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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: 616)**

### **DESPATCH OF CIRCULAR AND CLARIFICATION IN RELATION TO THE PROPOSED RIGHTS ISSUE**

**Underwriter of the Rights Issue**



**KINGSTON SECURITIES LIMITED**

**Independent Financial Adviser to the Independent Board Committee  
and Independent Shareholders**

**Access  
Capital** 

Reference is made to the announcement of the Company dated 25 August 2009 in relation to, inter alia, the proposed Capital Reorganisation and the proposed Rights Issue (the “Announcement”). Terms used herein shall have the same meanings as defined in the Announcement unless defined otherwise.

#### **1. DESPATCH OF CIRCULAR**

The Directors are pleased to announce that the Circular containing, inter alia: (i) information on the Capital Reorganisation; (ii) information on the Rights Issue; (iii) a letter of recommendation from the independent board committee of the Company (the “Independent Board Committee”) in respect of the Rights

*\*For identification only*

Issue; (iv) a letter of advice from the independent financial adviser to the Independent Board Committee and the Independent Shareholders on the Rights Issue; and (v) a notice of the SGM, will be despatched to the Shareholders on 11 September 2009.

Shareholders are advised to read carefully the contents of the circular, in particular, the letter of advice from the Independent Board Committee and the letter of advice from the independent financial adviser before considering the resolutions to approve the Capital Reorganisation and the Rights Issue.

## **2. CLARIFICATION**

The basis of provisional allotment of the Rights Issue is four (4) Rights Shares for every Adjusted Share held on the Record Date, which will be on Tuesday, 13 October 2009. The Capital Reorganisation, subject to approval by Shareholders at the SGM, will become effective at 9:30 a.m. on Wednesday, 14 October 2009. Based on the above, the Board wishes to clarify that while the Record Date is one day earlier than the date on which the Capital Reorganisation is due to become effective, the basis of the provisional allotment will be made on the assumption that the Capital Reorganisation has already become effective.

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

Hong Kong, 11 September 2009

*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.*