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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)**

### **MAJOR TRANSACTION AGGREGATE DISPOSALS OF SECURITIES OF CHINA CONSTRUCTION BANK CORPORATION**

The Group disposed on-market a total of 7,099,000 CCB Shares in a transaction conducted on 8 July 2016, at a price HK\$5.06 per CCB Shares for a gross sale proceeds of approximately HK\$35,921,000 (exclusive of transaction costs).

The Disposal standing alone constitutes a discloseable transaction under Rule 14.06(2) of the Listing Rules as the certain applicable percentage ratios of the Disposals exceed 5% but are less than 25%. But when the Disposal aggregated with the Previous MT Disposals (details of which were set out in the Company's announcement dated 4 July 2016), the aggregate will become a major transaction under the Listing Rules, therefore the details of the Disposal will be included in the circular relating to the Previous MT Disposals and the circular is scheduled to be despatched to Shareholders on or before 25 July 2016.

#### **THE DISPOSAL**

The Group disposed on-market a total of 7,099,000 CCB Shares in a transaction conducted on 8 July 2016, at a price HK\$5.06 per CCB Shares for a gross sale proceeds of approximately HK\$35,921,000 (exclusive of transaction costs).

As the Disposal was made on the market, the Company is not aware of the identities of the sellers of the CCB Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the sellers of the CCB 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 7,099,000 CCB Shares, representing approximately 0.0028% of the issued units of CCB Shares (based on the 250,010,977,486 CCB Shares as at 30 June 2016 according to publicly available information).

#### **Gross Sale Proceeds**

The gross sale proceeds of the Disposal and Aggregate Disposals is approximately HK\$35,921,000 and HK\$122,391,000 respectively (excluding transaction costs), which is receivable in cash on settlement. The consideration for the Disposal and the Aggregate Disposals represented the market price of the CCB Shares at the time of the disposal.

*\* for identification purposes only*

## REASONS FOR AND BENEFITS OF THE DISPOSAL

The Group's principal businesses are property investment, property development, securities investment and money lending business.

The purpose of the Disposal is to obtain a balanced securities investment portfolio. As a result of the Disposal or the Aggregate Disposals, the Group is expected to recognize a gain of HK\$601,000 or HK\$2,395,000 respectively 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 Aggregate Disposals 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 CCB

According to publicly available information, CCB is a joint-stock company incorporated in the PRC with limited liability and the H shares of which are listed on the main board of the Stock Exchange (Stock Code: 939). According to its company profile made available on the internet, CCB is principally engaged in the provision of corporate and personal banking services, conducting treasury business, the provision of asset management, trustee, finance leasing, investment banking, insurance and other financial services.

The following information is extracted from the first quarter report for the 3 months ended 31 March 2016 and 2015 annual report of CCB:

	<b>For the three months ended 31 March 2016</b>	<b>For the year ended 31 December</b>	
	<i>RMB million</i>	<b>2015</b> <i>RMB million</i>	<b>2014</b> <i>RMB million</i>
Revenue	155,780	586,687	556,740
Profit before taxation	88,144	298,497	299,086
Net profit after taxation			
attributable to shareholders of CCB	67,952	228,145	227,830
Total assets	19,143,791	18,349,489	16,744,093

## LISTING RULES IMPLICATIONS

The Disposal standing alone constitutes a discloseable transaction under Rule 14.06(2) of the Listing Rules as the certain applicable percentage ratios of the Disposals exceed 5% but are less than 25%. But when the Disposal aggregated with the Previous MT Disposals (details of which were set out in the Company's announcement dated 4 July 2016), the aggregate will become a major transaction under the Listing Rules, therefore the details of the Disposal will be included in the circular relating to the Previous MT Disposals and the circular is scheduled to be despatched to Shareholders on or before 25 July 2016.

## WRITTEN SHAREHOLDERS' APPROVAL

Pursuant to Rule 14.44 of the Listing Rules, in lieu of a resolution to be passed at a general meeting of the Company, written approvals have been obtained from Sea Rejoice Limited and Magical Profits Limited on the Aggregate Disposals. Sea Rejoice Limited and Magical Profits Limited are the substantial shareholders of the Company with an aggregate interest in 46,609,144 Shares, representing

approximately 58.69% of the issued share capital of the Company as at the date of this announcement. Sea Rejoice Limited which holds 17,429,664 Shares, representing approximately 21.95% of the issued shares of the Company, is wholly-owned by Ms. Lui Yuk Chu, the vice president and executive director of the Company. Magical Profits Limited, which holds 29,179,480 Shares, representing approximately 36.74% of the issued shares of the Company is wholly-owned by The Winterbotham Trust Company Limited as the trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Lui Yuk Chu and her family members (including Ms. Koon Ho Yan Candy, daughter of Ms. Lui Yuk Chu and an executive director of the Company) other than the spouse of Ms. Lui Yuk Chu). Sea Rejoice Limited and Magical Profits Limited are therefore a "closely allied group of shareholders" for the purpose of the Listing Rules.

As at the date of this announcement and to the best of the Directors' knowledge, information and belief, there is no Shareholder who has a material interest in the Disposal or Aggregate Disposals.

A circular containing, among other things, details of the Aggregate Disposals is expected to be despatched to the Shareholders on or before 25 July 2016 in accordance with the Listing Rules.

## DEFINITIONS

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

"Aggregate Disposals"	the aggregate transaction of the Disposal and the Previous Disposals
"Board"	the board of Directors
"CCB"	China Construction Bank Corporation, 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: 939)
"CCB Share(s)"	overseas listed foreign shares with a par value of RMB1.00 each in the share capital of CCB, listed on the main board of the Stock Exchange and traded in Hong Kong dollars
"Company"	Easyknit International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
"Director(s)"	director(s) of the Company
"discloseable transaction"	as defined in the Listing Rules

“Disposal”	the disposal by the Company, through its wholly-owned subsidiary, of a total of 7,099,000 CCB Shares on the market on 8 July 2016 for a gross sale proceeds of approximately HK\$35,921,000
“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
“Independent Third Party”	third party(ies) independent of the Company and connected persons of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“major transaction”	as defined in the Listing Rules
“percentage ratios”	as defined in the Listing Rules
“PRC”	the People’s Republic of China
“Previous MT Disposals”	the disposal of 16,902,200 CCB shares during the period from 10 June 2016 to 30 June 2016 for an aggregate principal amount of approximately HK\$86,470,000 constitutes a major transaction for the Company, details were set out in the Company’s announcement dated 4 July 2016; and the circular is scheduled to be despatched to Shareholders on or before 25 July 2016
“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, 12 July 2016

*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.*