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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Easyknit International Holdings Limited, you should at once hand this circular to the purchaser or transferee or to the bank, licensed securities dealer, registered institution in securities, or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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

**DISPOSAL OF SECURITIES OF
INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED**

18 January 2017

* *for identification purposes only*

CONTENTS

	<i>Page</i>
DEFINITIONS	1
LETTER FROM THE BOARD	3
APPENDIX I – FINANCIAL INFORMATION OF THE GROUP	I-1
APPENDIX II – GENERAL INFORMATION	II-1

DEFINITIONS

In this circular, unless the contents otherwise requires, the following expressions have the meanings as set out below:

“Aggregate Disposals”	the aggregate transactions of the Disposal and the Previous DT Disposal
“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 Company, through its wholly-owned subsidiary for a total of 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
“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 Share(s)”	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
“Latest Practicable Date”	16 January 2017, being the latest practicable date prior to the printing of this circular for ascertaining information for inclusion in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“major transaction”	as defined in the Listing Rules
“percentage ratios”	as defined in the Listing Rules
“PRC”	the People’s Republic of China
“Previous DT Disposal”	the disposal of 6,920,400 ICBC Shares on 23 June 2016 for an aggregate principal amount of approximately HK\$30,726,000 constitutes a discloseable transaction for the Company, details were set out in the Company’s announcement dated 4 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

LETTER FROM THE BOARD



EASYKNIT INTERNATIONAL HOLDINGS LIMITED

永義國際集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1218)

Executive Directors:

Mr. Kwong Jimmy Cheung Tim
(President and Chief Executive Officer)
Ms. Lui Yuk Chu
(Vice President)
Ms. Koon Ho Yan Candy

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Directors:

Mr. Tse Wing Chiu Ricky
Mr. Lai Law Kau

*Head office and principal place of
business in Hong Kong*

Block A, 7th Floor
Hong Kong Spinners Building, Phase 6
481-483 Castle Peak Road
Cheung Sha Wan
Kowloon
Hong Kong

Independent Non-executive Directors:

Mr. Tsui Chun Kong
Mr. Jong Koon Sang
Mr. Hon Tam Chun

18 January 2017

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION

DISPOSAL OF SECURITIES OF INDUSTRIAL AND COMMERCIAL BANK OF CHINA LIMITED

INTRODUCTION

The Group disposed on-market a total of 12,007,100 ICBC Shares in a series of transactions conducted during the period from 12 December 2016 to 20 December 2016, at an average price of HK\$4.69 per ICBC Share for an aggregate gross sale proceeds of approximately HK\$56,311,000 (excluding transaction costs) (“**Disposal**”).

The Group disposed a total of 6,920,400 ICBC Shares on the market on 23 June 2016 for an aggregate principal amount of approximately HK\$30,726,000 constituted a discloseable transaction for the Company (“**Previous DT Disposal**”).

* *for identification purposes only*

LETTER FROM THE BOARD

Details of the Aggregate Disposals

Date of transaction	No. of shares	Total purchase price HK\$	Selling price per share HK\$	Gross Sale Proceeds HK\$
23 June 2016	6,920,000	29,998,200	4.44	30,724,800
23 June 2016	400	1,734	4.39	1,756
12 December 2016	4,295,000	19,510,037	4.86	20,873,700
15 December 2016	6,712,000	30,489,260	4.598	30,865,760
20 December 2016	1,000,000	4,276,420	4.57	4,570,000
20 December 2016	100	454	4.51	451
Total	<u>18,927,500</u>	<u>84,276,105</u>		<u>87,036,467</u>

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 Parties.

1. Information on Disposal

1.1 Assets disposed

The Group disposed of 12,007,100 ICBC Shares, representing approximately 0.0034% of the issued share capital of ICBC (based on the 356,406,257,089 ICBC Shares as at 30 November 2016 according to publicly available information).

