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Heng Hup Holdings Limited

興合控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1891)

**(I) PROPOSED AMENDMENT TO THE ARTICLES AND
ADOPTION OF NEW ARTICLES OF ASSOCIATION
AND
(II) CONTINUING CONNECTED TRANSACTIONS:
2025 MASTER PURCHASE AGREEMENTS**

**PROPOSED AMENDMENTS TO THE ARTICLES AND ADOPTION OF NEW
ARTICLES OF ASSOCIATION**

The Company proposes to amend the Articles by way of adoption of the New Articles of Association to (i) bring the Articles of Association in line with the latest regulatory requirements in relation to the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers and the relevant amendments made to the Listing Rules which took effect on 31 December 2023; and (ii) incorporate other house-keeping amendments to the Articles of Association including to update, modernize or clarify provisions of the Articles of Association where it is considered desirable.

The proposed amendments to the Articles and adoption of the New Articles of Association shall be subject to the approval of the shareholders of the Company by way of a special resolution at the EGM and shall take effect upon the close of the EGM.

CONTINUING CONNECTED TRANSACTIONS: 2025 MASTER PURCHASE AGREEMENTS

On 29 October 2024 (after trading hours), the Company has agreed to enter into (a) the 2025 Lek Seng Master Purchase Agreement with Lek Seng and Lek Seng Metal Sdn. Bhd., pursuant to which the Group may, but is not obliged to, purchase scrap ferrous metals, used batteries and waste paper from Lek Seng and/or Lek Seng Metal Sdn. Bhd.; and (b) the 2025 Chye Seng Huat Trading Master Purchase Agreement with Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd., Soon Lee Metal Sdn. Bhd. and Shun Kuan Recycle Sdn. Bhd., pursuant to which the Group may, but is not obliged to, purchase scrap ferrous metals, used batteries and waste paper from Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd., Soon Lee Metal Sdn. Bhd. and/or Shun Kuan Recycle Sdn. Bhd.

LISTING RULES IMPLICATION

As the counterparties to the 2025 Lek Seng Master Purchase Agreement, being Lek Seng and Lek Seng Metal Sdn. Bhd. and the counterparties to the 2025 Chye Seng Huat Trading Master Purchase Agreement, being Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd., Soon Lee Metal Sdn. Bhd. and Shun Kuan Recycle Sdn. Bhd., are connected with each other, the transactions contemplated under the 2025 Lek Seng Master Purchase Agreement and the 2025 Chye Seng Huat Trading Master Purchase Agreement are aggregated pursuant to Rules 14A.81 and 14A.82 of the Listing Rules. As the counterparties to the 2025 Master Purchase Agreements are connected persons and/or deemed connected persons of the Company, the transactions contemplated under the 2025 Master Purchase Agreements constitute continuing connected transactions on the part of the Company under Chapter 14A of the Listing Rules. Each of the 2025 Master Purchase Agreements and their respective proposed annual caps of the transactions thereunder shall be subject to the approval of the Independent Shareholders of the Company by way of ordinary resolutions at the EGM.

EGM

The EGM will be convened to consider and, if thought fit, to approve (i) the proposed amendments to the Articles and adoption of the New Articles of Association; and (ii) each of the 2025 Master Purchase Agreements and their respective proposed annual caps of the transactions thereunder. The vote of the Shareholders at the EGM shall be taken by poll and the Sia Brothers and their respective associates shall abstain from voting on the ordinary resolutions approving the 2025 Master Purchase Agreements.

A circular containing, among other things, the information on the proposed amendments to the Articles and adoption of the New Articles of Association, the 2025 Master Purchase Agreements and their respective proposed annual caps of the transactions thereunder, the letter of advice from South China Capital to the Independent Board Committee and the Independent Shareholders, the recommendation from the Independent Board Committee together with the notice of the EGM will be published on the Company's website at www.henghup.com and the Stock Exchange's website at www.hkexnews.hk, and will be despatched to the Shareholders as required.

Shareholders and potential investors of the Company should note that the transactions contemplated under the 2025 Master Purchase Agreements are subject to satisfaction of the conditions thereto. As the transactions may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

PROPOSED AMENDMENTS TO THE ARTICLES AND ADOPTION OF NEW ARTICLES OF ASSOCIATION

The Company proposes to amend the Articles by way of adoption of the New Articles of Association to (i) bring the Articles of Association in line with the latest regulatory requirements in relation to the expanded paperless listing regime and the electronic dissemination of corporate communications by listed issuers and the relevant amendments made to the Listing Rules which took effect on December 31, 2023; and (ii) incorporate other house-keeping amendments to the Articles of Association including to update, modernize or clarify provisions of the Articles of Association where it is considered desirable.

