

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



## **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 SECURITIES OF HSBC HOLDINGS PLC**

The Group disposed on-market a total of 573,002 HSBC Shares in a series of transactions conducted on 4 August 2016, at an average price of HK\$52.60 per HSBC Share for an aggregate gross sale proceeds of approximately HK\$30,142,000 (excluding transaction costs).

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%.

#### **THE DISPOSAL**

The Group disposed on-market a total of 573,002 HSBC Shares in a series of transactions conducted on 4 August 2016, at an average price of HK\$52.60 per HSBC Share for an aggregate gross sale proceeds of approximately HK\$30,142,000 (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 573,002 HSBC Shares, representing approximately 0.0029% of the issued share capital of HSBC (based on the 19,924,109,046 HSBC Shares as at 4 August 2016 according to publicly available information).

#### **Consideration**

The aggregate gross sale proceeds of the Disposal is approximately HK\$30,142,000 (excluding transaction costs), which is receivable in cash on settlement. The price for the Disposal represented the market price of the HSBC Shares at the time of the Disposal.

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

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

*\* for identification purposes only*

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\$629,000 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.

The following information is extracted from the interim and annual reports of HSBC:

	<b>For the six months ended 30 June 2016</b>	<b>For the year ended 31 December</b>	
	<i>USD million</i>	<b>2015</b>	<b>2014</b>
		<i>USD million</i>	<i>USD million</i>
Revenue	35,260	71,092	74,593
Profit before taxation	9,714	18,867	18,680
Net profit after taxation attributable to shareholders of HSBC	6,912	13,522	13,688
Total assets	2,608,149	2,409,656	2,634,139

## 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 of Stock Exchange
“Director(s)”	director(s) of the Company
“discloseable transaction”	as defined in the Listing Rules

“Disposal”	the disposal by the Group for a total of 573,002 HSBC Shares on 4 August 2016 for a sale gross proceeds of approximately HK\$30,142,000
“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
“HSBC”	HSBC Holdings plc, whose shares are listed on the main board of the Stock Exchange (stock code: 00005)
“HSBC Share(s)”	shares in the share capital of HSBC listed on the main board of the Stock Exchange and traded in Hong Kong dollars
“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
“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
“%”	per cent

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

Hong Kong, 9 August 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.*