EASYKNIT INTERNATIONAL HOLDINGS LIMITED
永義國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 1218)

CLARIFICATION ANNOUNCEMENT REGARDING PROPOSED SHARE SUBDIVISION

Reference is made to the announcement of Easyknit International Holdings Limited (the "**Company**") dated 20 July 2026 in relation to the proposed share subdivision and proposed change in board lot size (the "**Announcement**"). Unless otherwise defined, capitalised terms used in this announcement shall have the same meanings as those defined in the Announcement.

The Board would like to clarify the details of the proposed Share Subdivision and proposed Change in Board Lot Size. The Board now proposes to subdivide each existing issued and unissued Share of HK$0.1 each into **two (2) Subdivided Shares of HK$0.05 each**. The Board further proposes that **there will not be a change in board lot size** upon the Share Subdivision becoming effective.

REVISED DETAILS OF THE PROPOSED SHARE SUBDIVISION

The Board proposes to subdivide each existing issued and unissued Share of HK$0.1 each into two (2) Subdivided Shares of HK$0.05 each. Upon the Share Subdivision becoming effective, the authorised share capital of the Company will be HK$1,000,000,000 divided into 20,000,000,000 Subdivided Shares, of which 147,976,806 Subdivided Shares will be in issue and fully paid or credited as fully paid, assuming that no further Shares will be issued or repurchased and the Company will not hold any treasury shares after the date of this announcement and prior to the Share Subdivision becoming effective.

The Share Subdivision will become effective on the second Business Day immediately following the date on which the conditions set out in the section headed "Conditions of the Share Subdivision" of this announcement are fulfilled. The Subdivided Shares will rank *pari passu* with each other in all respects with, and shall have the same rights and privileges attaching thereto as, the Shares in issue prior to the Share Subdivision, and the relevant rights of the Shareholders will not be affected by the Share Subdivision.

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, pass an ordinary resolution to approve the Share Subdivision and the matters contemplated thereunder. No Shareholder is required to abstain from voting at the SGM. A circular containing, among other things, (i) further details of the Share Subdivision; (ii) the trading arrangements in respect of the Subdivided Shares; and (iii) the notice convening the SGM and related form of proxy, is expected to be despatched to the Shareholders on or before 5 August 2026.

Shareholders should take note that the Share Subdivision is conditional upon the fulfilment of its conditions. Therefore, the Share Subdivision may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

Reference is made to the Announcement. The Board would like to clarify the details of the proposed Share Subdivision and proposed Change in Board Lot Size. The Board now proposes to subdivide each existing issued and unissued Share of HK$0.1 each into **two (2) Subdivided Shares of HK$0.05 each**. The Board further proposes that **there will not be a change in board lot size** upon the Share Subdivision becoming effective.

REVISED DETAILS OF THE PROPOSED SHARE SUBDIVISION

As at the date of this announcement, the authorised share capital of the Company is HK$1,000,000,000 divided into 10,000,000,000 Shares of HK$0.1 each, of which 73,988,403 Shares have been issued and are fully paid or credited as fully paid.

The Board proposes to subdivide each existing issued and unissued Share of HK$0.1 each into two (2) Subdivided Shares of HK$0.05 each. Upon the Share Subdivision becoming effective, the authorised share capital of the Company will be HK$1,000,000,000 divided into 20,000,000,000 Subdivided Shares, of which 147,976,806 Subdivided Shares will be in issue and fully paid or credited as fully paid, assuming that no further Shares will be issued or repurchased and the Company will not hold any treasury shares after the date of this announcement and prior to the Share Subdivision becoming effective.

The Share Subdivision will become effective on the second Business Day immediately following the date on which the conditions set out in the section headed "Conditions of the Share Subdivision" below are fulfilled. The Subdivided Shares will rank *pari passu* with each other in all respects with, and shall have the same rights and privileges attaching thereto as, the Shares in issue prior to the Share Subdivision, and the relevant rights of the Shareholders will not be affected by the Share Subdivision.

Conditions of the Share Subdivision

The Share Subdivision is conditional on:

(a) the passing by the Shareholders at the SGM of an ordinary resolution approving the Share Subdivision;

(b) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subdivided Shares and any new Subdivided Share(s) which may be issued upon the exercise of the share options granted under the Share Option Scheme; and

(c) the compliance with all relevant procedures and requirements under the Companies Act (where applicable) and the Listing Rules to effect the Share Subdivision.

