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## **AMAX INTERNATIONAL HOLDINGS LIMITED**

**奧瑪仕國際控股有限公司\***

*(Incorporated in Bermuda with limited liability)*

**(Stock Code: 959)**

**(1) PROPOSED OPEN OFFER  
ON THE BASIS OF ONE (1) OFFER SHARE FOR  
EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE  
BY QUALIFYING SHAREHOLDERS  
AND  
(2) CLOSURE OF REGISTER OF MEMBERS**

### **Underwriter**



#### **OPEN OFFER**

The Company proposes to raise gross proceeds of not less than approximately HK\$32.79 million and not more than approximately HK\$34.08 million by way of the Open Offer. The Company will allot and issue not less than 163,966,393 Offer Shares and not more than 170,391,393 Offer Shares at the Subscription Price of HK\$0.20 per Offer Share on the basis of one (1) Offer Shares for every two (2) existing Shares held on the Record Date.

The Open Offer is only available to the Qualifying Shareholders. The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Prospectus to the Non-Qualifying Shareholders for information purposes only.

The estimated net proceeds of the Open Offer will be not less than approximately HK\$30.07 million and not more than approximately HK\$31.36 million. The Company intends to apply net proceeds from the Open Offer in the following manner:

- (a) approximately HK\$4.00 million of the net proceeds from the Open Offer for further development of the Gaming Business;
- (b) approximately HK\$3.60 million for repayment of loan; and
- (c) the rest of the net proceeds for the Company's general working capital for the next twelve months as to (i) approximately HK\$9.40 million for staff salaries and benefits expenses; (ii) approximately HK\$5.20 million for rental payment; (iii) approximately HK\$5.80 million for legal and professional fees; and (iv) approximately HK\$2.07 million for other general operating expenses.

## **GENERAL**

As the Open Offer would not increase either the issued share capital or the market capitalisation of the Company by more than 50%, the Open Offer is not required by the Listing Rules to be approved by the Shareholders in a general meeting.

The Prospectus Documents containing, among other things, further details of the Open Offer is expected to be despatched by the Company to Qualifying Shareholders on or before Wednesday, 20 April 2016, and the Prospectus will be despatched to the Non-Qualifying Shareholders for information only.

## **WARNING OF THE RISKS OF DEALINGS IN THE SHARES**

**Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof.**

**Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.**

**Shareholders should note that the Shares will be dealt in on an ex-entitlement basis commencing from Friday, 8 April 2016 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.**

## **OPEN OFFER**

The Company proposes to raise gross proceeds of not less than approximately HK\$32.79 million and not more than approximately HK\$34.08 million by way of the Open Offer. The Company will allot and issue not less than 163,966,393 Offer Shares and not more than 170,391,393 Offer Shares at the Subscription Price of HK\$0.20 per Offer Share on the basis of one (1) Offer Shares for every two (2) existing Shares held on the Record Date. The estimated net proceeds from the Open Offer will be not less than approximately HK\$30.07 million and not more than approximately HK\$31.36 million. The Open Offer will be fully underwritten by the Underwriter on the terms and subject to the conditions set out in the Underwriting Agreement. For further details, please refer to the section headed “Underwriting Agreement” below.

### **Open Offer statistics**

Basis of the Open Offer : one (1) Offer Shares for every two (2) existing Shares held on the Record Date

Subscription Price : HK\$0.20 per Offer Share

Number of Shares in issue as at the date of this announcement : 327,932,786 Shares

Number of Offer Shares : not less than 163,966,393 Offer Shares (assuming no outstanding Share Options being exercised on or before the Record Date)

not more than 170,391,393 Offer Shares (assuming the outstanding Share Options being exercised in full on or before the Record Date)

The aggregate nominal value of the Offer Shares will not less than approximately HK\$32,793,278.60 and not more than approximately HK\$34,078,278.60

Number of Shares in issue immediately upon completion of the Open Offer : not less than 491,899,179 Shares (assuming no outstanding Share Options being exercised on or before the Record Date)  
not more than 511,174,179 Shares (assuming the outstanding Share Options being exercised in full on or before the Record Date)

Underwriter : SBI China Capital Financial Services Limited

As at the date of this announcement, the Company has 12,850,000 outstanding Share Options granted under the Share Option Scheme. Assuming full exercise of the subscription rights attaching to the outstanding Share Options on or before the Record Date, an additional 6,425,000 Offer Shares will be issued.

