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EASYKNIT INTERNATIONAL HOLDINGS LIMITED

永義國際集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1218)

**DELAY IN DESPATCH OF THE PROSPECTUS DOCUMENTS
AND
REVISED EXPECTED TIMETABLE FOR THE RIGHTS ISSUE**

Reference is made to the Company's announcements dated 11 May, 2004, 12 May, 2004 and 27 May, 2004. As additional time is needed to distribute the Prospectus to the Qualifying Shareholders in Singapore, the expected timetable in relation to the Rights Issue including, the date of despatch of the Prospectus Documents, has been amended.

Dealings in the Rights Shares in this nil-paid form will take place from Wednesday, 9 June, 2004 to Wednesday, 16 June, 2004 (both dates inclusive) whilst the conditions of the Rights Issue remain unfulfilled. If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated, the Rights Issue will not proceed. Shareholders should take note to the section below headed "Warning of the risks of dealing in Shares and nil-paid Rights Shares".

Reference is made to the Company's announcements dated 11 May, 2004 (the "Announcement"), 12 May, 2004 (the "Clarification Announcement") and 27 May, 2004 (the "Revised Timetable Announcement") (collectively as "Announcements"). Capitalised terms used herein shall have the meanings defined in the Announcements, unless the context requires otherwise.

As set out in the Revised Timetable Announcement, the Company will send the Prospectus Documents on 2 June, 2004. As additional time is needed to distribute the Prospectus to the Qualifying Shareholders in Singapore, the expected timetable in relation to the Rights Issue as announced in the Announcements including, the date of the despatch of the Prospectus Documents, has been amended as follows:

2004

Record Date.....Friday, 28 May

Register of members re-opensMonday, 31 May

Prospectus Documents to be postedMonday, 7 June

First day of dealings in nil-paid Rights SharesWednesday, 9 June

Latest time for splitting of nil-paid Rights Shares4:00 p.m. on Friday, 11 June

Last day of dealings in nil-paid Rights SharesWednesday, 16 June

Latest time and date for payment for
and acceptance of Rights Shares4:00 p.m. on Monday, 21 June

Rights Issue and Underwriting Agreement
expected to become unconditionalafter 4:00 p.m. on Thursday, 24 June

Announcement of results of acceptances and
excess applications in the Rights IssueFriday, 25 June

Despatch of refund cheques for wholly and
partially unsuccessful excess applicationsFriday, 25 June

Despatch of certificates for fully-paid Rights SharesFriday, 25 June

First day of dealings in fully-paid Rights SharesTuesday, 29 June

Dates or deadlines specified in this announcement are in Hong Kong times and are indicative only and may be varied by agreement between the Company and the Underwriter.

Qualifying Shareholders should note that Record Date and the date on which the register of members re-opens remain unchanged. The date of despatch of the Prospectus Documents will be extended to Monday, 7 June, 2004.

WARNING OF THE RISKS OF DEALING IN SHARES AND NIL-PAID RIGHTS SHARES

Dealings in the Rights Shares in this nil-paid form will take place from Wednesday, 9 June, 2004 to Wednesday, 16 June, 2004 (both dates inclusive) whilst the conditions of the Rights Issue remain unfulfilled. If the conditions of the Rights Issue are not fulfilled or the Underwriting Agreement is terminated, the Rights Issue will not proceed.

Any Shareholders or other persons dealing in the Shares from now up to the date on which all conditions of the Rights Issue are fulfilled (which is expected to be Thursday, 24 June, 2004), or in the Rights Shares in this nil-paid form during the period from Wednesday, 9 June, 2004 to Wednesday, 16 June, 2004 (Monday, 7 June, 2004 to Tuesday, 8 June, 2004, in the case of Shares traded on the SGX-ST), being the respective first and the last day of dealings in the nil-paid Rights Shares (both dates inclusive), will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Any Shareholders or other persons contemplating selling or purchasing Shares and/or Rights Shares in this nil-paid form during such periods who are in any doubt about their position are recommended to consult their professional advisers.

As at the date of this announcement, the executive Directors are Mr. Koon Wing Yee, Mr. Tsang Yiu Kai and Ms. Lui Yuk Chu and the independent non-executive Directors are Mr. Wong Sui Wah, Michael and Mr. Pun Hei, Hectar.

By order of the Board of
Easyknit International Holdings Limited
Koon Wing Yee
President and Chief Executive Officer

Hong Kong, 1 June, 2004

* *For identification only*

Please also refer to the published version of this announcement in The Standard.