, which refers to fully developed and well-established market conditions, meaning a competitive market with willing buyers and sellers. In this market, buyers and sellers hold equal standing, and both have the opportunity and time to obtain sufficient market information. The trading behavior of both buyers and sellers is voluntary and rational, and is not forced or unrestricted.
- (c) Continuous use assumption: The continuous use assumption presumes that the Target Company will continue its operations after the Valuation Date in accordance with its original business objectives and operational methods. This implies that following sale, merger, restructuring, or consolidation, the Target Company's continuing use value will persist, its products or services will continue to meet market demand, and it will generate a certain level of profitability.

Special assumptions of the profit forecast in relation to the Valuation

- (a) There are no material changes in the relevant prevailing laws, regulations and policies of the country and the macroeconomic situation of the country. There are no material changes in the political, economic, and social environment in the regions where the parties to this transaction are located, and no material adverse effects arising from other force majeure events or unforeseeable circumstances.
- (b) It is assumed that the Target Company continues as a going concern, based on the actual condition of assets as at the Valuation Date.
- (c) It is assumed that the assets involved in the Target Company are free from significant defects, liabilities, and restrictions on rights that would affect their value.
- (d) Unless otherwise stated, it is assumed that the Target Company is in full compliance with all relevant laws and regulations.
- (e) It is assumed that the accounting policies to be adopted by the Target Company in the future will be substantially consistent with those applied in preparing this report in all material respects.
- (f) It is assumed that the business scope and mode of the Target Company will remain consistent with the current direction on the basis of the existing management practices and standards.
- (g) There will be no material changes in interest rates, exchange rates, tax bases and tax rates, and other national policies.
- (h) The parameters used in this valuation do not take into account the impact of inflation.

- (i) It is assumed that the registration documents, financial accounting information and other materials provided by Tiannuo Investments are authentic, complete and legal.
- (j) It is assumed that the Target Company generates net cash flow evenly throughout the year.
- (k) It is assumed that the Target Company will not incur interest-bearing debts after the Valuation Date.
- (l) It is assumed that the inherent quality of the Target Company complies with relevant national standards and is sufficient to maintain its normal use.
- (m) The valuation calculations are based on the assumption that the condition of the Target Company on the Valuation Date is consistent with its condition on the date of completion of the on-site inspection.
- (n) The Target Company is a High and New Technology Enterprise (HNTE) enjoying a preferential corporate income tax rate of 15%. Considering the future R&D capabilities and related R&D expenditures of the enterprise, it is assumed that the Target Company's HNTE qualification can be normally renewed upon expiry and that it will continue to enjoy this preferential tax policy during the future forecast period.

CONFIRMATION

HLB Hodgson Impey Cheng Limited (the “**HLB Hodgson**”), being the reporting accountant of the Company in relation to the Disposal, has reviewed and reported to the Directors in respect of the compilation of the discounted future cash flows in connection with the valuation of the Independent Valuer. So far as the arithmetical accuracy of the calculations are concerned, the profit forecast has been properly compiled in all material respects in accordance with the assumptions adopted by the Board as set out in the Valuation Report. A letter from HLB Hodgson is set out in Appendix I to this announcement for the purpose under Rule 14.60A(2) of the Listing Rules.

A letter from the Board, confirming that the profit forecast in the Valuation has been made after due and careful enquiry by the Board, is set out in Appendix II to this announcement for the purpose under Rule 14.60A(3) of the Listing Rules.

EXPERTS

The following are the qualifications of experts who have made representations or provided opinions contained in this announcement:

Name	Qualification	Date of representation or opinion
Guangdong Mingliang Land and Real Estate Assets Appraisal Co., Ltd.*	Independent Valuer	24 July 2025
HLB Hodgson Impey Cheng Limited	Certified Public Accountants	24 October 2025

Each of the experts mentioned above has given and has not withdrawn its written consent to the issue of this announcement with the inclusion of its letters, reports and/or opinions and the references to its name (including its qualification) included herein in the form and context in which it appears.

As at the date of this announcement, neither of the above experts held any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the experts mentioned above is a third party independent of the Group and its connected persons.

For other details in relation to the Valuation, please refer to the circular containing further information on the Disposal to be published on the websites of the Stock Exchange and the Company in due course.

On behalf of
Hing Yip Holdings Limited
HE Xiangming
Chairman

Hong Kong, 24 October 2025

As at the date of this announcement, the Board consists of two executive Directors, namely Mr. HE Xiangming (Chairman) and Mr. FU Weiqiang (President), one non-executive Director, namely Mr. LIU Jiali and three independent non-executive Directors, namely Mr. CHAN Kwok Wai, Mr. PENG Xinyu and Ms. LIN Junxian.

* for identification purpose only

APPENDIX I – LETTER FROM HLB HODGSON

The following is the text of a letter received from the Company’s reporting accountants, HLB Hodgson Impey Cheng Limited, Certified Public Accountants, Hong Kong, for inclusion in this announcement.