1.2 Gross sale proceeds

The gross sale proceeds of the Disposal is approximately HK\$56,311,000 (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. The Group has fully applied all the proceeds of the Disposal for the repayment of bank loan of approximately HK\$56 million.

2. 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\$2,035,000 which is calculated on the basis of the difference between the acquisition price and the disposal price (exclusive of the transaction costs).

LETTER FROM THE BOARD

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.

3. Financial effects on the Disposal

The Disposal increased the amount of cash of the Group for approximately HK\$56,311,000 (exclusive of transaction costs); and decrease of approximately HK\$54,276,000 in investment; and recognised a gain of approximately HK\$2,035,000 and is expected to have no material impact on the consolidated assets and liabilities.

4. 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 quarter and annual reports of ICBC:

	For the nine months ended 30 September 2016 RMB million	For the year ended 31 December 2015 2014 RMB million RMB million	
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

AGGREGATE DISPOSALS

The total sales proceeds of the Aggregate Disposals for 18,927,500 ICBC Shares (representing approximately 0.0053% of the total issued shares of ICBC as at 31 December 2016) is approximately HK\$87 million. The aggregate sale proceeds has been fully applied for (1) repayment of bank loan of approximately HK\$56 million; (2) repayment of property development cost of approximately HK\$29 million; and (3) payment of operating expenses of approximately HK\$2 million.

The Aggregate Disposals increased the amount of cash of approximately HK\$87 million (exclusive of transaction costs); and decreases of approximately of HK\$ 84 million in the investment; and recognized a gain of approximately HK\$2.7 million.

As at the Latest Practicable Date, the Group's current shareholding of ICBC is approximately of 0.0017%.

LETTER FROM THE BOARD

DISPOSAL ON THE IMPLICATIONS OF LISTING RULES

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 exceed 5% but are less than 25%. But when the Disposal aggregated with the Previous DT Disposal (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, which is subject to the reporting, announcement and Shareholders' approval requirements under Chapter 14 of the Listing Rules.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholder has a material interest in the major transaction relating to the Aggregate Disposals or should the aforesaid major transaction be put forward to the Shareholders for approval at a general meeting of the Company be required to abstain from voting on the resolutions approving the transactions.

WRITTEN SHAREHOLDERS' APPROVAL

Pursuant to Rule 14.44 of the Listing Rules, in lieu of a resolution(s) to be passed at a general meeting of the Company, written approvals of the Aggregate Disposals have been obtained from Sea Rejoice Limited and Magical Profits Limited, 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 Latest Practicable Date. 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.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully
For and on behalf of
Easyknit International Holdings Limited
Kwong Jimmy Cheung Tim
President and Chief Executive Officer

1. FINANCIAL SUMMARY OF THE GROUP

Herebelow are the details of the published annual reports and the interim report showing the financial information of the Company:

For the year ended	Published date of annual report	Pages
31 March 2016 <i>(http://www.easyknit.com/sites/default/files/en/downloads/report/annual/en-2015-ew_01218ar-26062016_0.pdf)</i>	25 July 2016	60 – 161
31 March 2015 <i>(http://www.easyknit.com/sites/default/files/en/downloads/report/annual/en-2014-ew_01218ar-29062015.pdf)</i>	22 July 2015	57 – 153
31 March 2014 <i>(http://www.easyknit.com/sites/default/files/en/downloads/report/annual/en-2013-ew_1218frp-20140718q4.pdf)</i>	23 July 2014	58 – 157
For the six months ended	Published date of interim report	Pages
30 September 2016 <i>(http://www.easyknit.com/sites/default/files/en/downloads/report/interim/en-2016-ew_01218ir-29112016.pdf)</i>	22 December 2016	21 – 52

2. WORKING CAPITAL

The Directors are of the opinion that, after taking into account of its available financial resources, in the absence of unforeseen circumstances, the Group will have sufficient working capital for its requirements for the next 12 months from the date of this circular.

