
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you have sold or transferred all your shares in Kin Yat Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

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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)

GENERAL MANDATES TO REPURCHASE SHARES AND TO ISSUE NEW SHARES RE-ELECTION OF DIRECTORS CANCELLATION OF SHARE OPTIONS OF A DIRECTOR AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the annual general meeting (the “AGM”) of Kin Yat Holdings Limited (the “Company”) to be held at Tianshan/Lushan Rooms, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Hong Kong on Tuesday, 31 August 2010 at 3:00 p.m. is set out on pages 13 to 17 of this circular. A form of proxy for use at the AGM is also enclosed.

Whether or not you are able to attend the AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to our branch share registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the AGM. Completion and return of the form of proxy will not preclude shareholders of the Company from attending and voting in person at the meeting if they so wish.

30 July 2010

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DEFINITIONS

In this circular, the following expressions shall have the meanings set out below:

“AGM”	the annual general meeting of the Company to be held at Tianshan/Lushan Rooms, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Hong Kong on Tuesday, 31 August 2010 at 3:00 p.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the AGM which is set out on pages 13 to 17 of this circular;
“associate(s)”	has the meaning ascribed thereto under the Listing Rules;
“Board”	the Company’s board of Directors;
“Bye-law(s)”	the bye-law(s) of the Company;
“Company”	Kin Yat Holdings Limited, a company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange;
“connected person(s)”	has the meaning ascribed thereto under the Listing Rules;
“Director(s)”	director(s) of the Company;
“Group”	the Company and its subsidiaries;
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China;
“Issuance Mandate”	the proposed general and unconditional mandate to be granted to the Directors to exercise the powers of the Company to allot, issue or deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the relevant resolution;
“Latest Practicable Date”	23 July 2010, being the latest practicable date prior to the printing of this circular for inclusion of certain information contained herein;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;

DEFINITIONS

“Repurchase Mandate”	the proposed general and unconditional mandate to be granted to the Directors to exercise the powers of the Company to repurchase Shares of up to a maximum of 10% of the issued share capital of the Company as at the date of passing of the relevant resolution;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company or if there has been a subsequent sub-division, consolidation, reclassification or reconstruction of the share capital of the Company, shares forming part of the ordinary equity share capital of the Company;
“Shareholder(s)”	holder(s) of the Share(s) from time to time;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers;
“HK\$”	Hong Kong dollars; and
“%”	percent.

LETTER FROM THE BOARD



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)

Board of Directors

Executive Director:

Mr. Cheng Chor Kit

(Chairman and Chief Executive Officer)

Mr. Fung Wah Cheong, Vincent

(Vice Chairman)

Mr. Wong Weng Loong

Mr. Liu Tat Luen

Independent Non-executive Directors:

Dr. Chung Chi Ping, Roy, JP

Mr. Wong Chi Wai

Ms. Sun Kwai Yu

Registered Office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Principal place of business:

7th Floor

Galaxy Factory Building

25-27 Luk Hop Street

San Po Kong

Kowloon

Hong Kong

30 July 2010

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES
RE-ELECTION OF DIRECTORS
CANCELLATION OF SHARE OPTIONS OF A DIRECTOR
AND
NOTICE OF ANNUAL GENERAL MEETING**

1. INTRODUCTION

The purpose of this circular is to provide you with, inter alia, the relevant information regarding the resolutions to be proposed at the annual general meeting of Kin Yat Holdings Limited to be held on Tuesday, 31 August 2010. The proposed resolutions include those (i) granting the Directors the Repurchase Mandate and the Issuance Mandate and the extension of such mandate to issue additional new Shares, (ii) proposing re-election of Directors who are due to retire at the AGM, and (iii) proposing cancellation of share options of a Director.

