

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

DISPOSAL OF FINANCIAL ASSET

THE DISPOSAL

On 5 September 2025 (after trading hours), the Seller, an indirect wholly-owned subsidiary of the Company, and the Purchasers entered into the Agreements regarding the Disposal. According to the Agreements, the Seller agreed to sell in total of 33.75% of the outstanding principal amount of the 2023 Convertible Note to the Purchasers, and the Purchasers agreed to purchase 33.75% of the outstanding principal amount of the 2023 Convertible Note for a total consideration of HK\$27,000,000 representing a premium of HK\$3,375,000.

LISTING RULES IMPLICATION

As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal exceed(s) 5% but is or are less than 25% pursuant to Rule 14.07 of the Listing Rules, the Disposal constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

The Board is pleased to announce that, on 5 September 2025 (after trading hours), the Seller, an indirect wholly-owned subsidiary of the Company, and the Purchasers entered into the Agreements regarding the Disposal. The principal terms of the Agreements are summarised below:

AGREEMENTS

Date: 5 September 2025

Seller: Goodco

Purchasers: 1. Feng Shihua (封世華), who shall pay a consideration of HK\$14,000,000.
2. Wu Mengmeng (吳萌萌), who shall pay a consideration of HK\$13,000,000.

Financial asset to be disposed

The 5% per annum coupon rate convertible note (the “**2023 Convertible Note**”) issued to Goodco by Eminence in the original principal amount of HK\$209,000,000 conferring rights to convert at any time before the fifth anniversary of the issue (i.e. 19 February 2028) thereof the principal amount into the Eminence Shares on the basis of a conversion price (subject to adjustments). Details of which were set out in (i) the joint announcements and circulars of the Company and Eminence dated 21 January 2023, 23 January 2024 and 17 April 2024; and (ii) the circular and announcement of Eminence dated 6 March 2024 and 3 February 2025 respectively in relation to, among other things, the initial issuance of the 2023 Convertible Note, and the amendments to the key terms and adjustments to the conversion price of the 2023 Convertible Note.

From the date of issuance of the 2023 Convertible Note up to the date of this announcement, a total amount of HK\$139,000,000 was redeemed. As at the date of this announcement, (i) the outstanding principal amount of the 2023 Convertible Note held by the Group is HK\$70,000,000; and (ii) none of the conversion rights attached to the 2023 Convertible Note has been exercised by the Group.

On 4 June 2025, after trading hours, Goodco entered into the Deed of Amendment with Eminence pursuant to which Goodco and Eminence have conditionally agreed to amend the conversion price of the 2023 Convertible Note from HK\$0.14 per conversion share of Eminence to HK\$0.07 per conversion share of Eminence (the “**Amendment**”). Save for the Amendment, all other terms and conditions of the 2023 Convertible Note (including the previous deed of amendment announced on 23 January 2024) shall remain unchanged and in full force and effect. Details of which were set out in (i) the joint announcement of the Company and Eminence dated 4 June 2025; and (ii) the circular of Eminence dated 28 July 2025 (the “**Eminence Circular**”). As at the date of this announcement, all of the conditions set out in the Eminence Circular have been fulfilled.

According to the Agreements, the Seller agreed to sell in total of 33.75% of the outstanding principal amount of the 2023 Convertible Note to the Purchasers, and the Purchasers agreed to purchase 33.75% of the outstanding principal amount of the 2023 Convertible Note for a total consideration of HK\$27,000,000 representing a premium of HK\$3,375,000.

Consideration

Each of the Purchasers shall pay the consideration for the Disposal on the date of signing the Agreements. The consideration was determined through arm's length negotiations between the Seller and the Purchasers, taking into account the aforesaid outstanding principal amount of the 2023 Convertible Note of HK\$70,000,000 and the prevailing market price of Eminence Shares.

INFORMATION ON EMINENCE

According to publicly available information, Eminence is an exempted company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 616). The Eminence Group is principally engaged in property development, property investment (comprising ownership and rental of investment properties), investment in securities and others and loan financing business which property development and property investment are the core businesses. As at the date of this announcement, the Company and certain of its subsidiaries hold in aggregate approximately 8.11% of Eminence Shares.

