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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 LISTED SECURITIES**

The Group disposed on-market the Disposed Shares in a series of transactions conducted between 5 August and 18 September 2013, at the price between HK\$85.30 and HK\$89.60 per HSBC Share for an aggregate gross sale proceeds of approximately HK\$27,758,000 (excluding transaction costs).

The Disposal constitutes a discloseable transaction of the Company as one of the applicable percentage ratios exceeds 5% but is less than 25%.

#### **THE DISPOSAL**

The Group disposed on-market the Disposed Shares in a series of transactions conducted between 5 August and 18 September 2013, at the price between HK\$85.30 and HK\$89.60 per HSBC Share for an aggregate gross sale proceeds of approximately HK\$27,758,000 (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 third parties independent of the Company and its connected persons (as defined in the Listing Rules).

#### **Assets disposed**

The Group disposed of 317,917 HSBC Shares, representing approximately 0.0017% of the issued share capital of HSBC (based on the 18,655,930,052 HSBC Shares as at 31 August 2013 according to publicly available information).

#### **Consideration**

The aggregate gross sale proceeds of the Disposal is approximately HK\$27,758,000 (excluding transaction costs), which is receivable in cash on settlement. The consideration for the Disposal represented the market price of the HSBC Shares at the time of the Disposal.

*\* for identification only*

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

The Group's principal businesses are property investments, property development, garment sourcing and exporting businesses, loan financing and investment in listed securities.

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 minimal gain of approximately HK\$171,000 which is calculated on the basis of the difference between the acquisition price and the disposal price (exclusive of the transaction costs). The Group intends to use the proceeds of the Disposal for general working capital.

The Disposal was made at market price and the Directors (including the independent non-executive Directors) are of the view that the Disposal will 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.

Further information on HSBC can be found on the website of the Stock Exchange. Based on the interim report of HSBC for the six months ended 30 June 2013, the unaudited net asset value of HSBC was USD182,361 million (approximately HK\$1,422,416 million). According to the annual reports of HSBC for the two years ended 31 December 2011 and 31 December 2012 respectively, its net profits from ordinary activities before and after taxation were approximately USD21,872 million (approximately HK\$170,602 million) and USD17,944 million (approximately HK\$139,963 million); and USD20,649 million (approximately HK\$161,062 million) and USD15,334 million (approximately HK\$119,605 million) respectively.

## **GENERAL**

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%.

## **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 Stock Exchange

“Director(s)”	director(s) of the Company
“Disposal”	the disposal by the Company, through its wholly owned subsidiaries, of a total of 317,917 HSBC Shares on the market from 5 August to 18 September 2013 for a consideration of approximately HK\$27,758,000
“discloseable transaction”	as defined in the Listing Rules
“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: 0005)
“HSBC Shares”	shares of USD0.50 each in the share capital of HSBC which are listed on the Stock Exchange and traded in Hong Kong dollars
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	as defined in the Listing Rules
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“USD”	United States dollars, the lawful currency of the United States of America
“%”	per cent

By Order of the Board  
**Easyknit International Holdings Limited**  
**Kwong Jimmy Cheung Tim**  
*President and Chief Executive Officer*

Hong Kong, 19 September 2013

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