

*Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.*



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

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 616)**

**MAJOR TRANSACTION**

**DISPOSAL OF LIMITED PARTNERSHIP INTEREST**

**THE DISPOSAL**

On 31 May 2024 (after trading hours), Prime Avenue (as transferor), a direct wholly-owned subsidiary of the Company, entered into the Deeds of Assignment respectively with each of the Transferees and the General Partner, pursuant to which Prime Avenue has conditionally agreed to assign and transfer to the Transferees all of the rights, title and interests of Prime Avenue in the Limited Partnership Interest and the Transferees have conditionally agreed to accept the assignment of the Limited Partnership Interest at the total Consideration. Upon Completion, the Group will cease to have any interest in the Limited Partnership.

**LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) for the Company in respect of the Disposal exceed(s) 25% but is or are less than 75% pursuant to Rule 14.07 of the Listing Rules, the Disposal constitutes a major transaction of the Company under Rule 14.06(3) of the Listing Rules and is therefore subject to the reporting, announcement, circular and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

## **GENERAL**

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Deeds of Assignment and transactions contemplated thereunder. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, as no Shareholder has a material interest in the Deeds of Assignment and transactions contemplated thereunder, therefore no Shareholder will be required to abstain from voting at the SGM to approve the ordinary resolution(s) regarding the Deeds of Assignment and transactions contemplated thereunder.

A circular containing, among other things, (i) further details of the Deeds of Assignment; (ii) the financial information of the Group; (iii) a notice convening the SGM and related form of proxy; and (iv) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 24 June 2024.

**The Shareholders and potential investors of the Company shall note that the Completion of the Disposal is subject to the Conditions Precedent in the Deeds of Assignment, and may or may not materialise. The Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing in the securities of the Company.**

## **BACKGROUND**

References are made to the Previous Announcements.

On 26 March 2019, Prime Avenue, a direct wholly-owned subsidiary of the Company, entered into the Subscription Agreement with the General Partner, pursuant to which Prime Avenue agreed to subscribe for the Limited Partnership Interest with a capital commitment of US\$5,000,000 (equivalent to approximately HK\$39,000,000). The operation and management of the Limited Partnership and all rights and obligations of the General Partner and the Limited Partners were stipulated in the Limited Partnership Agreement. Prime Avenue, through entering into the Subscription Agreement, became one of the Limited Partners in the Limited Partnership. Details of the Subscription are set out in the Previous Announcements.

## **THE DISPOSAL**

On 31 May 2024 (after trading hours), Prime Avenue (as transferor), a direct wholly-owned subsidiary of the Company, entered into the Deeds of Assignment respectively with each of the Transferees and the General Partner, pursuant to which Prime Avenue has conditionally agreed to assign and transfer to the Transferees all of the rights, title and interests in the Limited Partnership Interest and the Transferees have conditionally agreed to accept the assignment of the Limited Partnership Interest at the total Consideration, and the General Partner has given its prior written irrevocable and unconditional consent to the Disposal.

## **THE FFL DEED OF ASSIGNMENT**

The principal terms and conditions of the FFL Deed of Assignment are summarized as below:

### **Date**

31 May 2024 (after trading hours)

### **Parties**

- (i) Prime Avenue (as transferor);
- (ii) FFL (as transferee); and
- (iii) the General Partner.

### **Asset to be disposed of**

Pursuant to the FFL Deed of Assignment, Prime Avenue has conditionally agreed to assign and transfer to FFL 95% of the rights, title and interests in the Limited Partnership Interest and FFL has conditionally agreed to accept the assignment of 95% of the Limited Partnership Interest.

### **Consideration and payment terms**

The Consideration for the assignment of 95% of the Limited Partnership Interest payable by FFL to Prime Avenue shall be US\$3,515,000 (equivalent to approximately HK\$27,417,000), representing 95% of the total Consideration attributable to the Limited Partnership Interest held by Prime Avenue, which shall be paid by FFL to Prime Avenue upon Completion.

The Consideration under the FFL Deed of Assignment shall be subject to adjustment(s) in the following manner at Completion:

- (a) increasing by a sum equal to 95% of the capital contributions made by Prime Avenue to the Limited Partnership during the period between the Cut Off Date and the Completion Date; and/or
- (b) decreasing by a sum equal to 95% of the distributions which are received by Prime Avenue from the Limited Partnership during the period between the Cut Off Date and the Completion Date.

