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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 INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED**

The Group disposed on-market a total of 8,607,680 ICBC Shares in a series of transactions conducted during the period from 9 January 2017 to 7 February 2017, at an average price of HK\$4.74 per ICBC Share for an aggregate gross sale proceeds of approximately HK\$40,780,000 (excluding 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 Disposal exceeds 5% but are less than 25%. The Disposal is therefore subject to the reporting and announcement requirements under the Listing Rules. The Disposal when aggregated with the Previous Disposals still remains as a major transaction under the Listing Rules. Since the Company has complied with the major transaction requirements in respect of the completed transaction as set out in the Company's announcement dated 23 December 2016, the Company is not required to reclassify the Disposal by aggregating it with Previous Disposals.

#### **THE DISPOSAL**

The Group disposed on-market a total of 8,607,680 ICBC Shares in a series of transactions conducted during the period from 9 January 2017 to 7 February 2017, at an average price of HK\$4.74 per ICBC Share for an aggregate gross sale proceeds of approximately HK\$40,780,000 (excluding transaction costs).

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

#### **Assets disposed**

The Group disposed of 8,607,680 ICBC Shares, representing approximately 0.0024% of the issued share capital of ICBC (based on the 356,406,257,089 ICBC Shares as at 31 January 2017 according to publicly available information).

#### **Consideration**

The aggregate gross sale proceeds of the Disposal is approximately HK\$40,780,000 (excluding transaction costs), which is receivable in cash on settlement. The price for the Disposal represented the market price of the ICBC 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, the Group is expected to recognize a gain of approximately HK\$780,000 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 ICBC

ICBC 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: 1398). According to its company profile made available on the internet, ICBC provides corporate and personal banking, treasury operations, investment banking, asset management, trust, financial leasing and other financial services.

The following information is extracted from the third quarterly and annual reports of ICBC:

	<b>For the nine months ended 30 September 2016</b>	<b>For the year ended 31 December</b>	
	<i>RMB million</i>	<b>2015</b>	<b>2014</b>
		<i>RMB million</i>	<i>RMB million</i>
Revenue	484,015	668,733	634,858
Profit before taxation	289,866	363,235	361,612
Net profit after taxation			
Attributable to shareholders of ICBC	222,792	277,131	275,811
Total assets	23,646,472	22,209,780	20,609,953

## GENERAL INFORMATION

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 Disposal exceeds 5% but are less than 25%. The Disposal is therefore subject to the reporting and announcement requirements under the Listing Rules. The Disposal when aggregated with the Previous Disposals still remains as a major transaction under the Listing Rules. Since the Company has complied with the major transaction requirements in respect of the completed transaction as set out in the Company's announcement dated 23 December 2016, the Company is not required to reclassify the Disposal by aggregating it with Previous Disposals.

## 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 8,607,680 ICBC Shares during the period from 9 January 2017 to 7 February 2017 for a gross sale proceeds of approximately HK\$40,780,000
“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
“ICBC”	Industrial and Commercial Bank of China 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: 1398)
“ICBC Shares”	shares with a par value of HK\$1.00 each in the share capital of ICBC
“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
“Previous Disposals”	the aggregate disposals by the Group for a total 12,007,100 ICBC Shares during the period from 12 December 2016 to 20 December 2016 for a gross sale proceeds of approximately HK\$56,311,000, and recognized a gain of approximately HK\$2,035,000, details are set out in the Company’s announcement dated 23 December 2016
“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 February 2017

*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.*