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EASYKNIT ENTERPRISES HOLDINGS LIMITED

永義實業集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 0616)

DISCLOSEABLE TRANSACTION DISPOSAL OF LISTED SECURITIES

The Group disposed on-market the HKEx Shares in a series of transactions conducted between 10 March 2015 and 12 March 2015, at the price between HK\$175.10 and HK\$175.90 per HKEx Share for an aggregate gross sale proceeds of approximately HK\$11,180,000 (excluding transaction costs).

The Disposal constitutes a discloseable transaction of the Company as the one of applicable percentage ratios exceeds 5% but is less than 25%.

THE DISPOSAL

The Group disposed on-market the HKEx Shares in a series of transactions conducted between 10 March 2015 and 12 March 2015, at the price between HK\$175.10 and HK\$175.90 per HKEx Share for an aggregate gross sale proceeds of approximately HK\$11,180,000 (excluding transaction costs).

As the Disposal was made on the market, the Company is not aware of the identities of the purchasers of the HKEx Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers of the HKEx 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 63,613 HKEx Shares, representing approximately 0.0054% of the issued share capital of HKEx (based on the 1,168,309,636 HKEX Shares as at 28 February 2015 according to publicly available information).

Consideration

The aggregate gross sale proceeds of the Disposal is approximately HK\$11,180,000 (excluding transaction costs), which is receivable in cash on settlement. The consideration for the Disposal represented the market price of the HKEx 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 investments, property development, garment sourcing and export businesses, investment in securities and loan financing.

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\$1,043,000 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 HKEX

According to publicly available information, HKEx is a company incorporated in Hong Kong with limited liability and the shares of which are listed on the main board of the Stock Exchange (Stock Code: 388). According to its company profile available on the internet, HKEx is the holding company of the Stock Exchange, Hong Kong Futures Exchange Limited and Hong Kong Securities Clearing Company Limited and brings together the market organisations which have transformed Hong Kong's financial services industry from a domestically focused market to become a central market place in Asia attracting investment funds from all over the world. HKEx was listed in June 2000 following the integration of Hong Kong's securities and derivatives markets. HKEx services comprise trading, clearing and settlement, depository and nominee services, and information services.

The following information is extracted from the public documents of HKEx:

	For the year ended	
	31 December	
	2014	2013
	<i>HK\$ million</i>	<i>HK\$ million</i>
Revenue	9,849	8,723
Profit before taxation	6,038	5,246
Net profit after taxation attributable to shareholders of HKEx	5,138	4,546

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 Enterprises 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
“Disposal”	the disposal by the Company, through its wholly owned subsidiary, of a total of 63,613 HKEx Shares on the market between 10 March 2015 to 12 March 2015 for a consideration of approximately HK\$11,180,000
“discloseable transaction”	as defined in the Listing Rules
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKEx”	Hong Kong Exchanges and Clearing Limited, a company incorporated in Hong Kong with limited liability, the shares of which are listed on the main board of the Stock Exchange (Stock code: 388)
“HKEx Shares”	shares with a par value of HK\$1.00 each in the share capital of HKEx
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“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\$0.01 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 Enterprises Holdings Limited
Kwong Jimmy Cheung Tim
Chairman and Chief Executive Officer

Hong Kong, 13 March 2015

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. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Foo Tak Ching as independent non-executive directors.