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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 Future Ordinance (Chapter 571 of the Laws of Hong Kong) (the “**SFO**”).

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 year ended 31 March 2021 (“**FY21**”), the Company is expected to record a profit for the year (the “**Net Profit**”) of approximately HK\$106 million for FY21 as compared to the Net Profit of approximately HK\$165 million for the financial year ended 31 March 2020 (“**FY20**”), representing a decrease of approximately 36% on a year-on-year basis.

Based on the information currently available, the abovementioned expected decrease in Net Profit was mainly attributable to the combined effects of: (1) the absence of a one-off gain of approximately HK\$48 million in aggregate on disposal of the properties of the Group in Hong Kong recorded during FY20; (2) increase in other income which is more than offset by the decrease in the operating profit of our manufacturing business segments due to the appreciation of Renminbi against the dollar particularly during the second half of FY21 and the decrease in purchase orders from our major customer in the Electrical and Electronic Products Business Segment in FY21; and (3) the impairment loss from changes in fair value (“**Impairment Loss**”) of our first real estate development project (The Royale Cambridge Residences) in Dushan County, Guizhou Province, the People’s Republic of China, of approximately HK\$21 million, recorded during FY21 as compared to the Impairment Loss in respect of the aforesaid project of approximately HK\$0.23 million recorded in FY20.

The Company is in the process of finalising the results of the Group for FY21. 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 auditors or the audit committee of the Board. Detailed financial information and performance of the Group will be disclosed in its final results announcement for FY21 which is expected to be published by the end of June 2021.

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, 8 April 2021

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) 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.