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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 Board announces that on 31 August 2023, the Group, acquired an aggregate of 10,898,000 Best Food Shares on the open market at an aggregate consideration of approximately HK\$12,937,000 (excluding stamp duty and related expenses).

LISTING RULES IMPLICATION

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisitions when aggregated with Previous Acquisitions in the last 12 months exceed 5% but less than 25%, the Acquisitions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

THE ACQUISITIONS

On 31 August 2023, the Group, through its subsidiaries, acquired an aggregate of 10,898,000 Best Food Shares on the open market at an aggregate consideration of approximately HK\$12,937,000 (excluding stamp duty and related expenses), at the price between HK\$1.13 and HK\$1.20 per Best Food Share. The average price (exclusive of stamp duty and transaction costs) for the Acquisitions of each Best Food Share was approximately HK\$1.187. The aggregate consideration of approximately HK\$12,937,000 (exclusive stamp duty and transaction costs) which were paid in cash from internal resources of the Group.

As the Acquisitions were conducted in the open market, the identities of the counterparties of the Acquisitions cannot be ascertained. To the best knowledge, information and belief of the Directors and having made all reasonable enquiries, the counterparties and the ultimate beneficial owner(s) of the counterparties of the Acquired Shares are Independent Third Parties of the Company.

The Acquired Shares represent approximately 0.69% of the total issued shares of Best Food as at 31 August 2023.

INFORMATION OF BEST FOOD

According to publicly available information, Best Food is a company incorporated in the Cayman Islands and the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1488). Best Food Group is principally engaged in the operation of chain restaurants and mainly operates its food and beverage business in the Chinese market. Best Food also operates investment, acquisition and management business of food and beverage brands, franchising and other businesses.

The following information is extracted from Best Food's annual report for the two financial years ended 31 December 2021 and 2022 and the interim results announcement for the six months ended 30 June 2023 :

	Six months ended	Year ended 31 December	
	30 June 2023	2022	2021
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
	<i>(unaudited)</i>	<i>(audited)</i>	<i>(audited)</i>
Revenue	305,248	537,510	752,959
Loss before tax	(5,298)	(182,179)	(665,685)
Loss for the period / year	(5,692)	(166,708)	(651,837)

As stated in the interim results announcement for the six months ended 30 June 2023 and the 2022 annual report of Best Food, Best Food Group had an unaudited net asset value of RMB196,327,000 as at 30 June 2023 and an audited net asset value of RMB 210,608,000 as at 31 December 2022.

REASONS FOR AND BENEFITS OF THE ACQUISITIONS

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

Having considered the business operation and business prospects, the Directors hold positive views towards the business prospects of Best Food and are of the view that the Acquisitions provide the Group with a good investment opportunity to expand its investment portfolio with quality assets and believe that the Acquisitions are attractive investments which will provide satisfactory return on investment to the Group.

In view of the Acquisitions were conducted through open market, the Directors are 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.

LISTING RULES IMPLICATIONS

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Acquisitions when aggregated with Previous Acquisitions in the last 12 months exceed 5% but less than 25%, the Acquisitions constitute a discloseable transaction for the Company under Chapter 14 of the Listing Rules and is therefore subject to the reporting and announcement requirements under the Listing Rules.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings when used herein:

“Acquired Shares”	10,898,000 Best Food Shares representing approximately 0.69% of the entire issued share capital of Best Food as at 31 August 2023, which are fully paid up or credited as fully paid
“Acquisitions”	the acquisitions of the Acquired Shares by the Group on the Stock Exchange
“Best Food”	Best Food Holding Company Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 1488)
“Best Food Group”	Best Food and its subsidiaries
“Best Food Shares”	ordinary shares of HK\$0.10 each in the share capital of Best Food
“Board”	the board of Directors
“Company”	Easyknit International Holdings Limited, a 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: 1218)
“Director(s)”	director(s) of the Company

“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	party(ies) independent of and not connected with the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Previous Acquisitions”	the acquisitions of an aggregate of 3,034,000 Best Food Shares on the open market through the Stock Exchange for an aggregate consideration of approximately HK\$2,904,000 (exclusive of stamp duty and transaction costs) in the last 12 months preceding the Acquisitions
“RMB”	Renminbi, the lawful currency of the People’s Republic of China
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

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

Hong Kong, 4 September 2023

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. Jong Koon Sang and Mr. Lau Chak Hang Charles as independent non-executive Directors.