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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 REDEMPTION OF FUND

The Board announces that on 4 October 2021, ENM Wealth Management received the Redemption Confirmations, pursuant to which ENM Wealth Management redeemed 178,191.334 Accumulation Shares Series 1 in the Credit Fund and 34,103.504 Accumulation Shares Series 101 in the Credit Fund on 23 September 2021.

Since the Credit Fund Series 1 Redemption, the Credit Fund Series 101 Redemption and the Previous Redemptions were conducted within a 12-month period, and the Credit Fund and the Bond Fund are managed by the Investment Manager, the Credit Fund Series 1 Redemption and the Credit Fund Series 101 Redemption were required to be aggregated with the Previous Redemptions for the purpose of computing the Percentage Ratios pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules.

Since one or more of the applicable Percentage Ratios for the Company upon aggregation of the Credit Fund Series 1 Redemption, the Credit Fund Series 101 Redemption and the Previous Redemptions exceed 5%, but all relevant Percentage Ratios are less than 25%, the Credit Fund Redemptions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements thereunder.

The Board announces that on 4 October 2021, ENM Wealth Management received the Redemption Confirmations, pursuant to which ENM Wealth Management redeemed 178,191.334 Accumulation Shares Series 1 in the Credit Fund and 34,103.504 Accumulation Shares Series 101 in the Credit Fund on 23 September 2021.

CREDIT FUND REDEMPTIONS

Credit Fund Series 1 Redemption

On 23 September 2021, ENM Wealth Management redeemed its 178,191.334 Accumulation Shares Series 1 in the Credit Fund. The proceeds from the Credit Fund Series 1 Redemption are approximately US\$5,495,000 (equivalent to approximately HK\$42,747,000) at the redemption price of US\$30.835 per share. Pursuant to the terms of the Private Placing Memorandum, the redemption price is determined by (i) determining the net asset value of the Credit Fund as at the Valuation Point before deducting any liabilities which are specifically attributable to any particular series; (ii) apportioning the resulting amount between each series pro-rata in accordance with the net asset value of each series prior to the relevant Valuation Point; (iii) deducting the liabilities and adding any assets specifically attributable to the relevant series from or to such apportioned amount; and (iv) dividing the resulting amount by the number of participating shares of the relevant series, and the redemption proceeds will be normally received within 7 Business Days after the redemption date or (if later) the day on which the Administrator's agent receives an original redemption request form, duly completed and signed by a shareholder of the Credit Fund.

Credit Fund Series 101 Redemption

On 23 September 2021, ENM Wealth Management redeemed its 34,103.504 Accumulation Shares Series 101 in the Credit Fund. The proceeds from the Credit Fund Series 101 Redemption are approximately US\$1,052,000 (equivalent to approximately HK\$8,182,000) at the redemption price of US\$30.835 per share. Pursuant to the terms of the Private Placing Memorandum, the redemption price is determined by (i) determining the net asset value of the Credit Fund as at the Valuation Point before deducting any liabilities which are specifically attributable to any particular series; (ii) apportioning the resulting amount between each series pro-rata in accordance with the net asset value of each series prior to the relevant Valuation Point; (iii) deducting the liabilities and adding any assets specifically attributable to the relevant series from or to such apportioned amount; and (iv) dividing the resulting amount by the number of participating shares of the relevant series, and the redemption proceeds will be normally received within 7 Business Days after the redemption date or (if later) the day on which the Administrator's agent receives an original redemption request form, duly completed and signed by a shareholder of the Credit Fund.

After completion of the Credit Fund Series 1 Redemption and the Credit Fund Series 101 Redemption, ENM Wealth Management will cease to hold any shares in the Credit Fund.

FINANCIAL EFFECTS AND USE OF PROCEEDS FROM THE CREDIT FUND REDEMPTIONS

It is expected that subject to audit, the Group will record a loss of approximately HK\$2,666,000 as a result of the Credit Fund Series 1 Redemption for the year ending 31 December 2021, which is calculated based on the difference between the total proceeds of the Credit Fund Series 1 Redemption and the audited carrying value of the Credit Fund Series 1 Redemption Shares as at 31 December 2020 of approximately HK\$45,413,000. Before the Credit Fund Series 1 Redemption, the Group did not receive any dividend income from the Credit Fund Series 1 Redemption Shares for the year ending 31 December 2021.

It is expected that subject to audit, the Group will record a loss of approximately HK\$510,000 as a result of the Credit Fund Series 101 Redemption for the year ending 31 December 2021, which is calculated based on the difference between the total proceeds of the Credit Fund Series 101 Redemption and the audited carrying value of the Credit Fund Series 101 Redemption Shares as at 31 December 2020 of approximately HK\$8,692,000. Before the Credit Fund Series 101 Redemption, the Group did not receive any dividend income from the Credit Fund Series 101 Redemption Shares for the year ending 31 December 2021.

