

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.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of Easyknit International Holdings Limited.



EASYKNIT INTERNATIONAL HOLDINGS LIMITED

永義國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1218)

ANNOUNCEMENT

VERY SUBSTANTIAL DISPOSAL

INTRODUCTION

On 10 October 2025 (after trading hours), Easyknit Properties, a direct wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with Eminence, pursuant to which amongst other things, Easyknit Properties (as the seller) conditionally agreed to sell, and Eminence (as the buyer) conditionally agreed to acquire, the entire issued share capital of Mark Profit (an indirect wholly-owned subsidiary of the Company) at a consideration less a sum equal to the expected total net amount due from Mark Profit's ultimate holding company and fellow subsidiaries to Mark Profit of approximately HK\$295.5 million outstanding as at the Completion Date on a dollar-for-dollar basis.

THE SALE AND PURCHASE AGREEMENT

Asset to be disposed of

The material asset of Mark Profit is the Property, which is Shops 1, 2, 3 on Ground Floor together with showcase on Ground Floor, Shop 1 on the First Floor and Shop 1 on the Second Floor of Fa Yuen Plaza, No. 19 Fa Yuen Street, Mong Kok, Kowloon. The saleable area of the Property is 13,544 sq. ft. Other assets of Mark Profit mainly include equity securities listed in Hong Kong which include 42,308,000 shares of Best Food Holding Company Limited (stock code: 1488) and 268,000 shares of Ping An Insurance (Group) Company of China, Ltd. (stock code: 2318) with a total fair value of approximately HK\$46.3 million as at 31 March 2025. The 42,308,000 shares of Best Food Holding Company Limited will be transferred to another wholly-owned subsidiary of the Company before the Completion.

Purchase Price and settlement arrangement

As at the date of this announcement, the Purchase Price is expected to be approximately HK\$268.4 million which shall be paid by Eminence to Easyknit Properties by issuing 2025 Convertible Note to Easyknit Properties or its nominee on the Completion Date.

LISTING RULES IMPLICATIONS

As one or more of the percentage ratios applicable to the sale of the Sale Company exceeds 75%, that sale is a very substantial disposal for the Company and the Sale and Purchase Agreement is subject to the reporting, announcement and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

CIRCULAR

A circular of the Company containing, among other things, (i) further details of the Sale and Purchase Agreement; (ii) financial information on the Post-Transaction Group; (iii) an independent property valuation report on the Property; (iv) a notice convening the SGM; and (v) other information required under the Listing Rules, is expected to be despatched to the Shareholders on or before 7 November 2025. That date is more than fifteen Business Days after the publication of this announcement and the delay in despatch is expected because of the time required to collate relevant information to be included in the circular.

WARNING

Completion of the Sale and Purchase Agreement is subject to the fulfillment of a number of conditions precedent, which among other things, include the approval of the Shareholders and the approval of the Eminence Shareholders. Hence, the transactions contemplated under the Sale and Purchase Agreement may or may not proceed.

Shareholders and potential investors of the Company should exercise caution when dealing in or investing in the securities of Company.

INTRODUCTION

On 10 October 2025 (after trading hours), Easyknit Properties, a direct wholly-owned subsidiary of the Company, entered into the Sale and Purchase Agreement with Eminence, pursuant to which amongst other things, Easyknit Properties (as the seller) conditionally agreed to sell, and Eminence (as the buyer) conditionally agreed to acquire, the entire issued share capital of Mark Profit (an indirect wholly-owned subsidiary of the Company) at a consideration less a sum equal to the expected total net amount due from Mark Profit's ultimate holding company and fellow subsidiaries to Mark Profit of approximately HK\$295.5 million outstanding as at the Completion Date on a dollar-for-dollar basis.

THE SALE AND PURCHASE AGREEMENT

The Sale and Purchase Agreement is dated 10 October 2025 and made between Easyknit Properties (as the seller) and Eminence (as the buyer). Pursuant to the Sale and Purchase Agreement, amongst other things, Eminence conditionally agreed to purchase, and Easyknit Properties conditionally agreed to sell all the Sale Shares. On Completion, Mark Profit will no longer be an indirect wholly-owned subsidiary of the Company. Instead, it will be a direct wholly-owned subsidiary of Eminence.

Key terms of the Sale and Purchase Agreement is summarized below.

Asset to be disposed of

Sale Shares : The entire issued share capital of Mark Profit.

The material asset of Mark Profit is the Property, which is Shops 1, 2, 3 on Ground Floor together with showcase on Ground Floor, Shop 1 on the First Floor and Shop 1 on the Second Floor of Fa Yuen Plaza, No. 19 Fa Yuen Street, Mong Kok, Kowloon. The saleable area of the Property is 13,544 sq. ft. Other assets of Mark Profit mainly include equity securities listed in Hong Kong which include 42,308,000 shares of Best Food Holding Company Limited (stock code: 1488) and 268,000 shares of Ping An Insurance (Group) Company of China, Ltd. (stock code: 2318) with a total fair value of approximately HK\$46.3 million as at 31 March 2025. The 42,308,000 shares of Best Food Holding Company Limited will be transferred to another wholly-owned subsidiary of the Company before the Completion (the “**Securities Transfer**”).

The Property is subject to a tenancy in favour of an Independent Third Party (the “**Tenant**”) as at the date of this announcement for a term expiring on 17 April 2028, at a monthly rent of HK\$925,000, exclusive of Government Rates, management fees and utility charges.

The Tenant is a long-established sports goods retail operator in Hong Kong, mainly engaged in the supply and retail of sports shoes, apparel, rackets and sports accessories, which has more than fifty years of sports goods retail industry experience and has maintained long-term cooperative relationships with a number of well-known sports brands and suppliers in the world.

The net profit/(loss) (both before and after taxation and extraordinary items) attributable to Mark Profit for the two years ended 31 March 2025 prepared under HKFRS were as follows:

	For the year ended	
	31 March	
	2024	2025
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(audited)	(audited)
Net assets	750,767	717,700
Net profit/(loss) (before taxation)	(28,453)	(41,452)
Net profit/(loss) (after taxation)	(28,571)	(33,067)

The Property was developed by the Group, which has been held by the Group for more than twenty years. In addition to the Bank Loans owed by Mark Profit, since the Property is also pledged for another bank loan of approximately HK\$120 million by a fellow subsidiary of Mark Profit, the net asset value shown in the table above of approximately HK\$717.7 million as at 31 March 2025 will be reduced by such amount after novating the debt to Mark Profit (the “**Debt Novation**”) before the Completion Date.

