
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Easyknit International Holdings Limited, you should at once hand this circular together with the accompanying proxy form to the purchaser or transferee or to the bank, stockbroker, or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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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)**

**RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
PROPOSED AMENDMENT TO THE SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

A notice convening the annual general meeting of Easyknit International Holdings Limited to be held at Block A, 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong on Wednesday, 24 August 2016 at 9:10 a.m. is set out on pages N-1 to N-5 of this circular. Whether or not you are able to attend the meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return it to the Company's branch share registrar and transfer officer in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for holding of the meeting. Completion and return of the proxy form will not preclude you from attending and voting in person at the meeting or any adjournment thereof should you so wish and in such event, the form of proxy shall be deemed to be revoked.

Hong Kong, 25 July 2016

* *for identification only*

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DEFINITIONS

In this circular, the following expressions have the following meanings unless the context requires otherwise:

“2015 AGM”	the annual general meeting of the Company held on 20 August 2015
“2016 AGM”	the annual general meeting of the Company to be held at Block A, 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong on Wednesday, 24 August 2016 at 9:10 a.m., notice of which is set out on pages N-1 to N-5 of this circular
“Board”	board of Directors
“Bye-Laws”	bye-laws of the Company
“Company”	Easyknit International Holdings Limited, an exempted company incorporated in Bermuda with limited liability, the Shares of which are listed on the main board of the Stock Exchange
“Director(s)”	director(s) of the Company
“Eminence”	Eminence Enterprise Limited, an exempted company incorporated in Bermuda with limited liability, the shares of which are listed on the main board of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	20 July 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

DEFINITIONS

“Participants”	a Director, an Employee, a Consultant, agent, adviser, customer, business partner, joint venture partner, strategic partner of, or any supplier or provider of goods or services to, the Company or any subsidiary under the Proposed Amendment
“Proposed Amendment”	the proposed amendment to the Share Option Scheme, the details of which are set out in the notice of annual general meeting of this circular
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of par value HK\$0.10 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Share Option Scheme”	the share option scheme adopted and approved by the Shareholders at the annual general meeting of the Company held on 29 June 2012
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Repurchases
“%”	per cent

LETTER FROM THE BOARD



EASYKNIT INTERNATIONAL HOLDINGS LIMITED

永義國際集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1218)

Executive Directors:

Mr. Kwong Jimmy Cheung Tim
(President & Chief Executive Officer)
Ms. Lui Yuk Chu
(Vice President)
Ms. Koon Ho Yan Candy

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Non-executive Directors:

Mr. Tse Wing Chiu Ricky
Mr. Lai Law Kau

*Head office and principal place
of business in Hong Kong:*

Block A, 7th Floor
Hong Kong Spinners Building, Phase 6
481-483 Castle Peak Road
Cheung Sha Wan
Kowloon
Hong Kong

Independent Non-executive Directors:

Mr. Tsui Chun Kong
Mr. Jong Koon Sang
Mr. Hon Tam Chun

25 July 2016

To the Shareholders

Dear Sir or Madam,

**RE-ELECTION OF DIRECTORS,
GENERAL MANDATES TO ISSUE AND
REPURCHASE SHARES,
PROPOSED AMENDMENT TO THE SHARE OPTION SCHEME
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to give you notice of the 2016 AGM, and information on matters to be dealt with at the 2016 AGM, inter alia, (i) re-election of retiring Directors at the 2016 AGM; (ii) grant of a general mandate to issue Shares; (iii) grant of a general mandate to repurchase Shares; and (iv) the Proposed Amendment.

* for identification only

LETTER FROM THE BOARD

RE-ELECTION OF DIRECTORS

In accordance with Bye-Law 99, Mr. Kwong Jimmy Cheung Tim and Ms. Koon Ho Yan Candy will retire from office by rotation at the 2016 AGM and being eligible, have offered themselves for re-election.

Any Shareholder who wishes to nominate a person to stand for election as a Director at the 2016 AGM must lodge with the Company at its head office at Block A, 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong or at its Hong Kong branch share registrar and transfer office, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong within the period from 26 July 2016 to 1 August 2016 (both days inclusive), (i) his notice of intention to propose such person for election ("**nominated candidate**"), (ii) a notice executed by the nominated candidate of his willingness to be appointed as Director and (iii) the biographical details of such nominated candidate as required under Rule 13.51(2) of the Listing Rules for publication by the Company.

