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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)**

### **AMENDMENT TO MAJOR TRANSACTION (LOAN AGREEMENT)**

On 14 February 2018, the Lender entered into the Second Supplemental Agreement with the Borrower, the Guarantor and the chargors under the Share Charges, pursuant to which the Borrower has agreed to repay the Loan in the amount of HK\$60,000,000 and the Lender has agreed to extend the Repayment Date of the remaining outstanding amount of the Loan of HK\$40,000,000 to 14 August 2018 in accordance with the revised terms and conditions as stipulated therein.

#### **BACKGROUND**

Reference is made to two announcements dated 17 November 2016 and 17 November 2017 respectively (collectively the “**Announcement**”) of the Company in relation to the grant of the loan in the amount of HK\$100,000,000 (the “**Loan**”) by Great Sail Global Limited (a wholly owned subsidiary of the Company) as the lender and to Fortunate Gravity Hongkong Limited as the borrower pursuant to the terms and conditions of the facility agreement dated 16 November 2016 (as supplemented and amended by the supplemental agreement dated 16 November 2017) (the “**Loan Agreement**”). Terms used herein shall have the same meaning as defined in the Announcement unless otherwise stated.

In summary, the Lender granted the Loan, which was secured by the Share Charges and the Personal Guarantee, to the Borrower at the interest rate of 12% per annum for a period of 15 months up to 14 February 2018 pursuant to the terms and conditions of the Loan Agreement.

*\* for identification purposes only*

## **FURTHER AMENDMENT TO THE LOAN AGREEMENT**

On 14 February 2018, the Lender entered into a second supplemental agreement (the “**Second Supplemental Agreement**”) with the Borrower, the Guarantor and the chargors under the Share Charges, pursuant to which, among others:

- (1) the Borrower has agreed to repay part of the Loan in the total amount of HK\$60,000,000 together with interests accrued thereon to the Lender within the period from 15 February 2018 to 14 March 2018; and
- (2) the Lender has, conditional upon (1) above, agreed to extend the term for the remaining outstanding balance of the Loan in the total amount of HK\$40,000,000 for a further 6 months up to 14 August 2018.

Save in relation to the extension of the Repayment Date to 14 August 2018 for the remaining outstanding balance of the Loan in the total amount of HK\$40,000,000 in accordance with the Second Supplemental Agreement, all other terms and conditions of the Loan Agreement remain unchanged.

## **REASON AND BENEFIT FOR FURTHER AMENDMENT TO THE LOAN AGREEMENT**

The Group is principally engaged in property investment, property development, securities investment and loan financing business.

The terms of the Loan Agreement and the Second Supplemental Agreement have been arrived by the parties thereto after arm’s length negotiations with reference to the prevailing commercial practice and the amount of the Loan. Having considered the recurring interest income to be generated by the grant of the Loan, the Board considers that the terms of the Loan Agreement and the Second Supplemental Agreement are normal commercial terms and are fair and reasonable and the grant of the Loan is in the interest of the Company and Shareholders as a whole.

**This announcement is made by the Company pursuant to Rule 14.36 of the Listing Rules, as the entering into the Second Supplemental Agreement constitutes a variation to the terms of the transactions previously disclosed under the Announcement.**

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

Hong Kong, 14 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.*