LETTER FROM THE BOARD

2. REPURCHASE MANDATE AND ISSUANCE MANDATE

At the annual general meeting of the Company held on 24 August 2009, relevant resolutions were passed to grant general mandates to the Directors to exercise the powers of the Company to repurchase Shares of up to 10% of the issued share capital of the Company as at 24 August 2009 and to allot, issue or deal with additional new Shares up to a limit equal to 20% of the issued Shares as at 24 August 2009 plus the nominal amount of any Shares repurchased by the Company. In accordance with the Listing Rules, such mandates will lapse at the conclusion of the AGM unless otherwise renewed at the AGM. The following ordinary resolutions will therefore be proposed at the AGM to renew the Repurchase Mandate and the Issuance Mandate and the extension of such mandate to issue additional new Shares:

- (a) to purchase Shares on the Stock Exchange of up to 10% of the nominal amount of the issued share capital of the Company on the date of passing such resolution (the “**Repurchase Mandate**”);
- (b) to allot, issue or deal with Shares of up to 20% of the nominal amount of the issued share capital of the Company on the date of passing such resolution (the “**Issuance Mandate**”); and
- (c) to extend the Issuance Mandate by an amount representing the aggregate nominal amount of any Shares repurchased by the Company pursuant to and in accordance with the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of the Company comprised 417,848,000 Shares. At the AGM, ordinary resolutions would be passed to give the Issuance Mandate to allot, issue or deal with additional 83,569,600 Shares (representing 20% of the Shares in issue as at the Latest Practicable Date) plus the nominal amount of any shares repurchased by the Company.

The explanatory statement required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate is set out in Appendix I to this circular.

3. RE-ELECTION OF DIRECTORS

As at the Latest Practicable Date, the Board comprised four executive Directors; namely, Mr. Cheng Chor Kit, Mr. Fung Wah Cheong, Vincent, Mr. Wong Weng Loong and Mr. Liu Tat Luen, whereas the independent non-executive Directors comprised Dr. Chung Chi Ping, Roy *JP*, Mr. Wong Chi Wai and Ms. Sun Kwai Yu.

LETTER FROM THE BOARD

Pursuant to Bye-law 87(1), Mr. Liu Tat Luen being Director appointed on 28 December 2009, Mr. Wong Chi Wai and Ms. Sun Kwai Yu being Directors who have to retire by rotation, will retire at the AGM and, being eligible, offer themselves for re-election at the AGM.

The particulars of those Directors offering themselves for re-election which are required to be disclosed by the Listing Rules are set out in Appendix II to this circular.

4. CANCELLATION OF SHARE OPTIONS OF A DIRECTOR

On 23 July 2009, 2,500,000 share options (the “**2009 Share Options**”) to subscribe up to a total of 2,500,000 Shares with exercise price of HK\$1.426 per Share were granted to, and accepted by, Mr. Fung Wah Cheong, Vincent (“**Mr. Fung**”), an executive Director, under the share option scheme (the “**Scheme**”) adopted by the Company on 20 August 2002. Upon accepting the grant of the 2009 Share Options, Mr. Fung agreed to give up his right on the subsisting 2,500,000 share options (the “**2007 Share Options**”) granted to him on 8 October 2007 with an exercise price of HK\$2.52 per Share and return the relevant share option certificate to the Company.

In accordance with the provision under sub-paragraph (t) of the Scheme, the Board has approved the cancellation of the 2007 Share Options and Mr. Fung and his associates will abstain from voting on the resolution for the subject matter at the AGM.

5. AGM AND PROXY ARRANGEMENT

The notice of the annual general meeting of the Company proposed to be held at Tianshan/Lushan Rooms, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Hong Kong on Tuesday, 31 August 2010 at 3:00 p.m. is set out on pages 13 to 17 of this circular. At the AGM, ordinary resolutions, as set out in full in the notice of AGM in this circular, will be proposed to approve the grant of the Repurchase Mandate and the Issuance Mandate and the extension of which to issue additional new Shares, the re-election of Directors, and the cancellation of the 2007 Share Options.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of Shareholders at the AGM will be taken by poll. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

LETTER FROM THE BOARD

A form of proxy for use at the AGM is enclosed herewith. To be valid, the form of proxy must be completed in accordance with the instructions printed thereon and deposited, together with the power of attorney or other authority (if any) under which it is signed or a certified copy of that power of attorney or authority at the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the AGM or any adjournment thereof. Completion and delivery of the form of proxy will not preclude you from attending and voting at the AGM if you so wish.

6. RECOMMENDATION

The Directors consider that ordinary resolutions with respect to granting the Repurchase Mandate and the Issuance Mandate and the extension of which to issue additional new Shares; the proposing re-election of the Directors who are due to retire at the AGM, and the cancellation of the 2007 Share Options granted to a Director as set out respectively in the notice of AGM are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend you to vote in favour of such resolutions to be proposed at the AGM.

