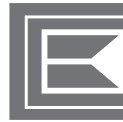

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Easyknit International Holdings Limited, you should at once hand this circular together with the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker, or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.



EASYKNIT INTERNATIONAL HOLDINGS LIMITED

永義國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1218)

**RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND BUY-BACK SHARES,
PROPOSED ADOPTION OF CHINESE NAME AS SECONDARY NAME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Easyknit International Holdings Limited to 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 Thursday, 6 August 2020 at 9:00 a.m. is set out on pages N-1 to N-5 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

* For identification purpose only

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Accompanying Document – Form of Proxy

DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“2020 AGM”	the annual general meeting of the Company to 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 Thursday, 6 August 2020 at 9:00 a.m., notice of which is set out on pages N-1 to N-5 of this circular, or any adjournment thereof
“Board”	the board of the Directors
“Buy-back Mandate”	the proposed general mandate to be granted to the Directors at the 2020 AGM to exercise all powers of the Company to buy-back Shares up to a maximum of 10% of the total number of issued Shares as at the date of approval of such mandate
“Bye-laws”	the bye-laws of the Company, as amended, supplemented or otherwise modified from time to time
“CG Code”	the Corporate Governance Code and Corporate Governance Report as set out in Appendix 14 of the Listing Rules
“Companies Act”	the Companies Act 1981 of Bermuda (as amended)
“Company”	Easyknit International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the main board of the Stock Exchange (Stock Code: 1218)
“Director(s)”	director(s) of the Company
“General Mandates”	the Issue Mandate and the Buy-back Mandate
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issue Mandate”	the proposed general mandate to be granted to the Directors at the 2020 AGM to exercise all powers of the Company to allot, issue and deal with additional Shares not exceeding 20% of the total number of issued Shares as at the date of approval of such mandate

DEFINITIONS

“Latest Practicable Date”	Thursday, 2 July 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Nomination Committee”	the nomination committee of the Company
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

LETTER FROM THE BOARD



EASYKNIT INTERNATIONAL HOLDINGS LIMITED

永義國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1218)

Executive Directors:

Mr. Tse Wing Chiu Ricky

(President and Chief Executive Officer)

Ms. Lui Yuk Chu *(Vice President)*

Ms. Koon Ho Yan Candy

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

Independent Non-executive Directors:

Mr. Tsui Chun Kong

Mr. Jong Koon Sang

Mr. Hon Tam Chun

*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

7 July 2020

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND BUY-BACK SHARES,
PROPOSED ADOPTION OF CHINESE NAME AS SECONDARY NAME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide the Shareholders with notice of the 2020 AGM, and information on matters to be dealt with at the 2020 AGM, inter alia, (a) the re-election of the retiring Directors; (b) the grant of the General Mandates to the Directors; (c) the extension of the Issue Mandate by adding to it the aggregate number of the issued Shares repurchased by the Company under the Buy-back Mandate; and (d) the proposed adoption of the Chinese name of “永義國際集團有限公司” as the secondary name of the Company.

* For identification purpose only

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

Pursuant to bye-law 99 of the Bye-laws and the CG Code, Ms. Lui Yuk Chu (“**Ms. Lui**”), an executive Director, and Mr. Tsui Chun Kong (“**Mr. Tsui**”), an independent non-executive Director, shall retire from office by rotation at the 2020 AGM. Ms. Lui and Mr. Tsui, being eligible, have offered themselves for re-election at the 2020 AGM.

In considering the re-election of Ms. Lui and Mr. Tsui, the Nomination Committee took into account the board diversity policy and applied the selection criteria set out in the nomination policy of the Company by, inter alia, reviewing the experience and expertise as well as the performance and time commitment of Ms. Lui and Mr. Tsui for the financial year ended 31 March 2020.

With respect to the re-election of Mr. Tsui, being an independent non-executive Director, the Nomination Committee has also reviewed his independence confirmation made pursuant to independence guidelines set out in Rule 3.13 of the Listing Rules, and considered that he is independent.

With the recommendation of the Nomination Committee, the Board was satisfied that Mr. Tsui has the required integrity, independence and experience to fulfil his role as an independent non-executive Director, and the re-election of Ms. Lui and Mr. Tsui, is in the best interests of the Company and the Shareholders as a whole.

