

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)

GENERAL DISCLOSURE ANNOUNCEMENT

This announcement is made by Easyknit International Holdings Limited (the “Company”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock of Exchange of Hong Kong Limited.

Reference is made to the announcement (the “June 2006 Announcement”) of the Company dated 8 June 2006 in relation to the acquisition of Happy Light Investments Limited. Capitalized terms used herein shall have the same meaning as defined in the June 2006 Announcement.

The Directors of the Company are pleased to announce that completion of the acquisition of the Remaining Units, namely Ground Floor, No.1A and 1st Floor, No. 1 Victory Avenue, Kowloon, Hong Kong, had taken place on 17 April 2007 pursuant to the assignments entered into between Happy Light and the respective vendors of the Remaining Units, So Wai Fan and Leung Koon Tung. To the best knowledge of the Directors after making reasonable enquiries, the respective vendors of the Remaining Units are Independent Third Parties.

The total consideration for the acquisition of the Remaining Units was HK\$12,880,000 which had been fully satisfied by Happy Light in the following manner:

- (a) a total deposit of HK\$644,000 paid on 30 March 2007;
- (b) a total further deposit of HK\$1,932,000 paid on 13 April 2007; and
- (c) a total remaining purchase price of HK\$10,304,000 paid on 17 April 2007.

The acquisition of the Remaining Units formed part of the Transaction as announced by the June 2006 Announcement. The estimated expenses of approximately HK\$170 million in relation to the acquisition for the whole Building as referred to in the June 2006 Announcement and approved by the Shareholders at the SGM held on 19 July 2006 have included the aggregate purchase price for the Remaining Units.

Under the terms of the Consultancy Agreement, Happy Light shall pay Rich Era HK\$6,156,000 upon completion of the purchase of the Remaining Units. However, pursuant to a 2nd supplemental agreement dated 17 April 2007 made between Happy Light and Rich Era, the outstanding amount of consultancy fee payable to Rich Era is HK\$5,446,000 which shall be paid on or before 31 July 2007.

The estimated expenses of approximately HK\$170 million in relation to the acquisition for the whole Building as approved by the Shareholders at the SGM held on 19 July 2006 have included the aggregate consultancy fee paid to Rich Era.

As at the date of this announcement, the Board comprises Mr. Tse Wing Chiu, Ricky, Ms. Lui Yuk Chu and Mr. Kwong Jimmy Cheung Tim as executive Directors and Mr. Wong Sui Wah, Michael, Mr. Tsui Chun Kong and Mr. Jong Koon Sang as independent non-executive Directors.

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

Hong Kong, 17 April, 2007

* *for identification only*