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Amax Entertainment Holdings Limited

澳瑪娛樂控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 959)

SUBSCRIPTION OF SHARES

Subscription of Shares

On 2 June 2009, Mr Ng, a substantial shareholder and a holder of the promissory note issued by the Company with a face value of HK\$714,722,107, has assigned and transferred HK\$114,722,107 of such promissory note to the Subscriber. On 7 June 2009, the Company has issued the Promissory Note with a face value of HK\$114,722,107 to the Subscriber.

On 15 June 2009 and 17 June 2009, the Company entered into the Subscription Agreement and the Supplemental Agreement respectively with the Subscriber, pursuant to which the Company has conditionally agreed to allot and issue 140,000,000 new Shares each in cash at a subscription price of HK\$0.82 per Subscription Share to the Subscriber.

As at the date of the Subscription Agreement, the outstanding sum under the Promissory Note amounted to HK\$114,722,107. The Promissory Note has a term of 10 years commencing from 28 March 2006, is interest-free and unsecured. The subscription price payable by the Subscriber under the Subscription Agreement will be satisfied by the Subscriber setting off against the face value of the Promissory Note in the sum of HK\$114,722,107.

The Subscription Shares represent approximately 3.82% of the existing issued share capital of the Company and approximately 3.68% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

* For identification purpose only

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The Subscription Shares represent approximately 3.82% of the existing issued share capital of the Company and approximately 3.68% of the issued share capital of the Company as enlarged by the allotment and issue of the Subscription Shares.

The Subscriber is a resident of Guangzhou, a merchant engaged in travelling and entertainment business in southern China. To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Subscriber and his associates is a third party independent of the Company and its connected persons.

Subscription Price

The subscription price of approximately HK\$0.82 per Subscription Share represents:

- (a) a premium of about 309.43% over the closing price of HK\$0.265 per Share as quoted on the Stock Exchange on 15 June 2009, being the last trading day before the date of this announcement;
- (b) a premium of about 291.81% over the average of the closing prices of approximately HK\$0.281 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including 15 June 2009; and
- (c) a premium of approximately 291.81% over the average of the closing prices of approximately HK\$0.281 per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including 15 June 2009.

The subscription price was arrived at after arm's length negotiations between the Company and the Subscriber. The Directors (including the independent non-executive Directors) consider that the subscription price (including the premium over the closing prices as shown above) and the terms of the Subscription and the Subscription Agreement are fair and reasonable and are in the interests of the Shareholders as a whole.

Rights

The Subscription Shares, when issued and allotted, will rank equally in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Subscription Shares.

Mandate to issue Subscription Shares

The Subscription Shares shall be allotted and issued pursuant to the general mandate granted to the Directors at the annual general meeting of the Company held on 29 August 2008.

Conditions of the Subscription

The Subscription is conditional upon the following conditions having been fulfilled:

- (a) the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Subscription Shares;
- (b) (if so required) the Bermuda Monetary Authority granting permission for the allotment and issue of the Subscription Shares;
- (c) the warranties given by the Company under the Subscription Agreement remaining true and accurate in all material respects;
- (d) all necessary consents and approvals as may be required in respect of this Agreement and the transactions contemplated hereunder having been obtained by the Company and the Subscriber;
- (e) a declaration signed by the Subscriber to confirm he is an independent third party and is of no connection with the substantial shareholders, board of directors and chief executive of the company as prescribed under the Listing Rules; and
- (f) the passing of the necessary resolutions by the Directors to approve the Subscription Agreement and the transactions contemplated thereby.

If the conditions precedent shall not have been fulfilled in full on or before 5:00 p.m. on the Longstop Date, all rights, obligations and liabilities of the parties to the Subscription Agreement in relation to the Subscription shall cease and terminate and none of the parties hereto shall have any claim against any other in respect of the Subscription save for any antecedent breaches of the Subscription Agreement.

The Subscriber shall use all reasonable endeavours to procure the fulfillment of the conditions precedent (d) and (e) at its own costs and expenses by not later than the Longstop Date. The Company shall use all reasonable endeavours to procure that the conditions precedent (a), (b), (c), (d), (e) and (f) are satisfied not later than the Longstop Date and no party to the Subscription Agreement is entitled to withdraw from the Subscription Agreement before the Longstop Date unless any of such conditions becomes incapable of fulfillment.

The conditions of the Subscription Agreement cannot be waived by the parties to the Subscription Agreement.

Completion

Completion will take place on the date falling on the second Business Day after the fulfillment of the conditions precedent as mentioned in the section headed "Conditions of the Subscription" or such later date as to parties to the Subscription Agreement may agree.