The following financial information is extracted from the annual report of Eminence for the year ended 31 March 2025:

	Year ended 31 March	
	2025	2024
	<i>HKD'000</i>	<i>HKD'000</i>
	<i>(audited)</i>	<i>(audited)</i>
Revenue	44,857	30,693
Loss before taxation	(374,725)	(162,339)
Loss for the year	(365,299)	(213,149)

As stated in the annual report of Eminence for the year ended 31 March 2025, Eminence Group had an audited net assets of approximately HK\$2,814,785,000 and HK\$3,047,196,000 for the years ended 31 March 2025 and 2024 respectively.

INFORMATION ON THE GROUP AND GOODCO

The Company is an investment holding company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1218). The Group is principally engaged in property development, property investment, investment in securities and others and loan financing businesses.

Goodco, a company incorporated in the BVI with limited liability, the holder of the 2023 Convertible Note, an indirect wholly-owned subsidiary of the Company and a shareholder of Eminence. Goodco is principally engaged in securities investment.

REASONS FOR AND BENEFITS OF THE DISPOSAL AND USE OF PROCEEDS

In view of the current economic uncertainties, the Directors are of the view that it is beneficial to adopt a cautious investment strategy to liquidate its investment in financial assets with an aim to enhance the liquidity position of the Group. The Group intends to use the sales proceeds from the Disposal for the Group's general working capital to cover administrative expenses as well as bank loan principal repayments and interest expense.

As the considerations of the Disposal are based on the respective percentages of the outstanding principal amount of the 2023 Convertible Note as at the date of the Agreements taken up by the Purchasers, the Board is of the view that the Disposal is fair and reasonable, on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

FINANCIAL EFFECTS OF THE DISPOSAL

Based on the total consideration of HK\$27,000,000 which represents a premium of HK\$3,375,000 over the value of 33.75% of the outstanding principal amount of the 2023 Convertible Note of HK\$70,000,000 (i.e. HK\$23,625,000) as at the date of the Agreements, the Company expects to record a gain of approximately HK\$3,375,000 in respect of the Disposal. This calculation is an estimate provided for illustrative purposes only, and the actual financial effect in respect of the Disposal is subject to review by the auditors of the Company.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Disposal exceed(s) 5% but is or are less than 25% pursuant to Rule 14.07 of the Listing Rules, the Disposal constitutes a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules and are therefore 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 terms shall have the following meanings when used herein:

“Agreement(s)”	the agreement(s) dated 5 September 2025 entered into between the Seller and the Purchaser(s) in respect of the Disposal
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Company”	Easyknit International Holdings Limited (永義國際集團有限公司), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1218)
“Deed of Amendment”	the second deed of amendment entered into between by Eminence and Goodco on 4 June 2025 in relation to the amendment to the conversion price of 2023 Convertible Note
“Director(s)”	the director(s) of the Company
“discloseable transaction”	as defined in the Listing Rules
“Disposal”	the disposal of 33.75% of the outstanding principal amount of the 2023 Convertible Note of HK\$70,000,000 as at the date of the Agreements for a total consideration of HK\$27,000,000
“Eminence”	Eminence Enterprise Limited (高山企業有限公司), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 616)
“Eminence Group”	Eminence and its subsidiaries
“Eminence Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of Eminence
“Goodco” or “Seller”	Goodco Development Limited (佳豪發展有限公司), a company incorporated in the BVI with limited liability, the holder of the 2023 Convertible Note, an indirect wholly-owned subsidiary of the Company and a shareholder of Eminence

“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) (and in the case of company(ies) and corporation(s), their ultimate beneficial owner(s)) who, to the best knowledge and belief of the Directors, as the case may be, having made all reasonable enquiries, is or are third party(ies) independent of and not connected with the Company, as the case may be, and their respective connected persons (as defined in the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Main Board”	the main board maintained and operated by the Stock Exchange
“Purchaser(s)”	Feng Shihua (封世華) and Wu Mengmeng (吳萌萌), are Independent Third Parties
“Share(s)”	ordinary share(s) of par value of HK\$0.1 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	a subsidiary for the purposes of the Listing Rules
“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, 5 September 2025

As at the date hereof, the Board comprises Ms. Koon Ho Yan Candy and Ms. Lui Yuk Chu as executive Directors; and Mr. Tsui Chun Kong, Mr. Lau Chak Hang Charles and Mr. Ma Man Yuet as independent non-executive Directors.