



EASYKNIT INTERNATIONAL HOLDINGS LIMITED

永義國際集團有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 1218)

ANNOUNCEMENT

Easyknit International Holdings Limited (the “Company”) has noted press reports in which Mr. Koon Wing Yee, and Mr. Tsang Yiu Kai, are identified as insider dealers in relation to the purchase of shares of the Company and Easy Concepts International Holdings Limited, now known as “CITIC 21CN COMPANY LIMITED” (“Easy Concepts”).

The board of directors of the Company (the “Board”) has noted press reports on the inquiry of the Insider Dealing Tribunal (the “Tribunal”) on whether insider dealing took place in relation to the listed securities of the Company and those of Easy Concepts on 31st January, 2000. The Company confirms that the Tribunal has found that Mr. Koon Wing Yee, the President and Chief Executive Officer and an executive director of the Company, and Mr. Tsang Yiu Kai, the Vice President and an executive director of the Company (who will cease to be the Vice President and an executive director on 10th December, 2005 as announced by the Company on 15th November, 2005) are insider dealers in relation to the purchase of the shares of the Company and shares of Easy Concepts on 31st January, 2000.

The Tribunal has yet to make any orders against Mr. Koon or Mr. Tsang. Mr. Koon has appealed against the findings of the Tribunal insofar as they relate to himself.

Further announcements will be made as and when appropriate.

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

Hong Kong, 5th December, 2005

As at the date of this announcement, the Board comprises Mr. Koon Wing Yee, Mr. Tsang Yiu Kai, Mr. Tse Wing Chiu, Ricky and Ms. Lui Yuk Chu as executive directors and Mr. Wong Sui Wah, Michael, Mr. Tsui Chun Kong and Mr. Jong Koon Sang as independent non-executive directors.

** For identification only*