3. INDEBTEDNESS

At the close of business on 31 December 2016, being the latest practicable date for ascertaining this information prior to the printing of this circular, the Group had outstanding bank borrowings of approximately HK\$931 million, which were guaranteed by the Company and were secured by certain properties of the Group.

Apart from as disclosed above and intra-group liabilities, the Group did not have at the close of business on 31 December 2016 any debt securities authorised or created but unissued, issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, finance leases, hire purchase commitments, guaranteed, unguaranteed, secured and unsecured borrowing and debt, or other material contingent liabilities.

4. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

As mentioned in the interim report of the Company for the six months ended 30 September 2016, the residential property markets in Hong Kong will likely be supported in Hong Kong because of the pace of rate hikes in the US relatively slow and interest rates being expected to stay low for an extended period of time, the recovery in the primary, as well as the secondary. However, despite the pickup in sales activity in overall residential market, any increase in prices will likely be mild as they are expected to be suppressed by a seemingly substantial increase in supply of the residential units in the coming few years. In view of improving market sentiment, the Group will continue to promote the sale for the remaining units of PAXTON in Hong Kong and shall launch its new residential project in Prince Edward Road West in late 2017.

Going forward, the Group will review its current operations from time to time and will continue to explore other investment opportunities that have earning potentials, in order to expand its existing operations and to diversify its business to maximize the interests of the Group and the Shareholders as a whole.

5. MATERIAL CHANGE

The Directors are not aware of any material adverse change to the financial or trading position of the Group since 31 March 2016, being the date to which the latest published audited consolidated financial statements of the Company were made up, up to and including the Latest Practicable Date, save as disclosed in

- (i) the Company's announcement dated 17 November 2016 relating to a secured loan of HK\$100,000,000 granted to Fortunate Gravity Hongkong Limited, an Independent Third Party, for a term of 12 months at the interest rate of 12% per annum; and
- (ii) the Company's announcement dated 7 December 2016 relating to a secured loan of HK\$63,000,000 granted to Mr. Ting, an Independent Third Party for a term of 12 months at the interest rate of 8% per annum.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' interests in Shares

As at the Latest Practicable Date, the Directors and the chief executive of the Company had the following interests and short positions in the Shares, underlying Shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Director or, chief executive of the Company was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange:

(i) Interests in the Company

Number of Director	Capacity	Number of Shares held (long position)	Aggregate number of Shares held	Approximate percentage of interests
Ms. Lui Yuk Chu	Beneficiary of a trust (Note i)	29,179,480	46,609,144	58.69%
	Interest of controlled corporation (Note ii)	17,429,664		
Ms. Koon Ho Yan Candy	Beneficiary of a trust (Note iii)	29,179,480	29,179,480	36.74%

Notes:

- (i) 29,179,480 Shares are registered in the name of and are beneficially owned by Magical Profits Limited which is wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by The Winterbotham Trust Company Limited (“**Winterbotham Trust**”) as trustee of The Magical 2000 Trust (the beneficiaries of which included Ms. Lui Yuk Chu and her family members other than her spouse).
- (ii) 17,429,664 Shares are beneficially owned by Sea Rejoice Limited which is wholly-owned by Ms. Lui Yuk Chu.

- (iii) Ms. Koon Ho Yan Candy, the daughter of Ms. Lui Yuk Chu and an executive Director, is deemed to be interested in the Shares by virtue of her capacity as one of the beneficiaries of The Magical 2000 Trust.