Mr. Tsui abstained from the discussion and voting at the meetings of the Nomination Committee and the Board regarding his independence and re-election, whereas Ms. Lui abstained from the discussion and voting at the meeting of the Board regarding her re-election.

The particulars of the retiring Directors offering for re-election at the 2020 AGM, which are required to be disclosed pursuant to the Listing Rules, are set out in appendix I to this circular. The re-election of the retiring Directors will be individually voted by the Shareholders at the 2020 AGM.

GENERAL MANDATE TO ISSUE SHARES

The Directors wish to seek the approval of the Shareholders (i) to grant the Issue Mandate to the Directors to exercise all powers of the Company to allot, issue and deal with Shares up to 20% of the total number of issued Shares as at the date of the passing of the proposed ordinary resolution 6(A) as set out in the notice of the 2020 AGM; and (ii) to extend the Issue Mandate to be granted pursuant to ordinary resolution 6(A) by adding to such mandate the number of issued Shares repurchased by the Company pursuant to the Buy-back Mandate.

Based on 91,320,403 Shares in issue as at the Latest Practicable Date and on the assumption that there will be no variation in the issued share capital of the Company during the period up to the date of the 2020 AGM on 6 August 2020, the Company would be allowed to allot and issue a maximum number of 18,264,080 new Shares pursuant to the Issue Mandate.

The Company has no immediate plans for the issue of any new Shares pursuant to the Issue Mandate.

LETTER FROM THE BOARD

GENERAL MANDATE TO BUY-BACK SHARES

The Directors wish to seek the approval of the Shareholders to grant the Buy-back Mandate to the Directors to exercise all powers of the Company to buy-back Shares up to a maximum of 10% of the total number of issued Shares at the date of the passing of the proposed ordinary resolution 6(B) as set out in the notice of the 2020 AGM. On the basis that no further Shares are issued or repurchased by the Company after the Latest Practicable Date and prior to the 2020 AGM and subject to the passing of the resolution for the Buy-back Mandate at the 2020 AGM, the Company would be allowed to buy-back a maximum of 9,132,040 Shares. The Company's authority is restricted to buy-back made on the Stock Exchange and otherwise in accordance with the Listing Rules.

An explanatory statement, as required by the Listing Rules to be sent to the Shareholders in connection with the Buy-back Mandate, is set out in appendix II to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the ordinary resolution to approve the Buy-back Mandate at the 2020 AGM.

PROPOSED ADOPTION OF CHINESE NAME AS SECONDARY NAME

The Board proposed to adopt and register the Chinese name of “永義國際集團有限公司” as the secondary name of the Company.

Conditions of the Proposed Adoption of Chinese Name as Secondary Name

The proposed adoption of Chinese name of “永義國際集團有限公司” as the secondary name of the Company is subject to the following conditions:

1. the passing of a special resolution by the Shareholders at the 2020 AGM to approve the proposed adoption of Chinese name of “永義國際集團有限公司” as the secondary name of the Company; and
2. the Registrar of Companies in Bermuda approving the adoption of the Chinese name of “永義國際集團有限公司” as the Company's secondary name and issuing a certificate of the secondary name in respect thereof.

The proposed adoption of Chinese name of “永義國際集團有限公司” as the secondary name of the Company will take effect from the date of entry of the secondary name on the register together with the primary name maintained by the Registrar of Companies in Bermuda. Thereafter, the Company will carry out any necessary registration and/or filing procedures with the Companies Registry in Hong Kong.

Reasons for the Proposed Adoption of Chinese Name as Secondary Name

In order to align the Company's corporate image and identity with the development of the Group's businesses, the Board believes that the proposed adoption of Chinese name of “永義國際集團有限公司” as the secondary name of the Company will benefit the Company's future business development and is in the best interests of the Company and the Shareholders as a whole.

LETTER FROM THE BOARD

Effect of the Adoption of Chinese Name as Secondary Name

The proposed adoption of Chinese name of “永義國際集團有限公司” as the secondary name of the Company will not, of itself, affect any of the rights of the Shareholders. All existing share certificates of the Company bearing the existing name of the Company will, after the adoption of Chinese name of “永義國際集團有限公司” as the secondary name of the Company has become effective, continue to be evidence of legal title to the Shares and valid for trading, settlement, registration and delivery purposes. There will not be any arrangement for free exchange of existing Share certificates of the Company for new Share certificates of the Company.

