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YAN TAT GROUP HOLDINGS LIMITED

恩達集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1480)

INSIDE INFORMATION

FURTHER UPDATES ON THE VERY SUBSTANTIAL DISPOSAL AND THE VERY SUBSTANTIAL ACQUISITION IN RELATION TO THE URBAN RENEWAL PROJECT

This announcement is made by Yan Tat Group Holdings Limited (the “**Company**“, together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09(2)(a) of the Rules Governing the Listing of Securities (the “**Listing Rules**”) on The Stock Exchange of Hong Kong Limited 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 (i) the announcement of the Company dated 15 May 2020, the circular of the Company dated 24 June 2020 (the “**Circular**”) and the poll results announcement of the Company dated 14 July 2020 relating to the Cooperation Agreement, the Relocation Agreements and the Transactions which constituted a very substantial disposal and a very substantial acquisition for the Company; (ii) the announcement of the Company dated 24 June 2022 relating to the variation of terms of the Cooperation Agreement (the “**Terms Variation Announcement**”); and (iii) the announcements of the Company dated 14 October 2022 and 1 December 2022 relating to, amongst others, the non-receipt of the Second Instalment and the YT Industrial Consideration by Party A (comprising companies of the Group) (the “**Update Announcements**”). Capitalised terms used herein shall have the same meanings as those defined in the Circular, the Terms Variation Announcement and the Update Announcements unless the context requires otherwise.

As mentioned in the Terms Variation Announcement, amongst others, (i) the payment schedule of the Second Instalment was postponed, which, according to the Amended Terms, shall be payable within three months after the Urban Renewal Approval (立項完成) or before 13 October 2022 (whichever is earlier) (the “**Second Instalment Payment Deadline**”); and (ii) the payment schedule of the YT Industrial Consideration was postponed, which, according to the Amended Terms, shall be payable by the YT Industrial Consideration Payment Deadline (i.e., within three months after the Urban Renewal Approval (立項完成) or before 30 November 2022 (whichever is earlier)).

As at the date of this announcement, both the Second Instalment and the YT Industrial Consideration remain outstanding and have not been received by Party A, nor was a further agreement made between the parties to further postpone the payment schedule nor the milestones of the Urban Renewal Project.

Pursuant to the Cooperation Agreement, in the event that Party B delays the payment of any of the monetary compensation, it shall pay liquidated damages for each day of delay, calculated on daily basis at three ten-thousandth (3/10,000) of the unpaid monetary compensation. If the delay lasts for over 180 days, it shall constitute an event of default on the part of Party B, and Party A is entitled to terminate the Cooperation Agreement. Upon such termination, amongst others, while Party A is not obliged to return the Deposit and any Cash Received, Party B shall further compensate Party A any loss incurred including the Party A’s expected gain deducting the Cash Received.

Since the delay of payment of the Second Instalment has on 11 April 2023 lasted for 180 days, such delay constituted an event of default on the part of Party B, and Party A is entitled to terminate the Cooperation Agreement. As at the date of this announcement, the Company is discussing with Party B on the subsequent arrangements of the Cooperation Agreement.

As advised by the PRC legal advisers to the Company, so long as the Second Instalment and/or the YT Industrial Consideration remain outstanding, Party A may suspend all and any arrangements in relation to the Target Land A and the Target Land B, including (without limitation) the sale or disposal of YT Industrial, under the terms of the Cooperation Agreement and the applicable laws and regulations.

The Company will make further announcement(s) as and when appropriate to inform its Shareholders and potential investors of any material development in relation to the Urban Renewal Project and any material development of the aforesaid matter in accordance with the Listing Rules.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
Yan Tat Group Holdings Limited
Chan Wing Yin
Chairman

Hong Kong, 12 April 2023

As at the date of this announcement, the executive directors of the Company are Mr. Chan Wing Yin, Mrs. Chan Yung, and Mr. Chan Yan Wing; the non-executive director is Mr. Chan Yan Kwong; the independent non-executive directors are Mr. Chung Yuk Ming, Mr. Lau Shun Chuen, and Mr. Yau Wing Yiu.