The proposed amendments to the Articles and adoption of the New Articles of Association shall be subject to the approval of the Shareholders by way of a special resolution at the EGM and shall take effect upon the close of the EGM.

CONTINUING CONNECTED TRANSACTIONS: 2025 MASTER PURCHASE AGREEMENTS

References are made to the announcement and the circular of the Company dated 7 March 2022 and 21 April 2022 respectively in relation to, among others, (a) the 2022 Long Hin Master Purchase Agreement with Long Hin, pursuant to which the Group may, but is not obliged to, purchase scrap ferrous metals and used batteries from Long Hin; (b) the 2022 Lek Seng Master Purchase Agreement with Lek Seng and Lek Seng Metal Sdn. Bhd., pursuant to which the Group may, but is not obliged to, purchase scrap ferrous metals, used batteries and waste paper from Lek Seng and/or Lek Seng Metal Sdn. Bhd.; and (c) the 2022 Chye Seng Huat Trading Master Purchase Agreement with Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd. and Soon Lee Metal Sdn. Bhd., pursuant to which the Group may, but is not obliged to, purchase scrap ferrous metals, used batteries and waste paper from Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd., and/or Soon Lee Metal Sdn. Bhd. The 2022 Master Purchase Agreements were effective from 1 January 2022 and will be expired on 31 December 2024.

In order to renew and update the existing continuing connected transactions contemplated under the 2022 Master Purchase Agreements, on 29 October 2024 (after trading hours), the Company has agreed to enter into the 2025 Lek Seng Master Purchase Agreement and the 2025 Chye Seng Huat Trading Master Purchase Agreement to reflect the terms of the proposed continuing connected transactions and to set the annual caps of the respective transactions thereunder for the period of the three financial years ending 31 December 2025, 2026 and 2027. The 2022 Long Hin Master Purchase Agreement will not be renewed.

As the counterparties to the 2025 Master Purchase Agreements are connected persons and/or deemed connected persons of the Company, the transactions contemplated under the 2025 Master Purchase Agreements constitute continuing connected transactions on the part of the Company under Chapter 14A of the Listing Rules and are subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

The principal terms of the 2025 Master Purchase Agreements are set out below:

(A) THE 2025 LEK SENG MASTER PURCHASE AGREEMENT

Date:

30 October 2024

Parties:

The Company

Lek Seng

Lek Seng Metal Sdn. Bhd.

Subject Matter

Pursuant to the 2025 Lek Seng Master Purchase Agreement, the Group may, but is not obliged to, purchase scrap ferrous metals, used batteries and waste paper from Lek Seng and/or Lek Seng Metal Sdn. Bhd., subject to the annual caps of RM60.0 million, RM66.0 million and RM72.6 million for each of the three financial years ending 31 December 2025, 2026 and 2027.

The Group has from time to time purchased scrap ferrous metals, used batteries and waste paper from Lek Seng and Lek Seng Metal Sdn. Bhd. in the ordinary and usual course of business and it is anticipated that the Group will continue to purchase scrap ferrous metals, used batteries and waste paper from Lek Seng and Lek Seng Metal Sdn. Bhd.

The prices payable by the Group under the 2025 Lek Seng Master Purchase Agreement will be determined after arm's length negotiations between the parties with reference to market prices and be on normal commercial terms (or on terms better to the Group than those available to Independent Third Parties).

Conditions

The 2025 Lek Seng Master Purchase Agreement is conditional upon:

- (a) if required under the Listing Rules, the passing by the Independent Shareholders at a general meeting of the Company to be convened and held of an ordinary resolution to approve the 2025 Lek Seng Master Purchase Agreement and the transactions contemplated thereunder; and
- (b) all necessary consents, authorisations and approvals required to be obtained on the part of the parties hereof in respect of the 2025 Lek Seng Master Purchase Agreement having been obtained.

