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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)**

### **RESULTS OF THE RIGHTS ISSUE ON THE BASIS OF EIGHT RIGHTS SHARES FOR EVERY ONE ADJUSTED SHARE HELD ON RECORD DATE**

The Board is pleased to announce that the Rights Issue and the Underwriting Agreement had become unconditional after 4:00 p.m. on Friday, 14 November 2014.

As at 4:00 p.m. on Monday, 10 November 2014, being the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares, a total of 120 valid acceptances and applications had been received for a total of 364,983,948 Rights Shares, which comprised: (i) 67 valid acceptances of provisional allotments for a total of 347,999,649 Rights Shares; and (ii) 53 valid applications for excess Rights Shares for a total of 16,984,299 Rights Shares. In aggregate, they represented approximately 81.08% of the total of 450,132,472 Rights Shares available for subscription under the Rights Issue.

Regarding the 16,984,299 excess Rights Shares being applied for by way of application under the excess application, the Board has resolved to allot all the available Rights Shares to those 53 valid applicants.

Share certificates in respect of the Rights Shares will be despatched to those entitled thereto by ordinary post to their registered addresses at their own risk on or before Wednesday, 19 November 2014. Dealings in the fully-paid Rights Shares will commence on Thursday, 20 November 2014.

Reference is made to the joint announcement of Easyknit Enterprises Holdings Limited (the “**Company**”) and Easyknit International Holdings Limited dated 5 September 2014, the circular of the Company dated 26 September 2014 and the prospectus of the Company dated 27 October 2014 (the “**Prospectus**”), in relation to the Rights Issue. Capitalised terms used herein shall have the same meanings as defined in the Prospectus unless otherwise stated.

*\* for identification only*

## **RESULTS OF THE RIGHTS ISSUE**

The Board is pleased to announce that all of the conditions precedent set out in the Underwriting Agreement had been fulfilled and the Underwriting Agreement had become unconditional after 4:00 p.m. on Friday, 14 November 2014.

As at 4:00 p.m. on Monday, 10 November 2014, being the latest time for acceptance of and payment for the Rights Shares and for application and payment for excess Rights Shares, a total of 120 valid acceptances and applications had been received for a total of 364,983,948 Rights Shares, which comprised: (i) 67 valid acceptances of provisional allotments for a total of 347,999,649 Rights Shares; and (ii) 53 valid applications for excess Rights Shares for a total of 16,984,299 Rights Shares. In aggregate, they represented approximately 81.08% of the total of 450,132,472 Rights Shares available for subscription under the Rights Issue.

Regarding the 16,984,299 excess Rights Shares being applied for by way of application under the excess application, the Board has resolved to allot all the available Rights Shares to those 53 valid applicants.

## **UNDEWRITING ARRANGEMENT**

Pursuant to the Undertakings, Landmark Profits and Goodco, the substantial Shareholders, have taken up their entire provisional allotment of 184,361,096 Rights Shares. Upon completion of the Rights Issue, Landmark Profits and Goodco are interested in a total of 207,406,233 Adjusted Shares, representing approximately 40.96% of the issued share capital of the Company as enlarged by the Rights Issue.

Based on the results of the Rights Issue as set out above, the Rights Issue was under-subscribed by 85,148,524 Rights Shares. In accordance with the terms of the Underwriting Agreement, the Underwriter has procured subscription of 85,148,524 Rights Shares by not less than 6 subscribers who are independent third parties of the Company and each subscriber does not hold 5% or more of the issued share capital of the Company.

## SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and upon completion of the Rights Issue is as follows:

Name of Shareholder	Immediately before completion of the Rights Issue		Immediately after completion of the Rights Issue	
	Number of Adjusted Shares	%	Number of Adjusted Shares	%
<i>Landmark Profits</i>	4,714,010	8.38	42,426,090	8.38
<i>Goodco</i>				
- Shares of the Company	18,331,127	32.58	164,980,143	32.58
- Underlying shares of the Company of the outstanding convertible note (Notes 1 and 2)	8,006,405		8,006,405	
Sub-total	23,045,137	40.96	207,406,233	40.96
<i>Public</i>				
Subscribers procured by the Underwriter	-	0.00	85,148,524	16.81
Other public Shareholders	33,221,422	59.04	213,844,274	42.23
<b>Total</b>	<b>56,266,559</b>	<b>100.00</b>	<b>506,399,031</b>	<b>100.00</b>

Notes:

1. The shares of the Company underlying the outstanding convertible note do not represent the Company's issued shares.
2. Pursuant to the terms of the convertible note, Goodco may convert at any time within the five-year period commencing from 27 March 2014.

## **GENERAL**

The share certificates for the Rights Shares in respect of the valid acceptances of the Rights Shares on PALs and successful applications for excess Rights Shares, in their fully-paid form, will be despatched to the allottees by ordinary post at their own risks on or before Wednesday, 19 November 2014.

Dealings in the fully-paid Rights Shares will commence on Thursday, 20 November 2014.

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

Hong Kong, 18 November 2014

*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 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.*

*In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese text.*