Valuation

The value of the Property under Mark Profit in the books of the Company as at 31 March 2025, the date of its latest audited account, was HK\$682 million.

According to the draft valuation prepared by Knight Frank Petty Limited, an Independent Third Party and a property valuer, as at 31 March 2025, the value of the Property was HK\$682 million. That valuation was determined on the basis of the “income approach”, an approach that provides an indication of value by capitalizing the amount of net income receivable under the current terms of tenancies. The property valuer was appointed by the Company for the preparation of its annual report for the year ended 31 March 2025 as the Property is owned by the Company. The rental income generated from the Property was approximately HK\$11.1 million for the two years ended 31 March 2025 respectively.

Purchase Price

The Purchase Price for the sale and purchase of Sale Shares under the Sale and Purchase Agreement shall be apportioned as the consideration for the sale of Sale Shares which shall be the net asset value of Mark Profit as at the Completion Date after the (i) adjustments in relation to the Securities Transfer and Debt Novation; (ii) adjustment (if any) to the value of the Property based on the valuation report prepared by a property valuer who is an Independent Third Party; and (iii) adjustment (if any) to the value of the 268,000 shares of Ping An Insurance (Group) Company of China, Ltd. (the “**Sale Shares Consideration**”) minus a sum equal to the expected total net amount due from Mark Profit’s ultimate holding company and fellow subsidiaries to Mark Profit of approximately HK\$295.5 million outstanding as at the Completion Date on a dollar-for-dollar basis (such amount will be eliminated in the book of Mark Profit upon Completion). As at the date of this announcement, the Purchase Price is expected to be approximately HK\$268.4 million. Set out below is the reconciliation:

	<i>HK\$’ million</i>
Net asset value	717.7
Debt Novation	(120.0)
Securities Transfer (<i>note</i>)	<u>(33.8)</u>
Consideration	<u>563.9</u>
Net amount due from Mark Profit’s ultimate holding company and fellow subsidiaries	<u>(295.5)</u>
Purchase Price	<u><u>268.4</u></u>

Note: The amount of Securities Transfer of approximately HK\$33.8 million represents the 42,308,000 shares of Best Food Holding Company Limited (stock code: 1488) at the bid price of HK\$0.80 as at 31 March 2025 in the book of Mark Profit.

Purchase Price was determined after arm’s length negotiations between the Company and Eminence, taking into account their respective perceptions of the property market and valuation of Property. The Company does not expect there will be material difference between the net asset value of Mark Profit as at the Completion Date and that as at 31 March 2025.

Mortgage

The Property is subject to mortgage(s) in favour of a bank, an Independent Third Party, to secure the Bank Loans. As at 31 March 2025, the total outstanding loan principal amount of the Bank Loans plus accrued interest owed by Mark Profit to the bank in relation to the Property was approximately HK\$302 million which will be aggregated with the aforesaid amount of approximately HK\$120 million after the Debt Novation and before the Completion Date. Arrangements will be made to repay the Bank Loans after Completion by using the new financing to be obtained by Eminence.

Completion

On Completion, Mark Profit will no longer be an indirect wholly-owned subsidiary of the Company, instead it will become a direct wholly-owned subsidiary of Eminence.

The gain or loss arising from the Completion in the book of the Company will represent the difference between the Sale Shares Consideration and the adjusted net asset value of Mark Profit as at the Completion Date. For illustration, based on the information available up to the date of this announcement, it is expected to record no gain or loss (subject to the review to be performed by the Company's auditor) from the Completion since the consideration for the sale of Sale Shares shall be the adjusted net asset value of Mark Profit as at the Completion Date.

OTHER SALIENT TERMS OF THE SALE AND PURCHASE AGREEMENT

Conditions Precedent

Completion of the Sale and Purchase Agreement is conditional upon the fulfilment of the following conditions:

1. Eminence having completed its due diligence review on Mark Profit and the Property and being satisfied with the results thereof and Eminence having satisfied Mark Profit is in a position to prove and give title to the relevant Property in accordance with sections 13 and 13A of the Conveyancing and Property Ordinance (Cap.219 of the Laws of Hong Kong) subject to certain agreed encumbrances (if any);
2. Eminence having obtained the requisite approval from the Eminence Shareholders in a general meeting in relation to (i) the purchase of the Sale Shares; and (ii) the issue of the 2025 Convertible Note and issue and allotment of the Conversion Shares on conversion of the 2025 Convertible Note (if required) in the manner required under the Listing Rules;
3. the Company having obtained the requisite approval from the Shareholders in a general meeting in relation to the sale of the Sale Shares in the manner required under the Listing Rules;

4. the Stock Exchange having granted to Eminence a listing of, and permission to deal in, the Conversion Shares on the exercise of the conversion rights attached to the 2025 Convertible Note;
5. the consents and approvals (if any) required under security arrangements affecting Mark Profit in respect of the transactions contemplated under the Sale and Purchase Agreement having been obtained in form and substance reasonably satisfactory to Eminence; and
6. a contractual commitment from bank(s) to provide new financing to release the mortgage(s) securing the Bank Loans in favour of the bank which provides the Bank Loans in form and substance satisfactory to Eminence.

Conditions 2, 3, 4, 5 and 6 above cannot be waived. In the event condition 1 above is not fulfilled (or waived by Eminence) on or before the Long Stop Date, Eminence may elect to terminate the Sale and Purchase Agreement in which case, all rights, obligations and liabilities of the parties under the Sale and Purchase Agreement shall terminate and neither of the parties shall have any claim against the other in respect of the Sale and Purchase Agreement but without prejudice to the accrued rights and obligations of the parties before that termination.

If any of the Conditions Precedent has not been fulfilled or, where applicable, waived on or before the Long Stop Date, the Sale and Purchase Agreement will lapse and the parties thereto will be released from all obligations therein, save for liabilities for any antecedent breaches of the Sale and Purchase Agreement.

Purchase Price and settlement arrangement

The Purchase Price shall be paid by Eminence to Easyknit Properties by issuing 2025 Convertible Note to Easyknit Properties or its nominee on the Completion Date. As at the date of this announcement, the Purchase Price is expected to be approximately HK\$268.4 million.

