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**ENM HOLDINGS LIMITED**

**安寧控股有限公司**

*(Incorporated in Hong Kong with limited liability)*

**(Stock Code: 128)**

## **CONTINUING CONNECTED TRANSACTION TENANCY AGREEMENT**

The Board announces that on 5 October 2009, the Company entered into the Tenancy Agreement with the Landlords for the lease of the Premises.

The Landlords are companies controlled by the estate of Ms. Nina Kung, a controlling shareholder of the Company holding 34.6% of the issued share capital of the Company. Therefore, the Landlords are connected persons by reason of them being associates of a connected person of the Company within the meaning of Rule 14A.11 of the Listing Rules. Accordingly, the Tenancy Agreement constitutes a continuing connected transaction for the Company under the Listing Rules.

Since the applicable percentage ratios (as defined in the Listing Rules) for the Tenancy Agreement and the Previous Tenancy Agreements (which are aggregated under Rule 14A.25 of the Listing Rules) are less than 2.5%, in accordance with Rule 14A.34 of the Listing Rules, the Tenancy Agreement is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules and is exempt from the independent shareholders' approval requirements under Rule 14A.34 of the Listing Rules.

Details of the Tenancy Agreements will be included in the annual report and accounts of the Company for each of the relevant financial years in accordance with Rule 14A.46 of the Listing Rules.

The Board announces that on 5 October 2009, the Company entered into the Tenancy Agreement with the Landlords for the lease of the Premises.

#### **TENANCY AGREEMENT DATED 5 OCTOBER 2009**

Landlords	:	Ying Ho Company Limited, Cheong Ming Investment Company Limited, Dorfolk Investments Limited, Kwong Fook Investors & Developers Limited, The World Realty Limited, On Lee Investment Company Limited, Yau Fook Hong Company Limited, and Tsing Lung Investment Company Limited
Tenant	:	ENM Holdings Limited
Premises	:	Suites 3301 to 3303 on 33rd Floor of Nina Tower, Tower 2, No. 8 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong with a total gross area of 15,807 square feet
Lease term	:	Three years commencing from 1 December 2009 and expiring on 30 November 2012 (both days inclusive)
Rent	:	HK\$221,298 per month payable in cash monthly in advance (calculated at the rate of HK\$14 per square foot) exclusive of management fee, government rates and other outgoings
Licence period	:	Two months from 1 October 2009 to 30 November 2009 free of any rent but responsible for the payment of management fee, air-conditioning charges and government rates
Rent free period	:	1 December 2009 to 31 March 2010 (4 months); 1 December 2010 to 28 February 2011 (3 months); and 1 December 2011 to 29 February 2012 (3 months)
Outgoing charges	:	management fee and air-conditioning charges of HK4.80 per square foot per month payable by the Company
Other outgoing	:	government rent payable by the Landlords and government rates payable by the Company

There is an option granted to the Company to renew the tenancy for a further term of three years at the then fair market rent. The Company will comply with all applicable requirements under the Listing Rules in the event of renewal of the Tenancy Agreement.

## **AGGREGATE ANNUAL CAPS OF THE TENANCY AGREEMENT AND THE PREVIOUS TENANCY AGREEMENTS**

The Aggregate Annual Caps for the rent, management fee and air-conditioning charges payable under the Tenancy Agreement and the Previous Tenancy Agreements for each of the four financial years ending 31 December 2009, 2010, 2011 and 2012 will be as follows:

	For the year ending 31 December			
	2009	2010	2011	2012
	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>	<i>HK\$</i>
Tenancy Agreement	280,000	3,300,000	3,500,000	3,400,000
Previous Tenancy Agreements	3,050,000	700,000	900,000	–
Aggregate Annual Caps	3,330,000	4,000,000	4,400,000	3,400,000

The Directors, including the Independent Non-executive Directors of the Company, consider that the Aggregate Annual Caps are fair and reasonable.

### **REASONS FOR THE TENANCY AGREEMENT**

The Existing Tenancy Agreement will expire on 31 December 2009. As the Company requires additional office floor spaces to incorporate its fashion retail division which is currently located in other office building, the Company has entered into the Tenancy Agreement to lease the Premises for the use as its office premises. The floor area of office premises has increased from 8,090 square feet to 15,807 square feet.

The terms of the Tenancy Agreement have been arrived at arm's length negotiations and are on normal commercial terms. The amounts of rent, management fee and air-conditioning charges have been determined with reference to the rent and outgoing charges chargeable by the Landlords for similar leases in Nina Tower and the prevailing market conditions. The Directors, including the Independent Non-executive Directors of the Company, consider that the Tenancy Agreement was entered into in the ordinary and usual course of business of the Group and on normal commercial terms and is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

### **CONTINUING CONNECTED TRANSACTION**

The Landlords are companies controlled by the estate of Ms. Nina Kung, a controlling shareholder of the Company holding 34.6% of the issued share capital of the Company. Therefore, the Landlords are connected persons by reason of them being associates of a connected person of the Company within the meaning of Rule 14A.11 of the Listing Rules. Accordingly, the Tenancy Agreement constitutes a continuing connected transaction for the Company under 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.25 of the Listing Rules.

