
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 RETIRING DIRECTORS, PROPOSED CHANGE OF AUDITORS 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 Studio Room 3, 4/F., pentahotel Hong Kong, Kowloon, 19 Luk Hop Street, San Po Kong, Kowloon, Hong Kong on Thursday, 31 August 2017 at 3:00 p.m. is set out on pages 17 to 21 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 Level 22, Hopewell Centre, 183 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.

1 August 2017

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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 Studio Room 3, 4/F., pentahotel Hong Kong, Kowloon, 19 Luk Hop Street, San Po Kong, Kowloon, Hong Kong on Thursday, 31 August 2017 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 17 to 21 of this circular;
“Associate(s)”	has the meaning ascribed thereto under the Listing Rules;
“Audit Committee”	the audit committee of the Company;
“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;
“EY”	Ernst & Young, Certified Public Accountants;
“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”	28 July 2017, being the latest practicable date prior to the printing of this circular for inclusion of certain information contained herein;

DEFINITIONS

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“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;
“Retiring Director(s)”	the Director(s) retiring at the AGM and, being eligible, who offer themselves for re-election at the AGM, in accordance with the Bye-laws;
“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;
“Substantial or Controlling Shareholder(s)”	has the meaning ascribed thereto under the Listing Rules;
“Takeover Code”	The Hong Kong Code on Takeovers and Mergers issued by the Securities and Future Commission in Hong Kong;
“HK\$”	Hong Kong dollars; and
“%”	per cent.

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 Directors:

Mr. Cheng Chor Kit

(Chairman and Chief Executive Officer)

Mr. Fung Wah Cheong, Vincent

Mr. Liu Tat Luen

Mr. Cheng Tsz To

Mr. Cheng Tsz Hang

Mr. Chin Wee Hon

Mr. Hui Ka Po, Alex

Independent Non-executive Directors:

Mr. Wong Chi Wai

Dr. Sun Kwai Yu, Vivian

Mr. Cheng Kwok Kin, Paul

Mr. Cheung Wang Ip

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

1 August 2017

To the Shareholders

Dear Sir or Madam,

**GENERAL MANDATES TO REPURCHASE SHARES
AND TO ISSUE NEW SHARES,
RE-ELECTION OF RETIRING DIRECTORS,
PROPOSED CHANGE OF AUDITORS
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 Thursday, 31 August 2017. The proposed resolutions include (i) the grant to the Board the Repurchase Mandate and the Issuance Mandate and the extension of such mandate to issue additional new Shares; (ii) the re-election of Retiring Directors; and (iii) the change of auditors of the Company.

LETTER FROM THE BOARD

2. REPURCHASE MANDATE AND ISSUANCE MANDATE

At the annual general meeting of the Company held on 26 August 2016, 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 26 August 2016 and to allot, issue or deal with additional new Shares up to a limit equal to 20% of the issued Shares as at 26 August 2016 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 430,160,000 Shares. At the AGM, ordinary resolutions would be passed to give the Issuance Mandate to allot, issue or deal with additional 86,032,000 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.

LETTER FROM THE BOARD

3. RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, the Board comprised seven executive Directors, namely Mr. Cheng Chor Kit, Mr. Fung Wah Cheong, Vincent, Mr. Liu Tat Luen, Mr. Cheng Tsz To, Mr. Cheng Tsz Hang, Mr. Chin Wee Hon and Mr. Hui Ka Po, Alex, 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.

Pursuant to Bye-law 86(2), the Directors shall have the power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy on the Board or, subject to authorisation by the members in a general meeting, as an addition to the existing Board but so that the number of Directors so appointed shall not exceed any maximum number determined from time to time by members in a general meeting. Any Director so appointed shall hold office only until the first general meeting of the Company after his or her appointment and shall then be eligible for re-election at that meeting.

Pursuant to Bye-law 87(1), unless and until the Company in a general meeting shall otherwise determine, at each annual general meeting, one third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one third shall retire from office by rotation, provided that every Director (including those appointed for a specific term or holding office as chairman or managing director) shall be subject to retirement by rotation at least once every three years or within such other period as the designated stock exchange may from time to time prescribe or within such other period as the laws of such jurisdiction applicable to the Company.