If the conditions set out above have not been satisfied on or before 31 December 2024 (or such other date as the parties thereto may agree), the 2025 Lek Seng Master Purchase Agreement shall cease and terminate and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

Duration

Subject to the fulfillment of the conditions precedent of the 2025 Lek Seng Master Purchase Agreement, the 2025 Lek Seng Master Purchase Agreement shall be for the three financial years ending 31 December 2025, 2026 and 2027 unless terminated earlier by agreement signed between the parties thereto.

Historical transaction amounts

Set out below are the historical transaction amounts under the 2022 Lek Seng Master Purchase Agreement:

For the financial year ended 31 December 2022 (RM) (audited)	For the financial year ended 31 December 2023 (RM) (audited)	For the financial period for the nine months ended 30 September 2024 (RM) (unaudited)
43,950,463	49,282,149	40,424,150

As at the date of this announcement, the Company confirms that the total historical transaction amounts did not exceed the annual caps of RM50 million, RM50 million, RM55 million per annum for each of the financial years ended 31 December 2022, 2023 and for the financial period for the nine months ended 30 September 2024 under the 2022 Lek Seng Master Purchase Agreement.

Proposed annual caps for the 2025 Lek Seng Master Purchase Agreement

It is expected that the maximum aggregate amount payable by the Group to Lek Seng for each of the three financial years ending 31 December 2025, 2026 and 2027 shall not exceed the following respective amounts and such amounts have been set as the proposed annual caps for the relevant continuing connected transactions contemplated under the 2025 Lek Seng Master Purchase Agreement.

For the financial year ending 31 December 2025 (RM)	For the financial year ending 31 December 2026 (RM)	For the financial year ending 31 December 2027 (RM)
60.0 million	66.0 million	72.6 million

In arriving at the proposed annual caps above, the Company has taken into account: (a) the Group's aggregate costs of purchase of the materials from Lek Seng and Lek Seng Metal Sdn. Bhd. during the historical period; (b) the anticipated demand of the customers of the Group for the materials for the three financial years ending 31 December 2025, 2026 and 2027; (c) the Group's expected business growth; and (d) the market overview of the scrap material trading market. The Company considers that the above proposed annual caps are on normal commercial terms, in the ordinary and usual course of business, and fair and reasonable and in the interests of the Company and its Shareholders as a whole.

(B) THE 2025 CHYE SENG HUAT TRADING MASTER PURCHASE AGREEMENT

Date:

30 October 2024

Parties:

The Company

Chye Seng Huat Trading

Chye Seng Huat Sdn. Bhd.

Soon Lee Metal Sdn. Bhd.

Shun Kuan Recycle Sdn. Bhd.

Subject Matter

Pursuant to the 2025 Chye Seng Huat Trading Master Purchase Agreement, the Group may, but is not obliged to, purchase scrap ferrous metals, used batteries and waste paper from Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd., Soon Lee Metal Sdn. Bhd. and/or Shun Kuan Recycle Sdn. Bhd., subject to the annual caps of RM55.0 million, RM65.0 million and RM70.0 million for each of the three financial years ending on 31 December 2025, 2026 and 2027.

The Group has from time to time purchased scrap ferrous metals, used batteries and waste paper from Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd. and/or Soon Lee Metal Sdn. Bhd. in the ordinary and usual course of business and it is anticipated that the Group will continue to purchase scrap ferrous metals, used batteries and waste paper from Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd. and/or Soon Lee Metal Sdn. Bhd.. Due to the strong demand of scrap materials of the end customers, the Group also intends to purchase scrap ferrous metals and used batteries from Shun Kuan Recycle Sdn. Bhd. in the ordinary and usual course of business. Given that Shun Kuan Recycle Sdn. Bhd. is a company owned by the shareholders of Soon Lee Metal Sdn. Bhd., Shun Kuan Recycle Sdn. Bhd. also became a counterparty to the 2025 Chye Seng Huat Trading Master Purchase Agreement.

The prices payable by the Group under the 2025 Chye Seng Huat Trading Master Purchase Agreement will be determined after arm's length negotiations between the parties with reference to market prices and be on normal commercial terms (or on terms better to the Group than those available to Independent Third Parties).

Conditions

The 2025 Chye Seng Huat Trading Master Purchase Agreement is conditional upon:

- (a) if required under the Listing Rules, the passing by the Independent Shareholders at a general meeting of the Company to be convened and held of an ordinary resolution to approve the 2025 Chye Seng Huat Trading Master Purchase Agreement and the transactions contemplated thereunder; and
- (b) all necessary consents, authorisations and approvals required to be obtained on the part of the parties hereof in respect of the 2025 Chye Seng Huat Trading Master Purchase Agreement having been obtained.

