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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)

**CLARIFICATION ANNOUNCEMENT IN RELATION TO
THE ANNUAL REPORT OF THE COMPANY FOR
THE YEAR ENDED 31 MARCH 2014**

Reference is made to the annual report of Amax International Holdings Limited (the “Company”, together with its subsidiaries, the “Group”) published on 28 July 2014 for the financial year ended 31 March 2014 (the “Annual Report”). Unless otherwise defined, capitalised terms used herein shall have the respective meanings as those defined in the Annual Report.

In addition to the information disclosed in the Annual Report, the Company wishes to provide shareholders of the Company and the public with additional information regarding the equity fund raising activities of the Company as below.

PLACING OF NEW SHARES UNDER GENERAL MANDATE IN JUNE 2013

As disclosed in the Company’s announcement dated 4 June 2013, on 4 June 2013, the Company entered into a placing agreement with SBI E2-Capital Financial Services Limited (the “Placing Agent”) pursuant to which the Placing Agent agreed to place, on a best effort basis, to one or more independent places for up to 9,600,000 new ordinary shares of the Company (the “Share(s)”) at a price of HK\$0.83 per share (the “June Placing”).

Completion of the June Placing took place on 17 June 2013. As disclosed in the Company’s announcement dated 17 June 2013, an aggregate of 9,600,000 Shares have been successfully placed by the Placing Agent to six places at the price of HK\$0.83 per share pursuant to the terms and conditions of the placing agreement. The net price to the Company was approximately HK\$0.82 per share. The closing price per share as quoted on the Stock Exchange on the date of the said placing agreement was HK\$0.85. To the best of the Directors’ knowledge, information and belief, having made all reasonable enquiries, the places are independent third parties. The places have not become a substantial shareholder (as defined under the Listing Rules) immediately after the June Placing.

As disclosed in the Company’s announcement dated 4 June 2013, the Directors consider that the June Placing represents an opportunity for the Company to raise capital while broadening its shareholders’ base and capital base. The net proceeds of the June Placing were approximately HK\$7.85 million, which were intended to be utilized for general working

capital of the Group. Up to the date of this announcement, these proceeds were used for payment of the Company's general and administrative expenses with major items detailed below:

Items	HK\$ (million)
Legal and professional and consultancy fees	3.18
Rent, rates and rental deposit	2.10
Directors' emolument	1.38
Staff salaries and benefits	<u>0.98</u>
Total	<u>7.64</u>

The Directors confirm that the proceeds from the June Placing have been applied in accordance with its intended uses.

PLACING OF EXISTING SHARES AND TOP-UP SUBSCRIPTION FOR NEW SHARES IN SEPTEMBER 2013

As disclosed in the Company's announcement dated 28 August 2013, on 28 August 2013, Mr. Ng Man Sun, who is the chairman and chief executive officer of the Company and the beneficial owner of 47,307,366 Shares (the "Subscriber"), the Company and the Placing Agent entered into a placing and subscription agreement pursuant to which (i) the Placing Agent have agreed to act as agent for the Subscriber to place, on a best commercial efforts basis, and the Subscriber has agreed to sell, a total of up to 11,000,000 existing shares of the Company to not less than six placees (the "September Placing") who and whose ultimate beneficial owners will be third parties independent of and not acting in concert (as defined under the Takeovers Code) with the Subscriber, the Company and their respective associates and connected persons, at a price of HK\$0.86 per share (the "Placing Share"); and (ii) the Subscriber has conditionally agreed to subscribe for 11,000,000 new Shares (the "September Subscription") at a price of HK\$0.86 per share (the "Subscription Share").

Completion of the September Placing and the September Subscription took place on 2 September 2013 and 9 September 2013 respectively. As disclosed in the Company's announcement dated 10 September 2013, an aggregate of 11,000,000 Placing Shares have been successfully placed by the Placing Agent to six placees at the price of HK\$0.86 per share pursuant to the terms and conditions of the placing and subscription agreement. As all conditions of the September Subscription had been fulfilled, the Company allotted and issued 11,000,000 Subscription Shares to the Subscriber at HK\$0.86 per share on 9 September 2013. The net price to the Company was approximately HK\$0.85 per share. The closing price per share as quoted on the Stock Exchange on the date of the said placing and subscription agreement was HK\$1.00. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the placees are independent third parties. The placees have not become a substantial shareholder (as defined under the Listing Rules) immediately after the September Placing.

As disclosed in the Company's announcement dated 28 August 2013, the Directors consider that the September Placing represents an opportunity for the Company to raise capital while broadening its shareholders' base and capital base. The net proceeds from the September Placing were approximately HK\$9.31 million, which were intended to be utilized for general working capital of the Group. Up to the date of this announcement, these proceeds were used for payment of the Company's general and administrative expenses with major items detailed below:

Items	HK\$ (million)
Legal and professional and consultancy fees	3.09
Rent and rates	1.97
Directors' emolument	2.08
Staff salaries and benefits	1.67
Interest on mortgage loan	<u>0.24</u>
Total	<u>9.05</u>

The Directors confirm that the proceeds from the September Placing have been applied in accordance with its intended uses.

The additional information above does not affect other information contained in the Annual Report and the contents of the Annual Report remain unchanged.

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

Hong Kong, 22 October 2014

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*