

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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 (i) the special resolution in relation to the Capital Reorganisation; and (ii) the ordinary resolution in relation to the Rights Issue were duly passed by the Shareholders and Independent Shareholders respectively at the SGM by way of poll.

The Prospectus Documents are expected to be despatched on 14 October 2009 to the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date (assuming the Capital Reorganisation had become effective on the Record Date), i.e. 13 October 2009.

Reference is made to the circular of the Company dated 11 September 2009 (the “Circular”) in relation to the proposed capital reorganisation and proposed rights issue of 293,699,560 Rights Shares at a subscription price of HK\$0.38 per Rights Share on the basis of four Rights Shares for every Share held by the Shareholders on the Record Date (assuming the Capital Reorganisation had become effective 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 (i) the special resolution in relation to the Capital Reorganisation (the “Special Resolution”); and (ii) the ordinary resolution in relation to the Rights Issue (the “Ordinary Resolution”) were duly passed by the Shareholders and the Independent Shareholders respectively at the SGM held on 13 October 2009 by way of poll.

* *For identification only*

As at the date of the SGM, there were a total of 734,248,900 Shares in issue. In accordance with the Listing Rules, Landmark Profits (holding in aggregate 232,790,657 Shares, representing approximately 31.7% of the total issued share capital of the Company as at the date of the SGM) and its associates were required to and had abstained from voting on the Ordinary Resolution at the SGM. As such, there were a total of 501,458,243 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. No Shareholder was entitled to vote only against the Special Resolution and the Ordinary Resolution at the SGM.

The poll results in respect of the Special Resolution and the Ordinary Resolution duly passed at the SGM were as follows:

	For <i>Number of Shares</i> <i>(approximately %)</i>	Against <i>Number of Shares</i> <i>(approximately %)</i>
SPECIAL RESOLUTION	334,043,483 Shares (98.87%)	3,833,000 Shares (1.13%)
ORDINARY RESOLUTION	101,252,826 Shares (96.35%)	3,833,000 Shares (3.65%)

The Company had appointed Tricor Secretaries Limited, the Company's branch share registrar in Hong Kong, as scrutineer for the vote taking at the SGM.

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 14 October 2009 to the Qualifying Shareholders whose names appear on the register of members of the Company on the Record Date (assuming the Capital Reorganisation had become effective on the Record Date), i.e. 13 October 2009.

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, 13 October 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.