Save as disclosed, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convertible or exchangeable into Shares as at the date of this announcement.

Assuming that there is no change in the issued share capital of the Company from the date of this announcement and up to the Record Date, the 163,966,393 Offer Shares represent (i) 50% of the Company's issued share capital as the date of this announcement; and (ii) approximately 33.33% of the existing issued share capital of the Company as enlarged by the allotment and issue of the Offer Shares.

As at the date of this announcement, the Board has not received any information or irrevocable undertaking from the substantial Shareholder, other than the Underwriter, of his intention to take up the Offer Shares under the Open Offer.

### **The Subscription Price**

The subscription price of HK\$0.20 per Offer Share is payable in full upon application.

The Subscription Price represents:

- (a) a discount of approximately 69.23% to the closing price of HK\$0.650 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (b) a discount of approximately 69.33% to the average of the closing prices of approximately HK\$0.652 per Share for the last five consecutive trading days up to and including the Last Trading Day; and

- (c) a discount of approximately 60.00% to the theoretical ex-entitlement price of HK\$0.500 per Share based on the closing price of HK\$0.650 per Share as quoted on the Stock Exchange on the Last Trading Day.

The Subscription Price was determined after arm's length negotiations between the Company and the Underwriter with reference to, among others, (i) the prevailing market price of the Shares; and (ii) the prevailing market conditions and recent financial conditions of the Group. In order to enhance the attractiveness of the Open Offer, issue of new shares by way of open offer at a discount to the market price has been commonly adopted by listed issuers in Hong Kong to encourage existing shareholders to take up their entitlements so as to participate in the potential growth of the listed issuers in the future. The Directors consider that each Qualifying Shareholder will be entitled to subscribe for the Offer Shares at the same Subscription Price in proportion to his/her/its shareholding held on the Record Date and the terms of the Open Offer, including the Subscription Price which has been set as a discount to the recent closing prices of the Shares with an objective of encouraging existing Shareholders to take up their entitlements, to be fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

The gross proceeds of not less than approximately HK\$32.79 million and not more than approximately HK\$34.08 million will be raised from the Open Offer. Taking into account the estimated expenses in connection with the Open Offer of approximately HK\$2.72 million, the estimated net proceeds from the Open Offer will be not less than approximately HK\$30.07 million and not more than approximately HK\$31.36 million, translating into a net price per Offer Share of approximately HK\$0.183 (assuming no new Share being issued and/or repurchased by the Company on or before the Record Date) or approximately HK\$0.184 (assuming full exercise of all the outstanding Share Options and no other new Share being issued and/or repurchased by the Company on or before the Record Date).

### **Qualifying Shareholders**

The Open Offer is only available to the Qualifying Shareholders. The Company will send (i) the Prospectus Documents to the Qualifying Shareholders; and (ii) the Prospectus to the Non-Qualifying Shareholders for information purposes only.

To qualify for the Open Offer, a Shareholder must:

- (a) be registered as a member of the Company at the close of business on the Record Date; and
- (b) not be an Non-Qualifying Shareholder.

In order to be registered as members of the Company at the close of business on the Record Date, holders of the Shares must lodge any transfer of Shares (together with the relevant share certificates) with the Company's branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration no later than 4:30 p.m. on Monday, 11 April 2016.

### **Non-Qualifying Shareholders**

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

In compliance with the necessary requirements of the Listing Rules, the Company will make enquiries regarding the feasibility of extending the Open Offer to the Overseas Shareholders (if any). If, based on legal opinions, the Directors consider that it is necessary or expedient not to offer the Offer Shares to the Overseas Shareholders on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place, the Open Offer will not be available to such Overseas Shareholders. Accordingly, the Open Offer will not be extended to the Non-Qualifying Shareholders.

Further information in this connection will be set out in the Prospectus Documents containing, among other things, details of the Open Offer, to be despatched to the Qualifying Shareholders on Wednesday, 20 April 2016. The Company will send copies of the Prospectus to the Overseas Shareholders for their information only, but no Application Form will be sent to them.

The Non-Qualifying Shareholders should note that their shareholdings in the Company will be diluted upon completion of the Open Offer.