Although the settlement method is not immediate cash settlement, the Company considers that the payment term is fair and reasonable because (i) there is no other buyer of the Property who provides better offer in the market at the moment and it is necessary for the Company to reduce its gearing level and cash outflows as early as possible having considered its cash and financial position; and (ii) there is liquidity for the convertible note issued by Eminence in the market as the Company has disposed part of the 2023 Convertible Note (as announced on 5 September 2025 by the Company) to Independent Third Parties at a premium.

Miscellaneous

Under the Sale and Purchase Agreement, Easyknit Properties has agreed to give certain indemnities, including in respect of tax arising from the activities of Mark Profit prior to the completion of the Sale and Purchase Agreement which is not disclosed in the account of Mark Profit.

2025 CONVERTIBLE NOTE

The principal terms of the 2025 Convertible Note are summarized below:

Issuer	:	Eminence
Principal amount	:	HK\$268,400,000 (expected as at the date of this announcement)
Maturity date	:	The fifth anniversary of the issue date, when the entire then-outstanding principal amount, together with all outstanding accrued interest, of the 2025 Convertible Note will become due and payable by Eminence to the holder of the 2025 Convertible Note.
Redemption price at maturity	:	100% of the principal amount of the 2025 Convertible Note outstanding on the maturity date, together with all unpaid interest accrued on it.
Redemption	:	Any amount of the 2025 Convertible Note which remains outstanding on the maturity date shall be redeemed in full. Any amount of the 2025 Convertible Note which is redeemed will be cancelled forthwith.
Early redemption	:	Allowed at any time at election of the holder (with the approval of Eminence) or Eminence.
Interest	:	The 2025 Convertible Note will bear interest on the outstanding principal amount thereof from the Issue Date at a rate of 5% per annum. Interest will be payable semi-yearly in arrears. The interest rate was determined by the parties after arm's length negotiations and with reference to (i) the prevailing market conditions; and (ii) the indicative costs of unsecured mid-term/long-term debt finance preliminarily quoted to Eminence by its bank(s) upon enquiry.

Conversion rights : The holder of the 2025 Convertible Note will have the right to convert the whole or part of the outstanding principal amount of the 2025 Convertible Note (in amounts of not less than an integral multiple of HK\$1,000,000 on each conversion, unless the outstanding principal amount of the 2025 Convertible Note is less than HK\$1,000,000 in which case the whole (but not part only) of that amount shall be converted) into the Conversion Shares at any time during the conversion period (as detailed below) at the conversion price of HK\$0.169 per Conversion Share (subject to adjustments).

Eminence will not be obliged to issue any Conversion Shares if immediately following the conversion, (i) Eminence will be unable to meet the minimum public float requirement under the Listing Rules; or (ii) there will be a change in control of Eminence under the Takeovers Code.

Conversion period : The period from the date falling on the issue date up to and including the date falling on the seventh last Business Day prior to the maturity date.

Conversion price : Upon issue of the 2025 Convertible Note, the initial conversion price will be HK\$0.169 per Conversion Share (subject to adjustments) on the occurrence of the following:

- (i) If and whenever there shall be an alteration to the nominal value of the Eminence Shares as a result of consolidation or subdivision, the conversion price shall be adjusted by multiplying the conversion price in force immediately prior to such alteration by the fraction:

$$\frac{A}{B}$$

where:

A is the nominal amount of one Eminence Share immediately after alteration; and

B is the nominal amount of one Eminence Share immediately before alteration.

Such adjustment shall become effective on the date the alteration takes effect.

- (ii) (1) If and whenever Eminence shall issue any Eminence Shares credited as fully paid to the Eminence Shareholders by way of capitalization of profits or reserves, other than Eminence Shares issued in lieu of the whole or any part of a cash dividend (the “**Relevant Cash Dividend**”), being a dividend which the Eminence Shareholders concerned would or could otherwise have received in cash (“**Scrip Dividend**”), the conversion price shall be adjusted in the case of an issue of Eminence Shares other than by way of Scrip Dividend by multiplying the conversion price in force immediately before such issue by the fraction:

$$\frac{A}{B}$$

where:

A is the aggregate nominal amount of the issued Eminence Shares immediately before such issue; and

B is the aggregate nominal amount of the issued Eminence Shares immediately after such issue.

Such adjustment shall be effective (if appropriate retrospectively) from the commencement of the day following the record date for such issue.

- (2) in case of an issue of Eminence Shares by way of a Scrip Dividend the current market price of which Eminence Shares exceeds 105 per cent. of the amount of the Relevant Cash Dividend or the relevant part thereof and which would not have constituted a Capital Distribution, by multiplying the conversion price in force immediately before the issue of such Eminence Shares by the fraction:

$$\frac{A + B}{A + C}$$

where:

A is the aggregate nominal amount of the issued Eminence Shares immediately before such issue;

B is the aggregate nominal amount of Eminence Shares issued by way of such Scrip Dividend multiplied by a fraction of which (i) the numerator is the amount per Eminence Share of the whole, or the relevant part, of the Relevant Cash Dividend and (ii) the denominator is the current market price of the number of Eminence Shares issued in respect of each existing Eminence Share in lieu of the whole, or the relevant part of the Relevant Cash Dividend; and

C is the aggregate nominal amount of Eminence Shares issued by way of such Script Dividend;

or by making such other adjustment as an approved merchant bank shall certify to Eminence is fair and reasonable.

Such adjustment shall become effective on the date of issue of such Eminence Shares.

- (iii) If and whenever Eminence shall pay or make any Capital Distribution to the Eminence Shareholders (except where the conversion price falls to be adjusted under sub-paragraph (ii) above (or falls within sub-paragraph (ii) above but no adjustment falls to be made), the conversion price shall be adjusted by multiplying the conversion price in force immediately prior to such Capital Distribution by the fraction:

$$\frac{A - B}{A}$$

where:

A is the current market price of one Eminence Share on the dealing day last preceding the date on which the Capital Distribution is publicly announced; and

B is the fair market value on the date of such announcement, as determined by an approved merchant bank, of the portion of the Capital Distribution attributable to one Eminence Share.

Such adjustment shall become effective on the date that such Capital Distribution is actually made.

