

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.



ENM HOLDINGS LIMITED

安寧控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00128)

CONTINUING CONNECTED TRANSACTION RENEWAL OF A TENANCY AGREEMENT

The Board announces that on 5 January 2015, Swank Shop entered into the Tenancy Agreement with the Landlords for the renewal of lease of the Premises.

As at the date of this announcement, Mr. CHAN, Wai Tong Christopher, Mr. JONG, Yat Kit and Mr. WONG, Tak Wai jointly hold approximately 9.69% of the issued shares of the Company. In addition, Mr. JONG, Yat Kit holds another approximately 34.59% of the issued shares of the Company jointly with Mr. LAM, Hok Chung Rainier and Mr. YU, Sai Hung as at the date of this announcement. Each of Mr. CHAN, Wai Tong Christopher, Mr. JONG, Yat Kit, Mr. LAM, Hok Chung Rainier, Mr. WONG, Tak Wai and Mr. YU, Sai Hung is a trustee of the Estate of Kung, Nina also known as Nina Kung and Nina T H Wang and Nina Teh Huei Wang.

Since the Landlords are companies controlled by Mr. CHAN, Wai Tong Christopher, Mr. JONG, Yat Kit and Mr. WONG, Tak Wai as joint and several administrators of the Estate of Nina Kung and are associates of connected persons of the Company under Chapter 14A of the Listing Rules, the Tenancy Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

Since the applicable percentage ratios (as defined in the Listing Rules) in respect of the aggregate annual caps for the transactions contemplated under the Tenancy Agreement and the Previous Tenancy Agreements (which are required to be aggregated under Rule 14A.81 of the Listing Rules) are more than 0.1% but less than 5%, the Tenancy Agreement is subject to the reporting, announcement and annual review requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

Details of the Tenancy Agreements will be included in the annual report of the Company for each of the relevant financial years. The Company will also observe the annual review and other requirements regarding continuing connected transactions under Chapter 14A of the Listing Rules, if and when applicable, from time to time.

The Board announces that on 5 January 2015, Swank Shop, a wholly owned subsidiary of the Company entered into the Tenancy Agreement with the Landlords for the renewal of lease of the Premises.

TENANCY AGREEMENT DATED 5 JANUARY 2015

- Landlords : Ying Ho Company Limited,
Cheong Ming Investment Co., Limited,
Dorfolk Investments Limited,
Kwong Fook Investors And Developers Limited,
The World Realty Limited,
On Lee Investment Company Limited,
Yau Fook Hong Company Limited, and
Tsing Lung Investment Company Limited
- Tenant : The Swank Shop Limited
- Premises : Shop Nos. 222 & 223 on 2/F (Level 3), Nina Tower, No. 8
Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong
with a total gross area of 3,768 square feet
- Lease term : Two years commencing from 1 January 2015 and expiring on
31 December 2016 (both days inclusive)
- Rent : monthly rent equal to 8% of the gross sales turnover from the
Premises per calendar month exclusive of management fee, air-
conditioning charges, government rates and other charges (to
be settled by cash on a monthly basis)
- Other charges : (i) management fee of HK\$5,700 per calendar month and air-
conditioning charges of HK\$9,420 per calendar month,
which shall be subject to review based upon increase in
the cost of supply (to be settled by cash on a monthly
basis)
- (ii) government rent payable by the Landlords and
government rates payable by Swank Shop

HISTORICAL FIGURES AND ANNUAL CAPS

Historical Figures

The actual payment made under the Existing Tenancy Agreement for the two financial years ended 31 December 2012 and 2013 and the six months ended 30 June 2014, which have not exceeded the annual cap amounts, were as follows:

For the year ended 31 December 2012	For the year ended 31 December 2013	For the six months ended 30 June 2014
<i>HK\$</i> 600,304	<i>HK\$</i> 555,943	<i>HK\$</i> 313,173

