



永義實業集團有限公司
Easyknit Enterprises Holdings Limited
(incorporated in Bermuda with limited liability)

PRESS RELEASE

Easyknit International Announces Rights Issue Results of 105%

(Hong Kong, 5 November 2006) — **Easyknit International Holdings Limited** (“Easyknit International”/ the “Company”) (Stock Code: 1218) today announced that it received 625,475,508 rights shares, representing approximately 105% of the total shares under the rights issue. Accordingly, the Board resolved to allot a total of 159,874,762 rights shares available for excess application on an equitable basis.

Magical Profits, the controlling shareholder, has taken up its entire provisional allotment of 218,846,103 rights shares and is interested in a total of 291,794,804 shares on completion of the rights issue, representing approximately 36.7% of the issued share capital of the Company. Not less than 25% of the issued share capital of the Company is in public hands following the completion of the rights issue.

The spokesperson of the Company said, “The rights issue will strengthen our capital base in order to accelerate our commercial property development and enhance our property portfolio.”

About Easyknit International Holdings Limited (Stock Code: 1218)

Easyknit International Holdings Limited together with its subsidiaries are principally engaged in the sourcing and export of cotton-based knitted garments for infants, children and women, and property investment.

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