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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)

INSIDE INFORMATION PROFIT WARNING

This announcement is made pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “Listing Rules”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong).

The board of Directors (the “Board”) of ENM Holdings Limited (the “Company”, and together with its subsidiaries, the “Group”) wishes to inform the shareholders of the Company and potential investors that based on the unaudited consolidated management accounts of the Group for the eleven months ended 30 November 2020 (the “November 2020 Management Accounts”), the Group recorded a loss of approximately HK\$29 million (excluding any year-end properties valuation changes) for the eleven months ended 30 November 2020 as compared to a profit attributable to shareholders of the Company of HK\$46.2 million for the year ended 31 December 2019. Such loss was mainly attributable to negative contributions from the Group’s fashion retail business and club operations mainly due to the COVID-19 situation in Hong Kong, resulting in poor local consumer sentiment, statutory restrictions in permitted activities at the club operations under the relevant government regulations, and the virtual elimination of mainland and other tourist arrivals.

Nevertheless, the total net realised and unrealised return from the Group’s investment portfolio was now positive for the eleven months ended 30 November 2020 as compared to a negative contribution in the interim period ended 30 June 2020. However, it is expected that the Group’s investment portfolio will contribute less than the 2019 total investment return due to (1) the volatility in the securities market during the year; (2) certain investment realised losses taken at the nadir of the securities market in March 2020; and (3) continuing depreciation in the market value of the investment in PuraPharm Corporation Limited without providing the Group with the liquidity for any exit.

Based on the November 2020 Management Accounts, the Group is still in a sound financial position with the Group's current ratio (current assets over current liabilities) as at 30 November 2020 standing at 16.4 times.

Subject to market conditions and some preliminary figures for the Group's investment portfolio as at 21 December 2020, the Group currently expects that this could collectively result in a net loss for the year ending 31 December 2020 as compared to a profit attributable to shareholders of the Company of HK\$46.2 million for the year ended 31 December 2019.

As the Company has not yet prepared the unaudited consolidated annual results of the Group for the year ending 31 December 2020 which will include realised and unrealised gains/losses in the investment portfolio as at year-end date; and the properties valuation reports are not yet available, the information contained in this announcement only represents a preliminary assessment based on the November 2020 Management Accounts and other information that is currently available to the Board. Such information has not been reviewed or audited by the independent auditors of the Company, nor reviewed by the Audit Committee of the Company. The Company will make further announcements to provide further updates on a timely basis as and when necessary.

Shareholders of the Company and potential investors should carefully read the Group's annual results announcement for the year ending 31 December 2020, which is expected to be published by end of March 2021.

Shareholders of the Company and potential investors should exercise caution when dealing in the shares of the Company.

By Order of the Board
David Parker
Executive Director
and Chief Executive Officer

Hong Kong, 22 December 2020

As at the date of this announcement, the Executive Director is Mr. David Charles PARKER (Chief Executive Officer), the Non-executive Directors are Mr. Derek Wai Choi LEUNG (Non-executive Chairman) and Mr. Hing Lun Dennis AU, and the Independent Non-executive Directors are Mr. Kin Wing CHEUNG, Mr. Kiu Sang Baldwin LEE, Mr. Ted Tak Tai LEE and Ms. Sarah Young O'DONNELL.