Annual Caps

The Aggregate Annual Caps for the transactions contemplated under the Tenancy Agreement and the Previous Tenancy Agreements for each of the two financial years ending 31 December 2015 and 2016 will be as follows:

	For the year ending 31 December	
	2015	2016
	<i>HK\$</i>	<i>HK\$</i>
Tenancy Agreement	1,070,000	1,500,000
Previous Tenancy Agreements	3,900,000	–
Aggregate Annual Caps	4,970,000	1,500,000

The annual cap for the Tenancy Agreement represents the aggregate of the estimated annual rent, management fee, air-conditioning charges together with other charges payable by Swank Shop to the Landlords under the Tenancy Agreement plus a cushion to cater for the possible increases in outgoing charges, which will be paid out of the Group's internal resources.

The estimated annual rent for the Tenancy Agreement is determined by multiplying the projected annual sales turnover generated from the Premises by the aforesaid rental rate of 8%. The projected annual sales turnover generated from the Premises for the two years ending 31 December 2015 and 2016 are HK\$10,500,000 and HK\$16,000,000 respectively. Such projection is assumed solely for the purpose of determining the annual cap for the Tenancy Agreement and shall not be regarded as any indication directly or indirectly as to the Group's revenue, profitability or trading prospects.

REASONS FOR THE TENANCY AGREEMENT

Since January 2009, the Landlord has been leasing the Premises to Swank Shop as fashion outlet. The Existing Tenancy Agreement expired on 31 December 2014. The Premises are needed by Swank Shop for operation of its fashion outlet which is expected to generate additional revenue and is beneficial to Swank Shop.

The terms of the Tenancy Agreement have been arrived at arm's length negotiations with reference to the prevailing market conditions. The Directors, including the Independent Non-executive Directors of the Company, consider that the Tenancy Agreement is on the terms no less favourable to Swank Shop than those available to independent third parties, that its terms are fair and reasonable and in the interests of the Company and its Shareholders as a whole, that the Aggregate Annual Caps are fair and reasonable, and that the entering into of the Tenancy Agreement is in the ordinary and usual course of business of the Group.

Mr. Joseph Wing Kong LEUNG is a common director of all of the Company, Swank Shop, the Landlords and an intermediate holding company of the Landlords. Mr. Derek Wai Choi LEUNG is a common director of all of the Company, Swank Shop and an intermediate holding company of the Landlords. Each of Mr. Joseph Wing Kong LEUNG and Mr. Derek Wai Choi LEUNG has abstained from voting on the relevant Board resolutions approving the Tenancy Agreement. Saved as disclosed above, none of the other Directors has a material interest in the transactions contemplated under the Tenancy Agreement and is required to abstain from voting on the relevant Board resolutions.

CONTINUING CONNECTED TRANSACTION

As at the date of this announcement, Mr. CHAN, Wai Tong Christopher, Mr. JONG, Yat Kit and Mr. WONG, Tak Wai jointly hold approximately 9.69% of the issued shares of the Company. In addition, Mr. JONG, Yat Kit holds another approximately 34.59% of the issued shares of the Company jointly with Mr. LAM, Hok Chung Rainier and Mr. YU, Sai Hung as at the date of this announcement. Each of Mr. CHAN, Wai Tong Christopher, Mr. JONG, Yat Kit, Mr. LAM, Hok Chung Rainier, Mr. WONG, Tak Wai and Mr. YU, Sai Hung is a trustee of the Estate of Kung, Nina also known as Nina Kung and Nina T H Wang and Nina Teh Huei Wang.

Since the Landlords are companies controlled by Mr. CHAN, Wai Tong Christopher, Mr. JONG, Yat Kit and Mr. WONG, Tak Wai as joint and several administrators of the Estate of Nina Kung and are associates of connected persons of the Company under Chapter 14A of the Listing Rules, the Tenancy Agreement constitutes a continuing connected transaction for the Company under Chapter 14A of the Listing Rules.

