



Easyknit Enterprises Holdings Limited

永義實業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code : 616)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that a special general meeting of Easyknit Enterprises Holdings Limited (the "Company") will be held at 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong on Wednesday, 24 December 2008 at 9:30 a.m. (or as soon thereafter as the special general meeting of Easyknit International Holdings Limited to be held at 9:00 a.m. on the same day and at the same place shall have been concluded or adjourned) for the purpose of considering and, if thought fit, passing the following resolution:-

ORDINARY RESOLUTION

"**THAT** conditional on the obligations of Get Nice Securities Limited ("Underwriter") and the Company under the underwriting agreement dated 5 November 2008 ("Underwriting Agreement") (a copy of the Underwriting Agreement has been produced to this meeting and marked "A" and initialled by the chairman of the meeting for the purpose of identification) becoming unconditional; and the Listing Committee of the Stock Exchange granting listing of, and permission to deal in, the Rights Shares (as defined below) in their nil-paid and fully-paid forms:-

- (i) the Underwriting Agreement be and is hereby confirmed, approved and ratified;
- (ii) the allotment and issue of 667,499,000 new shares ("Rights Shares") pursuant to an offer by way of rights to holders of shares in the Company at HK\$0.15 per Rights Share ("Rights Issue") in the proportion of ten Rights Shares for every share held by holders of shares ("Shareholders") whose names appear on the register of members of the Company on 24 December 2008 (or such other date as the Underwriter may agree in writing with the Company) ("Record Date") other than those Shareholders whose addresses on the register of members of the Company are outside Hong Kong on the Record Date and whom the directors of the Company, after making relevant enquiry, consider it necessary or expedient not to offer the Rights Issue to such Shareholders on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place ("Non-Qualifying Shareholders"), on and subject to the terms and conditions set out in the circular to the Shareholders dated 8 December 2008 ("Circular") and on such other terms and conditions as may be determined by the directors of the Company be and is hereby approved provided that (a) fractional entitlements shall not be issued but shall be aggregated and sold, if a premium (net of expenses) could be

* For identification purpose only

obtained for the benefit of the Company; (b) no Rights Shares shall be offered to the Non-Qualifying Shareholders and the Rights Shares which would otherwise have been offered to them shall be sold, if a premium (net of expenses) is obtained and to the extent that the net proceeds of such sale (after deducting the expenses of sale) be distributed to the Non-Qualifying Shareholders pro rata to their holding of shares provided further that individual amounts of HK\$100 or less shall be retained for the benefit of the Company; and (c) to the extent that the Rights Shares referred to in (a) and (b) above are not sold as aforesaid, such Rights Shares together with any Rights Shares provisionally allotted but not accepted shall be offered for application under forms of application for excess Rights Shares; and

- (iii) the directors of the Company be and are hereby authorised to allot and issue the Rights Shares on terms as set out in the Circular and to do all such acts and things, to sign and execute all such further documents and to take such steps as the directors of the Company may in their absolute discretion consider necessary, appropriate, desirable, or expedient to give effect to or in connection with the Rights Issue and the Underwriting Agreement or any of the transactions contemplated thereunder.”

By order of the Board of
EASYKNIT ENTERPRISES HOLDINGS LIMITED
Kwong Jimmy Cheung Tim
Chairman and Chief Executive Officer

Hong Kong, 8 December, 2008

Notes:

1. Any shareholder of the Company entitled to attend and vote at the meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be shareholder of the Company.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
3. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's principal place of business in Hong Kong at 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong not less than 48 hours before the time for holding the meeting or the adjourned meeting or poll (as the case may be) at which the person named in such instrument proposes to vote, and in default the instrument of proxy shall not be treated as valid.

4. Delivery of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting or upon the poll concerned and in such event, the instrument appointing a proxy shall be deemed to be revoked.
5. Where there are joint registered holders of any share, any one of such persons may vote at the meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the meeting personally or by proxy, that one of the said persons so present whose name stands first on the register in respect of such share shall alone be entitled to vote in respect thereof.

As at the date of this announcement, the Board comprises Mr. Kwong Jimmy Cheung Tim and Ms. Lui Yuk Chu as executive directors, Mr. Tse Wing Chiu, Ricky as non-executive director and Mr. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Foo Tak Ching as independent non-executive directors.