## **THE UHL DEED OF ASSIGNMENT**

The principal terms and conditions of the UHL Deed of Assignment are summarized as below:

### **Date**

31 May 2024 (after trading hours)

### **Parties**

- (i) Prime Avenue (as transferor);
- (ii) UHL (as transferee); and
- (iii) the General Partner.

### **Asset to be disposed of**

Pursuant to the UHL Deed of Assignment, Prime Avenue has conditionally agreed to assign and transfer to UHL 5% of the rights, title and interests in the Limited Partnership Interest and UHL has conditionally agreed to accept the assignment of 5% of the Limited Partnership Interest.

### **Consideration and payment terms**

The Consideration for the assignment of 5% of the Limited Partnership Interest payable by UHL to Prime Avenue shall be US\$185,000 (equivalent to approximately HK\$1,443,000), representing 5% of the total Consideration attributable to the Limited Partnership Interest held by Prime Avenue, which shall be paid by UHL to Prime Avenue upon Completion.

The Consideration under the UHL Deed of Assignment shall be subject to adjustment(s) in the following manner at Completion:

- (a) increasing by a sum equal to 5% of the capital contributions made by Prime Avenue to the Limited Partnership during the period between the Cut Off Date and the Completion Date; and/or
- (b) decreasing by a sum equal to 5% of the distributions which are received by Prime Avenue from the Limited Partnership during the period between the Cut Off Date and the Completion Date.

## **THE DEEDS OF ASSIGNMENT**

### **Basis of the total Consideration**

The total Consideration was determined after arm's length negotiation between Prime Avenue and the Transferees with reference to, among others, (i) the total capital contribution of approximately US\$4,536,000 (equivalent to approximately HK\$35,340,000) paid up by Prime Avenue to the Limited Partnership as at the Cut Off Date; and (ii) the total investment return of approximately US\$592,000 (equivalent to approximately HK\$4,609,000) received by Prime Avenue from the Limited Partnership Interest during the investment period as at the Cut Off Date.

### **Conditions Precedent**

The Completion is subject to the fulfilment of the following Conditions Precedent, including without limitation:

- (a) the duly passing of ordinary resolution(s) at the SGM by the Shareholders regarding the approval of the Deeds of Assignment and transactions contemplated thereunder;
- (b) all necessary consents and approvals from the Stock Exchange required to be obtained on the part of the Company and/or Prime Avenue in respect of the Deeds of Assignment and transactions contemplated thereunder having been obtained and remain in full force and effect; and
- (c) both the FFL Deed of Assignment and the UHL Deed of Assignment having been executed contemporaneously with each other, and the completion of the transactions contemplated under both the FFL Deed of Assignment and the UHL Deed of Assignment occurs simultaneously with each other.

None of the above Conditions Precedent may be waived by Prime Avenue and the Transferees. If the Conditions Precedent set out above have not been fulfilled on or before the Long Stop Date, the Deeds of Assignment shall be terminated automatically in which case all rights and obligations of the parties under the Deeds of Assignment shall cease and no party shall have any claim against the other(s), and neither party shall have any rights and obligations thereunder save for any antecedent breaches of the provisions in the Deeds of Assignment.

## **Completion**

The parties shall be obliged to complete the Disposal if all the Conditions Precedent have been satisfied on or before the Long Stop Date. In the event the Transferee(s) elect(s) not to complete after all the Conditions Precedent have been satisfied on or before the Long Stop Date by providing a written notice to each of Prime Avenue and the General Partner within three (3) Business Days after all the Conditions Precedent have been satisfied, the Deeds of Assignment shall terminate and Prime Avenue is entitled to receive a total sum of US\$20,000 (equivalent to approximately HK\$156,000) (comprising of US\$19,000 (equivalent to approximately HK\$148,200) and US\$1,000 (equivalent to approximately HK\$7,800) from FFL and UHL respectively) as liquidated damages from the Transferees as full and final settlement of all losses, costs, charges and expenses which have or may have been sustained or incurred by Prime Avenue as a result of such termination, but without prejudice to the accrued rights and obligations of the parties in respect of any antecedent breach of the terms before such termination under the Deeds of Assignment.

