

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liabilities whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



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

Reference is made to the notice of special general meeting published by the Company dated 29th June, 2004 and incorporated in the circular issued by the Company dated 29th June, 2004. The Directors wish to clarify that the resolution no.3 set out in the Notice to approve the reduction in authorised share capital of the Company will be proposed as a special resolution not an ordinary resolution.

Reference is made to the notice (“Notice”) published by the Company dated 29th June, 2004 and incorporated in the circular issued by the Company dated 29th June, 2004 (“Circular”) in relation to the special general meeting to be held on 28th July, 2004. Terms defined in the Circular have the same meanings when used herein.

The resolution no.3 set out in the Notice to approve the reduction in authorised share capital of the Company will be proposed at the SGM as a special resolution not an ordinary resolution. Due to an oversight at the printing stage, the resolution was misplaced under the heading “Ordinary Resolutions” in the Notice.

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, 15th July, 2004

* *for identification only*

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