Your faithfully,

By Order of the Board

Cheng Chor Kit

Chairman and Chief Executive Officer

This Appendix serves an explanatory statement as required by the Listing Rules, to provide requisite information to you for your consideration of the Repurchase Mandate.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 417,848,000 Shares.

Subject to the passing of the ordinary resolution and on the basis that no Shares are issued or repurchased by the Company prior to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 41,784,800 Shares during the period in which the Repurchase Mandate remains in force.

2. REASONS FOR SHARE REPURCHASE

Although the Directors have no present intention of repurchasing any Share, they believe that the proposed granting of the Repurchase Mandate is in the best interests of the Company and the Shareholders.

Repurchases of Shares may, depending on market conditions and funding arrangements at the time, result in an enhancement of the net assets and/or earnings per Share. The Directors are seeking the grant of the Repurchase Mandate to give the Company the flexibility to do so if and when appropriate. The number of Shares to be repurchased on any occasion and the price and other terms upon which the same are repurchased will be decided by the Directors at the relevant time, having regard to the circumstances then pertaining.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association and Bye-laws, the laws of Bermuda and other applicable laws.

The Company is empowered by its memorandum of association and Bye-laws to repurchase its Shares. The laws of Bermuda provide that the amount of capital paid in connection with a share repurchase may only be paid out of the capital paid up on the relevant shares, or out of the funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for such purpose. The amount of premium payable on repurchase may only be paid out of the Company's funds which would otherwise be available for dividend or distribution or out of the share premium account of the Company before the Shares are repurchased.

There might be material adverse impact on the working capital and/or the gearing position of the Company (as compared with the position disclosed in the audited accounts contained in the annual report of the Company for the year ended 31 March 2010) in the event that the Repurchase Mandate was to be carried out in full at any time during the proposed repurchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements or the gearing level of the Company unless the Directors consider that such purchases are in the best interests of the Company.

4. GENERAL

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, any of their respective associates, has any present intention to sell any Shares to the Company in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange to exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of Bermuda.

No connected person has notified the Company that he has a present intention to sell Shares to the Company, or has undertaken not to do so in the event that the granting of the Repurchase Mandate is approved by the Shareholders.

If, on the exercise of the power to repurchase Shares pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Takeovers Code. As a result, a Shareholder or a group of Shareholders acting in concert (as interpreted according to the Takeovers Code), depending on the level of the increase of the shareholder's interest, could obtain or consolidate control of the Company and become(s) obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, to the best of the knowledge and belief of the Directors, Mr. Cheng Chor Kit ("**Mr. Cheng**"), an executive Director, together with his associates, Madam Tsang Yuk Wan, Mr. Cheng's wife and Resplendent Global Limited, was taken to be interested in 277,624,000 Shares representing approximately 66.44% of the Shares issued by the Company. Padora Global Inc. is the beneficial owner of all the issued capital of Resplendent Global Limited. Padora Global Inc. is wholly owned by Polo Asset Holdings Limited, which is ultimately owned by the trustees of a discretionary trust established by Mr. Cheng for his family. In the event that the Directors exercise in full the power to repurchase Shares in accordance with the terms of the ordinary resolution to be proposed at the AGM, and on the basis that no further Shares are issued, the interest of Mr. Cheng and his associates in the issued share capital of the Company would be increased to approximately 73.82%. Such increase will not give rise to an obligation to make a mandatory offer under Rule 26 of the Takeovers Code or reduce the number of Shares in public hands falling below 25%, the minimum float public requirement pursuant to Rule 8.08 of the Listing Rules.

5. MARKET PRICES OF SHARES

The highest and lowest prices per Share at which the Shares have been traded on the Stock Exchange during the previous 12 months before the Latest Practicable Date were as follows:

Month	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2009		
July	1.60	1.18
August	1.50	1.22
September	1.50	1.30
October	1.65	1.46
November	1.65	1.50
December	2.60	1.57
2010		
January	3.02	2.05
February	2.78	2.47
March	2.72	2.50
April	2.95	2.60
May	2.80	2.38
June	2.90	2.42
July (up to the Latest Practicable Date)	3.08	2.75

6. SHARE REPURCHASES MADE BY THE COMPANY

No repurchase of Shares has been made by the Company during the last six months (whether on the Stock Exchange or otherwise).

