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Yip's Chemical Holdings Limited  
*(Incorporated in the Cayman Islands with limited liability)*  
**(Stock Code: 408)**

**ANNOUNCEMENT  
RE-DESIGNATION AND RETIREMENT  
OF DIRECTORS**

The board of directors (the “Board”) of Yip’s Chemical Holdings Limited (the “Company” and, together with its subsidiaries, “the Group”) is pleased to announce the following changes in directorship with effect from 1 January 2012 :-

- (1) Mr. Ip Chi Shing, an executive director of the Company, will be re-designated as a non-executive director of the Company and will remain as the chairman of the Board;
- (2) Mr. Ting Hon Yam will retire as an executive director of the Company and will be appointed as the Group’s Senior Consultant.

The Board of the Company is pleased to announce the following changes in directorship with effect from 1 January 2012 :-

- (1) Mr. Ip Chi Shing, an executive director of the Company, will be re-designated as a non-executive director of the Company and will remain as the chairman of the Board**

Mr. Ip Chi Shing, an executive director of the Company, will be re-designated as a non-executive director of the Company and will remain as the chairman of the Board. This change will enable Mr. Ip to focus on his leadership role of the Board and devote more time to the Group’s long-term business planning and human resources development.

To be ready for greater business opportunities and respond to the ever-changing market challenges, a new committee named as Group Executive Committee will be established with effect from 1 January 2012 to replace the current Board Executive Committee and Group Management Committee, which will be the Group's highest administrative and management body. Mr. Yip Tsz Hin, the deputy chairman of the Board, will be appointed as the chairman of the Group Executive Committee.

Mr. Ip Chi Shing, aged 63, the co-founder and the chairman of the Company, has been leading the Company since its inception till it reached the current scale and strength for 40 years. Mr. Ip is the elder brother of Mr. Yip Tsz Hin, the deputy chairman of the Board and an executive director of the Company, and the father of Mr. Ip Kwan, a member of the Group Management Committee.

Mr. Ip will enter into a service contract with the Company as a non-executive director. Save for the housing benefits in the sum of HK\$80,000 being the monthly rental payable to Goldex Investments Limited, a company beneficially owned by Mr. Ip, Mr. Ip has agreed to waive any director's fee and other monetary awards throughout his term as a non-executive director. Pursuant to the service contract, Mr. Ip shall hold office for a term of 3 years commencing from 1 January 2012 and will be subject to retirement by rotation and re-election at the general meetings of the Company in accordance with the articles of association of the Company.

As at the date of announcement, Mr. Ip is interested or deemed to be interested in 184,101,932 shares of the Company ("Shares") (note), representing about 33.16% of the total issued share capital of the Company. Save as aforesaid, Mr. Ip does not have interest in the Shares within the meaning of Part XV of the Securities and Futures Ordinance.

Save as disclosed above, he is not connected with any other directors, senior management or any substantial or controlling shareholders of the Company and did not hold any directorship of other listed companies in the past 3 years. The Board is not aware of any other matters relating to the re-designation of Mr. Ip that need to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited, nor is there any information required to be disclosed by the Company pursuant to Rule 13.51(2)(h) to 13.51(2)(v) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Note: Out of those Shares, 2,000,000 Shares are held by his wife, 1,758,000 Shares are held by Mr. Ip and his wife jointly and 14,000,000 Shares are held respectively by Ip Chi Shing Charitable Foundation Limited, a charitable organization, as to 10,000,000 Shares and Yip's Care Extension Foundation Limited as to 4,000,000 Shares. Mr. Ip Chi Shing controls 50% (together with his wife control 100%) and 60% (together with his younger sister and brother control 100%) of the voting power at the general meetings of Ip Chi Shing Charitable Foundation Limited and Yip's Care Extension Foundation Limited respectively. He is therefore deemed to be interested in these Shares held by these two corporations.

**(2) Mr. Ting Hon Yam will retire as an executive director of the Company and will be appointed as the Group's Senior Consultant**

Mr. Ting Hon Yam will retire as an executive director of the Company with effect from 1 January 2012 and will be appointed as the Group's Senior Consultant to continue to provide professional advice on affairs of the Group.

Mr. Ting has confirmed that he has no disagreement with the Board and the Company and there are no matters relating to his retirement that need to be brought to the attention of the shareholders of the Company or The Stock Exchange of Hong Kong Limited.

The Board would like to express its sincere gratitude to Mr. Ting for his invaluable contributions to the Group during his long tenure of service with the Company.

By order of the Board  
*So Sze Wan, Lisa*  
Company Secretary

Hong Kong, 28 November 2011

*As at the date of this announcement, Mr. Ip Chi Shing, Mr. Yip Tsz Hin, Mr. Wong Kam Yim, Mr. Li Wai Man, Peter, Mr. Ho Sai Hou, Mr. Ting Hon Yam and Mr. Young Man Kim are executive directors of the Company, Mr. Tong Wui Tung and Mr. Ng Siu Ping are non-executive directors of the Company and Mr. Wong Kong Chi, Mr. Au-Yeung Tsan Pong, Davie, Mr. Li Chak Man and Mr. Ku Yuen Fun are independent non-executive directors of the Company.*