The Share Subdivision will become effective on the second Business Day after the conditions of the Share Subdivision above are fulfilled.

Listing of and dealings in the Subdivided Shares

An application will be made by the Company to the Stock Exchange for granting the listing of, and permission to deal in, the Subdivided Shares in issue and to be issued. All necessary arrangements will be made for the Subdivided Shares to be admitted into CCASS.

Subject to the granting of listing of, and permission to deal in, the Subdivided Shares on the Stock Exchange, the Subdivided Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Subdivided Shares on the Stock Exchange or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and the CCASS Operational Procedures in effect from time to time.

None of the securities of the Company is listed or dealt in, or on which listing or permission to deal is being or is proposed to be sought from, any other stock exchanges other than the Stock Exchange, and no such listing and/or permission to deal in the Subdivided Shares to be in issue is being or is proposed to be sought from any other stock exchanges other than the Stock Exchange.

ADJUSTMENTS TO SHARE OPTIONS

As at the date of this announcement, there were 292,000 outstanding share options granted under the Share Option Scheme to subscribe for an aggregate of 292,000 Shares. Upon the Share Subdivision becoming effective, pro-rata adjustments will be made to the exercise prices and the number of outstanding share options. The Company has appointed an independent financial adviser to certify in writing that such pro-rata adjustments are in accordance with the terms of the Share Option Scheme and the supplementary guidance regarding the adjustment of share options under Rule 17.03(13) of the Listing Rules.

The Company will inform each of the grantees of the share options regarding the adjustments to be made pursuant to the respective terms and conditions of the Share Option Scheme.

Further, the Share Option Scheme was expired on 4 July 2022 and no further share option was granted.

Save as disclosed above, the Company has no outstanding warrants, convertibles, options or derivatives and conversion rights or other similar rights which are convertible or exchangeable into Shares, and did not hold any treasury shares as at the date of this announcement.

ODD LOT TRADING ARRANGEMENT AND MATCHING SERVICES

In order to facilitate the trading of odd lots, if any, of the Subdivided Shares arising from the proposed Share Subdivision, the Company has appointed Constance Capital Limited (弘雅資本有限公司) as its agent to provide matching services, on a best effort basis, to those Shareholders who wish to acquire odd lots of the Subdivided Shares to make up a full board lot, or to dispose of their holding of odd lots of the Subdivided Shares during the period from 9:00 a.m. on Thursday, 10 September 2026 to 4:00 p.m. Wednesday, 30 September 2026 (both days inclusive). Shareholders who wish to take advantage of this service should contact Mr. Wu Kwong Chau of Constance Capital Limited (弘雅資本有限公司) at Unit B11, 27/F, NCB Innovation Centre, No. 888 Lai Chi Kok Road, Cheung Sha Wan, Kowloon, Hong Kong or at telephone number +852 2511 1949 during normal office hours of such period. Holders of odd lots of the Subdivided Shares should note that the matching of the sale and purchase of odd lots of the Subdivided Shares is not guaranteed. Shareholders who are in any doubt about the odd lots matching arrangement are recommended to consult their own professional advisers.

Details of the odd lots matching arrangement will be set out in the circular, among other things, in relation to the Share Subdivision to be despatched to the Shareholders.

EXPECTED TIMETABLE

The expected timetable for the implementation of the Share Subdivision is set out below:

Despatch of circular regarding, among other things, the Share Subdivision together with the notice of the SGM and form of proxy	On or before Wednesday, 5 August 2026
Latest time for lodging transfer of Shares in order to qualify for attendance and voting at the SGM	4:30 p.m. on Wednesday, 19 August 2026
Closure of register of members for the entitlement to attend and vote at the SGM	Thursday, 20 August 2026 to Tuesday, 25 August 2026 (both days inclusive)
Latest time for lodging form of proxy for the SGM	10:15 a.m. on Sunday, 23 August 2026
Record date for attendance and voting at the SGM	Tuesday, 25 August 2026
Date and time of the SGM	10:15 a.m. on Tuesday, 25 August 2026
Publication of the poll results of the SGM	Tuesday, 25 August 2026

The following events are conditional on the fulfilment of the conditions for the implementation of the Share Subdivision as set out in the section headed "Conditions of the Share Subdivision" above:

Effective date of the Share Subdivision	Thursday, 27 August 2026
Free exchange of Existing Share Certificates for New Share Certificates for the Subdivided Shares commences	9:00 a.m. on Thursday, 27 August 2026
Dealings in the Subdivided Shares commence	9:00 a.m. on Thursday, 27 August 2026