If the conditions set out above have not been satisfied on or before 31 December 2024 (or such other date as the parties thereto may agree), the 2025 Chye Seng Huat Trading Master Purchase Agreement shall cease and terminate and thereafter neither party shall have any obligations and liabilities towards each other thereunder save for any antecedent breaches of the terms thereof.

Duration

Subject to the fulfillment of the conditions precedent of the 2025 Chye Seng Huat Trading Master Purchase Agreement, the 2025 Chye Seng Huat Trading Master Purchase Agreement shall be for the three financial years ending 31 December 2025, 2026 and 2027 unless terminated earlier by agreement signed between the parties thereto.

Historical transaction amounts

Set out below are the historical transaction amounts under the 2022 Chye Seng Huat Trading Master Purchase Agreement:

For the financial year ended 31 December 2022 (RM) (audited)	For the financial year ended 31 December 2023 (RM) (audited)	For the financial period for the nine months ended 30 September 2024 (RM) (unaudited)
42,462,561	17,691,943	18,236,736

As at the date of this announcement, the Company confirms that the total historical transaction amounts did not exceed the annual caps of RM50 million, RM55 million, RM60 million per annum for each of the financial years ended 31 December 2022, 2023 and for the financial period for the nine months ended 30 September 2024 under the 2022 Chye Seng Huat Trading Master Purchase Agreement.

Proposed annual caps for the 2025 Chye Seng Huat Trading Master Purchase Agreement

It is expected that the maximum aggregate amount payable by the Group to Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd., Soon Lee Metal Sdn. Bhd. and/or Shun Kuan Recycle Sdn. Bhd. for each of the three financial years ending 31 December 2025, 2026 and 2027 shall not exceed the following respective amounts and such amounts have been set as the proposed annual caps for the relevant continuing connected transactions contemplated under the 2025 Chye Seng Huat Trading Master Purchase Agreement.

For the financial year ending 31 December 2025 (RM)	For the financial year ending 31 December 2026 (RM)	For the financial year ending 31 December 2027 (RM)
55.0 million	65.0 million	70.0 million

In arriving at the proposed annual caps above, the Company has taken into account: (a) the Group's aggregate costs of purchase of the materials from Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd. and/or Soon Lee Metal Sdn. Bhd. during the historical period; (b) the anticipated demand of the customers of the Group for the materials for the three financial years ending 31 December 2025, 2026 and 2027; (c) the Group's expected business growth; and (d) the market overview of the scrap material trading market. The Company considers that the above proposed annual caps are on normal commercial terms, in the ordinary and usual course of business, and fair and reasonable and in the interests of the Company and its Shareholders as a whole.

REASONS FOR AND BENEFITS OF THE PROPOSED TRANSACTIONS

In view of the strong demand of scrap materials of the end customers, the Company would source scrap materials from suppliers in the market so long as they are able to deliver the required scrap materials for the Group. Given that there has been no material interruption in the supply of scrap materials by the relevant counterparties of the 2025 Master Purchase Agreements, the transactions were on arm's length basis, and the purchase prices payable and the payment terms granted by the relevant counterparties of the 2025 Master Purchase Agreements to the Group were comparable to those payable and granted to independent suppliers, the Directors consider the relevant counterparties of the 2025 Master Purchase Agreements to be reliable sources of supply of scrap materials and it is in the interests of the Group and the Shareholders as a whole that the Group continues to purchase scrap materials from the relevant counterparties of the 2025 Master Purchase Agreements.

To ensure the fairness and reasonableness of the terms of the 2025 Master Purchase Agreements, the Company will from time to time contact with other independent suppliers and its customers to keep abreast of the market conditions. Further, before the Company agrees on the purchase prices with the relevant counterparties of the 2025 Master Purchase Agreements, the Group will obtain the pricing information from other independent suppliers to ensure that the Group only source scrap materials from suppliers who are willing to offer the Group competitive prices.

The Directors (other than the independent non-executive Directors who will express their views in the circular after considering the advice of South China Capital) are of the view that the continuing connected transactions contemplated under the 2025 Master Purchase Agreements will be conducted on normal commercial terms (or better to the Group) and in the ordinary and usual course of business of the Group and that the terms of the 2025 Master Purchase Agreements and the proposed annual caps are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INFORMATION ABOUT THE PARTIES

The Company and its subsidiaries

The Company is an investment holding company and its subsidiaries are principally engaged in trading of scrap ferrous metals, used batteries, waste papers and other scraps in Malaysia.

