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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

ACQUISITION OF LISTED SECURITIES

THE ACQUISITION

The Board announces that the Company, through Gold Winner, a direct wholly-owned subsidiary of the Company, acquired a total of 1,400,000 Best Food Shares on the open market on 31 August 2026 at an aggregate purchase price of HK$1,288,000 (excluding stamp duty and related expenses) (equivalent to an average purchase price of approximately HK$0.92 per Acquired Share).

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Acquisition and the previous acquisitions of Best Food Shares announced on 17 October 2025 and 28 July 2026 on an aggregate basis exceed(s) 5% but is or are less than 25% pursuant to Rule 14.07 of the Listing Rules, the Acquisition and the previous acquisitions of Best Food Shares constitute a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

THE ACQUISITION

The Board announces that the Company, through Gold Winner, a direct wholly-owned subsidiary of the Company, acquired a total of 1,400,000 Best Food Shares (representing approximately 0.089% of the total issued Best Food Shares) on the open market on 31 August 2026 at an aggregate purchase price of HK$1,288,000 (excluding stamp duty and related expenses) (equivalent to an average purchase price of approximately HK$0.92 per Acquired Share). The aggregate purchase price was paid in cash from internal resources of the Group.

Immediately prior to the Acquisition, the Group held 83,828,000 Best Food Shares, representing approximately 5.31% of the total issued Best Food Shares. Following the Acquisition, the Group holds 85,228,000 Best Food Shares, representing approximately 5.40% of the total issued Best Food Shares as at the date of this announcement.

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

INFORMATION ON BEST FOOD

According to publicly available information, Best Food is a company incorporated in the Cayman Islands and the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1488). The 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 financial information is extracted from the 2025 annual report (the "**2025 Annual Report**") and 2026 interim results announcement (the "**2026 Interim Results**") of Best Food:

	Six months ended 30 June		**Year ended 31 December**	
	2026	**2025**	**2025**	**2024**
	RMB'000	*RMB'000*	*RMB'000*	*RMB'000*
	(unaudited)	*(unaudited)*	*(audited)*	*(audited)*
Revenue	**169,135**	190,271	399,160	474,209
Loss before taxation	**(24,615)**	(35,569)	(397)	(265,765)
Loss for the year	**(25,509)**	(36,167)	(9,207)	(257,851)

As stated in the 2026 Interim Results of Best Food, Best Food Group had unaudited net liabilities of approximately RMB155.1 million and audited net liabilities of approximately RMB152.6 million as at 30 June 2026 and 31 December 2025 respectively.

INFORMATION ON THE GROUP AND GOLD WINNER

The Company is an investment holding company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1218). The Group is principally engaged in property development, property investment, investment in securities and others and loan financing business.

Gold Winner, a direct wholly-owned subsidiary of the Company, is incorporated under the laws of Hong Kong with limited liability. Gold Winner is principally engaged in investment in securities and others business.

REASONS FOR AND BENEFITS OF THE ACQUISITION

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

The Acquisition is in align with the Group's principal business on securities investment. The Board holds positive views towards the financial performance and future prospect of Best Food and considers that the Acquisition provides the Group an opportunity to acquire attractive investment, which will enhance investment return for the Group.

The Board's positive view towards Best Food Group's financial performance and future prospects is largely based on Best Food Group's 2025 Annual Report and the 2026 Interim Results. Taking into account Best Food Group's principal business activities, being the operation of food and beverage businesses in the PRC, as well as its loss-making and net-liabilities position, the Board considered that the latest financial and operational information demonstrates a material improvement in its underlying operating performance, continued scale and a clear investment-and-operation-driven growth strategy, based on the following factors:

Material operating scale

As disclosed in the 2025 Annual Report, Best Food Group's total system sales, including sales generated by restaurants under the brands of Best Food Group and its associates, amounted to approximately RMB3,740.0 million for the year ended 31 December 2025, representing an increase of approximately 7% compared with 2024. Best Food Group recorded revenue of approximately RMB399.2 million and maintained a sizeable network of 1,149 stores, demonstrating its established operating scale and market presence in the PRC catering sector.

