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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

On 11 March 2011, the Company, through its wholly owned subsidiary, disposed of 150,000 Ping An Shares on the market for aggregate gross sale proceeds of HK\$12,220,000 (excluding transaction costs).

The Disposal constitutes a discloseable transaction of the Company as one or more of the applicable percentage ratios exceed(s) 5% but is/are less than 25%.

THE DISPOSAL

On 11 March 2011, the Company, through its wholly owned subsidiary, disposed of 150,000 Ping An Shares on the market for aggregate gross sale proceeds of HK\$12,220,000 (excluding transaction costs).

As the Disposal was made on the market, the Company is not aware of the identities of the purchasers 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 purchasers 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 disposed

The Group disposed of 150,000 Ping An Shares, representing approximately 0.00196% of the issued share capital of Ping An (based on the 7,644,142,092 Ping An Shares in issue as at 28 February 2011 according to publicly available information).

Consideration

The aggregate gross sale proceeds of the Disposal is HK\$12,220,000 (excluding transaction costs), which is receivable in cash on settlement. The consideration for the Disposal represented the market price of the Ping An Shares at the time of the Disposal.

REASONS FOR AND BENEFITS OF THE DISPOSAL

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

The purpose of the Disposal is to realize a gain on its investment in those 150,000 Ping An Shares which the Group acquired during the period from 20 January 2011 to 25 January 2011 for a total consideration of HK\$12,185,000 (excluding transaction costs). As a result of the Disposal, the Group is expected to recognize a gain of approximately HK\$35,000 calculated on the basis of the difference between the acquisition price and the disposal price (exclusive of the transaction costs). The Group intends to use the proceeds of the Disposal for general working capital.

The Disposal was made at market price and the Directors (including the independent non-executive Directors) are of the view that the Disposal will enhance the liquidity of the Company, 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 People's Republic of China 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 website of the Stock Exchange, Ping An provides a range of life insurance, property and casualty insurance, banking and other financial services. Further information on Ping An can be found on the website of the Stock Exchange. Based on the announcement of unaudited results for the nine months ended 30 September 2010 of Ping An, the unaudited net asset value of Ping An as at 30 September 2010 was RMB116,140 million. According to the annual report of Ping An for the year ended 31 December 2008, its net loss from ordinary activities before taxation was approximately RMB1,486 million and its net profit from ordinary activities after taxation was approximately RMB1,635 million. And according to its annual report for the year ended 31 December 2009, its net profits from ordinary activities before and after taxation were approximately RMB19,919 million and RMB14,482 million respectively.

GENERAL

The Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules, as one or more of the applicable percentage ratios exceed(s) 5% but is/are less than 25%.

DEFINITIONS

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

“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
“Disposal”	the disposal by the Company, through its wholly owned subsidiary, of a total of 150,000 Ping An Shares on the market on 11 March 2011 for a consideration of HK\$12,220,000
“discloseable transaction”	as defined in the Listing Rules
“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
“percentage ratios”	as defined in the Listing Rules
“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: 02318)

“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
“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, 15 March 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*