### **Closure of register of members**

For determining the entitlements to the Open Offer, the register of members of the Company will be closed from Tuesday, 12 April 2016 to Monday, 18 April 2016, both dates inclusive. No transfer of Shares will be registered during this period.

### **Fractions of the Offer Shares**

On the basis of one (1) Offer Share for every two (2) existing Shares held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Offer Shares will arise under the Open Offer.

## **Application for the Offer Shares**

The Application Form in respect of the entitlement of the Offer Shares will be enclosed with the Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Offer Shares as shown therein by completing such form and lodging the same with a remittance for the Offer Shares being taken up with the Registrar by the Latest Time for Acceptance.

## **No application for excess Offer Shares**

Considering that the Open Offer will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company, if application for excess Offer Shares is arranged, the Company will be required to put in additional effort and costs to administer the excess application procedures. Accordingly, no excess Offer Shares will be offered to the Qualifying Shareholders and any Offer Shares not taken up by the Qualifying Shareholders will be underwritten by the Underwriter.

The Board estimates that an additional cost of approximately HK\$200,000 will have to be put in for the administration of the excess application procedure (including preparing and arranging the excess application, reviewing the relevant documents, liaising with professional parties and printing of application forms, etc.) and considers that such additional administrative efforts and cost would outweigh the benefits of the Shareholders' rights for the excess application and therefore not cost-effective. Given the current tight financial position and loss-making position of the Group, the Board considers that it is important for the Group to minimise all costs which may be incurred during fund raising exercise.

Furthermore, the Board considers that the absence of excess application (i) will prevent such procedures being abused by Shareholders holding small amount of Shares applying for a large amount of Offer Shares through excess application; but (ii) may not be favourable to those Qualifying Shareholders who wish to take up additional Offer Shares in excess of their assured entitlements. Due consideration will have to be given to the following: (a) the Subscription Price is set at a discount to the prevailing market price of the Shares which provides reasonable incentives to all the Qualifying Shareholders who are positive about the future development of the Company to take up their respective assured entitlement of the Offer Shares and participate in the Open Offer; (b) the Qualifying Shareholders have the first right to decide whether to accept the Open Offer; and (c) the absence of excess application would avoid additional effort and costs to administer the excess application procedures.

In view of the above, although it is beneficial to have excess application for the Qualifying Shareholders who wish to take up additional Offer Shares, the Board considered that the Open Offer enables the Qualifying Shareholders to maintain their pro-rata interests in the Company should they so wish by applying the Offer Shares according to their shareholdings in the Company, and therefore, the absence of the excess application arrangement is fair and reasonable.

### **Status of the Offer Shares**

The Offer Shares, when allotted, fully paid and issued, will rank pari passu in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Offer Shares. Holders of fully-paid Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Offer Shares.

### **Certificates of the Offer Shares**

Subject to fulfillment of the conditions of the Open Offer, share certificates for all fully-paid Offer Shares are expected to be posted to those entitled thereto by ordinary post at their own risk on or before Monday, 16 May 2016.

### **Application for listing**

The Company will apply to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Offer Shares.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange as well as compliance with the stock admission requirement of HKSCC, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of the dealings in the Offer Shares or such other dates as may be determined by HKSCC.

Dealing in the Offer Shares will be in the existing board lots of 2,000 Offer Shares. Dealing in the Offer Shares will be subject to the payment of the stamp duty and other applicable fees and charges in Hong Kong.



## **UNDERWRITING ARRANGEMENT**

### **The Underwriting Agreement**

Date	:	24 March 2016 (after trading hours of the Stock Exchange)
Underwriter	:	SBI China Capital Financial Services Limited
Total number of Offer Shares being underwritten by the Underwriter	:	The Underwriter has agreed to fully underwrite the Offer Shares, being not less than 163,966,393 Underwritten Shares and not more than 170,391,393 Underwritten Shares
Underwriting commission	:	5% of the aggregate Subscription Price in respect of the maximum number of Underwritten Shares

To the best knowledge, information and belief of the Directors after having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are Independent Third Parties. As at the date of this announcement, the Underwriter and its associates are not interested in any Shares.

