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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 ACQUISITION OF LISTED SECURITIES

The Group, through its wholly-owned subsidiary, acquired on the market of 500,000 units of China A50 on 30 June 2015 at a purchase price of HK\$7,510,000 (exclusive of transaction costs).

The Acquisition 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 ACQUISITION

On 30 June 2015, the Group, through its wholly-owned subsidiary, acquired on the market of 500,000 units of China A50, representing approximately 0.033% of the issued units as at 31 May 2015. The purchase price of the Acquisition was HK\$7,510,000 (exclusive of transaction costs) represented the then market price of each unit of China A50 and was payable from the Company's internal resources.

As the Acquisition was made through the market, the Company was not aware of the identities of the sellers of the units of China A50 and accordingly, to the best knowledge, information and belief of the Directors having made all reasonable enquiries, the sellers of the units of China A50 are Independent Third Parties.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group's principal businesses are property investment, property development, investment in securities and loan financing.

Having considered the recent performance of China A50, the Company considers that the acquisition of such units is an attractive investment and can enhance the returns on cash for the Company.

As the Acquisition was made at market price, the Directors (including the independent non-executive Directors) are of the view that the Acquisition was fair and reasonable, on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

** for identification purposes only*

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 2014 annual report of China A50:

	For the year ended 31 December	
	2014	2013
	RMB	RMB
Revenue	17,245,537,171	(2,234,354,889)
Profit / (Loss) before taxation	16,852,571,924	(2,446,076,344)
Net profit / (loss) after taxation attributable to unitholders of China A50	16,809,880,520	(2,409,602,316)

GENERAL

The Acquisition 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:

“Acquisition”	the acquisition by the Company, through its wholly-owned subsidiary, of a total of 500,000 units of China A50 on the market on 30 June 2015 for a consideration of HK\$7,510,000
“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 Stock Exchange
“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
“Director(s)”	director(s) of the Company
“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
“RMB”	Renminbi, the lawful currency of the PRC
“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
President and Chief Executive Officer

Hong Kong, 3 July 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 and Mr. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Foo Tak Ching as independent non-executive directors.