The resolution in relation to the proposed re-election of the retiring Directors will be put forward at the 2016 AGM as separate ordinary resolutions.

Biographical details of the retiring Directors to be re-elected at the 2016 AGM are set out in Appendix I to this circular.

GENERAL MANDATE TO ISSUE SHARES

At the 2015 AGM, an ordinary resolution was passed to grant a general mandate to the Directors to issue Shares. As at the Latest Practicable Date, this general mandate has not been utilized and will lapse at the conclusion of the 2016 AGM. At the 2016 AGM, an ordinary resolution will be proposed that the Directors be given a general and unconditional mandate to allot, issue and deal with additional Shares up to a maximum of 20% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of the resolution ("**Issue Mandate**"). On the basis that no further Shares are issued or repurchased by the Company after the Latest Practicable Date and prior to the date of the 2016 AGM and subject to the passing of the resolution for the Issue Mandate at the 2016 AGM, the Company will be allowed to allot, issue and deal with a maximum of 15,884,080 Shares, the aggregate nominal amount of which equals to HK\$1,588,408. In addition, if the resolution to authorise the repurchase of Shares is passed, an ordinary resolution will be proposed at the 2016 AGM to authorise the Directors to allot and issue further Shares up to an amount equal to the aggregate nominal amount of the Shares purchased under the authority to repurchase.

The Directors have no present intention to issue or allot any new Shares.

LETTER FROM THE BOARD

GENERAL MANDATE TO REPURCHASE SHARES

At the 2015 AGM, an ordinary resolution was passed to grant a general mandate to the Directors to repurchase Shares. As at the Latest Practicable Date, this general mandate has not been utilized and will lapse at the conclusion of the 2016 AGM. At the 2016 AGM, an ordinary resolution will be proposed that the Directors be given a general and unconditional mandate to exercise all powers of the Company to repurchase Shares up to a maximum of 10% of the aggregate nominal amount of the share capital of the Company in issue at the date of passing of the resolution (“**Repurchase Mandate**”). The Company’s authority is restricted to purchases made on the Stock Exchange and otherwise in accordance with the Listing Rules.

The Directors have no present intention to repurchase any Shares.

The Repurchase Mandate and the Issue Mandate, if passed, would continue in force until the conclusion of the next annual general meeting of the Company or until the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable law to be held or until revoked, renewed or varied by an ordinary resolution of the Shareholders in general meeting prior to the next annual general meeting, whichever occurs first.

An explanatory statement, as required by the Listing Rules to be sent to the Shareholders in connection with the Repurchase Mandate, is set out in Appendix II to this circular. The explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision as to whether to vote for or against the ordinary resolution to approve the Repurchase Mandate at the 2016 AGM.

PROPOSED AMENDMENT TO THE SHARE OPTION SCHEME

Proposed Amendment

The purpose of the Share Option Scheme is to provide the Company with a flexible means of retaining, incentivizing, rewarding, remunerating and compensating and/or providing benefits to the selected Participants and for such other purposes as the Board may approve from time to time.

The existing definition of “Participants” in the Share Option Scheme refers to any Employee, Director or Consultant who for the time being participates in the Scheme or, where applicable, his personal representatives.

In order to better achieve the purpose of and to enhance the flexibility of the Share Option Scheme, the Board proposes certain provisions of the Share Option Scheme to include substantial shareholder, agent, adviser, customer, business partner, joint venture partner, strategic partner, or any supplier or provider of goods or services to, the Company or any Subsidiary.

LETTER FROM THE BOARD

The Board considers that the Proposed Amendment to have a broad category of Participants is to incentivize and motivate more persons to make contributions to the Group, and to facilitate the retention and the recruitment of high-calibre staff of the Group and attract resources that are valuable to the Group. Furthermore, the Board considers that the Participants will share common interests and objectives with the Group upon their exercise of the share options, which is beneficial to the long-term development of the Group. In addition, the adoption of the Proposed Amendment is in line with the commercial practice that adviser, business partner, joint venture partner, strategic partner of the Company or any subsidiary be given incentives to work towards enhancing the value and attaining the long-term objectives of the Company and for the benefit of the Group as a whole. In view of this, the Board proposes to amend the definition of “Participants” in sub-paragraph 2.1 of the Share Option Scheme and the details of which are set out in notice of general meeting of this circular.