Accordingly, Mr. Fung Wah Cheong, Vincent, Mr. Cheng Tsz To, Mr. Wong Chi Wai and Mr. Cheung Wang Ip, being the Directors who shall retire by rotation, will retire at the AGM and, being eligible, offer themselves, for re-election at the AGM. Mr. Hui Ka Po, Alex, appointed as Director on 1 December 2016, being the Director who shall hold office only until the first general meeting of the Company after his appointment, will retire at the AGM and, being eligible, offer himself for re-election at the AGM.

The Company has received from Mr. Wong Chi Wai and Mr. Cheung Wang Ip, the confirmation of independence pursuant to the Rule 3.13 of the Listing Rules.

Further, pursuant to the code provision as set out in paragraph A.4.3 of the Corporate Governance Code contained in Appendix 14 of the Listing Rules, any further appointment of independent non-executive director serving more than nine years should be subject to a separate resolution to be approved by shareholders.

LETTER FROM THE BOARD

Mr. Wong Chi Wai (“**Mr. Wong**”) has served as independent non-executive Director more than 9 years. Mr. Wong has not involved in any executive management of the Company, but expressed objective and independent views to the Company over the years. As an independent non-executive Director with in-depth understanding of the Company’s operations and with professional qualifications, the Board, taking into consideration of his independent scope of works during his tenure of office, concurs that the long service of Mr. Wong would not affect his exercise of independent judgement and is satisfied that Mr. Wong has the required character, integrity and experience to continue fulfilling the role of independent non-executive Director. The Directors consider the re-election of Mr. Wong as independent non-executive Director is in the best interest of the Company and Shareholders as a whole, a separate ordinary resolution will be proposed at the AGM to approve the re-election of Mr. Wong.

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

4. PROPOSED CHANGE OF AUDITORS

Reference is made to the announcement published by the Company on 31 July 2017. As set out in the said announcement, Ernst & Young will retire as the auditors of the Company with effect from the conclusion of the forthcoming AGM. Ernst & Young have been the auditors of the Company for more than 20 years. For the purpose of maintaining good corporate governance, the Board is of the view that rotation of auditors shall be considered in the case when an audit firm has acted as the auditors of the Company for a long period of time.

In proposing the change of auditors, the Board and the Audit Committee have considered various factors, including but not limited to independence and objectivity, experience of personnel assigned to audit the Company’s accounts, effectiveness of the audit process in accordance with applicable standards and the audit fee charges.

The Board has resolved, with the recommendation of the Audit Committee, to propose the appointment of PricewaterhouseCoopers as the new auditors of the Company following the retirement of Ernst & Young and such proposed appointment is subject to the approval of Shareholders at the forthcoming AGM.

The Board and the Audit Committee confirmed that there is no disagreement between EY and the Company, and there are no matters in respect of the proposed change of auditors that need to be brought to the attention of the Shareholders.

LETTER FROM THE BOARD

5. AGM AND PROXY ARRANGEMENT

The notice of the AGM proposed to be held at Studio Room 3, 4/F., pentahotel Hong Kong, Kowloon, 19 Luk Hop Street, San Po Kong, Kowloon, Hong Kong on Thursday, 31 August 2017 at 3:00 p.m. is set out on pages 17 to 21 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 (i) the grant to the Board the Repurchase Mandate and the Issuance Mandate and the extension of which to issue additional new Shares; (ii) the re-election of Retiring Directors; and (iii) the change of auditors of the Company.

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of Shareholders at the AGM will be taken by poll except where the chairman of the AGM, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The Company will announce the results of the poll in the manner prescribed under Rule 13.39(5) of the Listing Rules.

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 Level 22, Hopewell Centre, 183 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 (i) the grant to the Board the Repurchase Mandate and the Issuance Mandate and the extension of which to issue additional new Shares; (ii) the re-election of Retiring Directors; and (iii) the change of auditors of the Company as set out respectively in the notice of AGM are in the best interests of the Company and the Shareholders. Accordingly, the Directors recommend Shareholders 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

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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 430,160,000 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 43,016,000 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.

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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 2017) 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. The Directors are not aware of any other consequences which may arise under the Takeovers Code as a result of any repurchases made under the Repurchase Mandate.