- (iv) If and whenever Eminence shall issue Eminence Shares to all or substantially all Eminence Shareholders as a class by way of rights, or shall issue or grant to all or substantially all Eminence Shareholders as a class, by way of rights, any options, warrants or other rights to subscribe for or purchase any Eminence Shares, in each case at less than 95 per cent. of the current market price per Eminence Share on the last trading day preceding the date of the announcement of the terms of the issue or grant, the conversion price shall be adjusted by multiplying the conversion price in force immediately prior to such issue or grant by the fraction:

$$\frac{A + B}{A + C}$$

where:

A is the number of Eminence Shares in issue immediately before such announcement;

B is the number of Eminence Shares which the aggregate amount (if any) payable for the rights or for the options or warrants or other rights issued by way of rights and for the total number of Eminence Shares comprised therein would purchase at such current market price per Eminence Share; and

C is the aggregate number of Eminence Shares issued or, as the case may be, comprised in the grant.

Such adjustment shall become effective on the date of issue of such Eminence Shares or issue or grant of such options, warrants or other rights (as the case may be).

- (v) If and whenever Eminence shall issue any securities (other than Eminence Shares or options, warrants or other rights to subscribe for or purchase Eminence Shares) to all or substantially all Eminence Shareholders as a class by way of rights or grant to all or substantially all Eminence Shareholders as a class by way of rights of any options, warrants or other rights to subscribe for or purchase any securities (other than Eminence Shares or options, warrants or other rights to subscribe for or purchase Eminence Shares), the conversion price shall be adjusted by multiplying the conversion price in force immediately prior to such issue or grant by the fraction:

$$\frac{A - B}{A}$$

where:

A is the current market price of one Eminence Share on the last trading day preceding the date on which such issue or grant is publicly announced; and

B is the fair market value on the date of such announcement as determined in good faith by an approved merchant bank, of the portion of the rights attributable to one Eminence Share.

Such adjustment shall become effective on the date of issue of the securities or grant of such rights, options or warrants (as the case may be).

- (vi) If and whenever Eminence shall issue (otherwise than as mentioned in sub-paragraph (iv) above) wholly for cash any Eminence Shares (other than Eminence Shares issued on the exercise of Conversion Rights or on the exercise of any other rights of conversion into, or exchange or subscription for, Eminence Shares) or on the issue or grant of (otherwise than as mentioned in sub-paragraph (iv) above) options, warrants or other rights to subscribe for or purchase Eminence Shares in each case at a price per Eminence Share which is less than 95 per cent. of the current market price on the trading day last preceding the date of announcement of the terms of such issue, the conversion price shall be adjusted by multiplying the conversion price in force immediately prior to such issue or grant by the fraction:

$$\frac{A + B}{C}$$

where:

A is the number of Eminence Shares in issue immediately before the issue of such additional Eminence Shares or the issue or grant of such options, warrants or other rights to subscribe for or purchase any Eminence Shares;

B is the number of Eminence Shares which the aggregate consideration receivable for the issue of such additional Eminence Shares would purchase at such current market price per Eminence Share; and

C is the number of Eminence Share in issue immediately after the issue of such additional Eminence Shares.

References to additional Eminence Shares in the above formula shall, in the case of an issue or grant by Eminence of options, warrants or other rights to subscribe or purchase Eminence Shares, mean such Eminence Shares to be issued assuming that such options, warrants or other rights are exercised in full at the initial exercise price on the date of issue of such options, warrants or other rights.

Such adjustment shall become effective on the date of issue of such Eminence Shares or, as the case maybe, the issue or grant of such options, warrants or other rights.

- (vii) Save in the case of an issue of securities arising from a conversion or exchange of other securities in accordance with the terms applicable to such securities themselves falling within the provisions of this sub-paragraph (vii), if and whenever Eminence or any Eminence Subsidiary (otherwise than as mentioned in sub-paragraphs (iv), (v) or (vi) above), or (at the direction or request of or pursuant to any arrangements with Eminence or any Eminence Subsidiary) any other person shall issue wholly for cash any securities (other than the 2025 Convertible Note) which by their terms of issue carry rights of conversion into, or exchange or subscription for, Eminence Shares (or grant any such rights in respect of any existing securities so issued) to be issued by Eminence upon conversion, exchange or subscription at a consideration per Eminence Share which is less than 95 per cent. of the current market price per Eminence Share on the trading day last preceding the date of announcement of the terms of issue of such securities, the conversion price shall be adjusted, by multiplying the conversion price in force immediately prior to such issue (or grant) by the fraction:

$$\frac{A + B}{A + C}$$

where:

A is the number of Eminence Shares in issue immediately before such issue (or grant);

B is the number of Eminence Shares which the aggregate consideration receivable by Eminence for the Eminence Shares to be issued upon conversion or subscription for or exchange of or upon exercise of the right of subscription attached to such securities would purchase at such current market price per Eminence Share; and

C is the maximum number of Eminence Shares to be issued upon conversion into or subscription for exchange of such securities or upon the exercise of such rights of subscription attached thereto at the initial conversion, exchange or subscription price or rate.

Such adjustment shall become effective on the date of issue (or grant) of such securities.

(viii) If and whenever there shall be any modification of the rights of conversion, exchange or subscription attaching to any such securities as are mentioned in sub-paragraph (vii) above (other than in accordance with the terms applicable to such securities) so that the consideration per Eminence Share (for the number of Eminence Shares available on conversion, exchange or subscription following the modification) is less than 95 per cent. of the current market price per Eminence Share on the trading day last preceding the date of announcement of the proposals for such modification, the conversion price shall be adjusted by multiplying the conversion price in force immediately prior to such modification by the fraction:

$$\frac{A + B}{A + C}$$

where:

A is the number of Eminence Shares in issue immediately before such modification;

B is the number of Eminence Shares which the aggregate consideration receivable by Eminence for the Eminence Shares to be issued upon conversion or exchange or upon exercise of the right of subscription attached to the securities so modified would purchase at such current market price per Eminence Share or, if lower, the existing conversion, exchange or subscription price; and

C is the maximum number of Eminence Shares to be issued upon conversion or exchange of such securities or upon the exercise of such rights of subscription attached thereto at the modified conversion, exchange or subscription price or rate.

Such adjustment shall become effective on the date of modification of the rights of conversion, exchange or subscription attaching to such securities.