The adoption of Chinese name of “永義國際集團有限公司” as the secondary name of the Company will not affect the trading of the Shares on the Stock Exchange under the existing name of the Company and its stock short name. Further announcement(s) will be made by the Company to inform the Shareholders of the effective date of the adoption of Chinese name of “永義國際集團有限公司” as the secondary name of the Company as and when appropriate.

ANNUAL GENERAL MEETING

The notice of the 2020 AGM is set out on pages N-1 to N-5 of this circular. A form of proxy for use at the 2020 AGM is enclosed. Whether or not you are able to attend the 2020 AGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the 2020 AGM. Completion and return of the form of proxy will not preclude you from attending and voting in person at the 2020 AGM or any adjournment thereof should you so wish. In the event that a Shareholder having lodged a form of proxy attends the 2020 AGM, his form of proxy will be deemed to have been revoked.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the Shareholders’ eligibility to attend and vote at the 2020 AGM, the register of members of the Company will be closed from Monday, 3 August 2020 to Thursday, 6 August 2020, both dates inclusive. During such period, no Share transfers will be registered. In order to qualify to attend and vote at the 2020 AGM, all transfers of the Shares accompanied by the relevant Share certificates must be lodged with the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong no later than 4:30 p.m. on Friday, 31 July 2020, for registration.

VOTING AT THE 2020 AGM

Pursuant to Rule 13.39(4) of the Listing Rules, all votes of the Shareholders at a general meeting must be taken by poll save for purely procedural or administrative matters. The chairman of the 2020 AGM will therefore exercise his/her power under bye-law 70 of the Bye-laws to put each of the resolutions to be proposed at the 2020 AGM to the vote by way of poll.

LETTER FROM THE BOARD

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by a proxy shall have one vote for each Share registered in his/her name in the register of members of the Company. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she uses in the same way.

After the conclusion of the 2020 AGM, the results of the poll will be published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.easyknit.com).

RESPONSIBILITY OF THE DIRECTORS

This circular for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules, for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATIONS

The Board considers that the re-election of Directors, the grant of the Issue Mandate and the Buy-back Mandate, the extension of the Issue Mandate by adding the number of Shares repurchased by the Company under the Buy-back Mandate, and the proposed adoption of Chinese name as the secondary name of the Company are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of all the resolutions to be proposed at the 2020 AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
By Order of the Board
EASYKNIT INTERNATIONAL HOLDINGS LIMITED
Tse Wing Chiu Ricky
President and Chief Executive Officer

Pursuant to bye-law 99 of the Bye-laws and the CG Code, Ms. Lui Yuk Chu (“**Ms. Lui**”), an executive Director, and Mr. Tsui Chun Kong (“**Mr. Tsui**”), an independent non-executive Director, shall retire from office by rotation at the 2020 AGM. Ms. Lui and Mr. Tsui, being eligible, have offered themselves for re-election at the 2020 AGM and their biographical details are set out below to enable the Shareholders to make an informed decision on their re-election:

EXECUTIVE DIRECTOR**Ms. Lui Yuk Chu**

Ms. Lui, aged 62, is a co-founder of the Group, an executive Director and vice president of the Company and a member of the executive committee of the Company. She is also a director of various subsidiaries of the Company. Besides, Ms. Lui is an executive director and deputy chairman, and a member of the executive committee of Eminence Enterprise Limited (“**Eminence**”) (stock code: 616) and serves as director of various subsidiaries of Eminence. Ms. Lui has been involved in the textiles industry for over thirty years and has extensive experience in design, manufacturing, marketing and distribution of apparel. Ms. Lui was appointed to the Board as an executive Director in 1994. In 2006, she was appointed as vice president of the Company. Ms. Lui is the wife of Mr. Koon Wing Yee, the co-founder of the Group. She is also the mother of Ms. Koon Ho Yan Candy, an executive Director.

There is no proposed length of service contract between the Company and Ms. Lui, but she is subject to retirement by rotation and re-election at least once every three (3) years at the annual general meeting of the Company in accordance with the Bye-laws. The Director’s emolument of Ms. Lui is HK\$2,640,000 per annum. Ms. Lui is entitled to discretionary bonus payments as the remuneration committee of the Company (the “**Remuneration Committee**”) may determine appropriate. Her Director’s emoluments are to be determined by the Board after the recommendation from the Remuneration Committee pursuant to the authority to be sought from the Shareholders at the 2020 AGM by reference to her time commitment and responsibilities to the Company, the Company’s performance and the prevailing market conditions.