APPENDIX II PARTICULARS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

The following are the particulars (as required by the Listing Rules) of the Directors who will retire and, being eligible, offer themselves for re-election at the AGM.

MR. LIU TAT LUEN, EXECUTIVE DIRECTOR

Mr. Liu Tat Luen, aged 45, was appointed as an executive Director in December 2009. He has a focus on the natural resource development business as well as the finance and corporate affairs of the Company. Save for his position as an executive Director, Mr. Liu has no relationship with any other Directors, senior management, substantial shareholders or controlling shareholders of the Company. He did not have any other directorships held in listed companies other than the Company in the last three years and did not hold any positions in any subsidiaries of the Company prior to his appointment to the Company.

Mr. Liu holds a bachelor degree in science (Quantity Surveying) from the University of Hong Kong and a master degree in business administration from the Chinese University of Hong Kong. Prior to joining the Company, Mr. Liu served as a director and responsible officer in a corporate finance advisory firm (type 6 regulated activities under the SFO) in Hong Kong and has over 20 years of working experience in the financial industry in Asia as a whole.

Mr. Liu has been appointed as an executive Director for a term of three years commencing from 28 December 2009 (subject to retirement by rotation according to the Company's Bye-laws) and has entered into a service agreement with the Company, which is terminable by either party giving not less than six months' notice in writing to the other party. Pursuant to the said service agreement, Mr. Liu is entitled to (i) an annual emoluments of HK\$1,992,000 plus an additional annual discretionary bonus, and (ii) 2,000,000 share options to subscribe, with exercise price of HK\$2.102 per Share, up to a total of 2,000,000 ordinary shares of HK\$0.10 each of the Company (representing approximately 0.48% of the issued share capital of the Company). Mr. Liu's emoluments are determined by the Board after arm's length negotiation with reference to prevailing market terms, qualifications and experience of Mr. Liu.

As at the Latest Practicable Date, save for Mr. Liu's personal interests in the said share options granted to him, he was not interested or deemed to be interested in any shares of the Company or underlying shares of the Company within the meaning of Part XV of the SFO.

APPENDIX II PARTICULARS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

MR. WONG CHI WAI, INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Wong Chi Wai, aged 44, has been an independent non-executive Director since September 2004. He is the chairman of the Company's nomination committee and a member of the Company's audit committee and remuneration committee. He is a certified public accountant (practising) in Hong Kong and an associate member of The Institute of Chartered Accountants in England and Wales. He has also been admitted as a barrister of the High Court of Hong Kong since 1998. He has over 22 years of experience in the accountancy profession and he currently is the owner of a certified public accountants firm and an adviser of a law firm. He is also an independent non-executive director and audit committee member of Bonjour Holdings Limited and Arts Optical International Holdings Limited. Mr. Wong does not hold any other position in any subsidiaries of the Company.

Mr. Wong was an independent non-executive director of Tin Tin Publication Development Limited ("**Tin Tin**") during the periods from 3 June 2000 to 31 August 2000 and from 18 December 2000 to 27 June 2002. Tin Tin was engaged in the publication business. Mr. Wong had never participated in the management of Tin Tin during his appointment thereto. His re-appointment on 18 December 2000 as a director of Tin Tin was for the sole purpose of constituting a valid board quorum pursuant to the articles of association of Tin Tin so that Tin Tin could enter into settlement agreements with and release funds to its creditors after Tin Tin lost a court case in the Final Court of Appeal (Hong Kong) in July 2000. A judgment creditor obtained a judgment against Tin Tin on or about 11 January 2002 for a sum of HK\$4,675,325 and then applied to the Court for winding-up of Tin Tin. The order for winding up of Tin Tin was granted on 7 August 2002. No further information about the progress of the winding up of Tin Tin is available after the resignation of Mr. Wong as a director thereof on 27 June 2002. This incident had been duly disclosed to the Company and the Stock Exchange when he was appointed as a Director.

