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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)

ANNOUNCEMENT PURSUANT TO RULE 13.18 OF THE LISTING RULES

ENTERING INTO A BANK FACILITY AGREEMENT WITH SPECIAL PERFORMANCE COVENANTS

This announcement is made pursuant to Rule 13.18 of the Listing Rules with respect to the Facility with covenants relating to specific performance of the controlling shareholder of the Company

This announcement is made by Kin Yat Holdings Limited (the “**Company**”) pursuant to Rule 13.18 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”).

On 9 September 2015, the Company, as borrower, entered into a facility agreement (the “**Facility Letter**”) issued by Hang Seng Bank Limited (the “**Bank**”), whereby a term loan facility of HK\$100,000,000 (the “**Facility**”) is made available to the Company for a term of 36 months.

In accordance with the Facility Letter, the proceeds of the Facility shall be used to financing of the funding requirements of the Company and its subsidiaries.

The Facility imposes, inter alia, a condition that Mr. Cheng Chor Kit (“**Mr. Cheng**”), the controlling shareholder (as defined under the Listing Rules) of the Company as at the date of this announcement and the discretionary trust set up by Mr. Cheng for the benefit of his family (the “**Trust**”) collectively shall beneficially or directly maintain a shareholding of not less than 50% of the issued share capital of the Company. A breach of the aforesaid condition will constitute an event of default under the Facility Letter. Upon the occurrence of such event, the Bank may demand repayment in full all outstanding amounts together with the interest accrued thereon and all other sums payable by the Company under the Facility Letter.

As at the date of this announcement, Mr. Cheng and the Trust collectively, directly or indirectly, own 69.12% of the entire issued share capital of the Company in accordance with Part XV of The Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

In accordance with the requirements under Rule 13.21 of the Listing Rules, the Company will make disclosures in its subsequent interim and annual reports for so long as circumstances giving rise to the specific performance obligation of the controlling shareholder continue to exist.

By order of the Board
Kin Yat Holdings Limited
Cheng Chor Kit
Chairman and Chief Executive Officer

Hong Kong, 9 September 2015

As at the date of this announcement, the Board comprises eight Directors, of which four are executive Directors, namely Mr. CHENG Chor Kit, Mr. FUNG Wah Cheong, Vincent, Mr. LIU Tat Luen and Mr. CHENG Tsz To; and four independent non-executive Directors, namely Mr. WONG Chi Wai, Dr. SUN Kwai Yu, Vivian, Mr. CHENG Kwok Kin, Paul and Mr. CHEUNG Wang Ip.