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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)

Sea Rejoice Limited
樂洋有限公司*

*(incorporated in the British Virgin Islands
with limited liability)*

**JOINT ANNOUNCEMENT
VOLUNTARY CONDITIONAL OFFER BY
KINGSTON SECURITIES LIMITED
AND
ALTUS INVESTMENTS LIMITED
ON BEHALF OF
SEA REJOICE LIMITED
TO ACQUIRE ALL OF THE ISSUED SHARES IN THE SHARE CAPITAL OF
EASYKNIT INTERNATIONAL HOLDINGS LIMITED
(OTHER THAN THOSE ALREADY OWNED OR AGREED TO BE ACQUIRED
BY
SEA REJOICE LIMITED AND PARTIES ACTING IN CONCERT WITH IT)
DELAY IN DESPATCH OF THE COMPOSITE OFFER DOCUMENT**

Joint financial advisers to Sea Rejoice Limited



KINGSTON CORPORATE FINANCE LIMITED

ALTUS CAPITAL LIMITED

DELAY IN DESPATCH OF THE COMPOSITE OFFER DOCUMENT

The Company and the Offeror jointly announce that as additional time is required for the finalisation of the property valuation reports to be included in the Composite Offer Document, the despatch of the Composite Offer Document will be postponed. An application has been made to the Executive pursuant to Rule 8.2 of the Takeovers Code for an extension of time for the despatch of the Composite Offer Document to a date falling on or before 2 July 2010.

Reference is made to the joint announcement of the Offeror and the Company dated 28 May 2010 in relation to the Offer (the “Joint Announcement”). Unless the context otherwise requires, terms used herein shall have the same meanings as those defined in the Joint Announcement.

DELAY IN DESPATCH OF THE COMPOSITE OFFER DOCUMENT

Pursuant to Rule 8.2 of the Takeovers Code, a composite offer document (the “Composite Offer Document”) combining the offer document and the offeree board circular containing, amongst other things, details of the Offer, together with the relevant form of acceptance and transfer, should be despatched to the Shareholders within 21 days of the date of the Joint Announcement, that is, on or before 18 June 2010.

As additional time is required for the finalisation of the property valuation reports to be included in the Composite Offer Document, an application has been made to the Executive pursuant to Rule 8.2 of the Takeovers Code for an extension of time for the despatch of the Composite Offer Document to a date falling on or before 2 July 2010. Further announcement will be jointly made by the Company and the Offeror when the Composite Offer Document is despatched.

By order of the board of
**EASYKNIT INTERNATIONAL
HOLDINGS LIMITED**
Kwong Jimmy Cheung Tim
President and Chief Executive Officer

By order of the board of
SEA REJOICE LIMITED
Lui Yuk Chu
Director

Hong Kong, 18 June 2010

At the date of this joint announcement, the board of Easyknit International comprises Mr. Kwong Jimmy Cheung Tim, Ms. Lui Yuk Chu and Ms. Koon Ho Yan, Candy as executive directors, Mr. Tse Wing Chiu, Ricky as non-executive director and Mr. Tsui Chun Kong, Mr. Jong Koon Sang and Mr. Hon Tam Chun as independent non-executive directors.

As at the date hereof, the sole director of the Offeror is Ms. Lui Yuk Chu

The sole director of the Offeror accepts full responsibility for the accuracy of information contained in this joint announcement (other than information in relation to Easyknit International) and confirms, having made all reasonable enquiries, that to the best of her knowledge, opinions expressed in this joint announcement have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement the omission of which would make any statement in this joint announcement misleading.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this joint announcement (other than information in relation to the Offeror and parties acting in concert with it (other than Easyknit International)) and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this joint announcement (other than opinions expressed by the Offeror and parties acting in concert with it (other than Easyknit International)), have been arrived at after due and careful consideration and there are no other facts not contained in this joint announcement, the omission of which would make any statement in this joint announcement misleading.

* *For identification only*