As at the Latest Practicable Date, Sea Rejoice Limited, which is wholly-owned by Ms. Lui, is interested in 17,429,664 Shares, representing approximately 19.09% of the issued Shares. As such, Ms. Lui is deemed to be interested in 17,429,664 Shares within the meaning of Part XV of the SFO. She is also one of the directors of Magical Profits Limited and a sole director of Sea Rejoice Limited, both of which are substantial Shareholders.

Save as disclosed above, (i) Ms. Lui has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three (3) years; (ii) she does not have any other relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; and (iii) she does not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information concerning Ms. Lui that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

INDEPENDENT NON-EXECUTIVE DIRECTOR**Mr. Tsui Chun Kong**

Mr. Tsui, aged 69, is an independent non-executive Director since 2004. He is also a member and chairman of the audit committee of the Company, and a member of the Remuneration Committee and the Nomination Committee. He obtained a Master's Degree in Business Administration from the Oklahoma City University in the United States in 1991 and is a fellow member of both The Hong Kong Institute of Certified Public Accountants and The Association of Chartered Certified Accountants. Mr. Tsui has over forty years of experience in the public accounting profession and the commercial sector, especially the travel industry. He has experience in the preparation for the listing of shares on the Stock Exchange and worked for a few listed companies. Mr. Tsui is now practising as a public accountant under his own name.

There is a service contract between the Company and Mr. Tsui for a term of three (3) years and he is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Bye-laws. The Director's emoluments of Mr. Tsui are fixed at HK\$150,000 per annum. Mr. Tsui is not entitled to any bonus payments (whether fixed or discretionary in nature). His Director's emoluments are to be determined by the Board after the recommendation from the Remuneration Committee pursuant to the authority to be sought from the Shareholders at the 2020 AGM by reference to his time commitment and responsibilities to the Company, the Company's performance and the prevailing market conditions.

Save as disclosed above, (i) Mr. Tsui has not held any other directorships in any public companies the securities of which are listed on any securities market in Hong Kong or overseas in the past three (3) years; (ii) he has not held any other positions in the Company and its subsidiaries; (iii) he does not have any other relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; and (iv) he does not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information concerning Mr. Tsui that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

This appendix serves as the explanatory statement to provide requisite information to the Shareholders for their consideration of the Buy-back Mandate, as required by Rule 10.06 of the Listing Rules.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company is 91,320,403 Shares.

On the basis that no further Shares are issued or bought back by the Company prior to the 2020 AGM and the ordinary resolution 6(B) as set out in the notice of the 2020 AGM is duly passed, the Company will be allowed under the Buy-back Mandate to buy-back a maximum of 9,132,040 Shares, representing 10% of the issued share capital of the Company as at the date of passing the resolution, during the period in which the Buy-back Mandate remains in force.

The Buy-back Mandate will be valid for the period from the date of passing the ordinary resolution 6(B) until whichever is the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting is required by the Bye-laws or the Companies Act or all applicable laws to be held; and (iii) the revocation or variation of the authority given under the ordinary resolution 6(B) by an ordinary resolution of the Shareholders in general meeting.

2. REASONS FOR BUY-BACKS

The Directors believe that it is in the best interests of the Company and the Shareholders to seek the Buy-back Mandate which enables the Directors to buy-back Shares on the Stock Exchange and otherwise in accordance with the Listing Rules. Such buy-backs may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such buy-backs will benefit the Company and the Shareholders as a whole.

3. FUNDING OF BUY-BACKS

Pursuant to the Buy-back Mandate, any buy-backs will only be made out of funds legally available for such purpose in accordance with the Company's memorandum of association, the Bye-laws, the Listing Rules and all applicable laws of Bermuda. Under Bermuda law, any buy-backs will be made out of funds of the Company legally permitted to be utilised including capital paid up on the Shares to be repurchased, funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of Shares made for the purpose. The amount of premiums payable on buy-back is provided for out of the funds of the Company which would otherwise be available for dividend or distribution or sums standing to the share premium account of the Company.

There might not be a material adverse impact on the working capital requirements or gearing levels of the Company, as compared with the position disclosed in the latest published audited accounts for the year ended 31 March 2020, in the event that the Buy-back Mandate was to be exercised in full at any time during the proposed buy-back period. However, the Directors do not propose to exercise the Buy-back Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels of the Company that in the opinion of the Directors are from time to time appropriate for the Company.

4. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise all powers of the Company to make buy-backs pursuant to the Buy-back Mandate and in accordance with the Bye-laws, the Listing Rules and all applicable laws of Bermuda.

5. DIRECTORS, THEIR CLOSE ASSOCIATES AND CORE CONNECTED PERSONS

None of the Directors, to the best of their knowledge having made all reasonable enquiries, nor their respective close associates (as defined in the Listing Rules) has any present intention to sell Shares to the Company or its subsidiaries under the Buy-back Mandate if such is approved by the Shareholders.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he has a present intention to sell any Shares to the Company, or has undertaken not to do so, in the event that the Buy-back Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Directors exercising the powers of the Company to buy-back Shares pursuant to the Buy-back Mandate, such increase will be treated as an acquisition of voting rights for the purpose of Rules 26 and 32 of the Takeovers Code. Accordingly, a Shareholder or a group of the Shareholders acting in concert, depending on the level of increase of the Shareholders' interest, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, each of Ms. Koon Ho Yan Candy, an executive Director, and The Winterbotham Trust Company Limited as the trustee of The Magical 2000 Trust is taken to have an interest under the SFO in the same block of 29,179,480 Shares, representing approximately 31.95% of the total number of issued Shares. Apart from the foregoing, Ms. Lui Yuk Chu, an executive Director, is interested in 17,429,664 Shares, representing approximately 19.09% of the total number of issued Shares through her wholly-owned subsidiary Sea Rejoice Limited. For the purpose of the Takeovers Code, Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy are concert parties and are taken to have an interest in a total of 46,609,144 Shares, representing approximately 51.04% of the total number of issued Shares. In the event that the Directors exercise in full all powers to buy-back Shares which is proposed to be granted pursuant to ordinary resolution 6(B), then (if the present shareholdings otherwise remained the same) the attributable shareholding of Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy would be increased to approximately 56.71% of the total number of issued Shares. The Board is not aware of any consequences which will arise under the Takeovers Code as a result of any repurchases to be made under the Buy-back Mandate.

The Listing Rules prohibit a company from making repurchase of the Shares on the Stock Exchange if the result of the repurchase would be that less than 25% (or such other prescribed minimum percentage as determined by the Stock Exchange) of the Company's issued Shares would be in public hands. The Board does not propose to repurchase Shares, which would result in less than the prescribed minimum percentage of issued Shares in public hands.

7. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the twelve (12) months preceding the Latest Practicable Date were as follows:

	Share Prices	
	Highest HK\$	Lowest HK\$
2019		
June	4.00	3.90
July	4.23	4.00
August	4.13	3.89
September	4.00	3.99
October	4.00	3.60
November	4.00	3.88
December	3.96	3.60
2020		
January	3.90	3.50
February	3.60	3.30
March	3.42	2.80
April	3.10	2.60
May	2.73	2.50
June	2.80	2.50
July (<i>up to and including the Latest Practicable Date</i>)	2.80	2.80

8. SHARE BUY-BACKS MADE BY THE COMPANY

During the six (6) months preceding the Latest Practicable Date, no Shares have been repurchased by the Company (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



EASYKNIT INTERNATIONAL HOLDINGS LIMITED

永義國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1218)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an annual general meeting (the “**Meeting**”) of Easyknit International Holdings Limited (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 Thursday, 6 August 2020 at 9:00 a.m. for the following purposes:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements of the Company or the year ended 31 March 2020 together with the reports of the directors and the auditor thereon.
2. To consider and approve the re-election of Ms. Lui Yuk Chu as an executive director of the Company.
3. To consider and approve the re-election of Mr. Tsui Chun Kong as an independent non-executive director of the Company.
4. To authorise the board (the “**Board**”) of directors (the “**Directors**”) of the Company to fix the remuneration of the Directors for the year ending 31 March 2021.
5. To re-appoint Messrs. Deloitte Touche Tohmatsu as the auditor of the Company and to authorise the Board to fix its remuneration.

