

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement appears for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the Shares.



AMAX INTERNATIONAL HOLDINGS LIMITED

奧瑪仕國際控股有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 959)

**DISCLOSEABLE TRANSACTION
AMENDMENTS TO THE TERMS OF THE SALE AND
PURCHASE AGREEMENT DATED 14 OCTOBER 2014**

Reference is made to the announcements of Amax International Holdings Limited dated 18 March 2014 (the “**Announcement**”) in relation to the Proposed Acquisition of 60% shareholding of the Target Company by the Company; 14 October 2014 (the “**Acquisition Announcement**”) in relation to the Acquisition; 11 November 2014 (the “**Completion Announcement**”) in relation to the completion of the sale and purchase of 60% equity interests in the Target Company; and 23 December 2014, 31 March 2015, 2 July 2015 and 18 May 2016 (the “**Update Announcements**”) in relation to the status updates on the commencement of trading. Terms defined in the Announcement; Acquisition Announcement; Completion Announcement and the Update Announcements shall have the same meanings when used herein, unless the context requires otherwise.

BACKGROUND

On 14 October 2014, the Purchaser entered into the Sale and Purchase Agreement with the Vendor, pursuant to which the Purchaser has conditionally agreed to acquire for and the Vendor has conditionally agreed to dispose of the Sale Shares at a total Consideration of HK\$48,100,000. Pursuant to the Sale and Purchase Agreement, a portion of the Consideration in the sum of HK\$28,860,000 had been settled by the allotment and issue of 22,200,000 Consideration Shares by the Company to the Vendor at the Issue Price of HK\$1.30 per Consideration Share. The remaining of the Consideration in the sum of HK\$19,240,000 shall be settled by the allotment and issue of 14,800,000 Consideration Shares by the Company to the Vendor at the Issue Price of HK\$1.30 per Consideration Share (the “**2nd Tranche Consideration Shares**”) within 6 months after the commencement of the operation of the gaming business in Vanuatu.

The Company received a letter dated 11 May 2016 (the “**Letter**”) from the Vendor to request the Company to adjust the number of shares to be issued on the 2nd Tranche Consideration Shares given that (i) the Company had conducted certain equity fund raising activities in 2015 and 2016 subsequent to the completion of the Acquisition which have dilution effect on the Vendor’s interest; and (ii) the market price of the Company’s Shares has been dropping significantly after an open offer conducted by the Company in April 2016.

THE SUPPLEMENTAL AGREEMENT

On 27 May 2016 (after trading hours of the Stock Exchange), the Purchaser entered into a supplemental agreement (the “**Supplemental Agreement**”) with the Vendor subject to the approval of the Stock Exchange to adjust the Issue Price of the 2nd Tranche Consideration Shares from HK\$1.30 per Share to approximately HK\$0.90 per Share (the “**Adjusted Issue Price**”). As such, an additional 6,500,000 new Shares (the “**Additional Consideration Shares**”) shall be allotted and issued to the Vendor within 6 months after the commencement of the operation of the gaming business in Vanuatu. Save for the above-mentioned amendment, all the other terms and conditions of the Sale and Purchase Agreement remain unchanged and in full force and effect in all respects.

The Additional Consideration Shares

The Additional Consideration Shares will be allotted and issued at the Adjusted Issue Price, credited as fully paid within 6 months after the commencement of operation of the online casino. The Additional Consideration Shares, when allotted and issued, shall rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the Additional Consideration Shares including the right to all dividends, distributions and other payments made or to be made, on the record date which falls on or after the date of such allotment and issue.

The Adjusted Issue Price represents:

- (i) a premium of approximately 109.30% to the closing price of HK\$0.43 per Share as quoted on the Stock Exchange on 27 May 2016, being the date of the Supplemental Agreement; and
- (ii) a premium of approximately 114.29% to the average of the closing prices of HK\$0.42 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Supplemental Agreement.

The Adjusted Issue Price was determined by the Board after taking into consideration of the prevailing Share prices and recent market conditions. The Directors consider that the Adjusted Issue Price is fair and reasonable.

The Adjusted Consideration Shares represent (i) approximately 1.32% of the existing issued share capital of the Company; and (ii) approximately 1.30% of the issued share capital of the Company as enlarged by the allotment and issue of the Additional Consideration Shares.

Application will be made by the Company to the Stock Exchange for the listing of, and the permission to deal in, the Additional Consideration Shares. The Additional Consideration Shares shall be allotted and issued under the general mandate of the Company.

CHANGES IN THE SHAREHOLDING STRUCTURE OF THE COMPANY

For illustrative purpose only, set out below is a summary of the shareholdings in the Company (i) as at the date of this announcement; and (ii) immediately after the allotment and issue of the Additional Consideration Shares:

Shareholders	As at the date of this announcement		Immediately after the allotment and issue of the Additional Consideration Shares	
	<i>No of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Mr. Ng Man Sun (<i>Note 1</i>)	47,412,366	9.64	47,412,366	9.52
Vendor	–	–	6,500,000	1.30
Other public Shareholders	444,486,813	90.36	444,486,813	89.18
Total	491,899,179	100.00	498,399,179	100.00

Note:

1. Mr. Ng Man Sun is the substantial shareholder, chairman, chief executive officer and executive Director of the Company.

REASONS FOR AND BENEFITS OF THE ADDITIONAL CONSIDERATION SHARES

Having considered the Letter, after further negotiation with the Vendor and in view of (i) the grant of the in principle approval to Chartreuse to the commencement of the operation of Chartreuse's gaming business in Vanuatu from the Regulator; (ii) the recent fall of the market price of the Company's shares; (iii) it is to the interest of the Company and the Shareholders as a whole and beneficial to the long-term development of the Group's Vanuatu gaming business to maintain a close and long-term business relationship with the Vendor who is a 40% shareholder and one of the three directors of the Target Company; and (iv) the dilution effect of the Additional Consideration Shares to the shareholders of the Company is insignificant, the Board is of the view that the terms of the Supplemental Agreement are fair and reasonable and the issue of the Additional Consideration Shares is in the interest of the Company and the Shareholders as a whole.

UPDATE ON IMPLICATIONS UNDER THE LISTING RULES

As the applicable percentage ratio under Rule 14.07 of the Listing Rules in respect of the allotment and issue of the Additional Consideration Shares is below 5%, the allotment and issue of the Additional Consideration Shares under the Supplemental Agreement constitutes a share transaction for the Company and is subject to reporting and announcement requirements under Chapter 14 of the Listing Rules.

However, as the Sale and Purchase Agreement and the Supplemental Agreement were both entered into between the Company with the Vendor and both agreements involve the acquisition of the Target Company, the transactions contemplated under the Supplemental Agreement together with the Sale and Purchase Agreement requires aggregation under Rule 14.22 of the Listing Rules. As the applicable percentage ratios under Chapter 14 of the Listing Rules in respect of the transactions contemplated under the Sale and Purchase Agreement and the Supplemental Agreement in aggregate are more than 5% but less than 25%, the issue of the Additional Consideration Shares in aggregate still constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

By order of the Board
Amax International Holdings Limited
Ng Man Sun
Chairman and Chief Executive Officer

Hong Kong, 27 May 2016

As at the date hereof, Mr. Ng Man Sun (Chairman and Chief Executive Officer) and Ms. Ng Wai Yee are the executive Directors of the Company; and Ms. Yeung Pui Han, Regina, Mr. Li Chi Fai and Ms. Sie Nien Che, Celia are the independent non-executive Directors of the Company.