The Completion shall take place on the Completion Date. Upon Completion, the Group will cease to have any interest in the Limited Partnership.

## **INFORMATION ON THE LIMITED PARTNERSHIP**

The Limited Partnership is an exempted limited partnership registered under the Exempted Limited Partnership Law (Revised) of the Cayman Islands on 14 November 2018. The Limited Partnership is principally engaged in investment holding. The Limited Partnership is controlled by the General Partner who acts as the general partner of the Limited Partnership.

## **INFORMATION ON THE TRANSFEREES AND THE GENERAL PARTNER**

The Transferees are (i) FFL who accepts the assignment of 95% of the Limited Partnership Interest; and (ii) UHL who accepts the assignment of the remaining 5% of the Limited Partnership Interest. Each of FFL and UHL is a company incorporated in the BVI with limited liability and each of them is principally engaged in investments, including in private funds, co-investments and other securities (including both private and public companies).

Based on the information available to the Company, FFL constitutes the family office of Mr. Alessandro Rosano whereas UHL constitutes the family office of Mr. Gianluigi Lucchini. The ultimate beneficial owner of FFL is Mr. Alessandro Rosano, who was an entrepreneur in the footwear industry and is now an investor overseeing his family office. The ultimate beneficial owner of UHL is Mr. Gianluigi Lucchini, who was a private equity executive and he is now an entrepreneur and investor overseeing his family office.

As informed by the Transferees, each of the ultimate beneficial owners of FFL and UHL does not hold any interest in any securities of the Company and none of them or their affiliates has investment discretion over any fund or other portfolio with an investment in the Company. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, each of FFL and UHL and their respective ultimate beneficial owners are Independent Third Parties.

The General Partner is an exempted company incorporated in the Cayman Islands with limited liability and is principally engaged in the provision of investment management services to the Limited Partnership. The General Partner is wholly-owned by Templewater Holdings Limited, which is in turn ultimately owned by Investec Bank plc and Mr. Cliff Zhang. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, the General Partner and its ultimate beneficial owners are Independent Third Parties.

## **INFORMATION ON PRIME AVENUE AND THE GROUP**

Prime Avenue is a company incorporated in the BVI with limited liability, a direct wholly-owned subsidiary of the Company and the holder of the Limited Partnership Interest. The principal business of Prime Avenue is investment holding.

The Group is principally engaged in property development, property investment, investment in securities and others and loan financing businesses. The Group's real estate activities focus on the industrial and non-residential sectors.

## FINANCIAL EFFECTS OF THE DISPOSAL

Based on the unaudited statement of changes in capital account of the Limited Partnership provided by the General Partner, as of 31 March 2024, the unaudited net asset value of the Limited Partnership Interest was approximately US\$5,419,000 (equivalent to approximately HK\$42,268,200). Based on the quarterly investor reports of the Limited Partnership provided by the General Partner, the unaudited and audited net profit attributable to the Limited Partnership for the 9-month period ended 31 December 2023 and the two (2) financial years ended 31 March 2022 and 2023 respectively are set out below:

	<b>For the 9-month period ended 31 December 2023</b> <i>(approximately)</i> US\$ (unaudited)	<b>For the year ended 31 March 2023</b> <i>(approximately)</i> US\$ (audited)	<b>For the year ended 31 March 2022</b> <i>(approximately)</i> US\$ (audited)
Net profit	3,684,000	12,399,000	64,527,000

Based on the information available to the Company, as at 31 March 2024, the book value of the Limited Partnership Interest was approximately US\$5,419,000 (equivalent to approximately HK\$42,268,200).

It is expected that the Group will record a loss on the Disposal of approximately US\$1,719,000 (equivalent to approximately HK\$13,408,200). The actual amount of loss on the Disposal to be recorded by the Company is subject to audit and may be different from the estimated amount.

It is also expected that as at the Cut Off Date, the net proceeds (after deducting other expenses in relation thereto) arising from the Disposal of approximately US\$3,687,000 (equivalent to approximately HK\$28,758,600) will be used for other potential investment or acquisition opportunities that may arise or supplement the general working capital of the Group.