- (ix) If and whenever Eminence or any Eminence Subsidiary or (at the direction or request of or pursuant to any arrangements with Eminence or any Eminence Subsidiary) any other person issues, sells or distributes any securities in connection with an offer by or on behalf of Eminence or any Eminence Subsidiary or such other person pursuant to which offer the Eminence Shareholders generally (meaning for these purposes the holders of at least 60 per cent. of the Eminence Shares outstanding at the time such offer is made) are entitled to participate in arrangements whereby such securities may be acquired by them (except where the conversion price falls to be adjusted under sub-paragraphs (iv) to (vii) above), the conversion price shall be adjusted by, multiplying the conversion price in force immediately prior to such issue by the fraction:

$$\frac{A - B}{A}$$

where:

A is the current market price of one Eminence Share on the last trading day preceding the date on which such issue is publicly announced; and

B is the fair market value on the date of such announcement, as determined in good faith by an approved merchant bank, of the portion of the relevant offer attributable to one Eminence Share.

Such adjustment shall become effective on the date of issue of such securities.

- (x) If Eminence considers that it would be appropriate for an adjustment to be made to the conversion price as a result of one or more events or circumstances not referred to above, Eminence shall request an approved merchant bank to determine what adjustment (if any) to the conversion price is fair and reasonable to take account thereof. Any adjustment under this provision is limited to downward adjustment. The Eminence Board considers that this is fair and reasonable and consistent with market norms and that holder of the 2025 Convertible Note generally would not agree to any upward adjustment, except on a consolidation, given that the matters that may give rise to adjustment are in the control of Eminence.

If any adjustment event other than a sub-division occurs which leads the number of Conversion Shares issuable under the 2025 Convertible Note to exceed 1,588,165,680, then the holder of the 2025 Convertible Note shall be entitled to select to convert the 2025 Convertible Note into up to 1,588,165,680 Conversion Shares based on the adjusted conversion price and any outstanding remaining principal amount of the 2025 Convertible Note shall be redeemed by Eminence on the maturity date in accordance with its terms.

- Ranking of the Conversion Shares** : The Conversion Shares, if and when allotted and issued, shall rank pari passu in all respects with all other Eminence Shares in issue as at the date of the relevant conversion notice and shall be entitled to all dividends and other distributions the record date of which falls on or after the date of the relevant conversion notice.
- Transferability** : No assignment or transfer (whether in whole or in part) of the 2025 Convertible Note except with prior written consent of Eminence, provided that no such consent is required in respect of a transfer by a holder of the 2025 Convertible Note to (i) the holding company or (ii) the subsidiaries or affiliated companies of the holder of the 2025 Convertible Note or the fellow subsidiaries or fellow affiliated companies of the holder of the 2025 Convertible Note.
- Voting** : The holder of the 2025 Convertible Note will not be entitled to attend or vote at any meetings of Eminence by reason only of being the holder of the 2025 Convertible Note.

Others : The conversion rights attaching to the 2025 Convertible Note shall not be exercisable if and to the extent that immediately after such exercise the number of Eminence Shares required to be held by the public as required by Rule 8.08 of the Listing Rules would be contravened.

Eminence will not be obliged to issue any Conversion Shares if immediately following the conversion there will be a change in control of Eminence under the Takeovers Code.

The initial conversion price of HK\$0.169 per Conversion Share (subject to adjustments) represents:

- (i) a slight premium of approximately 4.32% over the closing price of HK\$0.162 per Eminence Share as quoted on the Stock Exchange on 10 October 2025, being the date of Sale and Purchase Agreement;
- (ii) a discount of approximately 16.34% to the average closing price of approximately HK\$0.202 per Eminence Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the date of Sale and Purchase Agreement;
- (iii) a discount of approximately 15.50% to the average closing price of approximately HK\$0.200 per Eminence Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the date of Sale and Purchase Agreement;
- (iv) a discount of approximately 18.75% to the average closing price of approximately HK\$0.208 per Eminence Share as quoted on the Stock Exchange for the last thirty consecutive trading days up to and including the date of Sale and Purchase Agreement;
- (v) a premium of approximately 42.02% over the average closing price of approximately HK\$0.119 per Eminence Share as quoted on the Stock Exchange for the last ninety consecutive trading days up to and including the date of Sale and Purchase Agreement; and
- (vi) a discount of approximately 93.90% to the audited net asset value per Eminence Share of approximately HK\$2.77 as at 31 March 2025 based on the 1,014,444,348 Eminence Shares in issue as at the date of Sale and Purchase Agreement.

In determining the conversion price, the Directors have reviewed the closing prices of the Eminence Shares during the period from 1 January 2025 and up to and including 6 October 2025 (the “**Period**”). The Directors consider that the Period could reflect the most recent trend of the prevailing market price of the Eminence Shares and the closing prices of the Eminence Shares fluctuated within the range from HK\$0.068 per Eminence Share to HK\$0.350 per Eminence Share. It is observed that the closing price of HK\$0.226 per Eminence Share on the last trading day of the Period is approximately 156.8% and 232.4% higher than the closing price of HK\$0.088 per Eminence Share on the first trading day of the Period and the lowest closing price of HK\$0.068 per Eminence Share of the Period respectively.

The Directors also noticed that, during the Period, the Eminence Shares have been being traded constantly at discounts to the then net asset value per Eminence Share. The discounts to the then net asset value per Eminence Share ranged from approximately 87.39% to 99.00%, with an average of approximately 96.30%. With respect to the conversion price, the discount of approximately 91.52% over the audited net asset value per Eminence Share of approximately HK\$2.77 as at 31 March 2025 based on the 1,014,444,348 Eminence Shares in issue as at the date of Sale and Purchase Agreement is therefore smaller than the average and within the range of the discounts of the net asset value per Eminence Share during the Period.

In assessing the fairness and reasonableness of the discount of approximately 91.52% to the audited net asset value per Eminence Share of approximately HK\$2.77 as at 31 March 2025 based on the conversion price, apart from the historical Eminence Share performance, the Directors have also reviewed the historical trading volume of the Eminence Shares. During the Period, the percentage of average daily trading volume to total number of Eminence Shares issued ranged from approximately 0.0% to 15.03%, with an average of approximately 0.75%. The average daily trading volume of the Eminence Share is considered to be relatively thin.

Set out below is the comparable price-to-book ratios of other companies listed on the Stock Exchange on a best effort basis based on the selection criteria with reference to their principal businesses engaged in property development in Hong Kong and relatively small market capitalization.

