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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: 0616)

NOTICE OF SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the special general meeting (the “**Meeting**”) of Easyknit Enterprises Holdings Limited (永義實業集團有限公司) (the “**Company**”) will be held at Block A, 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong, on Friday, 7 March 2014, at 9:30 a.m. for the purpose of considering and, if thought fit, passing the following resolution, with or without amendments, as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“THAT:

- (a) the subscription agreement dated 16 January 2014 entered into between the Company and Goodco Development Limited (the “**Subscriber**”) (a copy of which is produced to the Meeting marked “A” and signed by the chairman of the Meeting for identification purposes) in relation to the subscription of the convertible note in an aggregate principal amount of HK\$100,000,000 (the “**Convertible Note**”) to be issued by the Company and all transactions contemplated thereunder and in connection therewith, be and are hereby approved, confirmed and ratified;
- (b) conditional upon the listing committee of The Stock Exchange of Hong Kong Limited approving the listing of, and granting the permission to deal in, the Conversion Shares (as defined below), the directors of the Company (the “**Directors**”) be and are hereby authorized to: (i) issue the Convertible Note to the Subscriber; and (ii) allot and issue such ordinary shares of HK\$0.01 each in the share capital of the Company which may fall to be issued upon exercise of the conversion rights attaching to the Convertible Note (the “**Conversion Shares**”) on the terms and subject to the conditions of the Convertible Note;
- (c) the waiver granted or to be granted by the executive director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong (or any of his delegates) pursuant to Note 1 on dispensations from Rule 26 of the Hong Kong Code on Takeovers and Mergers (the “**Takeovers Code**”) in respect of the obligations of the Subscriber and parties acting in concert with it (including but not limited to Easyknit International Holdings Limited and Landmark Profits Limited) to make a mandatory general offer for all the securities of the Company other than

* for identification only

those already owned or agreed to be acquired by the Subscriber and parties acting in concert with it pursuant to Rule 26 of the Takeovers Code which would otherwise arise as a result of the allotment and issue of the Conversion Shares be and is hereby approved; and

- (d) the Directors be and are hereby authorized to, for and on behalf of the Company, execute all such documents, instruments and agreements, and do all such acts or things, as they may consider necessary, desirable or expedient to give effect to the Subscription Agreement and the transactions contemplated thereunder.”

By Order of the Board
EASYKNIT ENTERPRISES HOLDINGS LIMITED
Kwong Jimmy Cheung Tim
Chairman and Chief Executive Officer

Hong Kong, 20 February 2014

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Head office and principal place of business in Hong Kong:
Block A, 7th Floor
Hong Kong Spinners Building, Phase 6
481-483 Castle Peak Road
Cheung Sha Wan
Kowloon
Hong Kong

Notes:

1. A form of proxy for use at the Meeting is enclosed herewith.
2. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing or, if the appointor is a corporation, either under its seal or under the hand of any officer or attorney duly authorised.
3. Any shareholder of the Company entitled to attend and vote at the Meeting convened by the above notice shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy need not be a shareholder of the Company.
4. In order to be valid, the form of proxy, together with the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding of the above Meeting.
5. Completion and return of the form of proxy will not preclude a shareholder of the Company from attending and voting in person at the Meeting convened and in such event, the form of proxy will be deemed to be revoked.
6. Where there are joint holders of any share of the Company, any one of such joint holders may vote, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the Meeting, whether in person or by proxy, the most senior shall alone be entitled to vote. For this purpose, seniority shall be determined by the order in which the names stand on the register of members of the Company in respect of the joint holding.

At the date hereof, 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 and Mr. Lai Law Kau as non-executive directors and Mr. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Foo Tak Ching as independent non-executive directors.