The 2026 Interim Results further showed that total system sales of the Group and its associates increased by approximately 9.3% year-on-year to approximately RMB1,874.5 million for the six months ended 30 June 2026. The total number of stores under the brands of the Best Food Group and its associates increased by approximately 4.2% to 1,179 as at 30 June 2026. The Board considered that the continued growth in system sales and store network, notwithstanding challenging industry conditions, reflects the resilience and expansion potential of Best Food's multi-brand platform and associate-investment portfolio.

Narrowed loss position

For the year ended 31 December 2025, Best Food Group's loss for the year narrowed materially to approximately RMB9.2 million from approximately RMB257.9 million in 2024. The Board noted that the substantial reduction in loss indicates that the financial effects of direct-store closures and restructuring provisions had largely been absorbed and that the underlying business performance had improved.

Although Best Food recorded a loss for the period of approximately RMB25.5 million for the six months ended 30 June 2026, compared with approximately RMB36.2 million for the corresponding period in 2025, the loss narrowed by approximately 29.5%. Excluding interest on convertible bonds of approximately RMB22.5 million, its adjusted loss narrowed significantly to approximately RMB3.0 million, compared with approximately RMB15.4 million in the corresponding period in 2025. The improvement was principally attributable to cost-control measures and increased profit contributions from associates. The Board considered that these results support the view that Best Food's core operating performance and cost efficiency have continued to improve, despite revenue pressure arising from intensified competition and more cautious consumer spending.

Improved balance sheet position

Best Food Group's net-liabilities position substantially decreased to approximately RMB152.5 million as at 31 December 2025 from approximately RMB220.2 million as at 31 December 2024. As at 30 June 2026, total deficit was approximately RMB155.1 million, broadly stable compared with the year-end position. The Board recognized that these remaining liabilities are largely comprised of lease liabilities under International Financial Reporting Standards 16 associated with its extensive retail footprint, rather than high-risk immediate bank debt, meaning the financial position has stabilized significantly.

Strategic growth framework

The Board noted from the 2025 Annual Report that Best Food's business model is based on "investment plus operational empowerment", under which it combines investment management with operational support for catering brands. Best Food continues to consolidate its existing businesses, develop incremental business opportunities and build an ecosystem centred on new catering opportunities. The establishment of the "Shendianbao" partnership enterprise, as announced by Best Food on 10 November 2025, is consistent with this strategy and provides a potential capital-light platform for investment in promising catering and food-and-beverage projects.

The 2026 Interim Results indicated that Best Food will continue to improve the profitability of directly operated businesses, seek value enhancement and cash inflows through the capital-market development of high-quality brands, and explore diversified investment-empowerment models centred on the Shendianbao platform, including store investments. Best Food also continued to develop its associate portfolio. Xiao Noodles strengthened its price positioning, expanded in lower-tier and overseas markets and increased its domestic and international store network, contributing to higher profits. Paotsai King had expanded to over 200 stores nationwide as at 30 June 2026. The Board considers that the continued growth and profitability of selected associates could provide Best Food with additional investment returns and diversify its earnings sources over time.

The Board considered that this partnership-based model may enable Best Food to access investment opportunities while leveraging the capital, networks and operating capabilities of its co-investment partners. Its dual-drive strategy of investment management and operational empowerment may broaden its investment pipeline, diversify its portfolio across catering formats and create opportunities for recurring investment income and value enhancement.

Industry prospects and support

The Directors considered that the PRC food and beverage industry continues to offer long-term opportunities, supported by its large consumer market, urbanisation, evolving consumer preferences and demand for convenient, differentiated and value-for-money food-and-beverage offerings. The continued development of lower-tier markets, increasing use of digital ordering and delivery platforms, and improvements in branding, product innovation and supply-chain capabilities may support the scalability and operating efficiency of well-positioned catering businesses.

