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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 PAI Shares in a series of transactions conducted between 20 December 2013 and 5 December 2014, at the price between HK\$66.20 and HK\$74 per PAI Share for an aggregate gross sale proceeds of approximately HK\$29,411,000 (excluding transaction costs).

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

THE DISPOSAL

The Group disposed on-market the PAI Shares in a series of transactions conducted between 20 December 2013 and 5 December 2014, at the price between HK\$66.20 and HK\$74 per PAI Share for an aggregate gross sale proceeds of approximately HK\$29,411,000 (excluding transaction costs).

As the Disposal was made on the market, the Company is not aware of the identities of the purchasers of the PAI Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers of the PAI 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 421,000 PAI Shares, representing approximately 0.0053% of the issued share capital of PAI (based on the 7,916,216,352 PAI Shares as at 30 November 2014 according to publicly available information).

Consideration

The aggregate gross sale proceeds of the Disposal is approximately HK\$29,411,000 (excluding transaction costs), which is receivable in cash on settlement. The consideration for the Disposal represented the market price of the PAI 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 export businesses, investment in securities and loan financing.

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\$1,417,000 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 PAI

PAI is a company incorporated in the PRC and the shares of which are listed and traded on the main board of the Stock Exchange (stock code: 2318). PAI is principally engaged in the provision of life insurance, property and casualty insurance, banking and other financial services.

The following information is extracted from the 2013 annual report of PAI:

	For the year ended 31 December	
	2013	2012
	<i>RMB million</i>	<i>RMB million</i>
Revenue	421,221	339,193
Profit before taxation	46,224	32,338
Net profit after taxation attributable to shareholders of PAI	36,014	26,750

GENERAL

The Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as 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 of Stock Exchange
“Director(s)”	director(s) of the Company

“Disposal”	the disposal by the Company, through its wholly owned subsidiary, of a total of 421,000 PAI Shares on the market from 20 December 2013 to 5 December 2014 for a consideration of approximately HK\$29,411,000
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PAI”	Ping An Insurance (Group) Co. of China Limited, the shares of which are listed on the main board of Stock Exchange (stock code: 2318)
“PAI Shares”	overseas listed foreign shares of RMB1.00 each in the share capital of PAI which are listed on the Stock Exchange and traded in Hong Kong dollars
“percentage ratios”	as defined in the Listing Rules
“PRC”	the People’s Republic of China
“RMB”	Renminbi, the lawful currency of the PRC
“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
“%”	per cent

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

Hong Kong, 8 December 2014

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 and Mr. Lai Law Kau as non-executive directors; and Mr. Tsui Chun Kong, Mr. Jong Koon Sang and Mr. Hon Tam Chun as independent non-executive directors.