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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: DISPOSAL OF SECURITIES OF HSBC HOLDINGS PLC**

The Group disposed on-market a total of 288,612 HSBC Shares in a series of transactions conducted during the period from 6 February 2018 to 9 February 2018, at an average price of approximately HK\$79.73 per HSBC Share for an aggregate gross sale proceeds of approximately HK\$23,011,000 (excluding transaction costs).

The Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one of the applicable percentage ratios exceeds 5% but is less than 25%. The Disposal is therefore subject to the reporting and announcement requirements under the Listing Rules.

#### **THE DISPOSAL**

The Group disposed on-market a total of 288,612 HSBC Shares in a series of transactions conducted during the period from 6 February 2018 to 9 February 2018, at an average price of HK\$79.73 per HSBC Share for an aggregate gross sale proceeds of approximately HK\$23,011,000 (excluding transaction costs).

As the Disposal was made on the market, the Company is not aware of the identities of the purchasers of the HSBC Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers of the HSBC Shares and their ultimate beneficial owners are Independent Third Party.

#### **Assets disposed**

The Group disposed of 288,612 HSBC Shares, representing approximately 0.0014% of the issued share capital of HSBC (based on the 20,321,169,034 HSBC Shares as at 31 January 2018 according to publicly available information).

#### **Consideration**

The aggregate gross sale proceeds of the Disposal is approximately HK\$23,011,000 (excluding transaction costs), which is receivable in cash on settlement. The price for the Disposal represented the market price of the HSBC Shares at the time of the Disposal.

*\* for identification purposes only*

## REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group's principal businesses are property investment, property development, securities investment and money lending business.

The purpose of the Disposal is to obtain a balanced securities investment portfolio. As a result of the Disposal, the Group is expected to recognize a gain of approximately HK\$155,400 which is calculated on the basis of the difference between the total acquisition costs and the aggregate gross sale proceeds (exclusive of the transaction costs). The Group intends to use the proceeds of the Disposal for general working capital of the Group.

The Disposal was made at prevailing market price and the Directors (including the independent non-executive Directors) are of the view that the Disposal could enhance the liquidity of the Company, was fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

## INFORMATION ON HSBC

HSBC is a company incorporated in England with limited liability and its shares are listed on the London, Hong Kong, New York, Paris and Bermuda stock exchanges. Based on its company profile made available on the website of the Stock Exchange, HSBC is principally engaged in the provision of a comprehensive range of banking and related financial services through an international network in the Asia-Pacific region, Europe, the Americas, the Middle East and Africa.

The following information is extracted from the published documents of HSBC:

	<b>For the nine months ended 30 September 2017</b>	<b>For the year ended 31 December</b>	
	<i>USD million</i>	<b>2016</b>	<b>2015</b>
		<i>USD million</i>	<i>USD million</i>
Revenue	48,502	59,836	71,092
Profit before taxation	14,863	7,112	18,867
Net profit after taxation			
Attributable to shareholders			
of HSBC	10,746	2,479	13,522
Total assets	2,526,214	2,374,986	2,409,656

## LISTING RULES IMPLICATIONS

The Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one of the applicable percentage ratios exceeds 5% but is less than 25%. The Disposal 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 have the following meanings:

“Board”	the board of Directors
“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 Stock Exchange
“Director(s)”	director(s) of the Company
“discloseable transaction”	as defined in the Listing Rules
“Disposal”	the disposal by the Group for a total of 288,612 HSBC Shares during the period from 6 February 2018 to 9 February 2018 for a gross sale proceeds of approximately HK\$23,011,000
“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 PRC
“HSBC”	HSBC Holdings plc, whose shares are listed on the main board of the Stock Exchange (stock code: 00005)
“HSBC Share(s)”	shares in the share capital of HSBC listed on the main board of the Stock Exchange and traded in Hong Kong dollars
“Independent Third Party”	third party(ies) independent of the Company and connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	as defined in the Listing Rules
“PRC”	the People’s Republic of China
“Shareholder(s)”	holder(s) of shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“%”

per cent

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

Hong Kong, 12 February 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.*