Pursuant to the terms of the Underwriting Agreement, the Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to exceed 10% of the voting rights of the Company upon the completion of the Open Offer and will procure each of the subscribers of the Untaken Shares (including any direct and indirect sub-underwriters) and their respective associates, will not, together with any party acting in concert (within the meaning of the Takeovers Code) with it or its associates, hold 5% or more of the voting rights of the Company immediately upon the completion of the Open Offer. The Underwriter shall also (i) use all reasonable endeavours to ensure that each of the subscribers or purchasers of the Untaken Shares procured by it shall be third party independent of, not acting in concert (within the meaning of the Takeovers Code) with and not connected with the Company, any of the Directors, chief executive of the Company or substantial Shareholder(s) or their respective associates (as defined in the Listing Rules); and (ii) use all reasonable endeavours to procure that the minimum public float requirement under the Listing Rules be fulfilled by the Company upon completion of the Open Offer.

## **Underwriting commission**

The Company will pay the Underwriter an underwriting commission of 5% of the aggregate Subscription Price in respect of the maximum number of the Underwritten Shares. The commission rate was determined after arm's length negotiation between the Company and the Underwriter with reference to the existing financial position of the Company, the size of the Open Offer, and the current market condition. The Directors are of the view that the terms of the Underwriting Agreement, including the commission, are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

## **Termination of the Underwriting Agreement**

If at any time prior to the Latest Time for Termination (if the date of the Latest Time for Termination shall be a Business Day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day, the date of the Latest Time for Termination shall be the next Business Day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day):

- (1) in the reasonable opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
  - (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or
  - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or

- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing, the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- (5) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (6) any matter which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Open Offer; or
- (7) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than thirty consecutive business days, excluding any suspension in connection with the clearance of this announcement or the Prospectus Documents or other announcements or circulars in connection with the Open Offer,

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

The Underwriter shall be entitled by notice in writing to rescind the Underwriting Agreement if prior to the Latest Time for Termination:

- (a) any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (b) any event occurs or matter arises on or after the date of the Underwriting Agreement and prior to the Latest Time for Termination which if it had occurred or arisen before the date of the Underwriting Agreement would have rendered any of the warranties contained thereof untrue or incorrect in any material respect and which comes to the knowledge of the Underwriter.

Any such notice shall be served by the Underwriter prior to the Latest Time for Termination.

Upon the giving of notice in accordance with the above, the Underwriting Agreement shall terminate and the obligations and liabilities of the parties shall forthwith cease and determine and none of the parties shall have any claim against the other party for costs (save and except the reasonable legal fees and other reasonable out-of-pocket expenses incurred by the Underwriter in respect of the Open Offer), damages, compensation or otherwise arising out of or in connection with the Underwriting Agreement, save for any antecedent breaches.

### **Conditions of the Open Offer**

The Open Offer is conditional upon the following conditions being fulfilled or waived (as the case may be):

- (a) the passing of all necessary resolution(s) by the Board approving the Open Offer and the transactions contemplated under the Underwriting Agreement by no later than the Posting Date;
- (b) the delivery to the Stock Exchange and registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) not later than the Posting Date and otherwise in compliance with the Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the laws of Hong Kong);
- (c) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus stamped “For Information Only” to the Non-Qualifying Shareholders, if any, for information purpose only on or before the Posting Date;

- (d) the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in all the Offer Shares by no later than the Posting Date;
- (e) compliance with and performance of all the undertakings and obligations of the Company under the Underwriting Agreement;
- (f) the obligations of the Underwriter under the Underwriting Agreement becoming unconditional and that the Underwriting Agreement not being terminated in accordance with its terms;
- (g) compliance with and performance of all undertakings and obligations of the Underwriter under the Underwriting Agreement; and
- (h) there being no event occur prior to the Latest Time for Termination which would render the warranties of the Company untrue and incorrect.

No parties to the Underwriting Agreement are entitled to waive any of the above conditions. If the above conditions are not satisfied by the Latest Time for Termination or such other date as the Underwriter and the Company may agree in writing, the Underwriting Agreement shall be terminated, and no parties to the Underwriting Agreement will have any claim against any other parties for costs, damages, compensation or otherwise (except certain expenses of the Underwriter shall remain payable by the Company under the Underwriting Agreement). The Open Offer will not proceed accordingly.

