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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 TRANSACTIONS DISPOSAL OF LISTED SECURITIES

The Group disposed on-market the CR Shares, HUSB Shares, CM Shares and CLIFE Shares in a series of transactions for an aggregate gross sale proceeds of approximately HK\$110,471,000 (excluding transaction costs).

Each of CM Shares Disposal, CR Shares Disposal and HUSB Shares Disposal constitutes a discloseable transaction of the Company as the applicable percentage ratios of each Disposal exceeds 5% but is less than 25%; whilst the applicable percentage ratios of CLIFE Shares Disposal is less than 5%.

THE DISPOSALS

(A) CLIFE Shares Disposal

The Group disposed on-market the 400,000 CLIFE Shares in a series of transactions conducted between 8 January 2015 and 8 May 2015, at the price between HK\$29.75 and HK\$37.80 per CLIFE Shares for an aggregate gross sale proceeds of HK\$13,575,000 (excluding transaction costs).

CLIFE Shares Disposal represented approximately 0.0014% of the issued share capital of CLIFE (based on the 28,264,705,000 CLIFE Shares as at 30 April 2015 according to publicly available information).

The aggregate gross sale proceeds of the CLIFE Shares Disposal is HK\$13,575,000 (excluding transaction costs), which is receivable in cash on settlement. The consideration for the CLIFE Shares Disposal represented the market price of the CLIFE Shares at the time of the CLIFE Shares Disposal.

CLIFE is a joint-stock company incorporated in the PRC with limited liability and its H shares are listed on the main board of the Stock Exchange (stock code: 2628). The principal activities of CLIFE are the provision of life, annuities, accident and health insurance products in the PRC.

** for identification purposes only*

The following information is extracted from the 2014 annual report of CLIFE:

	For the year ended 31 December	
	2014	2013
	<i>RMB million</i>	<i>RMB million</i>
Revenue	440,766	417,883
Profit before taxation	40,402	29,451
Net profit after taxation attributable to shareholders of CLIFE	32,211	24,765

(B) CR Shares Disposal

The Group disposed on-market the 1,550,000 CR Shares in a series of transactions conducted between 6 May 2015 and 7 May 2015, at the price between HK\$9.26 and HK\$9.85 per CR Shares for an aggregate gross sale proceeds of approximately HK\$14,861,000 (excluding transaction costs).

CR Shares Disposal represented approximately 0.0073% of the issued share capital of CR (based on the 21,299,900,000 CR Shares as at 30 April 2015 according to publicly available information).

The aggregate gross sale proceeds of the CR Shares Disposal is approximately HK\$14,861,000 (excluding transaction costs), which is receivable in cash on settlement. The consideration for the CR Shares Disposal represented the market price of the CR Shares at the time of the CR Shares Disposal.

CR is a company incorporated in the PRC and its shares are listed and traded on the main board of the Stock Exchange (stock code: 390). The principal activities of CR are engaged in infrastructure construction, survey, design and consulting services, engineering equipment and component manufacturing, property development, mining and merchandise trading, financial trust management and comprehensive financial services.

The following information is extracted from the 2014 annual report of CR:

	For the year ended 31 December	
	2014	2013
	<i>RMB million</i>	<i>RMB million</i>
Revenue	590,166	540,394
Profit before taxation	16,233	14,819
Net profit after taxation attributable to shareholders of CR	10,676	10,075

(C) HUSB Shares Disposal

The Group disposed on-market the 2,494,000 HUSB Shares in a series of transactions conducted between 9 January 2015 and 11 May 2015, at the price between HK\$3.36 and HK\$4.12 per HUSB Shares for an aggregate gross sale proceeds of approximately HK\$9,418,000 (excluding transaction costs).

HUSB Shares Disposal represented approximately 0.0226% of the issued share capital of HUSB (based on the 11,049,819,283 HUSB Shares as at 30 April 2015 according to publicly available information).

The aggregate gross sale proceeds of the HUSB Shares Disposal is approximately HK\$9,418,000 (excluding transaction costs), which is receivable in cash on settlement. The consideration for the HUSB Shares Disposal represented the market price of the HUSB Shares at the time of the HUSB Shares Disposal.

HUSB is a company incorporated in the PRC and its shares are listed and traded on the main board of the Stock Exchange (stock code: 3698). HUSB is principally engaged in the provision of commercial banking which consists of corporate banking, retail banking and treasury operations.