Stock code	Name of listed company	Principal business	Price-to-book Ratio (note 1) (approximately)	Market Capitalization (note 2) HK\$' million (approximately)
616	Eminence	property development, property investment, investment in securities and others, and loan financing	0.08	229.3
1243	Wang On Properties Limited	property development, property investment and asset management	0.17	577.6
199	ITC Properties Group Limited	property development and investment, hotel investment and management and leisure business, securities investments and loan financing	0.14	299.4
1560	Star Group Asia Limited	property development and investment	0.12	91.1
3688	Top Spring International Holdings Limited	property development, investment and management, and hotel operations	0.10	543.9

Notes:

1. The price-to-book ratio is calculated by dividing the market price per share as at 6 October 2025 (being the last trading day of the Period) by the net asset value (as extracted from the latest published annual or interim report of the respective listed company) per share as at the relevant period end date.
2. The market capitalization is calculated by multiplying the closing market price per share by the number of issued shares of the respective listed company as at 6 October 2025 (being the last trading day of the Period).

The Directors have made references to the comparable price-to-book ratios of other companies listed on the Stock Exchange based on the selection criteria of their principal businesses engaged in property development and relatively small market capitalization (less than HK\$600 million), and the Directors noted that the price-to-book ratio of Eminence of 0.08 is not within the range of the comparables which ranged from 0.10 to 0.17.

The Directors consider that the price-to-book ratio should be taken as an additional reference only and the prevailing market price is a more relevant factor in determining the fairness and reasonableness of the conversion price (subject to adjustments), and the current market price of the Eminence Shares directly reflects the value of the Eminence Shares that is generally perceived by the market having taken into account all business segments of the Eminence Group as well as the prevailing market conditions.

The Directors are of the view that the track record of an issuer of convertible note is one of the key factors to consider by an investor when deciding whether to subscribe the convertible note issued by such issuer and therefore the 2023 Convertible Note is an appropriate reference.

The Directors understand that the conversion price of 2025 Convertible Note may not be directly comparable to that of 2023 Convertible Note due to the difference in market conditions at the time of issuance and hence the Company has made reference to the average closing price for the last five, ten, thirty and ninety consecutive trading days of Eminence Shares which are considered more relevant to the recent prevailing market price of Eminence Shares.

Save for the conversion price, other terms of the 2023 Convertible Note in relation to (i) redemption; (ii) early redemption; (iii) conversion rights; (iv) conversion period; (v) conversion price adjustment mechanism; (vi) ranking of conversion shares; (vii) transferability; and (viii) voting etc. are considered appropriate reference and fairly standard in the market.

Regarding the duration of five years of 2025 Convertible Note, the Directors consider that five-year duration is common and typical for convertible debt instruments in the market. It is noted that several listed companies including MMG Limited (stock code: 1208), China Pacific Insurance (Group) Co., Ltd. (stock code: 2601) and Bank of Qingdao Co., Ltd. (stock code: 3866) have recently announced issues of convertible debt instruments with durations range from five to six years.

When assessing the terms of 2025 Convertible Note, the track record of the convertible debt instrument (which includes the timeliness of interest payment, redemption ability, potential capital gain and liquidity in the market) previously issued by Eminence (i.e. the 2023 Convertible Note) is one of the key factors considered by the Company. Since (i) the Company received the interest payments from Eminence for the 2023 Convertible Note on time; and (ii) a major portion of the 2023 Convertible Note (representing around 66.5% of the original principal amount) was already redeemed by Eminence, it is considered that the default risk is low. Moreover, there is a certain degree of liquidity of the 2023 Convertible Note as the Company was able to dispose part of the 2023 Convertible Note to Independent Third Parties at a premium.

Having considered that (i) the interest rate of 2025 Convertible Note is close to the interest rates quoted to Eminence by a bank according to the information received by the Company; (ii) the conversion price of 2025 Convertible Note is referenced to the average closing price for the last five, ten, thirty and ninety consecutive trading days of Eminence Shares which are considered more relevant to the recent prevailing market price of Eminence Shares; (iii) the five-year duration is common and typical for convertible debt instruments in the market; (iv) other terms of 2025 Convertible Note are fairly standard in the market and are comparable to that of 2023 Convertible Note; and (v) the track record of the convertible debt instrument previously issued by Eminence (i.e. the 2023 Convertible Note) was properly assessed, the terms of 2025 Convertible Note (including the initial conversion price, subject to adjustments) are considered fair and reasonable and in the interests of the Company and its Shareholders as a whole.

Assuming that the Conversion Rights are exercised in full based on the principal amount of HK\$268,400,000 at the initial conversion price of HK\$0.169 per Conversion Share (subject to adjustment), a total of 1,588,165,680 Conversion Shares will be allotted and issued, representing approximately 156.6% of the issued share capital of Eminence at the date of this announcement and approximately 61.0% of the issued share capital of Eminence as enlarged by the allotment and issue of such Conversion Shares and assuming that save for the issue of Conversion Shares, there will be no change to the issued share capital of Eminence from the date of this announcement up to and including the date of issue of such Conversion Shares.

Application will be made by Eminence to the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares. No application will be made for the listing of the 2025 Convertible Note on the Stock Exchange or any other stock exchange and no application will be made for the listing of the Conversion Shares on any other stock exchange.

SHAREHOLDING STRUCTURE OF EMINENCE

A total of 1,588,165,680 Conversion Shares will be allotted and issued upon full conversion of the 2025 Convertible Note based on the principal amount of HK\$268,400,000 at the initial conversion price of HK\$0.169 per Conversion Share (subject to adjustments). The table below sets out the current shareholding structure of Eminence and the structure as it will be on the assumptions that there is no change in the number of Eminence Shares in issue and the conversion rights attached to the 2025 Convertible Note have been fully exercised.

Eminence Shareholders	As at the date of this announcement		Immediately upon the full exercise of the 2023 Convertible Note alone		Immediately upon the full exercise of the 2025 Convertible Note alone		Immediately upon the full exercise of the 2023 Convertible Note and 2025 Convertible Note	
	<i>Number of Eminence shares</i>		<i>Number of Eminence shares</i>		<i>Number of Eminence shares</i>		<i>Number of Eminence shares</i>	
	<i>Approximate %</i>		<i>Approximate %</i>		<i>Approximate %</i>		<i>Approximate %</i>	
The Group and its associates	82,286,811	8.11	744,786,811	36.97	1,670,452,491	64.18	2,332,952,491	64.76
Substantial shareholders of Eminence								
Chu Nin Yiu, Stephen	111,325,339	10.97	111,325,339	5.52	111,325,339	4.28	111,325,339	3.09
Hu Rong	101,386,000	10.00	101,386,000	5.03	101,386,000	3.90	101,386,000	2.81
Feng Shihua	0	0	175,000,000	8.69	0	0	175,000,000	4.86
Wu Mengmeng	0	0	162,500,000	8.07	0	0	162,500,000	4.51
Other public shareholders of Eminence								
	<u>719,446,198</u>	<u>70.92</u>	<u>719,446,198</u>	<u>35.72</u>	<u>719,446,198</u>	<u>27.64</u>	<u>719,446,198</u>	<u>19.97</u>
Total	<u>1,014,444,348</u>	<u>100.00</u>	<u>2,014,444,348</u>	<u>100.00</u>	<u>2,602,610,028</u>	<u>100.00</u>	<u>3,602,610,028</u>	<u>100.00</u>

In the event that the Group becomes obliged to make a general offer to the Shareholders in compliance with Rule 26 of the Takeovers Code as a result of a conversion of the outstanding principal amount of 2023 Convertible Note and/or 2025 Convertible Note, the Group will do so.

