

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 DISPOSALS OF LISTED SECURITIES

THE DISPOSALS

The Board announces that in a series of transactions conducted during the period between 20 September 2021 to 28 September 2021 (both days inclusive), the Group has disposed of an aggregate of 2,696,000 CSCE Shares (representing approximately 0.06% of the total issued shares of CSCE as at the date of this announcement) on the open market at an aggregate consideration of approximately HK\$6,970,000 (excluding transaction costs).

LISTING RULES IMPLICATION

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposals, when aggregated as a whole, exceed 5% but less than 25%, the Disposals 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 DISPOSALS

During the period between 20 September 2021 to 28 September 2021 (both days inclusive), the Group, through its subsidiaries, has disposed of an aggregate of 2,696,000 CSCE Shares (representing approximately 0.06% of the total issued shares of CSCE as at the date of this announcement) on the open market at an aggregate consideration of approximately HK\$6,970,000 (excluding transaction costs), at the price between HK\$2.42 to HK\$2.67 per CSCE Share. The average price (excluding transaction costs) for the Disposals of each CSCE Share was approximately HK\$2.59.

As the Disposals were conducted in the open market, the identities of the counterparties of the Disposals 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 Disposed Shares are Independent Third Parties of the Company.

INFORMATION OF CSCE

CSCE, is a company incorporated in the Cayman Islands and listed on the main board of the Stock Exchange (stock code: 1966). CSCE Group is principally engaged in the businesses of property development, commercial management, property management and long-term rental apartments.

The following financial information is extracted from the 2020 Annual Report of CSCE for the two financial years ended 31 December:

	Year ended 31 December	
	2020	2019
	<i>RMB '000</i>	<i>RMB '000</i>
Revenue	32,572,605	21,369,802
Profit before tax	6,563,047	5,854,275
Profit for the year	4,445,626	4,023,466

As stated in the 2020 Annual Report of CSCE, CSCE Group had an audited net asset value of RMB39,152,614,000 as at 31 December 2020 and RMB30,286,187,000 as at 31 December 2019.

REASONS FOR THE DISPOSALS AND USE OF PROCEEDS

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

The Group acquired the CSCE Shares for investment purpose. The Disposals represent opportunity for the Group to realise its investment in CSCE. As a result of the Disposals and based on the acquisition costs of the Disposed Shares, it is expected that a gain of approximately HK\$2,400,000 (excluding transaction costs) will be recognised in the financial statements of the Group. The net proceeds from the Disposals of approximately HK\$6,940,000 which intends to be used for the general working capital of the Group.

In light of the gain from the Disposals, the Directors are of the view that the terms of the Disposals are fair and reasonable and in the interests of the Company and its shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

As certain applicable percentage ratios under Rule 14.07 of the Listing Rules in respect of the Disposals, when aggregated as a whole, exceed 5% but less than 25%, the Disposals 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:

“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
“CSCE”	China SCE Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose shares are listed on the main board of the Stock Exchange (stock code: 1966)
“CSCE Group”	CSCE and its subsidiaries
“CSCE Shares”	ordinary shares of HK\$0.10 each in the share capital of CSCE
“Director(s)”	director(s) of the Company
“Disposals”	the disposals of the Disposed Shares by the Group
“Disposed Shares”	an aggregate of 2,696,000 CSCE Shares, representing approximately 0.06% of the entire issued share capital of CSCE as at the date of this announcement
“Group”	the Company and its subsidiaries

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	a 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
“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, 29 September 2021

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.