(ii) Interests in the associated corporation

Eminence Enterprise Limited (“Eminence”)

Number of director	Capacity	Number of ordinary shares held (long position)	Number of underlying shares held	Total	Approximate percentage of interests
Ms. Lui Yuk Chu	Beneficiary of a trust (<i>Note iv</i>)	457,330,692	880,281	458,210,973	29.32%
Ms. Koon Ho Yan Candy	Beneficiary of a trust (<i>Note v</i>)	457,330,692	880,281	458,210,973	29.32%

Notes:

- (iv) In the 457,330,692 shares of Eminence, 93,549,498 shares of Eminence and 363,781,194 shares of Eminence are registered in the name of and are beneficially owned by Landmark Profits Limited and Goodco Development Limited respectively, both companies are wholly-owned subsidiaries of the Company. Goodco Development Limited is also interested in 880,281 underlying shares of Eminence (subject to adjustment) to be issued upon the full conversion of the 2014 convertible note. Sea Rejoice Limited is interested in approximately 21.95% of the issued share capital of the Company and is wholly-owned by Ms. Lui Yuk Chu. Magical Profits Limited is interested in approximately 36.74% of the issued share capital of the Company and is wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by Winterbotham Trust as trustee of The Magical 2000 Trust (the beneficiaries of which included Ms. Lui Yuk Chu and her family members other than her spouse).
- (v) Ms. Koon Ho Yan Candy, the daughter of Ms. Lui Yuk Chu and an executive Director, is deemed to be interested in the shares of Eminence by virtue of her capacity as one of the beneficiaries of The Magical 2000 Trust.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or the chief executive of the Company had any interests or short positions in the Shares, underlying Shares and/or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which any such Director or chief executive of the Company was taken or deemed to have under such provisions of the SFO) or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein or which were required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers contained in the Listing Rules, to be notified to the Company and the Stock Exchange.

(b) Substantial Shareholders' Interests

As at the Latest Practicable Date, so far as was known to the Directors or chief executive of the Company, the persons (“**Substantial Shareholders**”) (other than the Directors or the chief executive of the Company) who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provision of Divisions 2 and 3 of Part XV of the SFO or who were, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital are set out below:

Name of Shareholder	Note	Capacity	Number of Shares held (long position)	Approximate percentage of interest
Koon Wing Yee	<i>i</i>	Interest of spouse	46,609,144	58.69%
Sea Rejoice Limited	<i>i & ii</i>	Beneficial owner	17,429,664	21.95%
Magical Profits Limited	<i>i & ii</i>	Beneficial owner	29,179,480	36.74%
Accumulate More Profits Limited	<i>i</i>	Interest of controlled corporation	29,179,480	36.74%
Winterbotham Trust	<i>i & iii</i>	Trustee	29,179,480	36.74%
Winterbotham Holdings Limited	<i>iii</i>	Interest of controlled corporation	29,179,480	36.74%
Markson International Holdings Limited	<i>iii</i>	Interest of controlled corporation	29,179,480	36.74%
Christopher Geoffrey Douglas Hooper	<i>iii</i>	Interest of controlled corporation	29,179,480	36.74%
Ivan Geoffrey Douglas Hooper	<i>iii</i>	Interest of controlled corporation	29,179,480	36.74%

Notes:

- (i) Out of 46,609,144 Shares, 17,429,664 Shares are beneficially owned by Sea Rejoice Limited which is wholly-owned by Ms. Lui Yuk Chu. The remaining 29,179,480 Shares are registered in the name of and are beneficially owned by Magical Profits Limited, which is wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by Winterbotham Trust as trustee of The Magical 2000 Trust (the beneficiaries of which included Ms. Lui Yuk Chu, an executive Director, and her family members other than her spouse). Ms. Koon Ho Yan Candy, the daughter of Ms. Lui Yuk Chu and an executive Director, is deemed to be interested in the 29,179,480 Shares by virtue of her capacity as one of the beneficiaries of The Magical 2000 Trust. Mr. Koon Wing Yee, being the spouse of Ms. Lui Yuk Chu, is deemed to be interested in the 46,609,144 Shares by virtue of the SFO.
- (ii) Ms. Lui Yuk Chu, being an executive Director, is also a director of Sea Rejoice Limited and Magical Profits Limited.