Lek Seng

Lek Seng is a partnership owned by Mr. Lim Lai Wah and Mr. Lam Swee Seng, who are cousins of the Sia Brothers. Mr. Lim Lai Wah and Mr. Lam Swee Seng are brothers. As the Sia Brothers are the executive Directors and controlling shareholders of the Company, both Mr. Lim Lai Wah and Mr. Lam Swee Seng are deemed connected persons of the Company pursuant to Rule 14A.21(1)(a) of the Listing Rules. As advised by Lek Seng, Lek Seng is engaged in trading of scrap materials.

Lek Seng Metal Sdn. Bhd.

Lek Seng Metal Sdn. Bhd. is a company owned as to 22.5% by Mr. Lam Swee Seng, 22.5% by Mr. Lim Lai Wah and the remaining shares hold by three (3) sons of Mr. Lim Lai Wah, being Lim Wei Jeng (18.33%), Lim Wei Sing (18.33%) and Lim Wei Shyong (18.34%). As such, Lek Seng Metal Sdn. Bhd. is a deemed connected person of the Company pursuant to Rules 14A.21(1)(a) and (b) of the Listing Rules. As advised by Lek Seng Metal Sdn. Bhd., Lek Seng Metal Sdn. Bhd. is engaged in trading of scrap materials.

Chye Seng Huat Trading

Chye Seng Huat Trading is a sole proprietorship owned by Mr. Lim Ching Chan, who is a cousin of the Sia Brothers. As such, Mr. Lim Ching Chan is a deemed connected person of the Company pursuant to Rule 14A.21(1)(a) of the Listing Rules. As advised by Chye Seng Huat Trading, Chye Seng Huat Trading is engaged in trading of scrap materials.

Chye Seng Huat Sdn. Bhd.

Chye Seng Huat Sdn. Bhd. is a company owned as to 50% by Mr Lim Soon Lee being the son of the late Mr. Lim Tian Fow, being a cousin of the Sia Brothers. The remaining shares hold by Lim Kim Sing (25%) and Lim Tuan Ann (25%). As such, Chye Seng Huat Sdn. Bhd. is thus a deemed connected person of the Company pursuant to Rules 14A.21(1)(a) and (b) of the Listing Rules. As advised by Chye Seng Huat Sdn. Bhd., Chye Seng Huat Sdn. Bhd. is engaged in trading of scrap materials.

Soon Lee Metal Sdn. Bhd.

Soon Lee Metal Sdn. Bhd. is a company owned as to 50% by Mr Lim Soon Lee being the son of the late Mr. Lim Tian Fow, being a cousin of the Sia Brothers. The remaining shares hold by Lim Kim Sing (25%) and Lim Tuan Ann (25%). As such, Soon Lee Metal Sdn. Bhd. has been treated as a deemed connected person of the Company pursuant to Rules 14A.21(1)(a) and (b) of the Listing Rules. As advised by Soon Lee Metal Sdn. Bhd., Soon Lee Metal Sdn. Bhd. is engaged in trading of scrap materials.

Shun Kuan Recycle Sdn. Bhd.

Shun Kuan Recycle Sdn. Bhd. is a company owned as to 33.4% by Mr Lim Soon Lee being the son of the late Mr. Lim Tian Fow, being a cousin of the Sia Brothers. The remaining shares hold by Lim Kim Sing (33.3%) and Lim Tuan Ann (33.3%). As such, Shun Kuan Recycle Sdn. Bhd. is thus a deemed connected person of the Company pursuant to Rules 14A.21(1)(a) and (b) of the Listing Rules. As advised by Shun Kuan Recycle Sdn. Bhd., Shun Kuan Recycle Sdn. Bhd. is engaged in trading of scrap materials.

Sia Brothers

Sia Brothers are executive Directors and controlling shareholders of the Company.

