



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

PRESS RELEASE

**Easyknit International
Provisionally Agrees to Dispose
a Property at Granville Road in Tsim Sha Tsui
Realizing a Gain of HK\$19,200,000**

(Hong Kong, 27 June 2007) — **Easyknit International Holdings Limited** (“Easyknit”/ the “Company” / together with its subsidiaries the “Group”) (Stock Code: 1218) announced today that its wholly-owned subsidiary Cheong Ko Investment Company Limited entered into a binding provisional sale and purchase agreement with Deluxe Mind Investments Limited, an independent third party, to dispose of premises situated on ground floor and cockloft of No. 31 Granville Road, Tsim Sha Tsui, Kowloon (the “Property”) at a consideration of HK\$92,800,000. The disposal would enable the Group to recognize a gain of HK\$19,200,000 (before selling expenses).

Spokesperson of the Group said, “In view of the prosperous development of property market this year, the directors consider it is now a good opportunity to dispose of the Property so as to contribute the highest property investment returns to the Group and the shareholders.”

According to the unaudited consolidated financial statements of the Group for the year ended 31 March 2007, the book value of the Property as at 31 March 2007 was HK\$73,600,000. The Property was the subject of a tenancy which attracted annual rental of HK\$2,392,000 and HK\$2,175,384 for the two financial years ended 31 March 2007 and 31 March 2006 respectively.

Spokesperson of the Group concluded, “Our foresighted investment plans formulated in the past years are gradually recognizing positive results. The management would further develop various investment and production strategies to enhance the Group’s business performance.”

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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