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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 in a series of transactions conducted between 8 July 2015 and 4 February 2016 for a total of 6,800,000 CSCE Shares (which represents approximately 0.20% of the issued share capital of CSCE) for an aggregate consideration of HK\$10,734,000 (exclusive of transaction costs), the average purchase cost of each CSCE Share is approximately HK\$1.579.

As certain size percentage ratios (as set out in Rule 14.07) of the Listing Rules of the Acquisition exceeds 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

THE ACQUISITION

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

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group's principal businesses are property investment, comprising the ownership and rental of investment properties, property development, garment sourcing and export business, investment in securities and loan financing.

** for identification purposes only*

As the Acquisition was made at market price, the Board is 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.

INFORMATION ON CSCE

CSCE is a limited company incorporated in the Cayman Islands and the shares of which are listed and traded on the main board of the Stock Exchange (stock code: 1966). CSCE is principally engaged in property development, property investment and property management in the PRC.

The following information is extracted from the interim and annual reports of CSCE:

	For the six months ended 30 June 2015 RMB '000	For the year ended 31 December 2014 RMB '000	2013 RMB '000
Revenue	5,994,613	6,887,392	6,588,124
Profit before taxation	1,658,927	2,539,089	1,905,342
Net profit after taxation attributable to shareholders of CSCE	1,030,594	1,567,041	1,174,264
Total assets	36,104,991	34,443,072	26,928,930

GENERAL

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

“Acquisition”	the Group, through its wholly-owned subsidiary, acquired on the market in a series of transactions conducted between 8 July 2015 and 4 February 2016 for a total of 6,800,000 CSCE Shares (which represents approximately 0.20% of the issued share capital of CSCE) for an aggregate purchase price of HK\$10,734,000 (exclusive of transaction costs), the average purchase cost of each CSCE Share is approximately HK\$1.579
“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
“CSCE”	China SCE Property Holdings Limited, a company incorporated under the laws of Cayman Islands with limited liability and the shares of which are listed on the main board of the Stock Exchange (stock code: 1966)

“CSCE Shares”	the ordinary share(s) of HK\$0.10 each in the share capital of CSCE
“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
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the issued 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, 5 February 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. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Foo Tak Ching as independent non-executive directors.