## CHANGE IN THE SHAREHOLDING STRUCTURE OF THE COMPANY ARISING FROM THE OPEN OFFER

The table below set out the shareholding structure of the Company assuming that (i) there is no change in the shareholding structure of the Company from the date of this announcement to immediately after completion of the Open Offer save as specified below; and (ii) there is no Non-Qualifying Shareholders.

	As at the date of this announcement		Full acceptance by Qualifying Shareholders under the Open Offer		No acceptance by Qualifying Shareholders under the Open Offer	
	Number of Shares	Approximate %	Number of Shares	Approximate %	Number of Shares	Approximate %
Mr. Ng Man Sun ( <i>Note 1</i> )	37,377,366	11.40	56,066,049	11.40	37,377,366	7.60
Underwriter or subscribers procured by it or its sub-underwriters ( <i>Note 2</i> )	–	–	–	–	163,966,393	33.33
Public Shareholders	290,555,420	88.60	435,833,130	88.60	290,555,420	59.07
<b>Total</b>	<b>327,932,786</b>	<b>100.00</b>	<b>491,899,179</b>	<b>100.00</b>	<b>491,899,179</b>	<b>100.00</b>

*Notes:*

- (1) Mr. Ng Man Sun is the substantial shareholder, chairman, chief executive officer and executive Director of the Company.
- (2) Pursuant to the Underwriting Agreement, the Underwriter shall not subscribe, for its own account, for such number of Untaken Shares which will result in the shareholding of it and parties acting in concert (within the meaning of the Takeovers Code) with it in the Company to exceed 10% of the voting rights of the Company upon the completion of the Open Offer; and will procure each of the subscribers of the Untaken Shares (including any direct and indirect sub-underwriters) and their respective associates, will not, together with any party acting in concert (within the meaning of the Takeovers Code) with it or its associates, hold 5% or more of the voting rights of the Company immediately upon the completion of the Open Offer.

## REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Group is principally engaged in investment holdings and investments in high-end niche gaming and entertainment related businesses.

Subsequent to the completion of the acquisition of 60% equity interests of Forenzia Enterprises, which is principally engaged in gaming business in Vanuatu (the “**Gaming Business**”) and obtained, through its wholly-owned subsidiaries, an interactive gaming license valid for a period of 15 years in Vanuatu in or about November 2014, the Group is in the process of setting up the business operation of Forenzia Enterprises and would require additional funding for its intended business development. In view of the existing limited financial position of the Group, future funding needs may arise from time to time for the Company’s daily operations and business development. In view of these, the Board proposes the Open Offer to strengthen its capital base and provide sufficient surplus capital to support future business development of the Group.

The Directors have also considered other fund raising method such as obtaining banking facilities from banks or other equity fund raising activities. However, due to the current unsatisfactory financial performance of the Group, the Group is unable to obtain sufficient banking facilities with favorable terms at the time being and obtaining such banking facilities from banks would increase the Group’s finance costs and further affect the gearing level of the Group. The Directors considered that the Open Offer could remove certain degree of uncertainty as compared to best-efforts placing and avoid any immediate dilution on the shareholding in the Company of the existing Shareholders. In addition, rights issue will involve extra administrative work and cost for the trading arrangements in relation to the nil-paid rights. As such, the Board considered that Open Offer is comparatively more appropriate method in raising funds for the Group.

The Company will receive gross proceeds of not less than approximately HK\$32.79 million and not more than approximately HK\$34.08 million. The estimated net proceeds of the Open Offer will be not less than approximately HK\$30.07 million and not more than approximately HK\$31.36 million. The Company intends to apply net proceeds from the Open Offer in the following manner:

- (a) approximately HK\$4.00 million of the net proceeds from the Open Offer for further development of the Gaming Business;
- (b) approximately HK\$3.60 million for repayment of loan; and

- (c) the rest of the net proceeds for the Company's general working capital for the next twelve months as to (i) approximately HK\$9.40 million for staff salaries and benefits expenses; (ii) approximately HK\$5.20 million for rental payment; (ii) approximately HK\$5.80 million for legal and professional fees; and (iv) approximately HK\$2.07 million for other general operating expenses.