However, due to oversight, Mr. Wong omitted to mention his directorship in Tin Tin in application for the membership of the Hong Kong Federation of Insurers ("**HKFI**") in May 2004. Mr. Wong subsequently informed HKFI of such omission in July 2004 and HKFI decided to suspend his application as an insurance agent for 9 months until June 2005. Mr. Wong disclosed the decision of the HKFI to the Company and the SEHK promptly in October 2004.

Mr. Wong has entered into a service contract with the Company for a term of three years commencing 28 September 2008 subject to retirement by rotation and re-election at annual general meeting in accordance with the Bye-laws unless terminated by either party giving three month's notice in writing to the other party. The annual total emoluments for Mr. Wong is HK\$150,000 by reference to the Company's standard scale of emoluments for independent non-executive directors.

APPENDIX II PARTICULARS OF THE DIRECTORS PROPOSED TO BE RE-ELECTED AT THE AGM

Saved as disclosed above, there are no other matters in relation to the afore-proposed re-election of the Mr. Wong as a Director that needed to be brought to the attention of the Stock Exchange or the Shareholders and there is no information relating to Mr. Wong that is required to be disclosed pursuant to Rules 13.51(2) of the Listing Rules. Mr. Wong has no relationship with any other Directors, senior management, substantial shareholder or controlling shareholder of the Company. As at the Latest Practicable Date, he was not interested or deemed to be interested in any shares of the Company or underlying shares of the Company within the meaning of Part XV of the SFO.

MS. SUN KWAI YU, INDEPENDENT NON-EXECUTIVE DIRECTOR

Ms. Sun Kwai Yu, aged 48, has been an independent non-executive Director since September 2004. She is the chairman of the Company's audit committee and a member of the Company's remuneration committee and nomination committee. Ms. Sun is a fellow member of the Hong Kong Institute of Certified Public Accountants and CPA Australia. She has 19 years' experience working in a renowned international accounting firm and she is currently the founder and chief consultant of a consultancy firm. She did not hold any directorships in other listed companies in the last three years. Ms. Sun does not hold any other positions in any subsidiaries of the Company.

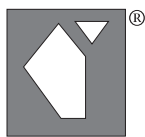
Ms. Sun has entered into a service contract with the Company for a term of three years commencing 28 September 2007 subject to retirement by rotation and re-election at annual general meeting of the Company in accordance with the Bye-laws unless terminated by either party giving three month's notice in writing to the other party. The annual total emoluments for Ms. Sun is HK\$150,000 by reference to the Company's standard scale of emoluments for independent non-executive directors.

Save as disclosed above, Ms. Sun has no relationship with any other Directors, senior management, substantial shareholder or controlling shareholder of the Company. As at the Latest Practicable Date, she was not interested or deemed to be interested in any shares of the Company or underlying shares of the Company within the meaning of Part XV of the SFO.

OTHER MATTERS THAT NEED TO BE BROUGHT TO THE ATTENTION OF THE SHAREHOLDERS

Save as disclosed above, each of Mr. Liu Tat Luen, Mr. Wong Chi Wai and Ms. Sun Kwai Yu confirmed that there is not other information that needs to be disclosed pursuant to any of the requirements as set out in Rule 13.51(2)(h) to (v) of the Listing Rules. The Company is not aware of any other matter that needs to be brought to the attention of the Shareholders and the Stock Exchange in relation to the re-election of Mr. Liu Tat Luen, Mr. Wong Chi Wai and Ms. Sun Kwai Yu as Directors.

NOTICE OF ANNUAL GENERAL MEETING



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)

NOTICE IS HEREBY GIVEN that the annual general meeting of Kin Yat Holdings Limited (the “**Company**”) to be held at Tianshan/Lushan Rooms, Level 5, Island Shangri-La, Pacific Place, Supreme Court Road, Hong Kong on Tuesday, 31 August 2010 at 3:00 p.m. for the following purposes:

1. To receive and approve the audited financial statements and the reports of the directors (the “**Director(s)**”) and of the auditors of the Company for the year ended 31 March 2010.
2. To declare a final dividend for the year ended 31 March 2010.
3. To re-elect the retiring Directors and to authorise the Board of Directors (the “**Board**”) to fix the Directors’ remuneration.
4. To re-appoint Messrs. Ernst & Young as auditors of the Company and to authorise the Board to fix their remuneration.

