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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)

RESULTS OF THE SPECIAL GENERAL MEETING

The Board is pleased to announce that at the SGM held at 9:00 a.m. on Monday, 16 October 2006, the special resolution approving the Capital Reorganisation and the ordinary resolution approving the Rights Issue were duly passed by the Shareholders and Independent Shareholders respectively present and voting at the SGM.

Reference is made to the announcement of the Company dated 30 August 2006 and the circular of the Company dated 22 September 2006 (“**Circular**”) in respect of the Capital Reorganisation and the Rights Issue. Capitalised terms used herein shall have the same meanings as those defined in the Circular, unless the context otherwise specifies.

At the SGM held at 9:00 a.m. on Monday, 16 October 2006, (i) the special resolution numbered 1 approving the Capital Reorganisation was duly passed by the Shareholders present and voting at the SGM by way of show of hands; and (ii) the ordinary resolution numbered 2 approving the Rights Issue (“**Ordinary Resolution**”) was duly passed by the Independent Shareholders present and voting at the SGM by way of poll.

As at the date of the SGM, the total number of Shares in issue were 1,985,510,079 Shares. Not taking into account the shareholding of Magical Profits and its associates, the total number of Shares entitling the Independent Shareholders to vote for or against the Ordinary Resolution at the SGM were 1,256,023,062 Shares. There were 729,487,017 Shares (representing the shareholding of Magical Profits and its associates) entitling the holder to attend and vote only against the Ordinary Resolution at the SGM. Magical Profits and its associates have abstained from voting on the Ordinary Resolution at the SGM.

The Company’s branch share registrar and transfer office in Hong Kong, Secretaries Limited, at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong, acted as the scrutineer for the purpose of taking the votes at the SGM.

Set out below is the result of the voting in respect of the Independent Shareholders which was taken on a poll at the SGM:

Resolution	Total number of Shares voted	Total number of Shares voted for the resolution and percentage	Total number of Shares voted against the resolution and percentage
Ordinary Resolution	197,374,226	151,896,809 (76.96%)	45,477,417 (23.04%)

As more than 50% of the votes represented by Independent Shareholders attending in person or by proxy at the SGM were cast in favour of the Ordinary Resolution, the Ordinary Resolution was duly passed by the Independent Shareholders by way of poll at the SGM.

As of the date of this announcement, the executive Directors are Mr. Tse Wing Chiu, Ricky and Ms. Lui Yuk Chu and the independent non-executive Directors are Mr. Wong Sui Wah, Michael, Mr. Tsui Chun Kong and Mr. Jong Koon Sang.

By order of the Board of
Easyknit International Holdings Limited
Tse Wing Chiu, Ricky
President and Chief Executive Officer

Hong Kong, 16 October 2006

* *For identification only*