Changes of shareholding

The shareholding structure of the Company (i) as at the date of this announcement and immediately before Completion; and (ii) immediately after Completion are as follows:

Name of Shareholders	At the date of this announcement and immediately before Completion		Immediately after Completion	
	<i>Number of Shares</i>	<i>Approximate percentage of shareholding</i>	<i>Number of Shares</i>	<i>Approximate percentage of shareholding</i>
Mr Ng (<i>Note 1</i>)	989,147,335	27.01%	989,147,335	26.02%
Janus Capital Management LLC (<i>Note 2</i>)	341,529,194	9.33%	341,529,194	8.99%
Farrington Capital Management Switzerland SA (<i>Note 3</i>)	233,802,000	6.39%	233,802,000	6.15%
UBS AG (<i>Note 4</i>)	258,650,000	7.06%	258,650,000	6.80%
The Subscriber	–	–	140,000,000	3.68%
Public Shareholders	1,838,361,199	50.21%	1,838,361,199	48.36%
Total	<u>3,661,489,728</u>	<u>100%</u>	<u>3,801,489,728</u>	<u>100%</u>

Notes:

1. Mr Ng is a merchant engaged primarily in the gaming, entertainment, transportation and hotel industries. Mr Ng is a controlling shareholder of Greek Mythology, an associate of the Company. These also include the Shares held by East Legend Holdings Limited, a company wholly and beneficially owned by Mr Ng.
2. Janus Capital Management LLC is the investment management company which is owned by Janus Capital Group Inc., a company with its issued shares listed on the New York Stock Exchange (NYSE).
3. Farrington Capital Management Switzerland SA is the investment management company which is owned as to 50% by Mr. Andreas Tholstrup and as to 50% by Mr. Bram Cornelisse.
4. UBS AG is a diversified global financial services company, with its main headquarters in Basel and Zürich, Switzerland. It is the world's largest manager of private wealth assets, "the world's biggest manager of other people's money" and is also the second-largest bank in Europe, by both market capitalisation and profitability.

Reasons for the Subscription

The Group is engaged in the gaming and entertainment business in Macau.

The Directors (including the independent non-executive Directors) consider that the Subscription Agreement are entered into upon normal commercial terms following arm's length negotiations between the parties to the Subscription Agreement and that the terms of the Subscription Agreement and the Subscription are fair and reasonable and are in the interests of the Shareholders as a whole.

IMPLICATIONS UNDER THE LISTING RULES

Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Subscription Shares.

DEFINITIONS

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

"associates"	has the meaning ascribed thereto in the Listing Rules
"Board"	the board of Directors
"Business Day"	a day (excluding Saturday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours

“Company”	Amax Entertainment Holdings Limited, a company incorporated in Bermuda with limited liability and the issued Shares of which are listed on the main board of the Stock Exchange
“Completion”	completion of the Subscription pursuant to the Subscription Agreements
“Completion Date”	the date falling on the second Business Day after the fulfillment of the Conditions Precedent or such latter date as to parties hereto may agree
“Directors”	directors (including the independent non-executive directors) of the Company
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Long Stop Date”	30 June 2009 or such other date as the parties to the Loan Agreement may agree in writing
“Macau”	the Macau Special Administrative Region of the People’s Republic of China
“Mr Ng”	Mr Ng Man Sun, a substantial shareholder of the Company, further details of which are set out in the notes to the section headed “Changes of shareholding” to this announcement
“Promissory Note”	the promissory note dated 7 June 2009 issued by the Company to the Subscriber with a face value of HK\$114,722,107 and has a term of 10 years commencing from 28 March 2006, is interest free and unsecured
“SFO”	the Securities and Futures Ordinance, Cap. 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Shareholder(s)”	holder(s) of the issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of the Subscription Shares at HK\$0.82 per Subscription Share by the Subscriber under the Subscription Agreement, by setting off against the Promissory Note
“Subscription Agreement”	the subscription agreement dated 15 June 2009 and entered into between the Company and the Subscriber in respect of the Subscription and where the context so requires, include the Supplemental Agreement
“Subscription Shares”	140,000,000 new Shares to be subscribed by the Subscriber pursuant to the Subscription Agreement
“Supplemental Agreement”	the supplemental subscription agreement dated 17 June 2009 and entered into between the Company and the Subscriber in respect of the Subscription
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong
“%”	per cent.

By Order of the Board of
Amax Entertainment Holdings Limited
Cheung Nam Chung
Chairman

Hong Kong, 17 June 2009

As at the date of this announcement, the board of Directors comprises Mr. Cheung Nam Chung, Mr. Huang Xiang Rong and Ms. Li Wing Sze being the executive Directors, Mr. Leung Kin Cheong, Laurent being the non-executive Director and Attorney Lorna Patajo Kapunan, Mr. Chan Chiu Hung, Alex, Mr. Cheng Kai Tai, Allen, Mr. Fang Ang Zeng and Prof. Zeng Zhong Lu being the independent non-executive Directors.