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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)**

## **UPDATE ON 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 Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement dated 28 October 2022 (the “**Announcement**”) made by the Company in relation to the preliminary information on the financial performance of the Group for the six months ended 30 September 2022 (“**1HFY2023**”). As stated in the Announcement, based on the preliminary review of the then unaudited management accounts of the Company for 1HFY2023, the Company is expected to record a 58% decline in profit, before impairment of our real estate development projects, attributable to the equity holders of the Company (the “**Shareholders**”), from that of approximately HK\$76 million for the six months ended 30 September 2021 (“**1HFY2022**”).

Following the publication of the Announcement, management of the Company have been finalising the valuation appraisal of our real estate development projects and other properties held by the Group with independent valuer. Having taken into consideration further information including the circumstances mentioned above, the board (the “**Board**”) of directors of the Company (the “**Director(s)**”) wishes to further inform the Shareholders and potential investors that an aggregate impairment (the “**Impairment**”) of approximately HK\$188 million is expected to be recognised in the interim results of the Group for 1HFY2023. The Impairment was mainly attributable to the decline in the carrying value of the unsold units of the completed properties held for sales and the properties under development of our two property development projects in Dushan County, Guizhou Province (“**Dushan**”), and in particular the impairment of the carrying value of the construction in progress, which has been suspended for further development for several years, other than those completed units in relation to the remaining part of the Phase 1 of the residential property development project in Dushan - *The Jardin Monstouris*. Mainly as a result of the Impairment, it is expected that the Group will report a net loss attributable to the Shareholders of approximately HK\$156 million as compared to a profit of approximately HK\$76 million for 1HFY2022.

The Company is in the process of finalising the interim results of the Group. The information contained in this announcement is only based on the Board's current assessment after reviewing the unaudited consolidated management accounts of the Company for 1HFY2023, which shall be subject to further review by the Board and the audit committee of the Board. Further details of the financial results and performance of the Group will be disclosed in the interim results announcement of the Company for 1HFY2023 which is expected to be announced on 29 November 2022.

**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, 25 November 2022

*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) three independent non-executive Directors, namely Mr. WONG Chi Wai, Dr. SUN Kwai Yu, Vivian and Mr. CHEUNG Wang Ip.*