INFORMATION ABOUT EMINENCE GROUP

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.

INFORMATION ABOUT THE GROUP

The Group is principally engaged in property development, property investment, investment in securities and others and loan financing businesses which property development and property investment are the core businesses. The Group's portfolio of investment properties comprised of residential, commercial and industrial units located in Hong Kong.

REASONS FOR AND BENEFITS OF THE ENTERING INTO OF THE SALE AND PURCHASE AGREEMENT

The disposal of the Property through the sale of Mark Profit is part of the Company's usual strategy to prudently preserve its cash flow not to carry on paying the sums necessary to finance the related net cash outflows. The disposal of the Property (i) will not result in any expected loss for the Company and its Shareholders; (ii) will provide the Group with a regular income stream by way of interest on the 2025 Convertible Note; (iii) will eliminate the Group's cash outlays for the Property, which collectively exceed the rental income generated from the Property; and (iv) will reduce the gearing ratio of the Group, calculated as a ratio of total bank borrowings to total equity.

Taking into account that the disposal of the Property via the sale of the Sale Shares will not incur any one-off adverse effect on the profit and loss statement of the Company and the cash outlays of bank loan principal and interest repayment in relation to the Property of approximately HK\$42.7 million per annum collectively exceed the rental income generated from the Property of approximately HK\$11.1 million per annum, the Directors consider that the disposal of Sale Company will result in improving the cash flow and reduce cash outlays of approximately HK\$31.6 million per annum for the Company.

Moreover, the disposal of the 268,000 shares of Ping An Insurance (Group) Company of China, Ltd. will provide the Company with a guaranteed regular income stream by way of interest on the 2025 Convertible Note and the principal amount of which will be repaid in five years. Part of the 2025 Convertible Note can be converted to conversion Shares and sold in the open market to capture capital gain if the market price of Eminence Shares increases in future, and the Company may even dispose part of the 2025 Convertible Note to other parties with or without premium to generate cash inflows if needed as the 2025 Convertible Note is transferrable. The closing prices of the Eminence Shares during the Period have been reviewed and it is considered that the Period could reflect the most recent trend of the prevailing market price of the Eminence Shares. It is observed that the closing price of HK\$0.226 per Eminence Share on the last trading day of the Period is approximately 156.8% and 232.4% higher than the closing price of HK\$0.088 per Eminence Share on the first trading day of the Period and the lowest closing price of HK\$0.068 per Eminence Share of the Period respectively, which reflects a significant growth in the market value of Eminence Shares. Having considered (i) the expected launch of upcoming residential project(s) of Eminence as set out in its annual report for the year ended 31 March 2025 which may generate profit and cash inflows to Eminence Group; and (ii) the potential growth in the price of Eminence Shares in future, it is believed that accepting the 2025 Convertible Note for the settlement of Purchase Price is beneficial to the Company.

The terms of the Sale and Purchase Agreement has been determined after arm's lengths negotiations between the parties thereto and the Directors are of the view that the Sale and Purchase Agreement is on normal commercial terms, which are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

As at the date of this announcement, the Company has no plan to change its existing principal businesses as well as engaged in property development, securities investment and loan financing businesses, it would still be engaged in property investment business after the Completion while exploring other potential projects with a view to providing steady and favorable returns for the Shareholders and bring increased growth to the Group.

PUBLIC FLOAT

The 2025 Convertible Note will impose restrictions on conversions to the extent that the conversion would lead to Eminence breaching the public float requirement under the Listing Rules.

At the date of this announcement, the Company and certain of its subsidiaries hold in aggregate approximately 8.11% of Eminence Shares.

Upon full conversion of the 2025 Convertible Note at the initial conversion price of HK\$0.169 per Conversion Share (subject to adjustment), a total of 1,588,165,680 Conversion Shares would be issued, representing approximately 61.0% of the issued share capital of Eminence as enlarged by that issue and assuming no other change in the number of issued Eminence Shares.

The table show in the section headed “SHAREHOLDING STRUCTURE OF EMINENCE” of this announcement illustrates the existing shareholdings of the Company and certain of its subsidiaries in Eminence and the effect on their shareholdings in Eminence assuming full exercise at the initial conversion price of HK\$0.169 of conversion rights under the 2025 Convertible Note.

The Company is mindful of the public float requirement under the Listing Rules and the requirements of the Takeovers Code, and will comply with the relevant Listing Rules and the Takeovers Code, if and when necessary, particularly when considering whether the conversion rights under any or all of the 2025 Convertible Note should be exercised.

LISTING RULES IMPLICATIONS

As one or more of the percentage ratios applicable to the sale of the Sale Company exceeds 75%, that sale is a very substantial disposal for the Company and the Sale and Purchase Agreement is subject to the reporting, announcement and the Shareholders’ approval requirements under Chapter 14 of the Listing Rules.

The SGM will be convened for the Shareholders to consider and, if thought fit, approve the Sale and Purchase Agreement and the transactions contemplated thereunder. Ms. Lui Yuk Chu (an executive Director and a substantial Shareholder and also an executive Eminence Director) shall abstain from voting at the SGM. To the best knowledge, information and believe of the Directors and having made reasonable enquiries, save for Eminence Group and its associates, and Ms. Lui Yuk Chu, no other Shareholder is involved in or interested in the Sale and Purchase Agreement and the transactions contemplated thereunder which requires him/her/it to abstain from voting on the proposed resolution(s) to approve the Sale and Purchase Agreement and the transactions contemplated thereunder at the SGM.