The Directors consider that it is prudent to finance the Group's long term growth by way of the Open Offer which will not only strengthen the Group's capital base and enhance its financial position without increasing finance costs, but will also allow all Qualifying Shareholders the opportunity to participate in the growth of the Group through the Open Offer at a price lower than the current market price of the Shares. The Directors consider that the terms of the Open Offer are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

#### **FUND RAISING ACTIVITIES OF THE COMPANY DURING THE PAST TWELVE MONTHS**

<b>Date of announcements</b>	<b>Description</b>	<b>Net proceeds (approximately)</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds as at the date of this announcement</b>
23 March 2015	Placing of existing Shares and top-up subscription of new Shares	HK\$7.58 million	General working capital and investment	Approximately HK\$7.50 million had been utilised for general working capital of the Group including (i) HK\$3.42 million for staff salaries and Directors fees; (ii) HK\$2.66 million for rental and operating expenses; and (iii) HK\$1.42 million for legal and professional fees; approximately HK\$80,000 had been utilised for setting up the Group's Vanuatu gaming business.



<b>Date of announcements</b>	<b>Description</b>	<b>Net proceeds (approximately)</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds as at the date of this announcement</b>
7 September 2015	Placing of existing Shares and top-up subscription of new Shares	HK\$15.74 million	General working capital and investment	Approximately HK\$9.33 million had been utilised for general working capital of the Group including (i) HK\$3.05 million for staff salaries and Directors fees; (ii) HK\$3.72 million for rental and operating expenses; and (iii) HK\$2.56 million for legal and professional fees; approximately HK\$6.41 million had been utilised for investment in the Group's Vanuatu gaming business including (a) HK\$1.07 million for purchase of hardware and equipment; (b) HK\$4.80 million for purchase of software; and (c) HK\$0.54 million for payment of license fee.
14 December 2015	Placing of existing Shares and top-up subscription of new Shares	HK\$15.19 million	General working capital and investment	Approximately HK\$6.98 million had been utilised for general working capital of the Group including (i) HK\$4.85 million for staff salaries and Directors fees; (ii) HK\$1.67 million for rental and operating expenses; and (iii) HK\$0.46 million for legal and professional fees; approximately HK\$8.21 million had been utilised for investment in the Group's Vanuatu gaming business including (a) HK\$3.97 million for purchase of software; and (b) HK\$4.24 million for reimbursement of set-up expenses to operator.

## ADJUSTMENT TO THE SHARE OPTIONS

In accordance with the Share Option Scheme, the Open Offer may lead to adjustment to the number of Shares to be issued on the exercise of the Share Options and/or the exercise price payable by each Share Option holder in respect of each Share to be issued on the exercise of the Share Options. Such adjustment will be certified either by the auditors, reporting accountants or independent financial advisers of the Company. Further announcement in respect of the said adjustment will be made as and when appropriate.

## TENTATIVE TIMETABLE

The expected timetable for the Open Offer is set out below:

**2016**

Publication of the Open Offer announcement on the website of the Stock Exchange .....	Thursday, 24 March
Last day of dealings in the Shares on a cum-entitlement basis .....	Thursday, 7 April
First day of dealings in the Shares on an ex-entitlement basis .....	Friday, 8 April
Latest time for lodging transfer of Shares in order to be qualified for the Open Offer .....	4:30 p.m. on Monday, 11 April
Register of members of the Company closes (both days inclusive) .....	Tuesday, 12 April to Monday, 18 April
Record Date .....	Monday, 18 April
Register of members of the Company re-opens .....	Tuesday, 19 April
Despatch of the Prospectus Documents .....	Wednesday, 20 April
Latest time for Acceptance of and payment for the Offer Shares .....	4:00 p.m. on Friday, 6 May

Latest time for Termination by the Underwriter ..... 4:00 p.m. on Monday, 9 May  
Announcement of results of acceptance of the Offer Shares ..... Friday, 13 May  
Despatch of certificates for fully-paid Offer Shares ..... Monday, 16 May  
Despatch of refund cheques if the Open Offer is terminated ..... Monday, 16 May  
Dealings in fully-paid Offer Shares commence ..... 9:00 a.m. on Tuesday, 17 May

All times stated in this announcement refer to Hong Kong times. Dates stated in this announcement for events in the timetable are indicative only and may be extended or varied. Any changes to the anticipated timetable for the Open Offer will be announced as appropriate.

