



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

PRESS RELEASE

Easyknit International (SEHK: 1218) Announced Full Acceptance of Provisional Allotment Under the Rights Issue of Easyknit Enterprises

(Hong Kong, 25 August, 2009) – **Easyknit International Holdings Limited** (SEHK Code: 1218) (“Easyknit International”/ “The Company”) announced that the Board of Easyknit Enterprises, an associate of Easyknit International, proposed a capital reorganization exercise and thereafter, to raise approximately HK\$111.6 million (before expenses) by way of a rights issue of 293,699,560 EE Rights Shares at a subscription price of HK\$0.38 per EE Rights Share, payable in full on acceptance. The EE Rights Issue is conditional upon approval from the independent shareholders of Easyknit Enterprises at a special general meeting of Easyknit Enterprises.

As at the date of the announcement, the Company is interested in 232,790,065 EE Shares through Landmark Profits, representing approximately 31.7% of the total issued share capital of Easyknit Enterprises. Upon the capital reorganization becoming effective, Landmark Profits will be interested in 23,279,065 EE Adjusted Shares, representing approximately 31.7% of the total issued share capital of Easyknit Enterprises.

The Directors consider that the full acceptance by the Company of its provisional allotment under the EE Rights Issue will allow the Company, through Landmark Profits, to maintain its pro rata shareholding in Easyknit Enterprises. The Directors consider that the Company’s participation in the EE Rights Issue is fair and reasonable and in the interest of the Shareholders as a whole.

About Easyknit International Holdings Limited (Stock Code: 1218)

Easyknit International Holdings Limited together with its subsidiaries are principally engaged in the business of garment sourcing and export, property investments and development, investment in securities and loan financing.

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