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ENM HOLDINGS LIMITED

安寧控股有限公司

(Incorporated in Hong Kong with limited liability)

(Stock Code: 00128)

DISCLOSEABLE TRANSACTION

**DISPOSAL OF ENTIRE EQUITY INTEREST IN
BRUNELLO CUCINELLI HONG KONG LIMITED**

The Board announces that on 6 September 2017 (after trading hours), the Seller, an indirect wholly-owned subsidiary of the Company, entered into the Disposal Agreement with the Purchaser, under which the Seller has agreed to sell, and the Purchaser has agreed to purchase, the Sale Shares together with the Shareholder's Loan at an aggregate cash consideration of HK\$18,451,539.

As at the date of the Disposal Agreement, (i) the Sale Shares amount to 49% of the total issued shares in BCHK, representing the Group's entire equity interest therein; and (ii) the outstanding principal amount of the Shareholder's Loan stands at HK\$15,043,000.

As the highest applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal is above 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

Principal terms of the Disposal Agreement are summarised below:

Date	6 September 2017
Parties	Seller : The Swank Shop Limited, an indirect wholly-owned subsidiary of the Company.

Purchaser : Brunello Cucinelli S.p.A., a company incorporated in Italy.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries: save and except the Purchaser being a shareholder of BCHK holding 51% equity interest thereof, (i) the Purchaser and its ultimate beneficial owner(s) are third parties independent of the Company and its connected persons and are not connected persons of the Company; and (ii) there was no previous transaction between the Company and the Purchaser which may require aggregation under Rule 14.22 of the Listing Rules.

Subject matter

The Sale Shares, together with the Shareholder's Loan.

As at the date of the Disposal Agreement, (i) the Sale Shares amount to 49% of the total issued shares in BCHK, representing the Group's entire equity interest in BCHK; and (ii) the outstanding principal amount of the Shareholder's Loan stands at HK\$15,043,000.

Consideration

The aggregate cash consideration for the Sale Shares and the Shareholder's Loan is HK\$18,451,539 (the "**Consideration**"), which shall be apportioned as follows: (i) HK\$3,408,539 for the Sale Shares; and (ii) HK\$15,043,000 for the Shareholder's Loan.

The Consideration was determined after arm's length negotiations between the Seller and the Purchaser by reference to (i) the net assets attributable to the Sale Shares as at 31 December 2016 of HK\$3,408,539; (ii) the outstanding principal amount of the Shareholder's Loan as at the date of the Disposal Agreement; and (iii) the mechanism for determining the pricing terms of transfer of shares of BCHK as agreed in the shareholders' agreement in relation to BCHK entered into between the Seller and the Purchaser dated 20 August 2013 (as amended).

The Consideration shall be payable by the Purchaser in clear and immediately available funds on Closing without any withholding or deduction. In addition, the Purchaser shall procure that all interest accrued on the Shareholder's Loan up to and until the day before the date of Closing amounting to HK\$99,531 shall be paid by BCHK or the Purchaser itself to the Seller on Closing without any withholding or deduction.

Completion

The Disposal is not subject to any condition precedent. Closing is expected to take place on 8 September 2017 (or such other date as the Seller and the Purchaser may agree in writing).

Upon Closing, BCHK will become wholly-owned by the Purchaser and the Group will cease to have any equity interest therein.

REASONS FOR AND BENEFITS OF ENTERING INTO OF THE DISPOSAL AGREEMENT

The principal business activities of the Company are investment holding and securities trading. The principal business activities of its subsidiaries comprise the wholesale and retail of fashion wear and accessories, as well as the operation of resorts and recreational clubs, investment holding and securities trading. The principal business activity of BCHK is the operation of the "Brunello Cucinelli" fashion wear and accessories retail business in Hong Kong.