The Board nevertheless acknowledges the challenging near-term environment identified in the 2026 Interim Results, including subdued consumption, greater price competition, increasing delivery-platform penetration and pressure on dine-in profitability. The Board considers that Best Food's multi-brand platform, experience in investment management and operational empowerment, brand-development capabilities and access to industry partners place it in a position to respond to these market changes. Its portfolio covers a range of cuisines, dining formats and consumption occasions, while its investment platform may allow it to participate in the growth of selected brands without relying solely on self-operated-store expansion.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Best Food is backed by Hony Capital as its core institutional investor. Established in 2003, Hony Capital is a leading Chinese private equity and alternative investment management firm specializing in buyout investments, state-owned enterprise restructurings, and cross-border expansion, with total assets under management exceeding RMB120 billion. Hony Capital is sponsored and fundamentally backed by Legend Holdings Corporation, a company listed on the Main Board of the Stock Exchange (stock Code: 3396), as its key controlling shareholder and cornerstone investor. Mr. John Zhao, the chairman and executive director of Best Food is also the chairman of Hony Capital. Best Food has long been positioned as Hony Capital's listed food and beverage investment platform, and that Hony Capital has continued to support Best Food's strategic expansion in the PRC catering sector, providing vital institutional corporate governance and financial stability. The Board considered that the Acquisition provides the Company with exposure to a business supported by one of China's pioneering private equity firms and a broader investment-led growth strategy.

Taking into account Best Food's established operating scale, the narrowing of its reported and adjusted losses in the 2026 Interim Results, the continued growth in system sales and store network, the contribution and expansion of selected associates, its investment-and-operational-empowerment strategy and its institutional support, the Board considered that Best Food has demonstrated recovery potential and medium-to long-term growth prospects, notwithstanding its net-liabilities position considerations.

Accordingly, the Board considered that the Acquisition could enhance investment returns by providing the Company with exposure to an established consumer-sector platform with a sizeable restaurant network, an expanding associate portfolio and potential upside from its partnership-based investment initiatives. While Best Food did not declare any dividend for the two years ended 31 December 2025 and the six months ended 30 June 2026, the Board believed that if Best Food continues to improve operating efficiency, expand its investment-led initiatives, and leverage partnership platforms such as Shendianbao, the Company may benefit significantly from capital appreciation and improved long-term return.

Furthermore, the Acquisition was executed on the open market at prevailing market prices on an arm's-length basis. The Board is therefore of the view that the Acquisition is fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole, as it offers exposure to a business with an established operating platform, recovery potential, strategic flexibility and possible long-term value enhancement.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratio(s) (as defined under the Listing Rules) in respect of the Acquisition and the previous acquisitions of Best Food Shares announced on 17 October 2025 and 28 July 2026 on an aggregate basis exceed(s) 5% but is or are less than 25% pursuant to Rule 14.07 of the Listing Rules, the Acquisition and the previous acquisitions of Best Food Shares constitute a discloseable transaction for the Company under Rule 14.06(2) of the Listing Rules and is therefore subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

DEFINITIONS

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

"Acquired Share(s)"	a total of 1,400,000 Best Food Shares acquired by Gold Winner on the open market on 31 August 2026
"Acquisition"	the acquisition by Gold Winner for a total of 1,400,000 Best Food Shares, representing approximately 0.089% of the total issued Best Food Shares as at the date of this announcement, on the open market on 31 August 2026 at an aggregate purchase price of HK$1,288,000 (excluding stamp duty and related expenses) (equivalent to an average purchase price of approximately HK$0.92 per Acquired Share)
"Best Food"	Best Food Holding Company Limited (百福控股有限公司), a company incorporated in the Cayman Islands with limited liability, 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 Share(s)"	ordinary share(s) of par value of HK$0.10 each in the share capital of Best Food

"Board"	the board of Directors
"Company"	Easyknit International Holdings Limited (永義國際集團有限公司), 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)"	the director(s) of the Company
"discloseable transaction"	as defined in the Listing Rules
"Gold Winner"	Gold Winner Investment Limited (宇榮投資有限公司), a company incorporated in Hong Kong with limited liability and a direct wholly-owned subsidiary of the Company
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC
"Independent Third Party(ies)"	person(s) (and in the case of company(ies) and corporation(s), their ultimate beneficial owner(s)) who, to the best knowledge and belief of the Directors, as the case may be, having made all reasonable enquiries, is or are third party(ies) independent of and not connected with the Company, as the case may be, and their respective connected persons (as defined in the Listing Rules)
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Main Board"	the main board maintained and operated by the Stock Exchange
"PRC"	the People's Republic of China
"Share(s)"	ordinary share(s) of par value HK$0.05 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Share(s)
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"RMB"	Renminbi, the lawful currency of the PRC
"%"	per cent.

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

Hong Kong, 31 August 2026

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. Lau Chak Hang Charles and Mr. Ma Man Yuet as independent non-executive Directors.

In case of any inconsistency, the English version of this announcement shall prevail over the Chinese version.