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, the spouse of Mr. Cheng, and Resplendent Global Limited, was taken to be interested in 292,226,000 Shares representing approximately 67.93% 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 (the "**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

APPENDIX I EXPLANATORY STATEMENT ON THE REPURCHASE MANDATE

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 75.48%. However, the Directors wish to state that they have no present intention to exercise the power of the Company to repurchase Share to such an extent as would result in the number of Shares held by the public falling below 25%.

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>
2016		
July	1.059	0.986
August	1.196	1.032
September	1.343	1.041
October	1.379	1.123
November	1.571	0.959
December	1.626	1.300
2017		
January	1.490	1.340
February	1.520	1.360
March	1.820	1.400
April	1.720	1.500
May	1.840	1.640
June	2.360	1.750
July (up to Latest Practicable Date)	2.410	1.850

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).

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. FUNG WAH CHEONG, VINCENT, EXECUTIVE DIRECTOR

Mr. Fung Wah Cheong, Vincent (“**Mr. Fung**”), aged 61, was appointed as an executive Director in August 2005. He is responsible for the corporate and business management of the Group. He is also the member of the Board’s remuneration committee and nomination committee. Mr. Fung holds a Master of Science Degree in Engineering Business Management and has over 30 years’ experience in the toy industry. Before he joined the Group in April 2005, he had worked as an engineering director in a sizeable toys manufacturing and distribution company. Mr. Fung is also a director in the following subsidiaries of the Company:

iHome Products Limited, Kids Culture Limited, Kin Yat (Guizhou) Robot Company Limited, Kin Yat (HK) Holdings Limited, Kin Yat Industrial Company Limited, Kin Yat Industrial Holdings Limited, Kin Yat Technology Limited, Newway Electrical Industries (Hong Kong) Limited, Penta Blesses Enterprises (Kin Yat Power) Limited, Penta Blesses Enterprises (Konso) Limited, Penta Blesses Enterprises (Newway) Limited, Penta Blesses Enterprises (Turbo) Limited, Penta Blesses Enterprises Limited, Kin Yat Robot Company Limited, Kin Yat Robotics Limited, Unicon Investments Limited and World Talent Enterprise Limited.

Mr. Fung has renewed his service contract with the Company for terms of three years commencing from 1 August 2014, which may be terminated by either party giving to the other party a six-months’ written notice, the termination of which should not be later than the end of the three years. Pursuant to the service contract, the fixed annual emoluments for Mr. Fung will be HK\$3,600,000 and he is also entitled to an additional discretionary annual bonus calculated upon the performance of the Group. The basis of the remuneration of Mr. Fung was determined by the Board after arm’s length negotiation with reference to the prevailing market condition. In accordance with the Bye-laws, the appointment of Mr. Fung will be subject to retirement by rotation and re-election at the AGM.

Save for his position as executive Director, Mr. Fung confirmed that there is no relationship with any other Directors, senior management, Substantial or Controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Fung is personally interested in 8,152,000 shares of the Company, representing approximately 1.90% of the issued share capital of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Fung does not (i) hold any position in the Company and other members of the Group; (ii) hold any directorships in other public listed companies in the past three years; (iii) have other major appointments; (iv) have any relationships with any Directors, senior management or Substantial or Controlling Shareholders of the Company or any of its subsidiaries; and (v) have any interests in the shares of the Company within the meaning of Part XV of the SFO.

MR. CHENG TSZ TO, EXECUTIVE DIRECTOR

Mr. CHENG Tsz To (“**Mr. Cheng**”), aged 30, was appointed as an executive Director since June 2014. After graduating with a Master’s Degree of Engineering in Mechatronics with honors from the University of Sheffield, the United Kingdom, Mr. Cheng joined the Group in 2010 and has taken various roles and responsibilities, including operations, business and management positions within the Group. Currently, Mr. Cheng is supervising, inter alia, the production engineering department. He is also responsible for the procurement function of the Group in particular respect to the electrical and electronic products business segment. He is the director of Kin Yat Industrial Company Limited and Kin Yat Robotics Limited, the subsidiary companies of the Company.

