



Easyknit Enterprises Holdings Limited

永義實業集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock code: 616)

RESULTS OF THE SPECIAL GENERAL MEETING AND EXPECTED DESPATCH DATE OF PROSPECTUS DOCUMENTS

The Directors are pleased to announce that the ordinary resolution in relation to the Rights Issue was duly passed by the Independent Shareholders by way of poll at the SGM.

The Directors also noted that the shareholders of Easyknit International have approved the Undertaking given by Landmark Profits at a special general meeting of Easyknit International held on 24 December 2008, which is a condition of the Rights Issue.

The Prospectus Documents are expected to be despatched on 29 December 2008 to the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date, i.e. 24 December 2008.

Reference is made to the circular of the Company dated 8 December 2008 (the “Circular”) in relation to the proposed rights issue of 667,499,000 Rights Shares at a subscription price of HK\$0.15 per Rights Share on the basis of ten Rights Shares for every existing Share held by the Shareholders on the Record Date. Terms used herein have the same meanings as defined in the Circular, unless the context otherwise requires.

RESULTS OF THE SGM

The Directors are pleased to announce that the ordinary resolution in relation to the Rights Issue (the “Ordinary Resolution”) was duly passed by the Independent Shareholders by way of poll at the SGM held on 24 December 2008.

As at the date of the SGM, there were a total of 66,749,900 Shares in issue. Landmark Profits (holding in aggregate 21,162,787 Shares, representing approximately 31.7% of the total issued share capital of the Company as at the date of the SGM) had abstained from voting on the Ordinary Resolution at the SGM. As such, there were a total of 45,587,113 Shares (representing approximately 68.3% of the total issued share capital of the Company as at the date of the SGM) entitling the holders to attend and vote for or against the Ordinary Resolution. There were no Shares entitling the Shareholders to attend and vote only against the Ordinary Resolution.

The poll result in respect of the Ordinary Resolution passed by the Independent Shareholders at the SGM was as follows:

	For <i>Number of Shares</i> <i>(approximately %)</i>	Against <i>Number of Shares</i> <i>(approximately %)</i>	Total <i>Number of</i> <i>Votes Cast</i>
ORDINARY RESOLUTION	6,012,614 Shares (99.95%)	3,000 Shares (0.05%)	6,015,614 Shares

As more than 50% of the votes were cast in favor of the above resolution, the Ordinary Resolution was duly passed. The Company has appointed Tricor Secretaries Limited, the Hong Kong branch share registrar and transfer office of the Company, as scrutineer for the vote taking at the SGM.

APPROVAL BY SHAREHOLDERS OF EASYKNIT INTERNATIONAL RELATING TO UNDERTAKING FROM LANDMARK PROFITS

As stated in the Circular, one of the conditions of the Rights Issue is the passing of a resolution by shareholders of Easyknit International approving the Undertaking given by Landmark Profits. The Directors noted that the aforesaid resolution has been duly passed by shareholders of Easyknit International at a special general meeting of Easyknit International held on 24 December 2008.

DESPATCH OF THE PROSPECTUS DOCUMENTS

The Company intends to proceed with the Rights Issue in accordance to the tentative timetable as set out in the Circular. The Prospectus Documents are expected to be despatched on 29 December 2008 to the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date, i.e. 24 December 2008.

WARNINGS

The Rights Issue is conditional, inter alia, upon the fulfillment of the conditions set out in the section headed “Conditions of the Rights Issue” in the Circular. The Underwriter is entitled under the Underwriting Agreement to terminate the Underwriting Agreement on the occurrence of certain events, including but not limited to force majeure, as more particularly described in the sub-section headed “Termination of the Underwriting Agreement” in the Circular. The Rights Issue is therefore also subject to the Underwriter not terminating the Underwriting Agreement. Accordingly, the Rights Issue may or may not proceed.

Any dealing in the Shares from the date of this announcement up to the date on which all the conditions of the Rights Issue are fulfilled, and any dealing in the Rights Shares in their nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares or the Rights Shares in their nil-paid form are advised to consult their own professional advisers.

By order of the Board of
Easyknit Enterprises Holdings Limited
Kwong Jimmy Cheung Tim
Chairman and Chief Executive Officer

Hong Kong, 24 December 2008

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.

** For identification only*