- (iii) Winterbotham Trust is the trustee of The Magical 2000 Trust (the beneficiaries of which include Ms. Lui Yuk Chu and her family members other than her spouse). Winterbotham Trust is owned as to 75% by Winterbotham Holdings Limited (“**Winterbotham Holdings**”) and 25% by Markson International Holdings Limited (“**Markson**”) respectively. Winterbotham Holdings is owned as to approximately 99.99% by Mr. Christopher Geoffrey Douglas Hooper. And Markson is owned as to 60% by Mr. Christopher Geoffrey Douglas Hooper and 40% by Mr. Ivan Geoffrey Douglas Hooper respectively.

Save as disclosed above, as at the Latest Practicable Date, the Directors and chief executive of the Company were not aware of any other persons who had an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who were, directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any other member of the Group or had any options in respect of such capital.

3. LITIGATION

As at the Latest Practicable Date, neither the Company nor any of its subsidiaries have been engaged in any litigation or claims of material importance and, so far as the Directors are aware, there was no litigation or claim of material importance known to the Directors to be pending or threatened by or against the Company or any of its subsidiaries.

4. DIRECTORS’ SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing and proposed service contract with any members of the Group other than contracts expiring or determinable by the relevant member of the Group within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS’ INTERESTS IN COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors or their respective associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the Listing Rules.

6. DIRECTORS’ INTEREST IN CONTRACTS AND ASSETS

Save as disclosed in this circular, none of the Directors are interested in any contract or arrangement entered into by the Company or any of its subsidiaries which contract or arrangement is subsisting at the Latest Practicable Date and which is significant in relation to the business of the Group.

As at the Latest Practicable Date, save as disclosed in this circular, none of the Directors had any direct or indirect interest in any assets which have been, since 31 March 2016, the date to which the latest published audited consolidated financial statements of the Group were made up, acquired or disposed of by, or leased to the Company or any of its subsidiaries, or are proposed to be acquired or disposed of by, or leased to the Company or any of its subsidiaries.

7. MATERIAL CONTRACTS

The following contracts, not being contracts in the ordinary course of business of the Group, were entered into by the Group within two years immediately preceding the date of this circular which are or may be material:

- (a) the underwriting agreement dated 2 February 2015 entered into between Eminence and Get Nice Securities Limited, as the underwriter, in relation to the underwriting and certain other arrangements in respect of a rights issue of 506,399,020 rights shares at the subscription price of HK\$0.65 per rights share;
- (b) the facility letter dated 26 May 2015 entered into between Cherry Sky Investments Limited, a wholly-owned subsidiary of Eminence, as a lender, and an Independent Third Party to lend up to HK\$70,000,000 for a period of 12 months. The borrower shall pay interest to the lender on the loan at the rate of 8% per annum. The loan is secured by share charges and personal guarantee;
- (c) the subscription agreement dated 29 May 2015 entered into between Eminence and an Independent Third Party, as the subscriber, agreed to subscribe a convertible note issued by Eminence in the aggregate principal amount of HK\$86,000,000 which may be converted into 101,176,470 shares of Eminence at the initial conversion price of HK\$0.85 per share (subject to adjustment);
- (d) the loan agreement dated 10 June 2015 entered into between the Group as lender with an Independent Third Party to lend HK\$185,000,000 for a period of 12 months. The borrower shall pay interest to the lender on the loan at the rate of 17% per annum. The loan is secured by share charges and personal guarantees;
- (e) a sale and purchase agreement dated 6 August 2015 entered into between Power Bright Investments Limited as purchaser and Easyknit Properties Holdings Limited (“**Easyknit Properties**”) as vendor in relation to the dispose of the sale share and sale loan of Grow Well Profits Limited for a consideration of HK\$137,770,000;
- (f) a sale and purchase agreement dated 6 August 2015 entered into between Eminence as purchaser and Easyknit Properties as vendor in relation to the disposal of the sale share and sale loan of Supertop Investment Limited for a consideration of HK\$60,750,000;