The proceeds from the Credit Fund Redemptions are intended to be used for investments when suitable investment opportunities arise in the future.

REASONS FOR AND BENEFITS OF THE CREDIT FUND REDEMPTIONS

The Group monitors the performance of its securities portfolios and makes adjustments to them (with regard to the types and/or amounts of the securities held) from time to time. The Credit Fund Redemptions are conducted in the ordinary and usual course of the business of the Group and will provide the Group with a good opportunity to realise such investments and to re-allocate resources for other reinvestment opportunities when they arise.

The Directors (including the independent non-executive Directors) consider that the Credit Fund Redemptions are on normal commercial terms, and that the terms of the Credit Fund Redemptions are fair and reasonable and in the interests of the Company and its Shareholders as a whole.

INFORMATION ON THE GROUP

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.

ENM Wealth Management is a wholly-owned subsidiary of the Company and is principally engaged in investment holding and securities trading.

INFORMATION ON THE CREDIT FUND AND THE INVESTMENT MANAGER

The Credit Fund is an exempted limited liability company incorporated in the Cayman Islands. The Credit Fund invests in the liquid Asian credit markets employing an absolute return approach, utilizing hedging and overlay strategies to protect against downside volatility in the market, as well as to enhance returns. The Credit Fund's strategy aims to generate steady returns with relatively low volatility over a medium term horizon.

The Investment Manager is Income Partners Asset Management (HK) Limited, a company incorporated in Hong Kong with limited liability. The Investment Manager is licensed to carry out Type 4 (Advising on Securities), Type 6 (Advising on Corporate Finance) and Type 9 (Asset Management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

The Administrator and the Custodian are HSBC Trustee (Cayman) Limited, a company incorporated in the Cayman Islands.

The Group did not receive any dividend income from the Credit Fund Series 1 Redemption Shares and the Credit Fund Series 101 Redemption Shares for the years ended 31 December 2019 and 31 December 2020 respectively.

The Credit Fund Series 1 Redemption Shares, which were subscribed in August 2018, were stated at fair value. The carrying values of the Credit Fund Series 1 Redemption Shares as at 30 June 2021 and 31 December 2020 were approximately US\$5,894,000 (equivalent to approximately HK\$45,858,000) and approximately US\$5,837,000 (equivalent to approximately HK\$45,413,000) respectively, which are the same as the net asset value of the Credit Fund Series 1 Redemption Shares stated in the relevant monthly statement provided by the Investment Manager. The fair value loss in respect of the Credit Fund Series 1 Redemption Shares for the year ended 31 December 2020 was HK\$2,045,000 and the fair value gain in respect of the Credit Fund Series 1 Redemption Shares for the year ended 31 December 2019 was HK\$4,084,000.

The Credit Fund Series 101 Redemption Shares, which were subscribed in January 2020, were stated at fair value. The carrying values of the Credit Fund Series 101 Redemption Shares as at 30 June 2021 and 31 December 2020 were approximately US\$1,128,000 (equivalent to approximately HK\$8,777,000) and approximately US\$1,117,000 (equivalent to approximately HK\$8,692,000) respectively, which are the same as the net asset value of the Credit Fund Series 101 Redemption Shares stated in the relevant monthly statement provided by the Investment Manager. The fair value loss in respect of the Credit Fund Series 101 Redemption Shares for the year ended 31 December 2020 was HK\$644,000.

To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the Credit Fund, the Bond Fund, the Investment Manager, the Administrator, the Custodian, and their respective ultimate beneficial owners is an Independent Third Party.

LISTING RULES IMPLICATIONS

Each of the Credit Fund Series 1 Redemption and the Credit Fund Series 101 Redemption, on a stand-alone basis, was not a notifiable transaction of the Company under the Listing Rules on their respective date of redemption.

Since the Credit Fund Series 1 Redemption, the Credit Fund Series 101 Redemption and the Previous Redemptions were conducted within a 12-month period, and the Credit Fund and the Bond Fund are managed by the Investment Manager, the Credit Fund Series 1 Redemption and the Credit Fund Series 101 Redemption were required to be aggregated with the Previous Redemptions for the purpose of computing the Percentage Ratios pursuant to Rule 14.22 and Rule 14.23 of the Listing Rules.

Since one or more of the applicable Percentage Ratios for the Company upon aggregation of the Credit Fund Series 1 Redemption, the Credit Fund Series 101 Redemption and the Previous Redemptions exceed 5%, but all relevant Percentage Ratios are less than 25%, the Credit Fund Redemptions constitute a discloseable transaction of the Company under Chapter 14 of the Listing Rules and are therefore subject to the reporting and announcement requirements thereunder.