The Board is of the view that the Group's expected actual loss on the Disposal at cost will be approximately US\$244,000 (equivalent to approximately HK\$1,900,000) based on the difference between the total Consideration of US\$3,700,000 (equivalent to approximately HK\$28,860,000) and (i) the total capital contribution of approximately US\$4,536,000 (equivalent to approximately HK\$35,340,000) paid up by Prime Avenue to the Limited Partnership as at the Cut Off Date; and (ii) the total investment return of approximately US\$592,000 (equivalent to approximately HK\$4,609,000) received by Prime Avenue from the Limited Partnership Interest during the investment period as at the Cut Off Date.

Upon Completion, Prime Avenue will cease to have any interest in the Limited Partnership. The Limited Partnership Interest will no longer be accounted for as financial assets at fair value through profit or loss in the consolidated financial statements of the Group.



## **REASONS FOR AND BENEFITS OF THE DISPOSAL**

Given (i) the relatively illiquidity nature of the Limited Partnership and there is still an unfunded capital commitment of approximately US\$464,000 (equivalent to approximately HK\$3,660,000) that Prime Avenue is liable for should it continue with this investment; and (ii) the future income which may be generated by the Limited Partnership Interest is becoming unpredictable due to the slowdown of the economy, the Board considers that the Disposal is a good opportunity for the Group to exit and realize its investment which will strengthen the cash flow and improve the liquidity position of the Group. The cash inflow will provide the Group with the financial flexibility and resources to consider and pursue other potential investment or acquisition opportunities should they arise or supplement the general working capital of the Group.

In view of the above, the Directors consider that the terms and conditions of the Deeds of Assignment were determined after arm's length negotiation between the parties thereto. The Board is of the view that the entering into the Deeds of Assignment and transactions contemplated thereunder are in the ordinary course of business, fair and reasonable and on normal commercial terms, and the Disposal is in the interests of the Company and the Shareholders as a whole.

## **LISTING RULES IMPLICATIONS**

As one or more of the applicable percentage ratios (as defined under the Listing Rules) for the Company in respect of the Disposal exceed(s) 25% but is or are less than 75% pursuant to Rule 14.07 of the Listing Rules, the Disposal constitutes a major transaction of the Company under Rule 14.06(3) of the Listing Rules and is therefore subject to the reporting, announcement, circular and the Shareholders' approval requirements under Chapter 14 of the Listing Rules.

## **GENERAL**

The SGM will be convened and held for the Shareholders to consider and, if thought fit, approve the Deeds of Assignment and transactions contemplated thereunder. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, as at the date of this announcement, as no Shareholder has a material interest in the Deeds of Assignment and transactions contemplated thereunder, therefore no Shareholder will be required to abstain from voting at the SGM to approve the ordinary resolution(s) regarding the Deeds of Assignment and transactions contemplated thereunder.

A circular containing, among other things, (i) further details of the Deeds of Assignment; (ii) the financial information of the Group; (iii) a notice convening the SGM and related form of proxy; and (iv) other information as required under the Listing Rules, is expected to be despatched to the Shareholders on or before 24 June 2024.

**The Shareholders and potential investors of the Company shall note that the Completion of the Disposal is subject to the Conditions Precedent in the Deeds of Assignment, and may or may not materialise. The Shareholders and potential investors of the Company are therefore advised to exercise caution when dealing in the securities of the Company.**

## DEFINITIONS

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

“associates”	has the same meaning ascribed thereto under the Listing Rules
“Board”	the board of the Directors
“Business Day(s)”	a day (other than a Saturday, Sunday and public holidays or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon) on which banks are open for business in Hong Kong
“BVI”	the British Virgin Islands
“Company”	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 (Stock Code: 616)
“Completion”	completion of the Disposal in accordance with the terms and conditions under the Deeds of Assignment
“Completion Date”	the fifth (5th) Business Day after all the Conditions Precedent have been satisfied or a date as agreed among the parties from time to time
“Condition(s) Precedent”	the condition(s) precedent to the Completion under the Deeds of Assignment
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Consideration”	US\$3,700,000 (equivalent to approximately HK\$28,860,000), being the sum of the consideration of US\$3,515,000 (equivalent to approximately HK\$27,417,000) payable by FFL in cash under the FFL Deed of Assignment and the consideration of US\$185,000 (equivalent to approximately HK\$1,443,000) payable by UHL in cash under the UHL Deed of Assignment to Prime Avenue for the Disposal under the Deeds of Assignment, which in each case is subject to adjustment(s) as provided in the respective Deeds of Assignment
“Cut Off Date”	28 May 2024
“Deeds of Assignment”	collectively, the FFL Deed of Assignment and the UHL Deed of Assignment