Mr. Cheng is a son of Mr. Cheng Chor Kit, the executive Director and the Substantial or Controlling Shareholder of the Company and is the younger brother of Mr. Cheng Tsz Hang, the executive Director and the chief executive officer of the motors business segment of the Group.

Mr. Cheng has renewed his service contract with the Company for a term of three years commencing on 23 June 2017, which may be terminated by either party giving to the other party a six-months’ written notice, the termination of which should not be later than the end of the three years. Pursuant to the service contract, the fixed annual emoluments for Mr. Cheng will be HK\$840,000 and he is also entitled to an additional discretionary annual bonus calculated upon the performance of the Group. The basis of the remuneration of Mr. Cheng was determined by the Board after arm’s length negotiation with reference to his qualifications, experience, duties and responsibilities in the Company, the Company’s performance and the prevailing market conditions. In accordance with the Bye-laws, the appointment of Mr. Cheng will be subject to retirement by rotation and re-election at the AGM.

As at the Latest Practicable Date, Mr. Cheng is personally interested in 2,500,000 ordinary shares and 500,000 share options of the Company, totally representing approximately 0.70% interest in the issued share capital of the Company, within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Cheng does not (i) hold any position in the Company and other members of the Group; (ii) hold any directorships in other public listed companies in the past three years; (iii) have other major appointments; (iv) have any relationships with any Directors, senior management or Substantial or Controlling Shareholders of the Company or any of its subsidiaries; and (v) have any interests in the shares of the Company within the meaning of Part XV of the SFO.

MR. HUI KA PO, ALEX, EXECUTIVE DIRECTOR

Mr. Hui Ka Po, Alex (“**Mr. Hui**”), aged 50, was appointed as an executive Director since 1 December 2016. Mr. Hui joined the Group in February 2016 as an executive director and the assistant to the Chairman of the Company and is primarily responsible for the business development of the Group’s manufacturing business particularly regarding electrical and electronic products business segment. Mr. Hui is also a director of Kin Yat (Hong Kong) Corporation Limited, a subsidiary company of the Company.

Mr. Hui holds a Bachelor’s Degree of Engineering in Manufacturing Engineering and Master’s Degree of Business Administration (General Management) from the Hong Kong Polytechnic University. Mr. Hui has over 20 years of experience in the field of home electrical appliance industry and specialised in manufacturing, operations and sales areas. Prior to joining the Group, he was the chief executive officer in a renowned domestic and commercial electrical appliance company.

Mr. Hui has entered into service contract with the Company, which may be terminated by either party giving to the other party a six-months’ written notice, the termination of which should not be later than the end of the three years. Pursuant to the service contract, the fixed annual emoluments for Mr. Hui will be HK\$3,480,000 and he is also entitled to an additional discretionary annual bonus calculated upon the performance of the Group. The basis of the remuneration of Mr. Hui was determined by the Board after arm’s length negotiation with reference to his qualifications, experience, duties and responsibilities in the Company, the Company’s performance and the prevailing market conditions. In accordance with the Bye-laws, the appointment of Mr. Hui will be subject to retirement by rotation and re-election at the AGM.

Save for his position as executive Director, Mr. Hui confirmed that there is no relationship with any other Directors, senior management, Substantial or Controlling Shareholders of the Company. As at the Latest Practicable Date, Mr. Hui is personal interests in 1,000,000 share options of the Company, representing approximately 0.23% interests in the issued share capital of the Company within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Hui does not (i) hold any position in the Company and other members of the Group; (ii) hold any directorships in other public listed companies in the past three years; (iii) have other major appointments; (iv) have any relationships with any Directors, senior management or Substantial or Controlling Shareholders of the Company or any of its subsidiaries; and (v) have any interests in the shares of the Company within the meaning of Part XV of the SFO.

