KAI YUAN HOLDINGS LIMITED
開源控股有限公司

(incorporated in Bermuda with limited liability)

(Stock Code: 1215)

MAJOR TRANSACTION IN RELATION TO
(1) ACQUISITION OF CERTAIN EQUITY INTEREST IN THE TARGET COMPANY; AND
(2) PROVISION OF FUNDING COMMITMENT
DELAY IN DESPATCH OF CIRCULAR

Reference is made to the announcement of Kai Yuan Holdings Limited (the "**Company**") dated 22 October 2019 (the "**Announcement**") in relation to the major transaction involving the acquisition of certain equity interest in the Target Company and provision of the Funding Commitment. Unless otherwise defined, capitalised terms used in this announcement shall have the same meaning as those used in the Announcement.

As set out in the Announcement, a circular (the "**Circular**") containing, among other things, information on the Acquisition and the Funding Commitment, financial information relating to the Group and the Target Group, as well as the notice of the SGM will be despatched by the Company to the Shareholders on or before 15 November 2019.

As additional time is required to prepare and finalise certain information to be included in the Circular, it is expected that the despatch of the Circular will be postponed to a date falling on or before 29 November 2019.

By order of the Board
Kai Yuan Holdings Limited
Law Wing Chi, Stephen
Executive Director

Hong Kong, 15 November 2019

As at the date of this announcement, the Board comprises Mr. Xue Jian and Mr. Law Wing Chi, Stephen (both being executive Directors) and Mr. Tam Sun Wing, Mr. Ng Ge Bun and Mr. He Yi (all being independent non-executive Directors).