- (g) a sale and purchase agreement dated 6 August 2015 entered into between New Pursuit Limited as purchaser and Easyknit Properties as vendor in relation to the disposal of the sale share and sale loan of Golden Top Properties Limited for a consideration of HK\$29,800,000;
- (h) a sale and purchase agreement dated 6 August 2015 entered into between Fresh Smart Investments Limited as purchaser and Easyknit Properties as vendor in relation to the disposal of the sale share and sale loan of Janson Properties Limited for a consideration of HK\$11,680,000;
- (i) 4 executed term sheets dated 26 August 2015, 2 September 2015, 21 September 2015 and 22 September 2015 for the purchase of the equity linked note (“ELN”) of Hong Kong Exchanges and Clearing Limited (Stock Code: 388) for a total consideration of HK\$160,000,000;
- (j) 3 executed term sheets dated 13 November 2015 and 10 December 2015 for the purchase of the ELNs of China Construction Bank Corporation (Stock Code: 939) for a total consideration of HK\$170,000,000;
- (k) 2 executed term sheets dated 11 November 2015 and 9 December 2015 for the purchase of the ELNs of Industrial and Commercial Bank of China Limited (Stock Code: 1398) for a total consideration of HK\$80,000,000;
- (l) 3 executed term sheets dated 16 September 2015, 3 May 2016 and 5 May 2016 for the purchase of the ELNs of Ping An Insurance (Group) Co. of China Limited (Stock Code: 2318) for a total consideration of HK\$119,000,000;
- (m) 6 executed term sheets dated 19 May 2016, 27 June 2016 and 29 September 2016 for the purchase of the ELNs of Hong Kong Exchanges and Clearing Limited (Stock Code: 388) for a total consideration of HK\$120,000,000;
- (n) 2 executed term sheets dated 30 June 2016 and 30 September 2016 for the purchase of the ELNs of Industrial and Commercial Bank of China Limited (Stock Code: 1398) for a total consideration of HK\$93,000,000;
- (o) 1 executed term sheet dated 21 September 2016 for the purchase of the ELNs of CSOP FTSE China ASO ETF (Stock Code: 2822) for a consideration of HK\$50,000,000;
- (p) 1 executed term sheet dated 23 September 2016 for the purchase of the ELN of China Construction Bank Corporation (Stock Code: 939) for a consideration of HK\$40,000,000;
- (q) a loan agreement dated 17 November 2016 entered into between Charming Flash Limited, a wholly-owned subsidiary of the Company, as a lender, and Fortunate Gravity Hongkong Limited, an Independent Third Party to lend up to HK\$100,000,000 for a term of 12 months at the interest rate of 12% per annum. The loan is secured by a share charge; and
- (r) a loan agreement dated 7 December 2016 entered into between Planetic International Limited, a wholly-owned subsidiary of the Company, as a lender, and Mr. Ting, an Independent Third Party to lend up to HK\$63,000,000 for a term of 12 months at the interest rate of 8% per annum. The loan is secured by a share charge.

8. GENERAL

- (a) The company secretary of the Company is Mr. Lee Po Wing, a practising solicitor since 1994 with extensive experience in the legal field.
- (b) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and the principal place of business of the Company in Hong Kong is at Block A, 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong.
- (c) The Hong Kong branch share registrar and transfer office of the Company is Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (d) The English text of this circular prevails over the Chinese text.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours at the Company's principal place of business in Hong Kong at Block A, 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong for a period of 14 days from the date of this circular:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the annual reports of the Company for the three years ended 31 March 2014, 2015 and 2016;
- (c) the interim report of the Company for the six months ended 30 September 2016;
- (d) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix;
- (e) a copy of each circular issued pursuant to the requirements set out in Chapter 14 and/or 14A of the Listing Rules which has been issued since the date of the latest published audited accounts; and
- (f) this circular.