MR. WONG CHI WAI, INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Wong Chi Wai (“**Mr. Wong**”), aged 51, has been an independent non-executive Director since September 2004. He is the chairman of the Board’s nomination committee and a member of the Board’s audit committee and remuneration committee. He currently also serves as an independent non-executive director for Bonjour Holdings Limited (stock code: 653), C&D International Investment Group Limited (stock code: 1908, formerly known as South West Eco Development Limited) and Arts Optical International Holdings Limited (stock code: 1120), all of which are listed on the Main Board of the Stock Exchange. From September 2013 to October 2016, Mr. Wong served as an independent non-executive director of China Ludao Technology Company Limited (stock code: 2023), a company listed on the Main Board of the Stock Exchange. Mr. Wong is currently the chairman of the audit committee of Bonjour Holdings Limited and Arts Optical International Holdings Limited and the chairman of the nomination committee of C&D International Investment Group Limited. Mr. Wong obtained a Bachelor’s Degree in Social Science from and was awarded a post-graduate certificate in laws by the University of Hong Kong in 1988 and 1993, respectively. He is a practising certified public accountant in Hong Kong and an associate member of the Institute of Chartered Accountants in England and Wales. He has over 26 years of experience in the accountancy profession. Other than his private practice in accounting, he is currently a trainee solicitor in a law firm.

The United States Public Company Accounting Oversight Board (“**PCAOB**”) on 18 May 2016 censured Mr. Wong, barring him from being an associated person of a registered public accounting firm which has audit responsibilities for public companies in the United States of America (“**US**”), and imposing a civil money penalty against him of US\$10,000 on the basis of its findings that in connection with the audits of one US issuer client of his firm, AWC (CPA) Limited, Mr. Wong violated certain US laws, rules and standards relating to the audit requirements of the US issuer client. Mr. Wong may file a petition to associate with a registered public accounting firm under PCAOB after two years from the date of the order.

Mr. Wong has renewed his service contract with the Company for a term of three years commencing 28 September 2014 which may be terminated by either party giving to the other party a three-months' written notice, the termination of which should not be later than the end of the three years. Pursuant to the service agreement, the fixed annual emoluments for Mr. Wong are HK\$300,000 which was determined by reference to the Company's standard scale of emoluments for independent non-executive Directors. In accordance with the Bye-laws, the appointment of Mr. Wong will be subject to retirement by rotation and re-election at the AGM.

As at the Latest Practicable Date, Mr. Wong is personally interested in 500,000 ordinary shares and 800,000 share options of the Company, totally representing approximately 0.30% interest in the issued share capital of the Company, within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Wong does not (i) hold any position in the Company and other members of the Group; (ii) hold any directorships in other public listed companies in the past three years; (iii) have other major appointments; (iv) have any relationships with any Directors, senior management or Substantial or Controlling Shareholders of the Company or any of its subsidiaries; and (v) have any interests in the shares of the Company within the meaning of Part XV of the SFO.

MR. CHEUNG WANG IP, INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. Cheung Wang Ip ("**Mr. Cheung**"), aged 56, was appointed as an independent non-executive Director since July 2014. Mr. Cheung is a Chartered General Practice Surveyor by profession and has over 30 years of professional work experience in the property industry and related fields, including valuation and feasibility study. Mr. Cheung is a corporate member of both the Royal Institute of Chartered Surveyors and the Hong Kong Institute of Surveyors (General Practice) as well as a member of Associacao da Avaliacao da Propriedade de Macau. He is a member of the China Real Estate Chamber of Commerce Hong Kong Chapter and a member of China Real Estate Appraiser in the People's Republic of China. In addition, Mr. Cheung is serving as a member of the 11th Shanxi Provincial Committee of the Chinese People's Political Consultative Conference.

Mr. Cheung is the Operation Head of Hong Kong and Macau, and an executive director, of Vigers Appraisal and Consulting Limited (“**Vigers**”). Mr. Cheung is also an executive director of Vigers Macao Company Limited. Vigers is an indirect wholly-owned subsidiary of a listed company whose shares are listed on the Singapore Exchange Securities Trading Limited. Prior to joining Vigers in 2006, Mr. Cheung was a senior director of the Valuation and Consultancy Department in Savills Hong Kong Limited, where he held the position of the Head of Hong Kong and Macau valuation team. Mr. Cheung had held various positions in companies including the Mass Transit Railway Corporation, Guangzhou Investment Company Limited and Jones Lang Wootton. Mr. Cheung does not hold any other position in any subsidiary of the Company.