Since the applicable percentage ratios (as defined in the Listing Rules) in respect of the aggregate annual caps for the transactions contemplated under the Tenancy Agreement and the Previous Tenancy Agreements (which are required to be aggregated under Rule 14A.81 of the Listing Rules) are more than 0.1% but less than 5%, the Tenancy Agreement is subject to the reporting, announcement and annual review requirements but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

There are no agreements of the Company in the last 12 months besides the Tenancy Agreement and the Previous Tenancy Agreements which would require aggregation pursuant to Rule 14A.81 of the Listing Rules.

Details of the Tenancy Agreements will be included in the annual report of the Company for each of the relevant financial years. The Company will also observe the annual review and other requirements regarding continuing connected transactions under Chapter 14A of the Listing Rules, if and when applicable, from time to time.

GENERAL

The principal activities of the Company are investment holding and securities trading. The principal activities of its subsidiaries comprise the wholesale and retail of fashion wear and accessories, resort and recreational club operations, investment holding and securities trading.

Swank Shop, a wholly owned subsidiary of the Company, is principally engaged in the business of wholesale and retail of fashion wear and accessories.

The Landlords are engaged in property investment for rental income.

DEFINITIONS

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

“Aggregate Annual Caps”	the maximum annual amount of rent, management fee, air-conditioning charges and other charges paid/payable by the Group under the Tenancy Agreement and the Previous Tenancy Agreements for each of the two financial years ending 31 December 2015 and 2016
“Board”	the board of Directors
“Company”	ENM Holdings Limited, a company incorporated in Hong Kong with limited liability, the issued shares of which are listed on the main board of the Stock Exchange
“connected person(s)”	has the same meaning ascribed thereto under the Listing Rules
“Director(s)”	the director(s) of the Company
“Existing Tenancy Agreement”	the tenancy agreement dated 23 December 2011, entered into between Swank Shop as tenant and the Landlords in relation to the Premises for a term of three years from 1 January 2012 to 31 December 2014 at a monthly rent equal to 8% of the gross sales turnover from the Premises per calendar month
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Landlords”	Ying Ho Company Limited, Cheong Ming Investment Co., Limited, Dorfolk Investments Limited, Kwong Fook Investors And Developers Limited, The World Realty Limited, On Lee Investment Company Limited, Yau Fook Hong Company Limited, and Tsing Lung Investment Company Limited
“Listing Rules”	the Rules Governing the Listing of the Securities on the Stock Exchange
“Premises”	Shop Nos. 222 & 223 on 2/F (Level 3), Nina Tower, No. 8 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong

“Previous Tenancy Agreements”	(i) the Existing Tenancy Agreement; and (ii) the tenancy agreement dated 22 November 2012, entered into between the Company as tenant and the Landlords in relation to Suites 3301-03, 33rd Floor, Tower 2, Nina Tower, No. 8 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong for a term of three years from 1 December 2012 to 30 November 2015 at a monthly rent of HK\$268,719.
“Shareholders”	shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Swank Shop”	The Swank Shop Limited, a wholly owned subsidiary of the Company
“Tenancy Agreement”	the tenancy agreement dated 5 January 2015, entered into between Swank Shop as tenant and the Landlords in relation to the Premises for a term of two years from 1 January 2015 to 31 December 2016 at a monthly rent equal to 8% of the gross sales turnover from the Premises per calendar month
“Tenancy Agreements”	the Tenancy Agreement and the Previous Tenancy Agreements
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
ENM Holdings Limited
Joseph Wing Kong LEUNG
Chairman and Acting Chief Executive Officer

Hong Kong, 5 January 2015

As at the date of this announcement, the Executive Directors are Mr. Joseph Wing Kong LEUNG (Chairman and Acting Chief Executive Officer), Mr. Victor Yiu Keung CHIANG, Mr. Derek Wai Choi LEUNG and Mr. Wing Tung YEUNG, and the Independent Non-executive Directors are Dr. Jen CHEN, Mr. David Kwok Kwei LO, Mr. Ian Grant ROBINSON and Mr. Chi Keung WONG.