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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)

DISCLOSEABLE TRANSACTION ACQUISITION OF SHARES IN PING AN INSURANCE (GROUP) COMPANY OF CHINA LTD

On 20 January 2011, the Company, through its wholly owned subsidiary, acquired 100,000 Ping An Shares on the market for an aggregate consideration of HK\$8,182,500 (excluding transaction costs).

As one or more of the applicable percentage ratios (as defined in the Listing Rules) exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

THE ACQUISITION

On 20 January 2011, the Company, through its wholly owned subsidiary, acquired 100,000 Ping An Shares on the market for an aggregate consideration of HK\$8,182,500 (excluding transaction costs).

As the Acquisition was made on the market, the Company is not aware of the identities of the vendors of the Ping An Shares. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the vendors of the Ping An Shares and their ultimate beneficial owners are third parties independent of the Company and its connected persons (as defined in the Listing Rules).

Assets acquired

100,000 Ping An Shares, representing approximately 0.0013% of the issued share capital of Ping An (based on the aggregate A shares and H shares issued of 7,644,142,092 shares as at 31 December 2010 based on publicly available information).

Consideration

The aggregate consideration of the Acquisition is HK\$8,182,500 (excluding transaction costs), which was satisfied in cash from internal resources of the Company. The consideration for the Acquisition represented the market price of the Ping An Shares at the time of the Acquisition.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Group's principal businesses are property investment, garment sourcing and exporting.

Having considered the track record of Ping An and its recent performance, the Company considers that the Acquisition is an attractive investment.

The Directors (including the independent non-executive Directors) are 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 PING AN

According to publicly available information, Ping An is a joint stock limited company incorporated in the PRC with limited liability and the H shares of which are listed on the main board of the Stock Exchange (Stock Code: 2318).

According to its company profile made available on the internet, Ping An, together with its subsidiaries is an insurance and financial services group in the PRC with the ability to provide multiple insurance and financial services and products to corporate and retail customers.

Further information on Ping An can be found on the website of the Stock Exchange.

Based on the announcement of the unaudited results of Ping An for the nine months ended 30 September 2010, the unaudited net asset value of Ping An as at 30 September 2010 was RMB116,140 million. According to the annual reports of Ping An for the two years ended 31 December 2008 and 31 December 2009 respectively, its net profits/(losses) before and after taxation were approximately RMB(1,486) million and RMB1,635 million, and RMB19,919 million and RMB14,482 million respectively. Information on the profits before and after taxation for the year ended 31 December 2010 is not yet available.

GENERAL

As one or more of the applicable percentage ratios (as defined in the Listing Rules) exceed 5% but are less than 25%, the Acquisition constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

If the Group acquires any further Ping An Shares, the Company will comply with the reporting, announcement and Shareholders' approval requirements under the Listing Rules if and when necessary.

DEFINITIONS

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

“Acquisition”	the acquisition by the Company of a total of 100,000 Ping An Shares on the market on 20 January 2011
“Board”	the board of Directors
“Company”	Easyknit Enterprises Holdings Limited (永義實業集團有限公司*), an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the Stock Exchange
“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
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ping An”	Ping An Insurance (Group) Company of China, Ltd, a joint stock company incorporated in the PRC with limited liability, the H shares of which are listed on the main board of the Stock Exchange (Stock Code: 2318)
“Ping An Shares”	overseas listed foreign shares with a par value of RMB1.00 each in the share capital of Ping An, listed on the main board of the Stock Exchange and traded in Hong Kong dollars

“PRC”	the People’s Republic of China, which for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent

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

Hong Kong, 24 January 2011

As at the date of this announcement, 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 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*