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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)



Asia Alliance Holdings Limited

亞洲聯盟集團有限公司 *

(Incorporated in Bermuda with limited liability)
(Stock code: 0616)

**MAJOR AND CONNECTED TRANSACTION
FOR ASIA ALLIANCE HOLDINGS LIMITED**

DELAY IN DESPATCH OF CIRCULAR

Reference is made to the joint announcement made by Easyknit and Asia Alliance on 5 March 2004 in relation to the Acquisition.

Asia Alliance has applied to the Stock Exchange for a waiver and the extension of time for despatch of the Circular to 2 April 2004.

Reference is made to the joint announcement made by Easyknit and Asia Alliance on 5 March 2004 (“Announcement”). Terms used herein shall have the same meanings as ascribed thereto in the Announcement.

Rules 14.13(2) and 14.29(2) of the Listing Rules require a circular in relation to the Acquisition (“Circular”) to be despatched to the Asia Alliance Shareholders within 21 days after the publication of the Announcement, which is 29 March 2004.

As additional time is needed to finalise the financial information of Asia Alliance for incorporation into the Circular, Asia Alliance has applied to the Stock Exchange for a waiver and the extension of time for despatch of the Circular to 2 April 2004.

Easyknit is issuing this announcement voluntarily to provide information to the Easyknit Shareholders and the public.

By Order of the Board

Easyknit Holdings International Limited

Koon Wing Yee

President and Chief Executive Officer

By Order of the Board

Asia Alliance Holdings Limited

Koon Wing Yee

President and Chief Executive Officer

Hong Kong, 26 March 2004

* for identification purposes only

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