Mr. Cheung has renewed his service contract with the Company for a term of three years commencing on 21 July 2017 which may be terminated by either party giving to the other party a three-months’ written notice, the termination of which should not be later than the end of the three years. Pursuant to the service contract, the fixed annual emoluments for Mr. Cheung are HK\$300,000 which were determined by reference to the Company’s standard scale of emoluments for independent non-executive Directors. In accordance with the Bye-laws, the appointment of Mr. Cheung will be subject to retirement by rotation and re-election at the AGM.

As at the Latest Practicable Date, Mr. Cheung is personally interested in 300,000 share options of the Company, representing 0.07% interest in the issued share capital of the Company, within the meaning of Part XV of the SFO.

Save as disclosed above, Mr. Cheung does not (i) hold any position in the Company and other members of the Group; (ii) hold any directorships in other public listed companies in the past three years; (iii) have other major appointments; (iv) have any relationships with any Directors, senior management or Substantial or Controlling Shareholders of the Company or any of its subsidiaries; and (v) have any interests in the 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. Fung Wah Cheong, Vincent, Mr. Cheng Tsz To, Mr. Hui Ka Po, Alex, Mr. Wong Chi Wai and Mr. Cheung Wang Ip confirmed that there is no 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. Fung Wah Cheong, Vincent, Mr. Cheng Tsz To, Mr. Hui Ka Po, Alex, Mr. Wong Chi Wai and Mr. Cheung Wang Ip 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 Studio Room 3, 4/F., pentahotel Hong Kong, Kowloon, 19 Luk Hop Street, San Po Kong, Kowloon, Hong Kong on Thursday, 31 August 2017 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 2017.
2. To declare a final dividend for the year ended 31 March 2017.
3.
 - (a) To re-elect Mr. Fung Wah Cheong, Vincent as an executive Director;
 - (b) to re-elect Mr. Cheng Tsz To as an executive Director;
 - (c) to re-elect Mr. Hui Ka Po, Alex as an executive Director;
 - (d) to re-elect Mr. Wong Chi Wai as an independent non-executive Director;
 - (e) to re-elect Mr. Cheung Wang Ip as an independent non-executive Director; and
 - (f) to authorise the board of Directors (the “**Board**”) to fix the Directors’ remuneration.
4. To approve the appointment of PricewaterhouseCoopers as the new auditors of the Company and to authorise the Board to fix their remuneration.

NOTICE OF ANNUAL GENERAL MEETING

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;
- (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.”; and

NOTICE OF ANNUAL GENERAL MEETING

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;
 - (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

NOTICE OF ANNUAL GENERAL MEETING

“**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).”

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.”

By Order of the Board

Cheng Chor Kit

Chairman and Chief Executive Officer

Hong Kong, 1 August 2017

As at the date hereof, the Board comprises eleven Directors, of which seven are executive Directors, namely Mr. CHENG Chor Kit, Mr. FUNG Wah Cheong, Vincent, Mr. LIU Tat Luen, Mr. CHENG Tsz To, Mr. CHENG Tsz Hang, Mr. CHIN Wee Hon and Mr. HUI Ka Po, Alex; 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.

NOTICE OF ANNUAL GENERAL MEETING

Notes:

- (a) The Annual General Meeting of the Company is scheduled on Thursday, 31 August 2017. For determining the entitlement to attend and vote at the Annual General Meeting, the register of members of the Company will be closed from Monday, 28 August 2017 to Thursday, 31 August 2017, both days inclusive, during which period no transfer of shares will be effected. In order to be eligible to attend and vote at the Annual General Meeting, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Friday, 25 August 2017.
- (b) The proposed final dividend is subject to the passing of an ordinary resolution by the shareholders at the Annual General Meeting. The record date for entitlement to the proposed final dividend is on Thursday, 7 September 2017. For determining the entitlement to the proposed final dividend, the register of members of the Company will be closed from Wednesday, 6 September 2017 to Thursday, 7 September 2017, both days inclusive, during which period no transfer of share will be effected. In order to qualify for the proposed final dividend, all transfers of shares, accompanied by the relevant share certificates, must be lodged with the Company's share registrar in Hong Kong, Tricor Tengis Limited, for registration not later than 4:30 p.m. on Tuesday, 5 September 2017. The payment of final dividend will be made on Tuesday, 19 September 2017.
- (c) 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.
- (d) 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 Level 22, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time fixed for holding the Annual General Meeting.