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**KIN YAT HOLDINGS LIMITED**  
**建溢集團有限公司**

website: <http://www.kinyat.com.hk>

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 638)**

## **PROFIT WARNING**

This announcement is made by Kin Yat Holdings Limited (the “**Company**”, and together with its subsidiaries, collectively, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) 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).

The board (the “**Board**”) of directors of the Company (the “**Director(s)**”) wishes to inform the shareholders of the Company (the “**Shareholders**”) and potential investors that based on the preliminary review of the unaudited management accounts of the Group for the six months ended 30 September 2022 (“**FY2023**”), the Company is expected to record a decline in profit, before impairment, if any, of our real estate development projects, attributable to Shareholders of approximately 58%, as compared to that of approximately HK\$76 million for the six months ended 30 September 2021 (“**FY2022**”).

The first half of FY2023 was still full of challenges and changes that we have had to face with the recurring waves of the COVID pandemic and the slowdown of the global economic growth amid hiking interest rates to contain elevating inflation and hardening geopolitical tensions, which withered the market demands for the products the Group produced and consequently affected the businesses of the Group. Based on the information currently available, the expected decrease in profit attributable to Shareholders was mainly attributable to (i) the decline in turnover of our Electrical and Electronic Products Segment (the “**E&E Segment**”) and Motors Business Segment (the “**Motors Segment**”); and (ii) the expected impairment to the carrying value of investment properties of the Group as compared to the corresponding period of FY2022 owing to the principle of prudence. The decline in profit has been partially mitigated by the benefits to the Group from depreciation of Renminbi against the U.S. dollars in the first half of FY2023.

The Company is in the process of finalising the interim results of the Group for the six months ended 30 September 2022 as the valuation of our real estate development projects is still in progress. The expected results may be materially affected by the outcome of the valuation appraisal when it is completed and concluded. Subsequent announcement shall be made to keep shareholders and potential investors informed, if necessary, in due course should we foresee a material change to the expected results. The information contained in this announcement is only a preliminary assessment by the Board with reference to the currently available unaudited management accounts of the Group which have not been audited or reviewed by the auditor or the audit committee of the Board. Shareholders and potential investors of the Company are advised to refer to Group's interim results announcement which is expected to be published by the end of November 2022.

**Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.**

By order of the Board  
**Kin Yat Holdings Limited**  
CHENG Chor Kit  
*Chairman and chief executive officer*

Hong Kong, 28 October 2022

*As at the date of this announcement, the Board comprises (a) five executive Directors, namely Mr. CHENG Chor Kit, Mr. LIU Tat Luen, Mr. CHENG Tsz To, Mr. CHENG Tsz Hang and Mr. LEE Kim Wa, Winston; (b) one non-executive Director, Dr. FUNG Wah Cheong, Vincent; and (c) three independent non-executive Directors, namely Mr. WONG Chi Wai, Dr. SUN Kwai Yu, Vivian and Mr. CHEUNG Wang Ip.*