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## **EASYKNIT INTERNATIONAL HOLDINGS LIMITED**

**永義國際集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 1218)**

### **DISCLOSEABLE TRANSACTION ACQUISITIONS OF LISTED SECURITIES**

#### **THE ACQUISITIONS**

The Company, through Ace Winner, a wholly-owned subsidiary of the Company, acquired on-market a total of 38,900,000 EE Shares during the Relevant Period for an aggregate purchase price of approximately HK\$16,025,550 (exclusive of transaction costs) (equivalent to an average price of approximately HK\$0.4120 per Acquired Share).

#### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisitions exceed 5% but are less than 25%, the Acquisitions constitute a discloseable transaction of the Company and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

Reference is made to the announcement of the Company dated 21 February 2020 relating to the Company, through Ace Winner, acquired on-market a total of 31,065,000 EE Shares between 14 February 2020 and 21 February 2020.

#### **THE ACQUISITIONS**

The Board is pleased to announce that the Company, through Ace Winner, a wholly-owned subsidiary of the Company, acquired on-market a total of 38,900,000 EE Shares during the Relevant Period. The average price (exclusive of transaction costs) for acquiring each of the EE Share was approximately HK\$0.4120 and the aggregate purchase price (exclusive of transaction costs) was approximately HK\$16,025,550, which was the market price of the EE Shares. The aggregate purchase price was paid in cash from internal resources of the Group.

*\* for identification purposes only*

The average purchase price of approximately HK\$0.4120 per Acquired Share represents:

- (i) a premium of approximately 61.57% to the closing price of HK\$0.2550 per EE Share as quoted on the Stock Exchange on 4 September 2020;
- (ii) a premium of approximately 69.83% to the average of the closing prices of the EE Shares as quoted on the Stock Exchange for the last five (5) consecutive trading days up to including 4 September 2020 of approximately HK\$0.2426 per EE Share; and
- (iii) a premium of approximately 69.69% to the average of the closing prices of the EE Shares as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to including 4 September 2020 of approximately HK\$0.2428 per EE Share.

Immediately prior to the Acquisitions, the Company, through Ace Winner, Goodco and Landmark Profits (all of which are wholly-owned subsidiaries of the Company), held a total of 236,787,665 EE Shares, representing approximately 25.42% of the total issued share capital of Eminence. Following the Acquisitions, which Ace Winner acquired a total of 38,900,000 EE Shares, the Group holds a total of 275,687,665 EE Shares, representing approximately 29.60% of the total issued share capital of Eminence and Eminence remains as an associated company (in accordance with the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants) of the Company.

As the Acquisitions were made through the market, the Company was not aware of the identities of the seller(s) of the EE Shares and accordingly, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, the seller(s) of the EE Shares and their respective ultimate beneficial owner(s) (where applicable) are Independent Third Parties.

## **REASONS FOR AND BENEFITS OF THE ACQUISITIONS**

The Group's principal businesses are property investment, property development, securities investment and loan financing business.

The Acquisitions are in align with the Group's principal business on securities investments and having considered the recent performance of Eminence, the Company considers that the Acquisitions are an attractive investment.

As the Acquisitions were made at market price, the Board is of the view that the Acquisitions are fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

## **INFORMATION ON EMINENCE**

According to publicly available information, Eminence is an investment holding company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange (Stock Code: 616). Eminence and its subsidiaries are principally engaged in property investment, property development, securities investment and loan financing business.

The following information is extracted from the public documents of Eminence:

	For the year ended 31 March	
	2020	2019
	<i>HK\$'000</i> <i>(audited)</i>	<i>HK\$'000</i> <i>(audited)</i>
Revenue	80,682	62,228
(Loss)/Profit before taxation	(209,657)	50,910
(Loss)/Profit attributable to shareholders of Eminence	(206,192)	50,510

As extracted from the annual report for the year ended 31 March 2020 of Eminence, the net assets value of Eminence was approximately HK\$2,941,869,000 as at 31 March 2020.

### **INFORMATION ON ACE WINNER AND THE GROUP**

The Company is an investment holding company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 1218). The Group is principally engaged in property investment, property development, securities investment and loan financing business.

Ace Winner, a wholly-owned subsidiary of the Company, is incorporated under the laws of Hong Kong with limited liability. The principal business of Ace Winner is investment holding.

### **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) in respect of the Acquisitions exceed 5% but are less than 25%, the Acquisitions constitute a discloseable transaction of the Company and are therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Acquisitions when aggregating with the Previous Acquisitions remain a discloseable transaction of the Company. Therefore, the Acquisitions are only subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

### **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Ace Winner”	Ace Winner Investment Limited, a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of the Company and a shareholder of Eminence
“Acquired Share(s)”	a total of 38,900,000 EE Shares acquired by Ace Winner on-market during the Relevant Period

“Acquisitions”	the acquisitions by Ace Winner on-market a total of 38,900,000 EE Shares during the Relevant Period for an aggregate purchase price of approximately HK\$16,025,550 (exclusive of transaction costs)
“Board”	the board of Directors
“Company”	Easyknit International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 1218)
“Directors”	the directors of the Company
“discloseable transaction”	as defined in the Listing Rules
“EE Share(s)”	ordinary share(s) of par value HK\$0.20 each in the share capital of Eminence
“Eminence”	Eminence Enterprise Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock Code: 616)
“Goodco”	Goodco Development Limited, a company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of Company, and a substantial shareholder of Eminence
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party(ies)”	person(s) which, to the best knowledge and belief of the Directors having made all reasonable enquiries, is/are third parties independent of and not connected with the Company and its connected persons (as defined in the Listing Rules)
“Landmark Profits”	Landmark Profits Limited, a company incorporated in the British Virgin Islands with limited liability, a wholly-owned subsidiary of the Company and a shareholder of Eminence
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China

“Previous Acquisitions”	the acquisitions by Ace Winner on-market a total of 31,065,000 EE Shares between 14 February 2020 and 21 February 2020 for an aggregate purchase price of HK\$17,647,100 (exclusive of transaction costs), details of which could be found in the announcement of the Company dated 21 February 2020
“Relevant Period”	the period from 24 February 2020 to 4 September 2020 (both dates inclusive)
“Share(s)”	ordinary share(s) of par value HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board  
**Easyknit International Holdings Limited**  
**Koon Ho Yan Candy**  
*President and Chief Executive Officer*

Hong Kong, 7 September 2020

*As at the date hereof, the Board comprises Ms. Koon Ho Yan Candy, Ms. Lui Yuk Chu and Mr. Tse Wing Chiu Ricky as executive Directors; and Mr. Tsui Chun Kong, Mr. Jong Koon Sang and Mr. Lau Chak Hang Charles as independent non-executive Directors.*