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HANG YICK HOLDINGS COMPANY LIMITED

恒益控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1894)

ANNOUNCEMENT PURSUANT TO RULE 3.7 OF THE TAKEOVERS CODE, RULE 13.09 OF THE LISTING RULES AND INSIDE INFORMATION PROVISIONS UNDER PART XIVA OF THE SECURITIES AND FUTURES ORDINANCE

This announcement is made by the Hang Yick Holdings Company Limited (the “**Company**”) pursuant to Rule 13.09(1) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), Rule 3.7 of The Code on Takeovers and Mergers (the “**Takeovers Code**”) issued by the Securities and Futures Commission and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement of the Company dated 14 August 2020 (the “**Announcement**”) in relation to, among others, the MOU and the Possible Share Disposal. Unless otherwise specified, capitalised terms used herein shall have the same meaning as those defined in the Announcement.

The Board wishes to inform the Shareholders and potential investors that, based on the preliminary discussion between HY Steel and the Potential Purchaser, the price of the Possible Share Disposal is estimated to be no less than HK\$1.95 per Share, which is subject to further negotiation and mutual agreement. As disclosed in the Announcement, save for the provisions relating to the Exclusive Period, confidentiality and governing law, other provisions of the MOU, including the price, do not have any legal binding effect. Having made such enquiry with respect to the Company as is reasonable in the circumstances, as at the date of this announcement, the Possible Share Disposal is still under negotiation by the parties, and no decision has been made on whether to proceed with the Possible Share Disposal and no definitive and/or legally binding agreement has been entered into with respect to the Possible Share Disposal.

There can be no assurance that any agreement with respect to the Possible Share Disposal or its terms will be reached or that a transaction will materialise or eventually be consummated and the relevant discussions may or may not lead to a general offer under Rule 26.1 of the Takeovers Code. The Company will make further announcement in relation to the Possible Share Disposal as and when appropriate in accordance with the requirements of the Listing Rules. Shareholders and potential investors of the Company should exercise caution when dealing in the shares of the Company.

By order of the Board
Hang Yick Holdings Company Limited
Lee Ka Ho
Executive Director

Hong Kong, 27 August 2020

As at the date of this announcement, the Board comprises Mr. Lee Pui Sun, Ms. Lau Lai Ching, Mr. Lee Ka Ho and Mr. Pang Ming as executive Directors, Mr. Lee Ka Chun Benny and Mr. Zhang Chen as non-executive Directors, and Mr. Au Yeung Wai Key, Hon Cheung Kwok Kwan, JP and Mr. Tse Ka Ching Justin as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading.