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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)**



**EMINENCE ENTERPRISE LIMITED**  
**高山企業有限公司**

*(Incorporated in the Bermuda with limited liability)*

**(Stock Code: 616)**

## **JOINT ANNOUNCEMENT**

### **INSIDE INFORMATION**

### **AMENDMENT TO THE 2023 CONVERTIBLE NOTE**

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### **PROPOSED GRANT OF SPECIFIC MANDATE TO ISSUE CONVERSION SHARES**

#### **AMENDMENT TO THE 2023 CONVERTIBLE NOTE**

On 4 June 2025, after trading hours, Eminence entered into the Deed of Amendment with Goodco pursuant to which Eminence and Goodco have conditionally agreed to amend the conversion price of the 2023 Convertible Note from HK\$0.14 per Conversion Share to HK\$0.07 per Conversion Share (the “**Amendment**”).

Save for the Amendment, all other terms and conditions of the 2023 Convertible Note (including the previous deed of amendment announced on 23 January 2024) shall remain unchanged and in full force and effect.

#### **IMPLICATIONS UNDER THE LISTING RULES**

##### **Easyknit**

Goodco is an indirect wholly-owned subsidiary of Easyknit and thus a member of the Easyknit Group, and an Eminence Shareholder. The Deed of Amendment constitutes inside information for Easyknit pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

## **Eminence**

Pursuant 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. Eminence will apply for the approval of the Stock Exchange for the Amendment pursuant to Rule 28.05 of the Listing Rules.

## **AMENDMENT TO THE 2023 CONVERTIBLE NOTE**

### **Background**

References are made to (i) the joint announcements and circulars of Easyknit and Eminence dated 21 January 2023, 23 January 2024 and 17 April 2024; and (ii) the circular and announcement of Eminence dated 6 March 2024 and 3 February 2025 respectively in relation to, among other things, the initial issuance of the 2023 Convertible Note, and the amendments to the key terms and adjustments to the conversion price of the 2023 Convertible Note.

From the date of issuance of the 2023 Convertible Note up to the date of this joint announcement, a total amount of HK\$139,000,000 was redeemed.

As at the date of this joint announcement, (i) the outstanding principal amount of the 2023 Convertible Note held by Easyknit Group is HK\$70,000,000; and (ii) none of the conversion rights attached to the 2023 Convertible Note has been exercised by Easyknit Group.

### **Deed of Amendment**

On 4 June 2025, after trading hours, Eminence entered into the Deed of Amendment with Goodco pursuant to which Eminence and Goodco have conditionally agreed to amend the conversion price of the 2023 Convertible Note from HK\$0.14 per Conversion Share to HK\$0.07 per Conversion Share (the “**Amendment**”).

Save for the Amendment, all other terms and conditions of the 2023 Convertible Note (including the previous deed of amendment announced on 23 January 2024) shall remain unchanged and in full force and effect.

The Deed of Amendment is conditional upon and subject to, among others (i) Eminence having obtained the approval for the Amendment from the Stock Exchange in accordance with Rule 28.05 of the Listing Rules; (ii) the Listing Committee of the Stock Exchange having granted listing of, and permission to, deal in the Conversion Shares to be issued upon the exercise of conversion rights attached to the 2023 Convertible Note; and (iii) the approval of Eminence Shareholders at a special general meeting (the “**Eminence SGM**”) to grant a specific mandate to cover the allotment and issue of the Conversion Shares upon exercise of the conversion rights attached to the 2023 Convertible Note as amended by the Deed of Amendment.

As at the date of this joint announcement, none of the aforesaid conditions has been fulfilled. All of the above conditions are incapable of being waived and applications will be made by Eminence to the Stock Exchange for the approval to fulfil conditions (i) and (ii). If any of the conditions above is not fulfilled, then the Deed of Amendment will automatically cease and determine and the parties thereto shall be released from all obligations and liabilities thereunder, if any.

## **CONVERSION PRICE**

The adjusted conversion price of HK\$0.07 was determined after arm’s length negotiations between Eminence and Easyknit Group with reference to the prevailing market price of Eminence Shares, which represents:

- (i) a discount of approximately 14.6% to the closing price of HK\$0.082 per Eminence Share as quoted on the Stock Exchange on 4 June 2025, being the date of the Deed of Amendment;
- (ii) a discount of approximately 12.7% over the average closing price of HK\$0.0802 per Eminence Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Deed of Amendment;
- (iii) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of approximately 7.26%, represented by the theoretical diluted price of approximately HK\$0.076 per Eminence Share to the benchmarked price of approximately HK\$0.082 per Eminence Share (as defined under Rule 7.27B of the Listing Rules, taking into account the higher of the closing price on 4 June 2025, being the date of the Deed of Amendment of HK\$0.082 per Eminence Share and the average of the closing prices of the as quoted on the Stock Exchange for the five previous consecutive trading days prior to the date of the Deed of Amendment of approximately HK\$0.0802 per Eminence Share); and

- (iv) a cumulative theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) in aggregation with the rights issue of Eminence completed on 5 February 2025 (the “**Rights Issue**”) of approximately 17.99%, represented by the cumulative theoretical diluted price of approximately HK\$0.1109 per Eminence Share to the theoretical benchmarked price of approximately HK\$0.1352 per Eminence Share in respect of the Rights Issue (as defined under Rule 7.27B of the Listing Rules).