Apart from the Proposed Amendment, all other existing terms of the Share Option Scheme will remain unchanged.

LISTING RULES IMPLICATIONS

Pursuant to note (2) to Rule 17.03(18) of the Listing Rules and the Share Option Scheme, any alterations to the terms and conditions of the Share Option Scheme which are of a material nature or any change to the terms of Options granted must be approved by the Shareholders, unless the alterations take effect automatically under the existing terms of the Share Option Scheme. As the Proposed Amendment will not take effect automatically under the existing terms of the Share Option Scheme, and it is considered to be material in nature, the Proposed Amendment is subject to approval by the Shareholders at the 2016 AGM.

As at the Latest Practicable Date, no Shareholder is required to abstain from voting in favor of the resolutions approving the Proposed Amendment at the 2016 AGM.

ANNUAL GENERAL MEETING

Notice of the 2016 AGM is set out on pages N-1 to N-5 of this circular. Proxy form for use at the 2016 AGM is enclosed. Whether or not you are able to attend the meeting, you are requested to complete the enclosed proxy form in accordance with the instructions printed thereon and return it to the Company’s branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for holding of the meeting. Completion and return of the proxy form will not preclude you from attending and voting in person at the 2016 AGM or any adjournment thereof should you so wish. In the event that a Shareholder having lodged a proxy form attends the 2016 AGM, his proxy form will be deemed to have been revoked.

LETTER FROM THE BOARD

VOTING BY WAY OF POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll save for purely procedural or administrative matters. The chairman of the 2016 AGM will therefore exercise his power under Bye-Law 70 of the Company's bye-law to put each of the resolutions to be proposed at the 2016 AGM to the vote by way of poll.

On a poll, every Shareholder present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by a proxy shall have one vote for each Share registered in his/her name in the register of members of the Company. A Shareholder entitled to more than one vote needs not use all his/her votes or cast all the votes he/she uses in the same way.

After the conclusion of the 2016 AGM, the poll results will be published on the websites of Hong Kong Exchanges and Clearing Limited (www.hkexnews.hk) and the Company (www.easyknit.com).

RESPONSIBILITY OF THE DIRECTORS

This circular for which the Directors collectively and individually accept full responsibility includes particular given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Directors consider that the re-election of Directors, the granting of the Issue Mandate and the Repurchase Mandate and the Proposed Amendment are in the best interests of the Company and the Shareholders as a whole and accordingly recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed at the 2016 AGM.

GENERAL INFORMATION

Your attention is drawn to the additional information set out in the Appendices to this circular. The English text shall prevail over the Chinese text in this circular.

Yours faithfully,
By Order of the Board
Easyknit International Holdings Limited
Kwong Jimmy Cheung Tim
President and Chief Executive Officer

The following are the particulars of the Directors standing for re-election at the 2016 AGM:

Mr. Kwong Jimmy Cheung Tim (“Mr. Kwong”)

Mr. Kwong, aged 73, is an executive director, president, chief executive officer and authorised representative of the Company and chairman of the Executive Committee. He is also an executive director, chairman, chief executive officer and authorised representative, and chairman of the executive committee of Eminence Enterprise Limited (“**Eminence**”). Mr. Kwong graduated from The University of Hong Kong in 1965 and was admitted as Barrister-at-Law in the United Kingdom in 1970 and in Hong Kong in 1973 respectively. He has over 30 years of experience in the legal field. He serves as director of various subsidiaries of the Company and Eminence. In 2007, Mr. Kwong was appointed as president and chief executive officer of the Company.

There is a service contract between the Company and Mr. Kwong for a term of 3 years and he is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Bye-Laws. The director’s emoluments of Mr. Kwong are fixed at HK\$130,000 per annum. Mr. Kwong is also entitled to discretionary bonus payments as the Remuneration Committee of the Board may determine appropriate. His director’s emoluments are to be determined by the Board after the recommendation from the Remuneration Committee pursuant to the authority to be sought from the Shareholders at the 2016 AGM by reference to his time commitment and responsibilities, the Company’s performance and the prevailing market conditions.

Save as disclosed above, (i) Mr. Kwong does not have any other relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company; and (ii) he does not have any interests in the Shares within the meaning of Part XV of the SFO.