Original counter for trading in existing Shares in board lots of 1,000 Shares (in the form of Existing Share Certificates) temporarily closes . . . . 9:00 a.m. on Thursday, 27 August 2026

Temporary counter for trading in Subdivided Shares in board lots of 2,000 Subdivided Shares (in the form of Existing Share Certificates) opens . . . . 9:00 a.m. on Thursday, 27 August 2026

Original counter for trading in Subdivided Shares in board lots of 1,000 Subdivided Shares (in the form of New Share Certificates) reopens . . . . 9:00 a.m. on Thursday, 10 September 2026

Parallel trading in Subdivided Shares (in the form of Existing Share Certificates and New Share Certificates) commences . . . . 9:00 a.m. on Thursday, 10 September 2026

Designated broker starts to stand in the market to provide matching services for odd lots of Subdivided Shares . . . . 9:00 a.m. on Thursday, 10 September 2026

Designated broker ceases to stand in the market to provide matching services for odd lots of Subdivided Shares . . . . 4:00 p.m. on Wednesday, 30 September 2026

Temporary counter for trading in Subdivided Shares in board lots of 2,000 Subdivided Shares (in the form of Existing Share Certificates) closes . . . . 4:10 p.m. on Wednesday, 30 September 2026

Parallel trading in Subdivided Shares (in the form of Existing Share Certificates and New Share Certificates) ends . . . . 4:10 p.m. on Wednesday, 30 September 2026

Last day for free exchange of Existing Share Certificates for New Share Certificates for the Subdivided Shares . . . . 4:30 p.m. on Monday, 5 October 2026

Note: All times and dates in this announcement refer to Hong Kong local times and dates.

The expected timetable is subject to the result of the SGM and is therefore for indicative only and may be varied by the Company. Any change to the expected timetable will be announced in further announcement(s) by the Company as and when appropriate.

EXCHANGE OF SHARE CERTIFICATES

Subject to the Share Subdivision becoming effective, Shareholders may submit their Existing Share Certificate(s) to the branch share registrar and transfer office of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, in exchange for New Share Certificate(s) free of charge between 9:00 a.m. and 4:30 p.m. on any Business Day from Thursday, 27 August 2026 to Monday, 5 October 2026 (both dates inclusive). It is expected that New Share Certificate(s) will be available for collection within 10 Business Days after the submission of the Existing Share Certificate(s) to Tricor Investor Services Limited for exchange.

From Tuesday, 6 October 2026 onwards, exchange of Existing Share Certificate(s) for New Share Certificate(s) can only be made at a cost of HK$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each Existing Share Certificate cancelled or each New Share Certificate issued, whichever number of share certificates involved is higher.

Existing Share Certificates will only be valid for delivery, trading and settlement purposes for the period up to 4:10 p.m. on Wednesday, 30 September 2026 and thereafter will not be accepted for delivery, trading and settlement purposes. However, all Existing Share Certificates will continue to be good evidence of legal title to the Subdivided Shares on the basis of one (1) Share for two (2) Subdivided Shares. New Share Certificates will be issued in red colour in order to distinguish them from the Existing Share Certificates which are in blue colour.

REASONS FOR THE SHARE SUBDIVISION

The proposed Share Subdivision will decrease the nominal value and trading price of each Share and increase the total number of Shares in issue. Based on the closing price of HK$2.3 per Share as quoted on the Stock Exchange as at the date of this announcement, the market value per board lot of 1,000 Shares is HK$2,300. The estimated market value per board lot of 1,000 Subdivided Shares will theoretically be reduced to HK$1,150 immediately upon the Share Subdivision becoming effective. The Board is of the view that the Share Subdivision will lower the investment barrier and improve the liquidity in the trading of shares of the Company and broaden the shareholder base of the Company by appealing to more investors. As a result, the Share Subdivision is expected to result in downward adjustment to the trading price of each Share and the market value per board lot of Shares. Given the prevailing market conditions, a more liquid market will provide more flexibility for investors to trade in the shares of the Company, which will in turn facilitate the Company's growth and development in the future.

In order to facilitate the trading of odd lots, if any, of the Subdivided Shares arising from the proposed Share Subdivision, the Company has designated Constance Capital Limited (弘雅資本有限公司) as its agent to stand in the market to provide matching services for odd lots of Shares for a period from Thursday, 10 September 2026 to Wednesday, 30 September 2026 (both days inclusive), which is expected to effectively alleviate the difficulties caused by the creation of odd lots of Shares.