Since the applicable percentage ratios (as defined in the Listing Rules) for the Tenancy Agreement and the Previous Tenancy Agreements (which are aggregated under Rule 14A.25 of the Listing Rules) are less than 2.5%, in accordance with Rule 14A.34 of the Listing Rules, the Tenancy Agreement is only subject to the reporting and announcement requirements set out in Rules 14A.45 to 14A.47 of the Listing Rules and is exempt from the independent shareholders' approval requirements under Rule 14A.34 of the Listing Rules.

Details of the Tenancy Agreements will be included in the annual report and accounts of the Company for each of the relevant financial years in accordance with Rule 14A.46 of the Listing Rules.

## **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, telecommunications operations, resort and recreational club operations, investment holding and securities trading.

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:

<b>“Aggregate Annual Caps”</b>	the maximum amount of rent, management fee and air-conditioning charges payable under the Tenancy Agreement and the Previous Tenancy Agreements for each of the four financial years ending 31 December 2009, 2010, 2011 and 2012
<b>“Board”</b>	the board of Directors
<b>“Company”</b>	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
<b>“connected person(s)”</b>	has the same meaning ascribed thereto under the Listing Rules
<b>“Director(s)”</b>	the director(s) of the Company
<b>“Existing Tenancy Agreement”</b>	the tenancy agreement dated 27 July 2009, entered into between the Company as tenant and Hollywood Palace as landlord in relation to Suites 1502 and 1521 on 15th Floor, Chinachem Golden Plaza, 77 Mody Road, Tsimshatsui East, Kowloon, Hong Kong for a term of five months from 1 August 2009 to 31 December 2009 at a monthly rent of HK\$153,710
<b>“Group”</b>	the Company and its subsidiaries

<b>“Hollywood Palace”</b>	Hollywood Palace Company Limited, a company controlled by the estate of Ms. Nina Kung, a controlling shareholder of the Company holding 34.6% of the issued share capital of the Company
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China
<b>“Landlords”</b>	Ying Ho Company Limited, Cheong Ming Investment Company Limited, Dorfolk Investments Limited, Kwong Fook Investors & Developers Limited, The World Realty Limited, On Lee Investment Company Limited, Yau Fook Hong Company Limited, and Tsing Lung Investment Company Limited
<b>“Listing Rules”</b>	the Rules Governing the Listing of the Securities on the Stock Exchange
<b>“Premises”</b>	Suites 3301 to 3303 on 33rd Floor of Nina Tower, Tower 2, No. 8 Yeung Uk Road, Tsuen Wan, New Territories, Hong Kong
<b>“Previous Tenancy Agreements”</b>	<ul style="list-style-type: none"> <li>(i) the Existing Tenancy Agreement;</li> <li>(ii) the tenancy agreement dated 22 April 2009, entered into between the Company as tenant and Hollywood Palace as landlord in relation to Suites 1502 and 1521 on 15th Floor, Chinachem Golden Plaza, 77 Mody Road, Tsimshatsui East, Kowloon, Hong Kong for a term of three months from 1 May 2009 to 31 July 2009 at a monthly rent of HK\$161,800;</li> <li>(iii) the tenancy agreement dated 20 January 2009, entered into between The Swank Shop Limited (a wholly owned subsidiary of the Company) as tenant and the Landlords in relation to Shops No. 222 &amp; 223 on 2/F (Level 3), Nina Tower, Tsuen Wan, New Territories for a term of three years from 1 January 2009 to 31 December 2011 at a monthly rent equal to 10% of the monthly gross sales turnover from the shop; and</li> <li>(iv) the tenancy agreement dated 15 April 2008, entered into between the Company as tenant and Hollywood Palace as landlord in relation to Suites 1502 and 1521 on 15th Floor, Chinachem Golden Plaza, 77 Mody Road, Tsimshatsui East, Kowloon, Hong Kong for a term of one year from 1 May 2008 to 30 April 2009 at a monthly rent of HK\$202,250</li> </ul>
<b>“Shareholders”</b>	shareholder(s) of the Company

“ <b>Stock Exchange</b> ”	The Stock Exchange of Hong Kong Limited
“ <b>Tenancy Agreement</b> ”	the tenancy agreement dated 5 October 2009, entered into between the Company as tenant and the Landlords in relation to the Premises for a term of three years from 1 December 2009 to 30 November 2012 at a monthly rent of HK\$221,298
“ <b>Tenancy Agreements</b> ”	the Tenancy Agreement and the Previous Tenancy Agreements
“ <b>HK\$</b> ”	Hong Kong dollar, the lawful currency of Hong Kong
“ <b>%</b> ”	per cent.

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

Hong Kong, 5 October 2009

As at the date of this announcement, the Executive Directors are Mr. Joseph Wing Kong LEUNG (Chairman and Acting Chief Executive Officer), Mr. Raymond Siu Wing CHAN, Mr. Derek Wai Choi LEUNG and Mr. Wing Tung YEUNG, the Non-executive Directors are Mr. Raymond Wai Pun LAU and Mr. Raymond Shing Loong WONG, and the Independent Non-executive Directors are Dr. Cecil Sze Tsung CHAO, Dr. Jen CHEN and Mr. Ian Grant ROBINSON.