Save as disclosed above, there is no information concerning Mr. Kwong that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

Ms. Koon Ho Yan Candy (“Ms. Koon”)

Ms. Koon, aged 31, is an executive director and authorised representative of the Company and is a member of the Executive Committee since 2010. She is also an executive director, authorised representative and a member of the Executive Committee of Eminence. Ms. Koon obtained a Bachelor of Arts degree in Economics and Politics from the University of Durham, England in 2007. She also received her Bachelor of Laws degree and Legal Practice Course qualification in 2009 from the College of Law, England. Ms. Koon is the daughter of Ms. Lui, the vice president of the Company. She is also the niece of Mr. Lai Law Kau, the non-executive director of the Company.

There is a service contract between the Company and Ms. Koon for a term of 3 years and she is subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the Bye-Laws. The director’s emoluments of Ms. Koon are fixed at HK\$130,000 per annum. Ms. Koon is also entitled to discretionary bonus payments as the Remuneration Committee of the Board may determine appropriate. Her director’s emoluments are to be determined by the Board after the recommendation from the Remuneration Committee pursuant to the authority to be sought from the Shareholders at the 2016 AGM by reference to her time commitment and responsibilities, the Company’s performance and the prevailing market conditions.

Save as disclosed above, (i) Ms. Koon was deemed to have an interest in 29,179,480 Shares, representing approximately 36.74% of the issued share capital of the Company, within the meaning of Part XV of the SFO by virtue of her capacity as one of the beneficiaries of The Magical 2000 Trust as she is the daughter of Ms. Lui. The 29,179,480 Shares are beneficially owned by Magical Profits Limited which is a wholly-owned by Accumulate More Profits Limited which in turn is wholly-owned by Hang Seng Bank Trustee International Limited as trustee of The Magical 2000 Trust (the beneficiary of which included Ms. Lui and her family members other than her spouse); (ii) she is the daughter of Mr. Koon Wing Yee, who is a substantial Shareholder of the Company within the meaning of Part XV of the SFO; and (iii) she does not have any other relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders of the Company.

Save as disclosed above, there is no information concerning Ms. Koon that is required to be disclosed pursuant to Rule 13.51(2)(h) to (v) of the Listing Rules and there is no other matter that needs to be brought to the attention of the Shareholders.

This Appendix serves as an explanatory statement, as required by the Listing Rules, to provide all the information in relation to the Repurchase Mandate for the Shareholders' consideration.

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 79,420,403 Shares.

On the basis that no further Shares are issued or repurchased by the Company prior to the 2016 AGM and resolution numbered 7(B) as set out in the notice of the 2016 AGM is duly passed, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 7,942,040 Shares, representing 10% of the issued share capital of the Company as at the date of passing the resolution, during the period in which the Repurchase Mandate remains in force.

2. REASONS FOR REPURCHASES

The Directors believe that it is in the best interests of the Company and the Shareholders to seek the Repurchase Mandate which enables the Directors to repurchase Shares on the Stock Exchange and otherwise in accordance with the Listing Rules. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net asset value of the Company and/or its earnings per Share and will only be made when the Directors believe that such repurchases will benefit the Company and the Shareholders as a whole.

3. FUNDING OF REPURCHASES

In repurchasing Shares, the Company may only apply funds legally available for such purpose in accordance with its memorandum of association, Bye-Laws, the Listing Rules and the applicable laws of Bermuda. Under Bermuda law, any repurchases will be made out of funds of the Company legally permitted to be utilised in this connection, including capital paid up on the Shares to be repurchased, funds of the Company which would otherwise be available for dividend or distribution or out of the proceeds of a fresh issue of shares made for the purpose; and in the case of premiums payable on repurchase, out of the funds of the Company which would otherwise be available for dividend or distribution or sums standing to the share premium account of the Company.

There might be a material adverse impact on the working capital requirements or gearing levels of the Company, as compared with the position disclosed in the latest published audited accounts for the year ended 31 March 2016, in the event that the Repurchase Mandate was to be exercised in full at any time during the proposed purchase period. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels that in the opinion of the Directors are from time to time appropriate for the Company.

4. DIRECTORS' UNDERTAKING

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the power of the Company to make repurchases pursuant to the Repurchase Mandate and in accordance with its Bye-Laws, the Listing Rules and the applicable laws of Bermuda.