As special business, to consider and, if thought fit, to pass, with or without amendments, the following resolutions as ordinary resolutions of the Company:

6. (A) “**THAT:**
 - (a) subject to paragraph (c) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements or options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws and the bye-laws of the Company (the “**Bye-laws**”), be and is hereby generally and unconditionally approved;

* For identification purpose only

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall authorise the Directors during the Relevant Period to make or grant offers, agreements or options and other securities which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the total number of shares of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraphs (a) and (b) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws, or (iii) the exercise of any options granted under the share option scheme of the Company, shall not exceed 20 per cent. of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws of Bermuda to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares of the Company open for a period fixed by the Directors to the holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

(B) “**THAT**:

- (a) subject to paragraph (b) below, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all powers of the Company to buy-back issued shares of the Company, subject to and in accordance with all applicable laws and regulations, the Bye-laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the total number of issued shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the total number of issued shares of the Company as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws or any applicable laws of Bermuda to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- (C) “**THAT**, subject to the passing of resolutions numbered 6(A) and 6(B) above as set out in the notice convening the Meeting, the authority granted to the Directors pursuant to resolution numbered 6(A) above be and is hereby extended by the addition to the total number of issued shares of the Company which may be allotted or agreed conditionally or unconditionally to be allotted pursuant to such authority an amount representing the total number of issued shares repurchased by the Company under the authority granted pursuant to resolution numbered 6(B) as set out in the notice convening the Meeting, provided that such extended amount shall not exceed 10 per cent. of the total number of issued shares of the Company as at the date of passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

SPECIAL RESOLUTION

As special business, to consider and, if thought fit, to pass, with or without amendments, the following resolution as a special resolution of the Company:

7. “**THAT** the Chinese name of “永義國際集團有限公司” be adopted as the secondary name of the Company (the “**Adoption of Secondary Name**”) subject to the approval by the Registrar of Companies in Bermuda and that any one or more of the Directors be and is/are hereby authorized to do such acts and things and execute all such documents, including under seal where appropriate, or make such arrangements as he/she/they may in his/her/their absolute discretion consider necessary or expedient to effect the Adoption of Secondary Name and to attend to any necessary registration and/or filing procedures for and on behalf of the Company.”

By Order of the Board

EASYKNIT INTERNATIONAL HOLDINGS LIMITED

Tse Wing Chiu Ricky

President and Chief Executive Officer

Hong Kong, 7 July 2020

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. Any shareholder of the Company entitled to attend and vote at the Meeting convened by the above notice is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder of the Company who is the holder of two or more shares of the Company (the “**Shares**”) may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a shareholder of the Company. In addition, a proxy or proxies representing either a shareholder of the Company who is an individual or a shareholder of the Company which is a corporation shall be entitled to exercise the same power on behalf of the shareholder of the Company which he or they represent(s) as such shareholder of the Company could exercise.
2. Where there are joint registered holders of any Share, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such Share as if he was solely entitled thereto; but if more than one of such joint holders be present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company (the “**Register of Members**”) in respect of such share shall alone be entitled to vote in respect thereof.
3. 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 seal or under the hand of an officer, attorney or other person duly authorised to sign the same. In the case of an instrument of proxy purporting to be signed on behalf of a corporation by an officer thereof, it shall be assumed, unless the contrary appears, that such officer was duly authorized to sign such instrument of proxy on behalf of the corporation without further evidence of the fact.

NOTICE OF ANNUAL GENERAL MEETING

4. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the Meeting or any adjourned meeting thereof at which the person named in the instrument proposes to vote and, in default, the instrument of proxy shall not be treated as valid.
5. For determining the entitlement to attend and vote at the Meeting, the Register of Members will be closed from Monday, 3 August 2020 to Thursday, 6 August 2020 (both dates inclusive), during which period no transfer of Shares will be effected. In order to qualify to attend and vote at the Meeting, all transfers forms of the Shares accompanied by the relevant Share certificates must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong no later than 4:30 p.m. on Friday, 31 July 2020, for registration.
6. Delivery of an instrument appointing a proxy shall not preclude a shareholder of the Company from attending and voting in person at the Meeting or any adjournment thereof or on the poll concerned and, in such event, the instrument appointing a proxy shall be deemed to have been revoked.
7. All resolutions set out in this notice will be taken by poll at the Meeting.

As at the date of this notice, the Board comprises Mr. Tse Wing Chiu Ricky, Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy as executive Directors; and Mr. Tsui Chun Kong, Mr. Jong Koon Sang and Mr. Hon Tam Chun as independent non-executive Directors.

In case of any inconsistency, the English version of this circular shall prevail over the Chinese version.