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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)

ONGOING CONNECTED TRANSACTIONS REDUCTION IN AUTHORISED SHARE CAPITAL ADOPTION OF NEW BYE-LAWS

DELAY IN DESPATCH OF CIRCULAR

Reference is made to the Company's announcements dated 20th May, 2004 and 23rd June, 2004 in relation to, amongst others, the ongoing connected transactions and the proposed reduction in authorised share capital of the Company and the announcement dated 10th June, 2004 for the extension of time to despatch the Circular to no later than 25th June, 2004.

The Company has applied to the Stock Exchange for waiver from strict compliance with Rule 14A.49 of the Listing Rules and to extend the despatch date of the Circular to no later than 29th June, 2004.

Reference is made to the Company's announcements dated 20th May, 2004 ("Announcement") and 23rd June, 2004 in relation to, amongst others, the ongoing connected transactions and the proposed reduction in authorised share capital of the Company and the announcement dated 10th June, 2004 for the extension of time to despatch the Circular to no later than 25th June, 2004. Terms defined in the Announcement have the same meaning when used herein.

As the Company requires more time to finalise and check the information to be incorporated in the Circular, the Company has applied to the Stock Exchange for waiver from strict compliance with Rule 14A.49 of the Listing Rules and to extend the despatch date of the Circular to no later than 29th June, 2004.

As of the date of this announcement, the executive directors of the Company 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
Easyknit International Holdings Limited
Koon Wing Yee
President and Chief Executive Officer

Hong Kong, 24th June, 2004

* *for identification only*

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