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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
IN RELATION TO
TENANCY FOR NEW SHOP**

The Board of the Company announces that on 20 January 2009 Swank Shop, a wholly owned subsidiary of the Company, entered into the Tenancy Agreement with the Landlords to lease 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.

As the signing of the Tenancy Agreement took place within 12 months of the Chinachem Golden Plaza Tenancy Agreement, the Chinachem Golden Plaza Tenancy Agreement and the Tenancy Agreement are aggregated pursuant to Rule 14A.25 of the Listing Rules. Since the percentage ratios for the Tenancy Agreements calculated on annual basis by reference to the aggregate sum of rent, management fee and air-conditioning fee payable by the Group under the Chinachem Golden Plaza Tenancy Agreement and estimated to be payable by the Group under the Tenancy Agreement is less than 2.5%, in accordance with Rule 14A.34 of the Listing Rules, the Tenancy Agreements are 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 Agreement 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.

TENANCY AGREEMENT

- Date : 20 January 2009
- Landlords : Ying Ho Co Ltd., Cheong Ming Investment Co Ltd., Dorfolk Investments Ltd., Kwong Fook Investors & Developers Ltd., The World Realty Ltd., On Lee Investment Co Ltd., Yau Fook Hong Co Ltd., and Tsing Lung Investment Co Ltd.
- Tenant : Swank Shop
- Premises : Shops No. 222 & 223 on 2/F (Level 3), Nina Tower, Tsuen Wan, New Territories
- Lease Term : 3 years commencing from 1 January 2009 and expiring on 31 December 2011 (both days inclusive)
- Rent : monthly rent equal to 10% of the monthly gross sales turnover from the Premises (to be settled by cash on a monthly basis)
- Outgoing Charges : management fee of HK\$5,700 per calendar month and air-conditioning fee of HK\$9,420 per calendar month payable by the Landlords from 1 January 2009 to 31 March 2009 (both days inclusive) and thereafter payable by Swank Shop commencing from 1 April 2009 (to be settled by cash on a monthly basis).
- Other Outgoing : government rent payable by the Landlords and government rates payable by Swank Shop

ANNUAL CAP

As the rent payable under the Tenancy Agreement is dependent on the sale from the Premises, pursuant to the projected sales from the Premises for the financial years ending 31 December 2009, 2010 and 2011, the Company estimates that the annual cap for the rent, management fee and air-conditioning fee payable under the Tenancy Agreement, as required by Rule 14A.35(2) of the Listing Rules, for each of the three financial years ending 31 December 2009, 2010 and 2011 respectively are HK\$591,000, HK\$700,000 and HK\$900,000 respectively.

As Swank Shop does not have similar shop at Tsuen Wan, the estimation of the sales from the Premises was based on the past experience of the management and the sales forecast of Swank Shop. The Company considers the annual caps are fair and reasonable and are in line with projection made by Swank Shop based on an upside scenario and represent the expected highest possible turnover rents payable with reference to the retail sentiment and environment in the next several years.

As the Chinachem Golden Plaza Tenancy Agreement shall expire on 30 April 2009 if option of renewal is not exercised by the Company and based on the monthly rent, management fee and air-conditioning fee payable under the Chinachem Golden Plaza Tenancy Agreement, the aggregate annual cap for the Chinachem Golden Plaza Tenancy Agreement and Tenancy Agreement for the year ending 31 December 2009 will not exceed HK\$1,400,000.

In the event that the aggregate rent, management fee and air-conditioning fee payable by the Group under the Chinachem Golden Plaza Tenancy Agreement and the Tenancy Agreement exceeds the aggregate annual caps as mentioned above, the Company will comply with all the relevant requirements of Chapter 14A of the Listing Rules.

REASONS FOR THE TENANCY AGREEMENT

Swank Shop is principally engaged in the business of wholesale and retail of fashion wear and accessories.

The terms of the Tenancy Agreement, including the rent, was agreed after arm's length negotiations between the Landlords and Swank Shop with reference to the current market conditions. The Company considers that the Tenancy Agreement is on terms no less favourable to the Company than those that can be received from independent third parties.

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 Chinachem Golden Plaza Tenancy Agreement and the Tenancy Agreement which would require aggregation pursuant to Rule 14A.25 of the Listing Rules.

As the signing of the Tenancy Agreement took place within 12 months of the Chinachem Golden Plaza Tenancy Agreement, the Chinachem Golden Plaza Tenancy Agreement and the Tenancy Agreement are aggregated pursuant to Rule 14A.25 of the Listing Rules. Since the percentage ratios for the Chinachem Golden Plaza Tenancy Agreement and the Tenancy Agreement calculated on annual basis by reference to the aggregate sum of rent, management fee and air-conditioning fee payable by the Group under the Chinachem Golden Plaza Tenancy Agreement and estimated to be payable by the Group under the Tenancy Agreement is less than 2.5%, in accordance with Rule 14A.34 of the Listing Rules, the Tenancy Agreements are 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 Agreement 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:

“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
“Chinachem Golden Plaza Tenancy Agreement”	the tenancy agreement dated 15 April 2008 and entered into between the Company as tenant and Hollywood Palace Company Limited as landlord in relation to suites 1502 and 1521 on 15th Floor, Chinachem Golden Plaza, 77 Mody Road, Tsimshatsui East, Kowloon, Hong Kong
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Landlords”	Ying Ho Co Ltd., Cheong Ming Investment Co Ltd., Dorfolk Investments Ltd., Kwong Fook Investors & Developers Ltd., The World Realty Ltd., On Lee Investment Co Ltd., Yau Fook Hong Co Ltd., and Tsing Lung Investment Co Ltd.
“Listing Rules”	the Rules Governing the Listing of the Securities on the Stock Exchange
“Premises”	Shops No. 222 & 223 on 2/F (Level 3), Nina Tower, Tsuen Wan, New Territories
“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 20 January 2009 and entered into between Swank Shop and the Landlords in relation to the Premises
“Tenancy Agreements”	the Chinachem Golden Plaza Tenancy Agreement and the Tenancy Agreement

“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

Hong Kong, 20 January 2009

As at the date of this announcement, the Executive Directors are Mr. Joseph Wing Kong LEUNG (Chairman), Mr. James C. NG (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.