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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 SECURITIES OF CSOP FTSE CHINA A50 ETF**

The Group disposed on-market a total of 3,988,016 China A50 shares in a series of transactions conducted on 24 August 2016, at an average price of HK\$11.66 per China A50 share for an aggregate gross sale proceeds of approximately HK\$46,500,000 (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 3,988,016 China A50 shares in a series of transactions conducted on 24 August 2016, at an average price of HK\$11.66 per China A50 share for an aggregate gross sale proceeds of approximately HK\$46,500,000 (excluding transaction costs).

As the Disposal was made on the market, the Company is not aware of the identities of the purchasers of the China A50 shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers of the China A50 shares and their ultimate beneficial owners are Independent Third party.

#### **Assets disposed**

The Group disposed of 3,988,016 China A50 shares, representing approximately 0.1796% of the issued share capital of China A50 (based on the 2,220,500,000 China A50 shares as at 4 August 2016 according to publicly available information).

#### **Consideration**

The aggregate gross sale proceeds of the Disposal is approximately HK\$46,500,000 (excluding transaction costs), which is receivable in cash on settlement. The price for the Disposal represented the market price of the China A50 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\$501,000 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 CHINA A50

China A50 aims to provide investment results that, before fees and expenses, closely correspond to the performance of FTSE China A50 Index, which is an index consisting the top 50 A-Share companies by market capitalization listed on the Shanghai Stock Exchange or the Shenzhen Stock Exchange. The ETF is one of the first RMB physical A-share exchange traded funds issued outside PRC to invest directly in the A-share market which is inherently a market with restricted access.

The following information is extracted from the annual reports of China A50:

	<b>For the year ended</b>	
	<b>31 December</b>	
	<b>2015</b>	<b>2014</b>
	<i>RMB</i>	<i>RMB</i>
Revenue	1,823,251,725	17,245,437,171
Profit before taxation	1,434,697,013	16,852,571,924
Net profit after taxation		
attributable to shareholders of China A50	1,435,796,726	16,809,880,520
Total assets	18,448,114,925	31,306,220,328

## 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
“China A50”	CSOP FTSE China A50 ETF, its units are listed on the main board of Stock Exchange (stock code: 2822) 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 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 3,988,016 China A50 shares on 24 August 2016 for a gross sale proceeds of approximately HK\$46,500,000
“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
“percentage ratios”	as defined in the Listing Rules
“PRC”	the People’s Republic of China
“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, 30 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.*