LISTING RULES IMPLICATIONS

As the counterparties to the 2025 Lek Seng Master Purchase Agreement, being Lek Seng and Lek Seng Metal Sdn. Bhd. and the counterparties to the 2025 Chye Seng Huat Trading Master Purchase Agreement, being Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd., Soon Lee Metal Sdn. Bhd. and Shun Kuan Recycle Sdn. Bhd., are connected with each other, the transactions contemplated under the 2025 Lek Seng Master Purchase Agreement and the 2025 Chye Seng Huat Trading Master Purchase Agreement are aggregated pursuant to Rules 14A.81 and 14A.82 of the Listing Rules. As the counterparties to the 2025 Master Purchase Agreements are connected persons and/or deemed connected persons of the Company, the transactions contemplated under the 2025 Master Purchase Agreements constitute continuing connected transactions on the part of the Company under Chapter 14A of the Listing Rules.

As one or more of the applicable percentage ratios set out in Rule 14.07 of the Listing Rules in respect of the 2025 Master Purchase Agreements are more than 5%, the 2025 Master Purchase Agreements and the proposed annual caps for the transactions thereunder are subject to the reporting, annual review, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules.

As the Sia Brothers are deemed to have interests in the 2025 Master Purchase Agreements, the Sia Brothers have abstained from voting on the relevant board resolutions approving the 2025 Master Purchase Agreements. Save for the Sia Brothers, none of the other Directors have a material interest in the 2025 Master Purchase Agreements. Accordingly, no other Director was required to abstain from voting on the relevant board resolutions.

INDEPENDENT BOARD COMMITTEE AND INDEPENDENT FINANCIAL ADVISER

An Independent Board Committee of the Company comprising all the independent non-executive Directors has been established to advise the Independent Shareholders as to whether the terms of the 2025 Master Purchase Agreements and the transactions contemplated thereunder are fair and reasonable and are in the interests of the Company and its Shareholders as a whole, and to advise the Independent Shareholders as to how to vote at the EGM.

South China Capital has been appointed as the Independent Financial Adviser to provide advice and recommendation to the Independent Board Committee of the Company and the Independent Shareholders in this respect.

EGM

The proposed amendments to the Articles and adoption of the New Articles of Association shall be subject to the approval of the Shareholders by way of a special resolution at the EGM and each of the 2025 Master Purchase Agreements and their respective proposed annual caps of the transactions thereunder shall be subject to the approval of the Independent Shareholders of the Company by way of ordinary resolutions by at the EGM.

The EGM will be convened for the Shareholders to consider and, if thought fit, to approve the amendments to the Articles and adoption of the New Articles of Association, and for the Independent Shareholders to consider and, if thought fit, to approve the 2025 Master Purchase Agreements and their respective proposed annual caps of the transactions thereunder. The vote of the Shareholders at the EGM shall be taken by poll and the Sia Brothers, and their respective associates shall abstain from voting on the ordinary resolutions approving the 2025 Master Purchase Agreements.

PUBLICATION OF CIRCULAR

A circular containing, among other things, the information on the proposed amendments to the Articles and adoption of the New Articles of Association, the 2025 Master Purchase Agreements and their respective proposed annual caps of the transactions thereunder, the letter of advice from South China Capital to the Independent Board Committee and the Independent Shareholders, the recommendation from the Independent Board Committee together with the notice of the EGM will be published on the Company's website at www.henghup.com and the Stock Exchange's website at www.hkexnews.hk, and will be despatched to the Shareholders as required. As additional time is required for preparation and finalising the circular, the Company proposes to despatch the circular on or before 28 November 2024.

Shareholders and potential investors of the Company should note that the transactions contemplated under the 2025 Master Purchase Agreements are subject to satisfaction of the conditions thereto. As the transactions may or may not proceed, Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“2022 Chye Seng Huat Trading Master Purchase Agreement”	the master purchase agreement dated 7 March 2022 and entered into among the Company with Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd. and Soon Lee Metal Sdn. Bhd.
“2022 Lek Seng Master Purchase Agreement”	the master purchase agreement dated 7 March 2022 and entered into among the Company with Lek Seng and Lek Seng Metal Sdn. Bhd.
“2022 Long Hin Master Purchase Agreement”	the master purchase agreement dated 7 March 2022 and entered into between the Company and Long Hing
“2022 Master Purchase Agreements”	together the 2022 Long Hin Master Purchase Agreement, the 2022 Lek Seng Master Purchase Agreement and the 2022 Chye Seng Huat Trading Master Purchase Agreement and each a “2022 Master Purchase Agreement”
“2025 Chye Seng Huat Trading Master Purchase Agreement”	the conditional master purchase agreement to be dated 30 October 2024 and entered into among the Company with Chye Seng Huat Trading, Chye Seng Huat Sdn. Bhd., Soon Lee Metal Sdn. Bhd. and Shun Kuan Recycle Sdn. Bhd.

