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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 13.09 OF THE LISTING RULES AND THE INSIDE INFORMATION PROVISIONS

CESSATION OF OPERATIONS OF NATURAL RESOURCES DEVELOPMENT BUSINESS

This announcement is made by Kin Yat Holdings Limited (the “**Company**”, together with its subsidiaries, collectively the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of the Securities of The Stock Exchange of the 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 of directors of the Company (the “**Board**”) would like to announce that it has resolved to cease, on or before 30 September 2017, the operations of the natural resources development business of the Group.

As disclosed in the recent reports of the Company, the operations of the Group's natural resources development business in the past two years were largely kept at a minimum level mainly for up-keeping relevant licences and safeguarding assets and properties on site. Despite efforts so far to try to recoup the investments made in this business, it is difficult to realise any commercial value from the business as given the lackluster operating environment in China particularly the difficulty in obtaining government approval for exploitation. After having considered the matter, the Board has decided to cease the operations of our natural resources development business upon completion of the disposal, at nominal value, of the remaining operating subsidiaries of the Company relating to the said business which is expected to be on or before 30 September 2017.

The Board considers that it is in the best interests of the Company and its shareholders as a whole to cease the operations of the natural resources development business of the Group and enable the Group to better utilise its resources to other core and potential businesses.

Shareholders and potential investors of the Company 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, 29 September 2017

As at the date of this announcement, 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.