DEFINITIONS

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

“Administrator”	HSBC Trustee (Cayman) Limited, a company incorporated in the Cayman Islands, the administrator of the Credit Fund
“Board”	the board of Directors
“Bond Fund”	IP All Seasons Bond Fund, an exempted open-ended investment company with limited liability incorporated in the Cayman Islands
“Business Day”	a day (other than Saturday) on which banks in Hong Kong are open for normal banking business provided that where as a result of a Number 8 Typhoon Signal, Black Rainstorm Warning or other similar event, the period during which banks in Hong Kong are open on any day is reduced, such day shall not be a Business Day unless the directors of the Credit Fund otherwise determines
“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
“Credit Fund”	IP All Seasons Asian Credit Fund, an exempted limited liability company incorporated in the Cayman Islands
“Credit Fund Redemptions”	collectively, the Credit Fund Series 1 Redemption and the Credit Fund Series 101 Redemption
“Credit Fund Series 1 Redemption”	the redemption of 178,191.334 Accumulation Shares Series 1 in the Credit Fund by ENM Wealth Management with the total proceeds of approximately US\$5,495,000 (equivalent to approximately HK\$42,747,000) on 23 September 2021

“Credit Fund Series 1 Redemption Shares”	178,191.334 Accumulation Shares Series 1 in the Credit Fund redeemed by ENM Wealth Management in the Credit Fund Series 1 Redemption
“Credit Fund Series 101 Redemption”	the redemption of 34,103.504 Accumulation Shares Series 101 in the Credit Fund by ENM Wealth Management with the total proceeds of approximately US\$1,052,000 (equivalent to approximately HK\$8,182,000) on 23 September 2021
“Credit Fund Series 101 Redemption Shares”	34,103.504 Accumulation Shares Series 101 in the Credit Fund redeemed by ENM Wealth Management in the Credit Fund Series 101 Redemption
“Custodian”	HSBC Trustee (Cayman) Limited, a company incorporated in the Cayman Islands, the custodian of the Credit Fund
“Director(s)”	the director(s) of the Company
“ENM Wealth Management”	ENM Wealth Management Limited, a company incorporated in the British Virgin Islands with limited liability and a wholly-owned subsidiary of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons and not otherwise a connected person of the Company
“Investment Manager”	Income Partners Asset Management (HK) Limited, a company incorporated in Hong Kong with limited liability, the investment manager of the Bond Fund and the Credit Fund
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange

“Percentage Ratio(s)”	the percentage ratio(s) as set out in Rule 14.07 of the Listing Rules to be applied for determining the classification of a transaction under the Listing Rules
“Previous Redemptions”	the previous redemptions by ENM Wealth Management of (i) 76,656.549 Accumulation Shares Series 1 in the Credit Fund with the total proceeds of US\$2,500,000 (equivalent to approximately HK\$19,450,000) on 29 January 2021; (ii) 26,356.143 Class A USD (Distribution) Shares in the Bond Fund with the total proceeds of US\$2,703,350 (equivalent to approximately HK\$21,032,000) on 24 March 2021; and (iii) 26,356.143 Class A USD (Distribution) Shares in the Bond Fund with the total proceeds of US\$2,693,861 (equivalent to approximately HK\$20,958,000) on 29 March 2021, as announced in the Company’s announcement dated 1 April 2021
“Private Placing Memorandum”	the private placing memorandum issued in January 2018 by the Credit Fund
“Redemption Confirmations”	Two sets of confirmation of redemption received by ENM Wealth Management from the Custodian on 4 October 2021, which sets out the Valuation Date, the Redemption Price and other details of the Credit Fund Series 1 Redemption and the Credit Fund Series 101 Redemption respectively
“Shareholder(s)”	the shareholders of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Valuation Day”	every Wednesday in each week (if such day is not a Business Day, the next following Business Day) except for the last week of the month the Valuation Day shall be the last Business Day of that month and /or such other Business Day as the directors of the Credit Fund may determine from time to time, means 23 September 2021 in respect of the Credit Fund Series 1 Redemption and 23 September 2021 in respect of the Credit Fund Series 101 Redemption, being the date of the relevant redemption

“Valuation Point”	the close of the business in the last relevant market to close on the Valuation Day or such other time on such Business Day as the Investment Manager may from time to time prescribe
“US\$”	United States Dollars, the lawful currency of United States of America
“%”	per cent

In this announcement, amounts denominated in US\$ are converted into HK\$ at the rate of US\$1.00 = HK\$7.78. Such conversion rate is for illustration purpose only and should not be construed as a representation that the amounts in question have been, could have been or could be converted at any particular rate or at all.

By order of the Board
David Parker
*Executive Director
and Chief Executive Officer*

Hong Kong, 4 October 2021

As at the date of this announcement, the Executive Director is Mr. David Charles PARKER (Chief Executive Officer), the Non-executive Directors are Mr. Hung Han WONG (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.