“2025 Lek Seng Master Purchase Agreement”	the conditional master purchase agreement to be dated 30 October 2024 and entered into among the Company with Lek Seng and Lek Seng Metal Sdn. Bhd.
“2025 Master Purchase Agreements”	together the 2025 Lek Seng Master Purchase Agreement and the 2025 Chye Seng Huat Trading Master Purchase Agreement and each a “2025 Master Purchase Agreement”
“Articles of Association” or “Articles”	the current articles of association of the Company, as amended from time to time
“associates”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“Chye Seng Huat Sdn. Bhd.”	a company incorporated in Malaysia owned as to 50% by Mr Lim Soon Lee being the son of the late Mr. Lim Tian Fow, being a cousin of the Sia Brothers
“Chye Seng Huat Trading”	a sole proprietorship owned by Mr. Lim Ching Chan, who is a cousin of the Sia Brothers
“Company”	Heng Hup Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the Main Board of the Stock Exchange
“connected person”	has the meaning ascribed to this term under the Listing Rules
“controlling shareholder”	has the meaning ascribed to this term under the Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held and convened to consider and, if thought fit, amend the Articles and adopt the New Articles of Association, and approve the 2025 Master Purchase Agreements and the transactions contemplated thereunder
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic China
“Independent Board Committee”	the independent committee of the Board comprising all the independent non-executive Directors

“Independent Financial Adviser” or “South China Capital”	South China Capital Limited, a licensed corporation to carry out type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), being the independent financial adviser to the Independent Board Committee and the Independent Shareholders in relation to the 2025 Master Purchase Agreements and the transactions contemplated thereunder
“Independent Shareholders”	Shareholders who are not required to abstain from voting at the EGM to approve the 2025 Master Purchase Agreements and the transactions contemplated thereunder
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and any of its connected persons
“Lek Seng”	a partnership owned by Mr. Lim Lai Wah and Mr. Lam Swee Seng, who are cousins of the Sia Brothers
“Lek Seng Metal Sdn. Bhd.”	a company incorporated in Malaysia and is owned as to 22.5% by Mr. Lam Swee Seng, 22.5% by Mr. Lim Lai Wah and the remaining shares held by three (3) sons of Mr. Lim Lai Wah
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Hin”	Long Hin Recycle & Trading Sdn. Bhd., a company incorporated in Malaysia and owned as to 50% by Mr. Sia Yin Hwee, being an uncle of the Sia Brothers, and 50% by Ms. Tan Ah Ngoo, being his spouse
“New Articles of Association” or “New Articles”	the third amended and restated articles of association of the Company to be adopted at the EGM
“RM”	Ringgit Malaysia, the lawful currency of Malaysia
“Shareholder(s)”	the holder(s) of the Share(s)
“Shares”	the ordinary share(s) in the share capital of the Company
“Shun Kuan Recycle Sdn. Bhd.”	Shun Kuan Recycle Sdn. Bhd., a company incorporated in Malaysia and owned as to 33.4% by Mr Lim Soon Lee being the son of the late Mr. Lim Tian Fow, being a cousin of the Sia Brothers
“Sia Brothers”	together Datuk Sia Keng Leong, Mr. Sia Kok Chong, Mr. Sia Kok Seng, Datuk Sia Kok Chin, Mr. Sia Kok Heong, who are the executive Directors and controlling shareholders of the Company

“Soon Lee Metal Sdn. Bhd.”	a company incorporated in Malaysia and owned as to 50% by Mr Lim Soon Lee being the son of the late Mr. Lim Tian Fow, being a cousin of the Sia Brothers
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

By order of the Board
Heng Hup Holdings Limited
Datuk Sia Kok Chin
Chairman and Chief Executive Officer

Hong Kong, 29 October 2024

As at the date of this announcement, the executive Directors are Datuk Sia Kok Chin, Datuk Sia Keng Leong, Mr. Sia Kok Chong, Mr. Sia Kok Seng and Mr. Sia Kok Heong; and the independent non-executive Directors are Ms. Sai Shiow Yin, Mr. Puar Chin Jong and Mr. Chu Kheh Wee.