“Director(s)”	the directors of the Company
“Disposal”	the disposal of all of the rights, title and interests of the Limited Partnership Interest by Prime Avenue to the Transferees pursuant to the terms and conditions of the Deeds of Assignment
“FFL”	Full Fortune Legacy Limited, a company incorporated in the BVI with limited liability
“FFL Deed of Assignment”	the deed of assignment and assumption of interests in the Limited Partnership dated 31 May 2024 entered into between Prime Avenue and FFL in relation to the transfer of 95% of the Limited Partnership Interest
“General Partner”	Templewater I, G.P., an exempted company incorporated in the Cayman Islands with limited liability, being the general partnership of the Limited Partnership which is principally engaged in investment management
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	person(s) (and in the case of company(ies) and corporation(s), their ultimate beneficial owner(s)) who, to the best of the Directors’ knowledge, information and belief (as the case may be) having made all reasonable enquiries, is or are third party(ies) independent of and not connected with the Company (as the case may be) and its connected persons and is or are not acting in concert (as defined in the Takeovers Code) with any of the connected persons of the Company or any of their associates (as defined in the Listing Rules)
“Limited Partner(s)”	the limited partner(s) of the Limited Partnership
“Limited Partnership”	Templewater I, L.P., an exempted limited partnership registered under the Cayman Islands Exempted Limited Partnership Law (Revised)
“Limited Partnership Agreement”	the first amended and restated limited partnership agreement for the Limited Partnership dated 26 March 2019 entered into between the General Partner, the then new Limited Partner(s) and the outgoing Limited Partner, as amended, restated or substituted from time to time

“Limited Partnership Interest”	the interest held by Prime Avenue in the Limited Partnership, being capital commitment of US\$5,000,000 (equivalent to approximately HK\$39,000,000), comprising of approximately US\$4,536,000 (equivalent to approximately HK\$35,340,000) of paid capital contribution and approximately US\$464,000 (equivalent to approximately HK\$3,660,000) of unfunded commitment to the Limited Partnership
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	31 December 2024
“Main Board”	the main board maintained and operated by the Stock Exchange
“major transaction”	has the same meaning ascribed thereto under the Listing Rules
“Previous Announcements”	the announcements of the Company dated 27 March 2019 and 10 May 2019 respectively in relation to the Subscription
“Prime Avenue”	Prime Avenue Ventures Limited, a company incorporated in the BVI with limited liability, and a direct wholly-owned subsidiary of the Company
“SGM”	the special general meeting of the Company to be convened and held for the purpose of considering and, if thought fit, approving, the Deeds of Assignment and transactions contemplated thereunder
“Share(s)”	ordinary share(s) of par value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Limited Partnership Interest by Prime Avenue pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 26 March 2019 entered into by Prime Avenue and the General Partner in relation to the Subscription
“subsidiary”	has the same meaning ascribed thereto under the Listing Rules

“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Transferees”	collectively, FFL and UHL
“UHL”	Ulisse Holdings Limited, a company incorporated in the BVI with limited liability
“UHL Deed of Assignment”	the deed of assignment and assumption of interests in the Limited Partnership dated 31 May 2024 entered into between Prime Avenue and UHL in relation to the transfer of 5% of the Limited Partnership Interest
“HK\$”	Hong Kong dollars, lawful currency of Hong Kong
“US\$”	United States dollars, the lawful currency of the United States of America
“%”	per cent.

*For the purpose of this announcement, unless otherwise stated, the exchange rate of US\$1.00 to approximately HK\$7.80 is for the purpose of illustration only and does not constitute a representation that any amounts in US\$ and HK\$ have been, could have been or may be converted at such or any other exchange rate or at all.*

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

Hong Kong, 31 May 2024

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

*In the case of any inconsistency, the English version of this announcement shall prevail over the Chinese version.*