As at the date of this announcement, the Company has no concrete plan nor any agreement, arrangement, understanding or negotiation (concluded or otherwise) for any fund raising activities, or any intention to carry out other corporate action or arrangement, including share consolidation, share subdivision and capital reduction, which may have an effect of undermining or negating the intended purpose and effect of the Share Subdivision in the next 12 months.

Other than the expenses to be incurred by the Company in relation to the Share Subdivision, the implementation thereof will not, by itself, affect the underlying assets, business operations, management or financial position of the Group or the proportionate shareholding, rights and interests of the Shareholders. Accordingly, the Directors consider that the Share Subdivision will not have any adverse effect on the financial position of the Company.

In view of the above, the Board considers that the implementation of the Share Subdivision is fair and reasonable, as well as in the interests of the Company and the Shareholders as a whole.

GENERAL

The SGM will be convened and held for the Shareholders to consider and, if thought fit, pass an ordinary resolution to approve the Share Subdivision and the matters contemplated thereunder. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, no Shareholder has a material interest in the Share Subdivision and no Shareholder is required to abstain from voting at the SGM to approve the Share Subdivision and the matters contemplated thereunder.

A circular containing, among other things, (i) further details of the Share Subdivision; (ii) the trading arrangements in respect of the Subdivided Shares; and (iii) the notice convening the SGM and related form of proxy, is expected be despatched to the Shareholders on or before 5 August 2026.

Shareholders should take note that the Share Subdivision is conditional upon the fulfilment of its conditions. Therefore, the Share Subdivision may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company, and if they are in any doubt about their position, they should consult their professional advisers.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

"Board"	the board of Directors
"Business Day(s)"	any day on which the Stock Exchange is open for the business of dealing in securities
"Bye-laws"	the bye-laws of the Company, as amended, modified or otherwise supplemented from time to time
"CCASS"	the Central Clearing and Settlement System established and operated by HKSCC
"CCASS Operational Procedures"	the operational procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to the operations and functions of CCASS, as from time to time in force
"Companies Act"	The Companies Act 1981 of Bermuda, as amended, modified or other supplemented from time to time
"Company"	Easyknit International Holdings Limited (永義國際集團有限公司), 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)"	the director(s) of the Company
"Existing Share Certificate(s)"	existing form of certificate(s) of the Share(s)
"General Rules of CCASS"	the General Rules of CCASS as from time to time in force, and where the context so permits, shall include the CCASS Operational Procedures
"Group"	the Company and its subsidiaries

"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"HKSCC"	Hong Kong Securities Clearing Company Limited
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"New Share Certificate(s)"	form of certificate(s) of the Subdivided Share(s)
"SGM"	the special general meeting of the Company to be held to consider and, if thought fit, approve, among other things, the Share Subdivision and the matters contemplated thereunder
"Share(s)"	existing ordinary share(s) of par value of HK$0.1 each in the existing share capital of the Company prior to the Share Subdivision becoming effective
"Shareholder(s)"	the holder(s) of the Share(s)
"share option(s)"	share option(s) granted or to be granted to the entitled persons to subscribe for Share(s) under the Share Option Scheme and any other share option scheme(s) of the Company
"Share Option Scheme"	the share option scheme adopted by the Company pursuant to a resolution passed by the Shareholders on 5 July 2012
"Share Subdivision"	the proposed share subdivision of every existing Share (both issued and unissued) of par value of HK$0.1 each be subdivided into two (2) Subdivided Shares of par value of HK$0.05 each as referred to in the section headed "REVISED DETAILS OF THE PROPOSED SHARE SUBDIVISION" of this announcement
"Stock Exchange"	The Stock Exchange of Hong Kong Limited

"Subdivided Share(s)"	ordinary share(s) of par value of HK$0.05 each in the share capital of the Company immediately after the Share Subdivision becoming effective
"%"	per cent.

By order of the Board
EASYKNIT INTERNATIONAL HOLDINGS LIMITED
Koon Ho Yan Candy
President and Chief Executive Officer

Hong Kong, 21 July 2026

As at the date hereof, the Board comprises Ms. Koon Ho Yan Candy and Ms. Lui Yuk Chu as executive Directors; and Mr. Tsui Chun Kong, Mr. Lau Chak Hang Charles and Mr. Ma Man Yuet as independent non-executive Directors.

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