The Eminence Group and its associates (which together controlled or were entitled to exercise control over voting rights of 3.03% of the Shares at the date of this announcement) will abstain from voting at the SGM on the resolutions approving the Sale and Purchase Agreement and the transactions contemplated thereunder.

SPECIFIC MANDATE OF EMINENCE

The Conversion Shares will be allotted and issued under a mandate proposed to be granted to the Eminence Directors by a resolution passed at the Eminence SGM on which only Eminence Independent Shareholders are entitled to vote.

CIRCULAR

A circular of the Company containing, among other things, (i) further details of the Sale and Purchase Agreement; (ii) financial information on the Post-Transaction Group; (iii) an independent property valuation report on the Property; (iv) a notice convening the SGM; and (v) other information required under the Listing Rules, is expected to be despatched to the Shareholders on or before 7 November 2025. That date is more than fifteen Business Days after the publication of this announcement and the delay in despatch is expected because of the time required to collate relevant information to be included in the circular.

WARNING

Completion of the Sale and Purchase Agreement is subject to the fulfilment of a number of conditions precedent, which among other things, include the approval of the Shareholders and the approval of the Eminence Shareholders. Hence, the transactions contemplated under the Sale and Purchase Agreement may or may not proceed.

Shareholders and potential investors of the Company should exercise caution when dealing in or investing in the securities of the Company.

DEFINITIONS

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

“2023 Convertible Note”	the 5% per annum coupon rate 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 thereof the principal amount into Eminence Shares on the basis of a conversion price (subject to adjustments). Details of which were set out in the joint circular of the Company and Eminence dated 21 January 2023, the circular of Eminence dated 6 March 2024, the announcements of Eminence dated 17 April 2024, 3 February 2025, and the joint announcement of the Company and Eminence dated 4 June 2025
“2025 Convertible Note”	the 5% per annum coupon rate convertible note proposed to be issued by Eminence for settling the Purchase Price in the principal amount of HK\$268,400,000 conferring rights to convert at any time before the fifth anniversary of the issue thereof the principal amount into Eminence Shares on the basis of an initial conversion price of HK\$0.169 per Conversion Share (subject to adjustments), pursuant to the terms and conditions of the 2025 Convertible Note
“affiliated company”	the meaning ascribed to it in the Listing Rules
“associate(s)”	the meaning ascribed thereto in the Listing Rules
“Bank Loans”	the total outstanding principal amounts together with interest accrued owing to a bank by Mark Profit, being approximately HK\$302 million in aggregate as at 31 March 2025, which will be aggregated with an amount of approximately HK\$120 million after the Debt Novation and before the Completion Date
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday and public holiday) on which banks in Hong Kong are open for business
“BVI”	the British Virgin Islands

“Capital Distribution”	(without prejudice to the generality of that phrase) includes distributions in cash or specie
“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)
“Completion”	completion of the sale and purchase of Sale Shares under the Sale and Purchase Agreement
“Completion Date”	the date of Completion which will be ten Business Days after the fulfilment or waiver of the last of the Conditions Precedent, or such other date as the parties to the respective Sale and Purchase Agreement may agree in writing
“Conditions Precedent”	the conditions precedent for completion of the Sale and Purchase Agreement summarized in the sub-section headed “Conditions Precedent” in this announcement
“connected person”	the meaning ascribed thereto in the Listing Rules
“Conversion Share(s)”	the Eminence Share(s) to be allotted and issued by Eminence upon the exercise of the conversion rights attached to the 2025 Convertible Note
“Director(s)”	the director(s) of the Company
“Easyknit Properties”	Easyknit Properties Holdings Limited, a company incorporated under the laws of the BVI with limited liability and a wholly-owned subsidiary of the Company, being the seller under the Sale and Purchase Agreement
“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 Board”	the board of Eminence Directors
“Eminence Director(s)”	the director(s) of Eminence

“Eminence Group”	Eminence and its subsidiaries
“Eminence Independent Shareholder(s)”	Eminence Shareholder(s), other than the Group and its associates
“Eminence SGM”	the special general meeting of Eminence to be convened and held for the purpose of considering and, if thought fit, approving, inter alia, the Sale and Purchase Agreement and the transactions contemplated thereunder and the issue of the Conversion Shares on exercise of the conversion rights attached to the 2025 Convertible Note
“Eminence Shareholder(s)”	holder(s) of Eminence Share(s)
“Eminence Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of Eminence
“Eminence Subsidiary”	a company which is for the time being and from time to time a subsidiary of Eminence
“Goodco”	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 Eminence Shareholder
“HKFRS”	Hong Kong Financial Reporting Standards
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	an entity that is independent of the Company and its connected persons
“Issue Date”	the date of issue of the 2025 Convertible Note, which will be the Completion Date
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 December 2025 or such other date as the relevant parties may agree

“Mark Profit”	Mark Profit Development Limited (卓益發展有限公司), a company incorporated in Hong Kong with limited liability, and an indirect wholly-owned subsidiary of the Company
“Post-Transaction Group”	the Group immediately after Completion
“PRC”	The People’s Republic of China
“Property”	the commercial property held by Mark Profit described in this announcement
“Purchase Price”	the Sale Shares Consideration minus a sum equal to the expected total net amount due from Mark Profit’s ultimate holding company and fellow subsidiaries to Mark Profit outstanding as at the Completion Date on a dollar-for-dollar basis
“Sale and Purchase Agreement”	a conditional sale and purchase agreement dated 10 October 2025 between Easyknit Properties and Eminence for, inter alia, the sale by Easyknit Properties and purchase by Eminence of Sale Shares
“Sale Company”	Mark Profit
“Sale Shares”	the entire issued share capital of Mark Profit
“Sale Shares Consideration”	the amount payable by Eminence for Sale Shares
“Share(s)”	ordinary share(s) of par value of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“SGM”	the special general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approve the Sale and Purchase Agreement and the transactions contemplated thereunder
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	a subsidiary for the purposes of the Listing Rules
“substantial shareholder(s)”	the meaning ascribed to it in the Listing Rules

“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs issued by the Securities and Futures Commission of Hong Kong, as amended from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“sq.ft.”	square feet
“%”	per cent.

By order of the Board
EASYKNIT INTERNATIONAL HOLDINGS LIMITED
Koon Ho Yan Candy
President and Chief Executive Officer

Hong Kong, 10 October 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.

In case of any inconsistency, the English version of this announcement shall prevail over the Chinese version.