After taking the long-term business prospects of BCHK into consideration, the Board is of the view that the Company can realise its investment in BCHK at the best available price through the Disposal, which can bring in additional cashflow to the

Group for its future business development and investment opportunities. In addition, the Disposal allows the Group to better deploy those of its financial resources that are focused on its premium fashion retail business. The Group will continue to retail “Brunello Cucinelli” products through its multi-brand stores after the Disposal.

Having considered the factors described above, the Board considers that (i) the Disposal is on normal commercial terms and (ii) the terms of the Disposal Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

INTENDED USE OF PROCEEDS AND FINANCIAL EFFECTS OF THE DISPOSAL

The Group expects to recognise a gain from the Disposal of approximately HK\$825,000, which is calculated based on the Consideration less (i) the net assets attributable to the Sale Shares recognised in the Group’s unaudited condensed consolidated financial statements as at 30 June 2017 amounting to HK\$2,456,096 and the outstanding principal amount of the Shareholder’s Loan; and (ii) professional fees and relevant expenses. The Company intends to apply the net proceeds from the Disposal for the Group’s general working capital. Shareholders should note that the above estimated gain is for illustrative purposes only and the actual gain or loss on the Disposal to be recorded by the Group will depend on, among other factors, the net assets attributable to the Sale Shares and the actual amount of the Shareholder’s Loan as at the date of Closing.

According to the audited financial information of BCHK which has been prepared in accordance with the Hong Kong Financial Reporting Standards, the net profit/(loss) before and after taxation of BCHK for the two financial years ended 31 December 2015 and 2016 are as follows:

	For the year ended 31 December 2015	For the year ended 31 December 2016
Net profit/(loss) before taxation	HK\$(3,754,483)	HK\$6,129,400
Net profit/(loss) after taxation	HK\$(3,593,090)	HK\$4,922,153

As at 30 June 2017, the unaudited total assets and net assets of BCHK amounted to HK\$53,284,377 and HK\$5,012,440 respectively.

LISTING RULES IMPLICATIONS

As the highest applicable percentage ratio calculated pursuant to Rule 14.07 of the Listing Rules in respect of the Disposal is above 5% but less than 25%, the Disposal constitutes a discloseable transaction of the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“BCHK”	Brunello Cucinelli Hong Kong Limited, a company incorporated in Hong Kong with limited liability which is owned by the Seller as to 49% and by the Purchaser as to 51% immediately prior to the Disposal
“Board”	the board of Directors
“Closing”	the completion of the Disposal contemplated under the Disposal Agreement
“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”	has the meaning ascribed thereto under the Listing Rules
“Disposal”	the transfer of the Sale Shares and the Shareholder’s Loan from the Seller to the Purchaser pursuant to the terms of the Disposal Agreement
“Disposal Agreement”	the share purchase agreement dated 6 September 2017 in respect of the Disposal entered into between the Seller and the Purchaser
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Purchaser”	Brunello Cucinelli S.p.A., a company incorporated in Italy which, to the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, is principally engaged in design, manufacturing and distribution of luxury clothing and accessories collections globally
“Sale Shares”	980,000 shares of BCHK in issue, representing the Group’s entire equity interest therein
“Shareholder(s)”	the shareholders of the Company
“Shareholder’s Loan”	the outstanding shareholder’s loan in the principal amount of HK\$15,043,000 as at the date of the Disposal Agreement owed and payable by BCHK to the Seller
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Seller”	The Swank Shop Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company
“%”	per cent

By order of the Board
ENM Holdings Limited
David Parker
Executive Director
and Chief Executive Officer

Hong Kong, 6 September 2017

As at the date of this announcement, the Executive Directors are Mr. David Charles PARKER (Chief Executive Officer) and Mr. Wing Tung YEUNG, the Non-executive Directors are Mr. Derek Wai Choi LEUNG (Non-executive Chairman) and Ms. Sarah Young O’DONNELL, and the Independent Non-executive Directors are Dr. Jen CHEN, Mr. Kin Wing CHEUNG, Mr. Kiu Sang Baldwin LEE and Mr. Ted Tak Tai LEE.