INDEPENDENT ASSURANCE REPORT ON THE CALCULATIONS OF DISCOUNTED FUTURE ESTIMATED CASH FLOWS IN CONNECTION WITH THE VALUATION OF THE 100% EQUITY INTERESTS IN GUANGDONG NANHONG CIVIL EXPLOSIVES CO., LTD.*

TO THE BOARD OF DIRECTORS OF HING YIP HOLDINGS LIMITED (Incorporated in Bermuda with limited liability)

Introduction

We have been engaged to report on the arithmetical accuracy of the calculations of the discounted future estimated cash flows on which the valuation prepared by Guangdong Mingliang Land and Real Estate Assets Appraisal Co., Ltd.* (廣東銘亮土地房地產資產評估有限公司) dated 24 July 2025, of the 100% equity interests of Guangdong Nanhong Civil Explosives Co., Ltd.* (廣東南虹民爆有限公司) (the “**Target Company**”) as at 28 February 2025 (the “**Valuation**”) is based. The Valuation based on the discounted future estimated cash flows is regarded as a profit forecast under Rule 14.61 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

Directors’ Responsibility for the Discounted Future Estimated Cash Flows

The directors of the Company are responsible for the preparation of the discounted future estimated cash flows in accordance with the bases and assumptions determined by the directors and set out in the Valuation (the “**Assumptions**”). This responsibility includes carrying out appropriate procedures relevant to the preparation of the discounted future estimated cash flows for the Valuation and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances.

Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the *Code of Ethics for Professional Accountants* issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibility

Our responsibility is to express an opinion on whether the calculations of the discounted future estimated cash flows have been properly compiled, in all material respects, in accordance with the Assumptions on which the Valuation is based and to report solely to you, as a body, as required by Rule 14.60A(2) of the Listing Rules, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

Our engagement was conducted in accordance with Hong Kong Standard on Assurance Engagements 3000 (Revised) *Assurance Engagements Other Than Audits or Reviews of Historical Financial Information* issued by the HKICPA. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain reasonable assurance on whether the discounted future estimated cash flows, so far as the calculations are concerned, have been properly compiled, in all material respects, in accordance with the Assumptions. Our work was limited primarily to making inquiries of the Company's management, considering the analyses and assumptions on which the discounted future estimated cash flows are based and checking the arithmetic accuracy of the compilation of the discounted future estimated cash flows. Our work does not constitute any valuation of the Target Company.

Because the Valuation relates to discounted future estimated cash flows, no accounting policies of the Company have been adopted in its preparation. The Assumptions include hypothetical assumptions about future events and management actions which cannot be confirmed and verified in the same way as past results and these may or may not occur. Even if the events and actions anticipated do occur, actual results are still likely to be different from the Valuation and the variation may be material. Accordingly, we have not reviewed, considered or conducted any work on the reasonableness and the validity of the Assumptions and do not express any opinion whatsoever thereon.

Opinion

Based on the foregoing, in our opinion, so far as the arithmetical accuracy of the calculations are concerned, the discounted future estimated cash flows have been properly compiled, in all material respects, in accordance with the Assumptions adopted by the Directors.

HLB Hodgson Impey Cheng Limited

Certified Public Accountants

Hong Kong, 24 October 2025

APPENDIX II – LETTER FROM THE BOARD

The following is the text of a letter from the Board prepared for inclusion in this announcement.

To: The Stock Exchange of Hong Kong Limited

Dear Sir/Madam,

Company : Hing Yip Holdings Limited (Stock Code: 00132) (the “**Company**”)

Re : Profit Forecast – Confirmation letter under the requirements of Rule 14.60A(3) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”)

We refer to the valuation report dated 24 July 2025 prepared by Guangdong Mingliang Land and Real Estate Assets Appraisal Co., Ltd.* (廣東銘亮土地房地產資產評估有限公司) (the “**Valuer**”) in relation to the valuation on the 100% equity interests of Guangdong Nanhong Civil Explosives Co., Ltd.* (廣東南虹民爆有限公司) as at 28 February 2025 (the “**Valuation**”), which is regarded as a profit forecast under Rule 14.61 of the Listing Rules (the “**Profit Forecast**”).

We have reviewed the bases and assumptions of the Profit Forecast and discussed the same with the Valuer. We have also considered the letter dated 24 October 2025 from the Company’s reporting accountants, HLB Hodgson Impey Cheng Limited, on whether the Profit Forecast, so far as the arithmetical accuracy of the calculations are concerned, has been properly compiled in all material respects in accordance with the assumptions on which the Valuation is based. Based on the foregoing, pursuant to the requirements of Rule 14.60A(3) of the Listing Rules, the Board confirms that the Profit Forecast has been made after due and careful enquiry.

By order of the Board
Hing Yip Holdings Limited
HE Xiangming
Chairman

Hong Kong, 24 October 2025

* *For identification purposes only.*