ORDINARY RESOLUTIONS

As special business, to consider and, if thought fit, pass with or without amendments, the following resolutions as ordinary resolutions:

5. “**THAT:**
 - (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to repurchase shares of the Company on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”), subject to and in accordance with all applicable laws and the requirements of the Listing Rules as amended from time to time, be and is hereby generally and unconditionally approved;

NOTICE OF ANNUAL GENERAL MEETING

- (b) the aggregate nominal value of the shares of the Company which the Company is authorised to repurchase pursuant to the approval in paragraph (a) above during the Relevant Period (as hereinafter defined) shall not exceed 10 % of the total nominal value of the share capital of the Company in issue at the date of the passing of this resolution, and the authority granted pursuant to paragraph (a) above shall be limited accordingly; and
- (c) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution up to:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting,

whichever is the earliest.”

6. “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue or deal with additional shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) shall authorise the Directors during the Relevant Period (as hereinafter defined) to make or grant offers, agreements and options which might require the exercise of such power after the end of the Relevant Period;

NOTICE OF ANNUAL GENERAL MEETING

- (c) the aggregate nominal amount of share capital allotted and issued or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a), otherwise that pursuant to (i) a Rights Issue (as hereinafter defined) or (ii) the exercise of the subscription rights under the share option scheme of the Company or (iii) an issue of shares as scrip dividends pursuant to the Bye-laws of the Company from time to time shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution up to:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by any applicable law or the Bye-laws of the Company to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting,

whichever is the earliest.”; and

“**Rights Issue**” means an offer of shares, or an offer of warrants, options or other securities giving rights to subscribe for shares, open for a period fixed by the Company or by the Directors to holders of shares of the Company or any class thereof on the register on a fixed record date in proportion to their then holdings of such shares or class thereof (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

7. “**THAT** subject to the passing of ordinary resolutions numbered 5 and 6 set out in this Notice, of which this resolution forms part, the aggregate nominal amount of share capital of the Company that may be allotted or agreed conditionally or unconditionally to be allotted by the Directors pursuant to and in accordance with the mandate granted under ordinary resolution number 6 set out in this Notice, of which this resolution forms part, be and is hereby increased and extended by the addition thereto of the aggregate nominal amount of the shares of the Company which may be repurchased by the Company pursuant to and in accordance with the mandate granted under ordinary resolution numbered 5 set out in this Notice, of which this resolution forms part, provided that such amount shall not exceed 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing this resolution.”

SPECIAL RESOLUTIONS

8. To consider as special business and, if though fit, pass with or without modification the following resolution as a special resolution:

“**THAT** the share options granted to Mr. Fung Wah Cheong, Vincent on 8 October 2007 to subscribe up to a total of 2,500,000 ordinary shares of HK\$0.10 each of the Company with an exercise price HK\$2.52 per Share be and hereby cancelled.”

By order of the Board

Cheng Chor Kit

Chairman and Chief Executive Officer

Hong Kong, 30 July 2010

NOTICE OF ANNUAL GENERAL MEETING

As at the date hereof, the Board comprises four executive directors, namely Mr. Cheng Chor Kit, Mr. Fung Wah Cheong, Vincent, Mr. Wong Weng Loong and Mr. Liu Tat Luen, and three independent non-executive directors, namely Dr. Chung Chi Ping, Roy JP, Mr. Wong Chi Wai and Ms. Sun Kwai Yu.

Notes:

- (a) The Register of Members of the Company will be closed from Thursday, 26 August 2010 to Tuesday, 31 August 2010 (both days inclusive), during which period no transfer of Shares of the Company will be registered. In order to qualify for entitlement to the proposed final dividend for the year ended 31 March 2010 and for attending the AGM, all transfers of Shares of the Company accompanied by the relevant share certificates and the appropriate transfer forms must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong for registration not later than 4:00 p.m. on Wednesday, 25 August 2010. The approved final dividend will be paid on Wednesday, 22 September 2010.
- (b) A member entitled to attend and vote at the meeting is entitled to appoint one or more proxies to attend and, in the event of a poll, vote on his behalf. A proxy need not be a member of the Company.
- (c) The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, must be lodged with the Company's Share Registrar in Hong Kong, Tricor Tengis Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the AGM.