5. DIRECTORS, THEIR ASSOCIATES AND CONNECTED PERSONS

None of the Directors, to the best of their knowledge having made all reasonable enquiries, nor their associates (as defined in the Listing Rules) have any present intention to sell Shares to the Company or its subsidiaries under the Repurchase Mandate if such is approved by the Shareholders.

No connected persons (as defined in the Listing Rules) of the Company have notified the Company that they have a present intention to sell Shares to the Company or its subsidiaries, or have undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. TAKEOVERS CODE

As at the Latest Practicable Date, each of Ms. Lui Yuk Chu, Ms. Koon Ho Yan Candy and The Winterbotham Trust Company Limited as the trustee of The Magical 2000 Trust is taken to have an interest under the SFO in the same block of 29,179,480 Shares, representing 36.74% of the total number of Shares of the Company in issue. Apart from the foregoing, Ms. Lui Yuk Chu held 17,429,664 Shares through Sea Rejoice Limited in which she beneficially owns the entire issued share capital. For the purpose of the Takeovers Code, Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy are concert parties and are taken to have an interest in a total of 46,609,144 Shares, representing 58.69% of the total number of Shares of the Company in issue. In the event that the Directors exercise in full the power to repurchase Shares which is proposed to be granted pursuant to ordinary resolution no. 7(B), then (if the present shareholdings otherwise remained the same) the attributable shareholding of Ms. Lui Yuk Chu and Ms. Koon Ho Yan Candy would be increased to 65.21% of the total number of the Shares of the Company in issue. In the opinion of the Directors, such increase would not give rise to any obligation to make a mandatory offer under Rules 26 and 32 of the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate.

7. SHARE PRICES

The highest and lowest prices at which the Shares were traded on the Stock Exchange during each of the previous 12 months preceding the Latest Practicable Date were as follows:

	Share Price	
	Highest <i>HK\$</i>	Lowest <i>HK\$</i>
2015		
July	4.94	3.50
August	4.48	3.50
September	4.10	3.70
October	3.92	3.70
November	4.12	3.76
December	4.12	3.82
2016		
January	3.90	3.59
February	3.81	3.66
March	3.83	3.50
April	4.09	3.52
May	4.18	3.73
June	4.19	3.70
July (up to and including the Latest Practicable Date)	4.06	3.73

8. SHARE REPURCHASES MADE BY THE COMPANY

During the six months preceding the Latest Practicable Date, no Shares have been repurchased by the Company (whether on the Stock Exchange or otherwise).

NOTICE OF ANNUAL GENERAL MEETING



EASYKNIT INTERNATIONAL HOLDINGS LIMITED

永義國際集團有限公司*

(incorporated in Bermuda with limited liability)

(Stock Code: 1218)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that Annual General Meeting (the “**Meeting**”) of Easyknit International Holdings Limited (the “**Company**”) will be held at Block A, 7th Floor, Hong Kong Spinners Building, Phase 6, 481-483 Castle Peak Road, Cheung Sha Wan, Kowloon, Hong Kong on Wednesday, 24 August 2016 at 9:10 a.m. for the purpose of considering and, if thought fit, passing the following resolutions:

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors and auditor for the year ended 31 March 2016.
2. To declare a final dividend of HK\$0.10 per share for the year ended 31 March 2016.
3. To consider and approve the re-election of Mr. Kwong Jimmy Cheung Tim as an executive director of the Company.
4. To consider and approve the re-election of Ms. Koon Ho Yan Candy as an executive director of the Company.
5. To authorize the board of directors of the Company to fix the fees of all directors for the year ending 31 March 2017.
6. To re-appoint Messrs. Deloitte Touche Tohmatsu as the auditor of the Company and to authorise the board of directors to fix their remuneration.
7. As special business, to consider and, if thought fit, pass the following resolutions, with or without amendments, as ordinary resolutions of the Company:

ORDINARY RESOLUTIONS

(A) “**THAT:**

- (a) subject to paragraph (c) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company and to make or grant offers, agreements or options which would or might require the exercise of such powers, subject to and in accordance with all applicable laws and the bye-laws of the Company (“**Bye-Laws**”), be and is hereby generally and unconditionally approved;

* for identification only

NOTICE OF ANNUAL GENERAL MEETING

- (b) the approval in paragraph (a) above shall authorise the directors of the Company during the Relevant Period to make or grant offers, agreements or options which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital of the Company allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the directors of the Company pursuant to the approval in paragraphs (a) and (b) above, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined), (ii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-Laws, or (iii) the exercise of any option granted under the share option scheme of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (d) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable law to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares of the Company open for a period fixed by the directors of the Company to holders of shares of the Company on the register of members of the Company on a fixed record date in proportion to their then holdings of such shares (subject to such exclusion or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognised regulatory body or any stock exchange in any territory outside Hong Kong).”