## **WARNING OF THE RISKS OF DEALINGS IN THE SHARES**

**Shareholders and potential investors should note that the Open Offer is conditional upon the Underwriting Agreement having become unconditional and Underwriter not having terminated the Underwriting Agreement in accordance with the terms thereof.**

**Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its own professional adviser.**

**Shareholders should note that the Shares will be dealt in on an ex-entitlement basis commencing from Friday, 8 April 2016 and that dealing in Shares will take place while the conditions to which the Underwriting Agreement is subject remain unfulfilled.**

## **GENERAL**

As the Open Offer would not increase either the issued share capital or the market capitalisation of the Company by more than 50%, the Open Offer is not required by the Listing Rules to be approved by the Shareholders in a general meeting.

The Prospectus Documents containing, among other things, further details of the Open Offer is expected to be despatched by the Company to Qualifying Shareholders on or before Wednesday, 20 April 2016, and the Prospectus will be despatched to the Non-Qualifying Shareholders for information only.

## DEFINITIONS

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

“Application Form”	the form of application to be used by the Qualifying Shareholders to apply for the Offer Shares in the agreed form
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday and Sunday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Amax International Holdings Limited, a company incorporated in Bermuda with limited liability and the shares of which are listed on the main board of the Stock Exchange
“connected person”	has the meaning as ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Forenzia Enterprises”	Forenzia Enterprises Limited
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC

“Independent Third Party(ies)”	a third party independent of the Company and its connected persons
“Last Trading Day”	24 March 2016, being the date of this announcement
“Latest Time for Acceptance”	the latest time for acceptance for the Offer Shares at 4:00 p.m. (Hong Kong time) on Friday, 6 May 2016 or such other time as may be agreed between the Company and the Underwriter
“Latest Time for Termination”	the latest time for terminating the Underwriting Agreement at 4:00 p.m. (Hong Kong time) on Monday, 9 May 2016
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholders”	the Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Offer Shares to such Shareholder(s) as at the close of business on account either of legal restrictions under the laws of relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Offer Share(s)”	the Share(s) proposed to be offered to the Qualifying Shareholders pursuant to the Open Offer
“Open Offer”	the proposed issue of the Offer Shares on the basis of one (1) Offer Share for every one (2) existing Shares in issue held on the Record Date at the Subscription Price pursuant to the Prospectus Documents and as contemplated under the Underwriting Agreement
“Overseas Shareholder(s)”	Shareholder(s) with registered address(es) (as shown in the register of members of the Company as at the close of business on the Record Date) which is/are outside Hong Kong
“Posting Date”	Wednesday, 20 April 2016 or such other date as may be agreed between the Company and the Underwriter, being the date of despatch of the Prospectus Documents to Qualifying Shareholders
“PRC”	the People’s Republic of China

“Prospectus”	the prospectus to be issued by the Company in connection with the Open Offer and expected to be dated the Posting Date
“Prospectus Documents”	the Prospectus and the Application Form
“Qualifying Shareholder(s)”	Shareholder(s) whose names appear on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholders
“Record Date”	Monday, 18 April 2016 or such other date as may be agreed between the Company and the Underwriter in accordance with the relevant regulations or requirements
“Registrar”	the branch share registrar of the Company in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.2 each in the share capital of the Company
“Share Option(s)”	option(s) granted or to be granted under the Share Option Scheme
“Share Option Scheme”	the share option scheme adopted by the Company on 12 September 2012
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	the issue price of HK\$0.20 per Offer Share at which the Offer Shares are proposed to be offered for subscription
“Underwriter”	SBI China Capital Financial Services Limited, a licensed corporation to carry out types 1, 4 and 9 regulated activities under the SFO

“Underwriting Agreement”	the underwriting agreement dated 24 March 2016 entered into between the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer
“Underwritten Shares”	such number equal to the number of the Offer Shares
“Untaken Shares”	those (if any) of the Offer Shares for which duly completed Application Form(s) have not been lodged for acceptance, or received, as the case may be, on or before the Latest Time for Acceptance which shall not be more than 170,391,393 Offer Shares
“Vanuatu”	the Republic of Vanuatu
“%”	per cent.

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

Hong Kong, 24 March 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.*

\* *For identification purpose only*