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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 SUBSCRIPTION OF NOTES**

#### **BACKGROUND**

On 11 August 2017, Charming Flash (a wholly-owned subsidiary of the Company) and the Issuer entered a loan participation agreement (the “Participation Agreement”), pursuant to which Charming Flash acquired a participation interest in the amount of US\$2,000,000 (the “Participation Interest”) with an interest rate of 19% per annum in the Loan under a loan agreement between the Borrower and the Issuer.

On 31 October 2018 (after trading hours), Charming Flash, by using the existing US\$2,000,000 and an additional US\$2,500,000, entered into the Junior Notes Subscription Agreement with the Issuer, pursuant to which Charming Flash subscribed the Junior Notes issued by the Issuer in the amount of US\$4,500,000 (equivalent to approximately HK\$35,100,000), at an interest rate of 14.65% per annum, for the purpose of participating in the New Loan under a new loan agreement between the Borrower and the Issuer.

#### **LISTING RULES IMPLICATIONS**

As one of the applicable percentage ratio under Rule 14.07 of the Listing Rules with respect to the subscription of the Junior Notes exceeds 5% but is not more than 25%, the subscription of the Junior Notes constitutes a discloseable transaction of the Company and is therefore subject to announcement and notification requirements under Chapter 14 of the Listing Rules.

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*\* for identification purposes only*

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## **JUNIOR NOTES SUBSCRIPTION AGREEMENT**

Principal terms of the Junior Notes Subscription Agreement are set out as below:

Date:	31 October 2018;
Issuer:	Golden Glow Limited, a company incorporated in the Cayman Islands with limited liability;
Principal Amount:	US\$4,500,000 (equivalent to approximately HK\$35,100,000);
Interest:	14.65% per annum, payable every six (6) months;
Maturity Date:	the date falling 24 months from the Issue Date, which may be extendable to the Extended Maturity Date;
Extended Maturity Date:	the date falling 12 months from the Maturity Date;
Redemption:	the Issuer shall on the Maturity Date or the Extended Maturity Date (if the repayment date is extended to the Extended Maturity Date) redeem all the Junior Notes then in issue at the sum of the total principal amount and all amounts of interest.

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

The principal business activities of the Group are property investment, property development, securities investment and loan financing.

The Company subscribed the Junior Notes for investment purpose and the consideration was funded by the Group from its internal resources. The transaction is in ordinary and usual course of business of the Group.

The terms of the Junior Notes Subscription Agreement were arrived at by the parties thereto after arm's length negotiations, with reference to prevailing commercial practice. The Directors consider the terms of the Junior Notes Subscription Agreement as fair and reasonable and the subscription of the Junior Notes is in the interests of the Company and Shareholders as a whole.

## LISTING RULES IMPLICATIONS

As one of the applicable percentage ratio under Rule 14.07 of the Listing Rules with respect to the subscription of the Junior Notes exceeds 5% but is not more than 25%, the subscription of the Junior Notes constitutes a discloseable transaction of the Company and is therefore subject to announcement and notification requirements under Chapter 14 of the Listing Rules.

## INFORMATION ON THE ISSUER

The Issuer is an exempted company incorporated under the laws of the Cayman Islands and is engaged in the financing business. To the best of the Directors' knowledge, information and belief having made all reasonable enquires, the Issuer and its ultimate beneficial owner are Independent Third Parties and not connected with the Group.

## DEFINITIONS

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

“Borrower”	Pintec Holdings Limited (now known as Jimu Holdings Limited), a company incorporated in the British Virgin Islands with limited liability;
“Board”	the board of Directors;
“Charming Flash”	Charming Flash Limited, a company incorporated in the British Virgin Islands with limited liability and is a wholly-owned subsidiary of the Company;
“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;
“Director(s)”	the director(s) of the Company;
“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)”	person(s) who or company(ies) together with its/their ultimate beneficial owner(s) which is/are third party(ies) independent of the Company and its connected person(s) (as defined under the Listing Rules);
“Issuer”	Golden Glow Limited, a company incorporated in the Cayman Islands with limited liability;

“Issue Date”	the completion date for the subscription of the Junior Notes;
“Junior Notes”	junior notes issued by the Issuer;
“Junior Notes Subscription Agreement”	the junior notes subscription agreement dated 31 October 2018 made between the Issuer, Charming Flash and other junior noteholders in respect of the subscription of the junior notes;
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange;
“Loan”	a term loan facility of US\$42,000,000 provided by the Issuer to the Borrower under the loan agreement dated 11 August 2017, as supplemented and amended from time to time;
“New Loan”	a term loan facility of US\$25,500,000 provided by the Issuer to the Borrower under the new loan agreement dated on or about the date of the Junior Notes Subscription Agreement;
“Share(s)”	ordinary share(s) of 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;
“US\$”	the lawful currency of the United States of America;
“%”	per cent.

By Order of the Board  
**Easyknit International Holdings Limited**  
**Tse Wing Chiu Ricky**  
*President and Chief Executive Officer*

*In this announcement, United States dollars converted into Hong Kong dollars at the rate of US\$1=HK\$7.80.*

Hong Kong, 2 November 2018

*As at the date hereof, the Board comprises Mr. Tse Wing Chiu Ricky, Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy as executive directors and Mr. Tsui Chun Kong, Mr. Jong Koon Sang and Mr. Hon Tam Chun as independent non-executive directors.*