NOTICE OF ANNUAL GENERAL MEETING

(B) “**THAT**:

- (a) subject to paragraph (b) below, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its own shares, subject to and in accordance with all applicable laws and regulations, the Bye-Laws and the requirements of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited or any other stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate nominal amount of shares of the Company to be repurchased by the Company pursuant to the approval in paragraph (a) above during the Relevant Period shall not exceed 10 per cent. of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing of this resolution and the said approval shall be limited accordingly; and
- (c) for the purposes of this resolution:

“Relevant Period” means the period from the passing of this resolution until whichever is the earlier of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-Laws or any applicable law to be held; or
- (iii) the revocation or variation of the authority given under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”

- (C) “**THAT**, subject to the passing of resolutions numbered 7(A) and numbered 7(B) above, the authority granted to the directors of the Company pursuant to resolution numbered 7(A) above be and is hereby extended by the addition to the aggregate nominal amount of share capital which may be allotted or agreed conditionally or unconditionally to be allotted pursuant to such authority an amount representing the aggregate nominal amount of shares repurchased by the Company under the authority granted pursuant to resolution numbered 7(B), provided that such extended amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing of this resolution.”

NOTICE OF ANNUAL GENERAL MEETING

8. As special business, to consider and, if thought fit, pass the following resolutions with or without amendments, as ordinary resolutions of the Company:

(A) “**THAT**, the definition to sub-paragraph 2.1 of the Scheme Option Scheme be and are hereby amended in the following manner:

By deleting the definition of “Participants” in sub-paragraph 2.1 of the Share Option Scheme in its entirety and replacing therewith the following:

“Participants” means a Director, an Employee, a Consultant, substantial shareholder, agent, adviser, customer, business partner, joint venture partner, strategic partner of, or any supplier or provider of goods or services to, the Company or any subsidiary”;

(B) “**THAT**, subject to the passing of ordinary resolution numbered 9(A) above, the amended Share Option Scheme in the form produced to the meeting marked “A” and initialed by the Chairman of this meeting for identification purpose be and are hereby approved, and that any one Director, or a Director and a company secretary of the Company, if the affixation of the common seal is necessary, be and are hereby authorised to exercise all rights and powers available to him as he may in his sole discretion consider necessary or expedient to give full effect to the amendment to the Share Option Scheme.”

By Order of the Board
Easyknit International Holdings Limited
Kwong Jimmy Cheung Tim
President and Chief Executive Officer

Hong Kong, 25 July 2016

NOTICE OF ANNUAL GENERAL MEETING

Notes:

1. Any shareholder of the Company entitled to attend and vote at the Meeting convened by the above notice is entitled to appoint another person as his proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to attend on the same occasion. A proxy need not be a shareholder of the Company.
2. Where there are joint registered holders of any share, any one of such persons may vote at the Meeting, either personally or by proxy, in respect of such share as if he were solely entitled thereto; but if more than one of such joint holders be present at the Meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his attorney duly authorised in writing, or if the appointor is a corporation, either under seal or under the hand of an officer or attorney duly authorised.
4. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority shall be deposited at the Company's branch share registrar and transfer office in Hong Kong, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time for holding the Meeting and in default the instrument of proxy shall not be treated as valid.
5. Delivery of an instrument appointing a proxy shall not preclude a shareholder from attending and voting in person at the Meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.
6. The register of members of the Company will be closed on Friday, 2 September 2016 and no transfer of shares will be registered. In order to qualify for the proposed final dividend recommended for approval at the Meeting, all transfers of shares accompanied by the relevant share certificates must be lodged with the Company's Hong Kong branch share registrar and transfer office, Tricor Secretaries Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, 1 September 2016.