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EMINENCE ENTERPRISE LIMITED

高山企業有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 616)

**AMENDED REVISION OF TERMS OF CONVERTIBLE NOTE
HELD BY INDEPENDENT THIRD PARTY**

The Third Deed of Amendment has been terminated and replaced by the Fourth Deed of Amendment, which provides for the same revision of the conversion price as the Third Deed of Amendment and also imposes restrictions on conversions that would lead to an offer being required under Rule 26 of the Takeovers Code and/or the Company breaching the public float requirement under the Listing Rules.

The Revised Alterations are subject to the conditions set out in the paragraph headed "Conditions Precedent" below.

A circular of the Company containing, among other things, (i) details of the Revised Alterations and (ii) a notice convening the SGM will be despatched to the Shareholders on or before 8 May, 2019 as the Company requires time for compiling the information for inclusion in the circular pursuant to the Listing Rules.

The Company made an announcement on 27 March, 2019 to the effect that it and Madian had entered into the Third Deed of Amendment to revise the conversion price under the 2015CB from HK\$0.16 to per Conversion Share to HK\$0.06 per Conversion Share. Terms defined in that announcement are used in this announcement with their defined meanings.

On 8 April, 2019, the Company and Madian entered into a fourth deed of amendment ("the Fourth Deed of Amendment") relating to the 2015CB. The Third Deed of Amendment has been terminated and replaced by the Fourth Deed of Amendment, which provides for alterations to the 2015CB, being the same revision of the conversion price provided for in the Third Deed of Amendment and the imposition of restrictions on conversions that would lead to an offer being required under Rule 26 of the Takeovers Code and/or the Company breaching the public float requirement under the Listing Rules ("Revised Alterations"). As a result, Madian's undertaking not to exercise its Conversion Rights in any manner which would oblige it to make a general or mandatory offer to shareholders under the Takeovers Code is redundant.

REASONS FOR THE REVISED ALTERATION

The reasons for the adjustment of the conversion price per Conversion Share were set out in the announcement of 27 March, 2019. That adjustment will provide an incentive to the holder of the 2015CB to exercise the conversion rights attaching to the 2015CB, and thereby strengthen the capital base and financial position of the Company. The other Revised Alterations take into account requirements of the Stock Exchange about the “public float” of listed companies and enshrine the terms of the undertaking into the terms of the 2015CB.

The Board considers that Revised Alterations are in the interests of the Company and the Shareholders as a whole.

FOURTH DEED OF AMENDMENT

Background

On 26 March, 2019, the Company and Madian entered into the Third Deed of Amendment to revise the conversion price from HK\$0.16 per Conversion Share to the Revised Conversion Price and on 8 April, 2019, they entered into the Fourth Deed of Amendment to replace the Third Deed of Amendment.

Principal terms of the Fourth Deed of Amendment

The Fourth Deed of Amendment terminates the Third Deed of Amendment and provides for the Revised Alterations. The Revised Alterations were arrived at after arm’s length negotiations between the Company and Madian and are to revise the conversion price of the 2015CB from HK\$0.16 per Conversion Share to the Revised Conversion Price and impose restrictions on conversions that would lead to an offer being required under Rule 26 of the Takeovers Code and/or the Company breaching the public float requirement under the Listing Rules. They will prevent conversion to the extent that would lead to a breach of the public float requirements and/or require a mandatory offer under Rule 26 of the Takeovers Code.

Apart from the Revised Alterations, the terms and conditions of the 2015CB will remain unchanged.

Conditions precedent

The amendments to the 2015CB to be effected by the Fourth Deed of Amendment will become effective upon fulfilment of the following conditions precedent:

- (a) the passing by those Shareholders permitted to vote at the SGM to be convened and held, of the necessary resolution to approve the Revised Alterations and the transactions contemplated thereunder;

- (b) the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Conversion Shares to be allotted and issued under the 2015CB after the Revised Alterations.

If the above conditions are not fulfilled on or before 15 July 2019 or such later date as the Company and the holder of the 2015CB may agree, the Fourth Deed of Amendment will lapse and become null and void and the parties shall be released from all obligations thereunder, save for liabilities for any antecedent breaches thereof.

LISTING RULES IMPLICATIONS

The Revised Alterations are subject to the reporting, announcement and Shareholders' approval requirements under the Listing Rules. According to Rule 28.05 of the Listing Rules, any alterations in the terms of convertible debt securities after issue must be approved by the Stock Exchange, except where the alterations take effect automatically under the existing terms of such convertible debt securities. An appropriate application will be made by the Company to the Stock Exchange.

GENERAL

A circular of the Company containing, among other things, (i) details of the Revised Alterations and (ii) a notice convening the SGM will be despatched to the Shareholders on or before 8 May, 2019 as the Company requires time for compiling the information for inclusion in the circular pursuant to the Listing Rules.

The SGM will be held for the Shareholders to consider and, if thought fit, pass a resolution to approve the Revised Alterations.

By Order of the Board
EMINENCE ENTERPRISE LIMITED
Kwong Jimmy Cheung Tim
Chairman and Chief Executive Officer

Hong Kong, 9 April, 2019

As at the date hereof, the Board comprises Mr. Kwong Jimmy Cheung Tim, Ms. Lui Yuk Chu as executive directors, and Mr. Kan Ka Hon, Mr. Lau Sin Ming, Mr. Foo Tak Ching and Mr. Wu Koon Yin Welly as independent non-executive directors.

If there is any inconsistency between the Chinese and English versions of this announcement, the English version shall prevail.