The following information is extracted from the 2014 annual report of HUSB:

	For the year ended 31 December	
	2014	2013
	<i>RMB '000</i>	<i>RMB '000</i>
Revenue	12,748,053	10,172,509
Profit before taxation	7,410,514	6,398,744
Net profit after taxation attributable to shareholders of HUSB	5,676,358	4,925,813

(D) CM Shares Disposal

The Group disposed on-market the 672,000 CM Shares in a series of transactions conducted between 7 May 2015 and 12 May 2015, at the price between HK\$106.40 and HK\$108.80 per CM Shares for an aggregate gross sale proceeds of approximately HK\$72,617,000 (excluding transaction costs).

CM Shares Disposal represented approximately 0.0033% of the issued share capital of CM (based on the 20,474,994,407 CM Shares as at 30 April 2015 according to publicly available information).

The aggregate gross sale proceeds of the CM Shares Disposal is approximately HK\$72,617,000 (excluding transaction costs), which is receivable in cash on settlement. The consideration for the CM Shares Disposal represented the market price of the CM Shares at the time of the CM Shares Disposal.

CM is a company incorporated in Hong Kong and its shares are listed and traded on the main board of the Stock Exchange (stock code: 941). The principal activity of CM is providing mobile telecommunications and related services in 31 provinces, autonomous regions and directly-administered municipalities in Mainland China and Hong Kong.

The following information is extracted from the 2014 annual report of CM:

	For the year ended 31 December	
	2014	2013
	<i>RMB million</i>	<i>RMB million</i>
Revenue	641,448	630,177
Profit before taxation	142,592	158,579
Net profit after taxation attributable to shareholders of CM	109,405	121,803

Each of the CLIFE Shares Disposal, CR Shares Disposal, HUSB Shares Disposal and CM Shares Disposal was made on the market, the Company is not aware of the identities of the purchasers of each Disposal. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers of the each Disposal and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

REASONS FOR AND BENEFITS OF THE DISPOSALS

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 Disposals is to obtain a balanced securities investment portfolio. As a result of the Disposals, the Group is expected to recognize an aggregate gain of approximately HK\$2,890,000 which is calculated on the basis of the difference between the acquisition price and the disposal price (exclusive of the transaction costs) of each Disposal. The Group intends to use the proceeds of the Disposals for general working capital.

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

GENERAL

Each of CM Shares Disposal, CR Shares Disposal and HUSB Shares Disposal constitutes a discloseable transaction of the Company as the applicable percentage ratios of each Disposal exceeds 5% but is less than 25%; whilst the applicable percentage ratios of CLIFE Shares Disposal is less than 5%.

DEFINITIONS

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

“Board”	the board of Directors
“CLIFE”	China Life Insurance Company Limited, a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the main board of the Stock Exchange (Stock code: 2628)

“CLIFE Shares”	overseas listed foreign shares with a par value of RMB1.00 each in the share capital of CLIFE, listed on the main board of the Stock Exchange and traded in Hong Kong dollars
“CLIFE Shares Disposal”	the disposal of a total of 400,000 CLIFE Shares
“CM”	China Mobile Limited, the shares of which are listed on the main board of Stock Exchange (stock code: 941)
“CM Share(s)”	shares in the share capital of CM which are listed on the Stock Exchange and traded in Hong Kong dollars
“CM Shares Disposal”	the disposal of a total of 672,000 CM Shares
“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
“CR”	China Railway Group Limited, the shares of which are listed on the main board of Stock Exchange (stock code: 390)
“CR Share(s)”	overseas foreign listed shares of RMB1.00 each in the share capital of CR which are listed on the Stock Exchange and traded in Hong Kong dollars
“CR Shares Disposal”	the disposal of a total of 1,550,000 CR Shares
“Director(s)”	director(s) of the Company
“Disposal(s)”	CLIFE Shares Disposal, CR Shares Disposal, HUSB Shares Disposal and CM Shares Disposal
“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
“HUSB”	Huishang Bank Corporation Limited, the shares of which are listed on the main board of Stock Exchange (stock code: 3698)
“HUSB Share(s)”	overseas foreign listed shares of RMB1.00 each in the share capital of HUSB which are listed on the Stock Exchange and traded in Hong Kong dollars

“HUSB Shares Disposal”	the disposal of a total of 2,494,000 HUSB Shares
“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
“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, 13 May 2015

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.