Assuming the outstanding principal amount of the 2023 Convertible Note is fully converted at the adjusted conversion price, a maximum of 1,000,000,000 Conversion Shares will be allotted and issued upon exercise of the conversion rights attached to the 2023 Convertible Note in full, which represents:

- (i) approximately 98.6% of the issued share capital of Eminence as at the date of this joint announcement; and
- (ii) approximately 49.6% of the issued share capital of Eminence as to be enlarged by the issued of all the Conversion Shares after the exercise in full of the conversion rights attached to the 2023 Convertible Note (assuming there being no other issue or repurchase of Eminence Shares).

## EFFECTS ON THE SHAREHOLDING STRUCTURE OF EMINENCE

The following table illustrates the shareholding structure of Eminence (i) as at the date of this joint announcement; and (ii) immediately upon full conversion of the outstanding principal amount of 2023 Convertible Note at the adjusted conversion price (assuming that there are no other changes to the shareholding structure of Eminence from the date of this joint announcement):

Eminence Shareholders	As at the date of this joint announcement		Immediately upon the full conversion of the outstanding principal amount of the 2023 Convertible Note	
	<i>Number of Eminence Shares</i>		<i>Number of Eminence Shares</i>	
	<i>Approximate %</i>		<i>Approximate %</i>	
Easyknit Group and associates	82,286,811	8.11	1,082,286,811	53.72
<b>Substantial Eminence Shareholders</b>				
Chu Nin Yiu, Stephen	161,325,339	15.90	161,325,339	8.01
<b>Public Eminence Shareholders</b>	<u>770,832,198</u>	<u>75.99</u>	<u>770,832,198</u>	<u>38.27</u>
<b>Total</b>	<u><b>1,014,444,348</b></u>	<u><b>100.00</b></u>	<u><b>2,014,444,348</b></u>	<u><b>100.00</b></u>

In the event that Goodco becomes obliged to make a general offer to the Eminence Shareholders in compliance with Rule 26 of the Takeovers Code as a result of a conversion of the outstanding principal amount of 2023 Convertible Note, Goodco will do so.

## **BACKGROUND OF THE HOLDER OF 2023 CONVERTIBLE NOTE**

2023 Convertible Note was issued to Goodco by Eminence in the original principal amount of HK\$209,000,000 conferring rights to convert at any time before the fifth anniversary of the issue thereof the principal amount into Eminence Shares on the basis of a conversion price (subject to adjustments).

The Easyknit Group is principally engaged in property development, property investment, investment in securities and others and loan financing businesses which property development and property investment are the core businesses. The Easyknit Group's portfolio of investment properties comprised of residential, commercial and industrial units located in Hong Kong.

## **REASONS FOR AND BENEFITS OF THE DEED OF AMENDMENT**

### **Easyknit**

As a result of the Amendment, Goodco will be able to have more Conversion Shares by exercising the conversion rights attached to the 2023 Convertible Note at the adjusted conversion price.

### **Eminence**

The average closing price of Eminence Shares during the period from 2 January 2025 and up to and including the date of this joint announcement is approximately HK\$0.1049 per Eminence Share and is substantially lower than the conversion price of HK\$0.14 per Conversion Share. By reducing the conversion price, the Amendment will provide an incentive to the holder of the 2023 Convertible Note to exercise the Conversion Rights attaching to the 2023 Convertible Note, and thereby strengthen the capital base and financial position of Eminence Group. The Eminence Directors consider that the Amendment is fair and reasonable and that the Amendment is in the interests of Eminence and Eminence Shareholders as a whole.

Ms. Lui Yuk Chu (an executive Easyknit Director, a substantial shareholder of Easyknit and an executive Eminence Director) abstained from voting on the Eminence Board resolutions to approve the Deed of Amendment. No other Eminence Directors abstained, or was required to abstain, from voting on the related Eminence Board resolutions or is required to abstain from voting at the Eminence SGM.

## FUND-RAISING ACTIVITIES OF EMINENCE IN THE PAST TWELVE MONTHS

Date	Equity fund raising activity	Net proceeds raised (approximately)	Proposed use of net proceeds	Actual use of net proceeds
15 October 2024 and 3 February 2025 (announcements), 29 November 2024 (circular) and 8 January 2025 (prospectus)	Rights issue on the basis of two rights shares for every one existing share	HK\$61.2 million	For repayment of Eminence Group's bank loan(s) and working capital	The net proceeds has been utilized as intended as at the date of this joint announcement

## IMPLICATIONS UNDER THE LISTING RULES

### Easyknit

Goodco is an indirect wholly-owned subsidiary of Easyknit and thus a member of the Easyknit Group, and an Eminence Shareholder. The Deed of Amendment constitutes inside information for Easyknit pursuant to Rule 13.09(2)(a) of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

### Eminence

Pursuant 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. Eminence will apply for the approval of the Stock Exchange for the Amendment pursuant to Rule 28.05 of the Listing Rules.

## SPECIAL GENERAL MEETING

The Eminence Board proposes to seek the approval of Eminence Shareholders at Eminence SGM to grant a specific mandate to cover the allotment and issue of the Conversion Shares upon exercise of the conversion rights attached to the 2023 Convertible Note as amended by the Deed of Amendment. A circular containing further details and a notice convening the Eminence SGM will be despatched to Eminence Shareholders when appropriate in accordance with the requirements of the Listing Rules.

The Easyknit Group and its associates (which together controlled or were entitled to exercise control over voting rights of 8.11% of Eminence Shares as at the date of this joint announcement) will abstain from voting at the Eminence SGM on the ordinary resolution(s) approving a specific mandate to cover the allotment and issue of the Conversion Shares upon exercise of the conversion rights attached to the 2023 Convertible Note as amended by the Deed of Amendment.

**As the Amendment may or may not proceed, the shareholders and potential investors of Easyknit and Eminence are advised to exercise caution when dealing in the shares of Easyknit and Eminence Shares.**

## **DEFINITIONS**

In this joint announcement, unless the context requires otherwise, the following terms have the meanings as respectively ascribed below:

“2023 Convertible Note”	the 5% per annum coupon rate convertible note issued to Goodco by Eminence in the original principal amount of HK\$209,000,000 conferring rights to convert at any time before the fifth anniversary of the issue thereof the principal amount into Eminence Shares on the basis of a conversion price (subject to adjustments). Details of which were set out in the announcements and circulars of Eminence dated 21 January 2023, 23 January 2024, 6 March 2024, 17 April 2024 and 3 February 2025
“associate”	the meaning ascribed thereto in the Listing Rules
“BVI”	the British Virgin Islands
“Conversion Share(s)”	the Eminence Share(s) to be allotted and issued by Eminence upon the exercise of the conversion rights attached to the 2023 Convertible Note
“Deed of Amendment”	the second deed of agreement entered into between by Eminence and Goodco on 4 June 2025 in relation to the amendment to the conversion price of the 2023 Convertible Note

“Easyknit”	Easyknit International Holdings Limited (永義國際集團有限公司), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (Stock Code: 1218)
“Easyknit Board”	the board of Easyknit Directors
“Easyknit Director(s)”	the director(s) of Easyknit
“Easyknit Group”	Easyknit and its subsidiaries
“Eminence”	Eminence Enterprise Limited (高山企業有限公司), an exempted company incorporated in Bermuda with limited liability, the issued shares of which are listed on the main board of the Stock Exchange (Stock Code: 616)
“Eminence Board”	the board of Eminence Directors
“Eminence Director(s)”	the director(s) of Eminence
“Eminence Group”	Eminence and its subsidiaries
“Eminence Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of Eminence
“Eminence Shareholder(s)”	holder(s) of Eminence Share(s)
“Goodco”	Goodco Development Limited, a company incorporated in the BVI with limited liability, the holder of the 2023 Convertible Note, an indirect wholly-owned subsidiary of Easyknit and an Eminence Shareholder
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Listing Committee”	the listing committee of the Stock Exchange
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	The People’s Republic of China



“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary”	a subsidiary for the purposes of the Listing Rules
“substantial shareholder”	the meaning ascribed to it in the Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By order of the Easyknit Board  
**EASYKNIT INTERNATIONAL  
HOLDINGS LIMITED**  
**Koon Ho Yan Candy**  
*President and Chief Executive Officer*

By order of the Eminence Board  
**EMINENCE  
ENTERPRISE LIMITED**  
**Lai Law Kau**  
*Chairman and Chief Executive Officer*

Hong Kong, 4 June 2025

*As at the date hereof, the Easyknit Board comprises Ms. Koon Ho Yan Candy and Ms. Lui Yuk Chu as executive Easyknit Directors; and Mr. Tsui Chun Kong, Mr. Lau Chak Hang Charles and Mr. Ma Man Yuet as independent non-executive Easyknit Directors.*

*As at the date hereof, the Eminence Board comprises Mr. Lai Law Kau, Ms. Lui Yuk Chu and Mr. Kwong Jimmy Cheung Tim as executive Eminence Directors; and Mr. Kan Ka Hon, Mr. Lau Sin Ming and Mr. Wu Koon Yin Welly as independent non-executive Eminence Directors.*