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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)**



**Easyknit Enterprises Holdings Limited**

**永義實業集團有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock code : 0616)**

## **JOINT ANNOUNCEMENT**

**DESPATCH OF COMPOSITE OFFER DOCUMENT  
IN RELATION TO  
MANDATORY CONDITIONAL OFFER BY  
ALTUS INVESTMENTS LIMITED  
ON BEHALF OF EASYKNIT INTERNATIONAL HOLDINGS LIMITED  
(THROUGH GOODCO DEVELOPMENT LIMITED)  
FOR ALL THE ISSUED SHARES IN THE SHARE CAPITAL OF  
EASYKNIT ENTERPRISES HOLDINGS LIMITED  
(OTHER THAN THOSE ALREADY OWNED OR  
AGREED TO BE ACQUIRED BY EASYKNIT INTERNATIONAL  
HOLDINGS LIMITED, GOODCO DEVELOPMENT LIMITED  
AND PARTIES ACTING IN CONCERT WITH IT)**

**Financial Adviser to Easyknit International Holdings Limited**

**ALTUS CAPITAL LIMITED**

The Composite Offer Document and the Form of Acceptance have been despatched to the Shareholders on 21 October 2011 in accordance with the Takeovers Code.

The expected timetable in relation to the Offer is set out in this joint announcement.

Shareholders are strongly advised to read the Composite Offer Document and the Form of Acceptance carefully, including the recommendations from the Independent Board Committee and the advice from Joint Independent Financial Advisers, before deciding whether or not to accept the Offer. The Offer may lapse if it does not become unconditional. Shareholders of, and potential investors in, Easyknit International and Easyknit Enterprises are advised to exercise caution when dealing in the securities of Easyknit International and Easyknit Enterprises.

Reference is made to the joint announcement made by the Easyknit International and the Company dated 19 October 2011 in relation to the Offer. Unless otherwise defined, capitalised terms used herein shall have the same meanings as those defined in the Composite Offer Document.

*\* for identification only*

## DESPATCH OF THE COMPOSITE OFFER DOCUMENT

The Composite Offer Document setting out, among other things, details of the Offer, the letter from Altus Investments, the letter from the Board, the letter from the Independent Board Committee and the letter from the Joint Independent Financial Advisers, together with the Form of Acceptance, in respect of the Offer has been despatched to the Shareholders on 21 October 2011 in accordance with the Takeovers Code.

## EXPECTED TIMETABLE

The Offeror and Easyknit International would like to remind the Shareholders regarding the timetable of the Offer which has been extracted from the Composite Offer Document and set out as follows:

Despatch date of this Composite Offer Document and the accompanying Forms of Acceptance and commencement of the Offer ..... Friday, 21 October 2011

Latest time and date for acceptance of the Offer on the First Closing Date (*Note 1*) ..... 4:00 p.m. on Friday, 11 November 2011

First Closing Date (*Note 2*) ..... Friday, 11 November 2011

Announcement of the results of the Offer as at the First Closing Date to be posted on the Stock Exchange's website not later than 7:00 p.m. .... on Friday, 11 November 2011

Latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offer by the First Closing Date, assuming the Offer becomes or is declared unconditional on such date (*Note 3*) ..... Monday, 21 November 2011

Latest time and date for acceptance of the Offer if the Offer becomes or is declared unconditional on the First Closing Date ..... 4:00 p.m on Friday, 25 November 2011

Final closing date of the Offer if the Offer becomes or is declared unconditional on the First Closing Date ..... Friday, 25 November 2011

Latest date for posting of remittances for the amounts due in respect of valid acceptances received under the Offer on or before 4:00 p.m. on 25 November 2011 (*Note 3*) ..... Monday, 5 December 2011

Latest date by which the Offer can be declared unconditional (*Note 4*) ..... 7.00 p.m. on Tuesday, 20 December 2011

Notes:

1. *The Offer will be subject to satisfaction of the condition set out in the paragraph headed “Conditions of the Offer” in the “Letter from Altus Investments” of the Composite Offer Document, which is the Offeror having received acceptances (and where permitted, not withdrawn) on or before 4:00 p.m. on the Closing Date in respect of the Shares which, together with the Shares already held or agreed to be acquired by Easyknit International, the Offeror and parties acting in concert with any of them, constitute more than 50% of the voting rights of the Company. Unless the Offer has previously become or been declared unconditional or revised, the latest time for acceptance of the Offer is 4:00 p.m. on Friday, 11 November 2011. Pursuant to the Takeovers Code, where the Offer is declared unconditional, the Offer will remain open for acceptance for not less than 14 days thereafter. The Offeror will make an announcement as and when the Offer becomes unconditional.*
2. *The Offeror reserves the right to revise or extend the Offer until such time and/or date as it may determine and in accordance with the Takeovers Code. The Offeror will issue an announcement to be posted on the Stock Exchange’s website by 7:00 p.m. on Friday, 11 November 2011, being the First Closing Date, as to whether the Offer has been revised or extended, has become or been declared unconditional.*
3. *Amounts due to the Independent Shareholders who accepts the Offer should be paid by the Offeror as soon as possible but in any event within 10 days of the later of the date on which the Offer becomes, or is declared, unconditional and the date of receipt of the duly completed Form(s) of Acceptance in accordance with the Takeovers Code.*
4. *In accordance with the Takeovers Code, in the event that the Offer (whether revised or not) has not become or been declared unconditional as to acceptances on the 60th day after posting of this Composite Offer Document, the Offer will lapse unless the Executive consents to a later date. Where a period laid down by the Takeovers Code ends on a day which is not a Business Day, the period is extended until the next Business Day. Accordingly, unless the Offer has previously become or is declared unconditional as to acceptances, the Offer will lapse after 7:00 p.m. on Tuesday, 20 December 2011, unless extended with the consent of the Executive.*

**All times and dates in the Composite Document and the Form of Acceptance shall refer to Hong Kong times and dates.**

## **IMPORTANT**

**Shareholders are strongly advised to read the Composite Offer Document and the Form of Acceptance carefully, including the recommendations from the Independent Board Committee and the advice from Joint Independent Financial Advisers, before deciding whether or not to accept the Offer.**

**The offer may lapse if it does not become unconditional. Shareholders of and, potential investors of Easyknit International and Easyknit Enterprises are advised to exercise caution when dealing in the securities of Easyknit International and Easyknit Enterprises.**

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

By Order of the Board  
**EASYKNIT ENTERPRISES  
HOLDINGS LIMITED**  
**Kwong Jimmy Cheung Tim**  
*Chairman and Chief Executive Officer*

Hong Kong, 21 October 2011

*As at the date hereof, the board of directors of Easyknit International Holdings Limited 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 board of directors of Easyknit Enterprises Holdings Limited 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. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Foo Tak Ching as independent non-executive directors.*

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

*The directors of Easyknit Enterprises Holdings Limited jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any statement in this announcement misleading.*