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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)**

**INSIDE INFORMATION  
IN RESPECT OF  
TEMPORARY CLOSE DOWN OF  
BEIJING IMPERIAL PALACE HOTEL  
BY MACAU GOVERNMENT TOURISM OFFICE  
AND  
RESUMPTION OF TRADING**

This announcement is made by Amax International Holdings Limited (the “**Company**” together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) and under Part XIVA of the Securities and Futures Ordinance (Cap. 571).

**TEMPORARY CLOSE DOWN OF BEIJING IMPERIAL PALACE HOTEL BY  
MACAU GOVERNMENT TOURISM OFFICE**

The board (the “**Board**”) of directors (the “**Directors**”) of the Company noted that, on 22 July 2016, the Macau Government Tourism Office (“**MGTO**”) and other relevant departments jointly held a press conference (the “**Press Conference**”) to announce the decision by MGTO to implement provisional measures to temporarily close down Beijing Imperial Palace Hotel (formerly known as New Century Hotel) (the “**Hotel**”) for a period of six months with effect from 23 July 2016 (the “**Decision**”). According to the Press Conference, the Decision was made by MGTO given that the Hotel has continuously failed to rectify its administrative irregularities involving failure to carry out essential fire safety measures and failure to address illegal reconstructions issues notwithstanding various sanctions procedures, penalties and demand for improvement against the Hotel by MGTO. The Board is also aware that certain media have reported the Decision.

As at the date of this announcement, the Company holds 24.8% equity interests in Greek Mythology (Macau) Entertainment Group Corporation Limited (“**Greek Mythology**”), which is principally engaged in the provision of casino management services including sales, promotion, advertising, patron referral, patron development and coordination of casino activities at the Hotel.

Having sought legal advice from the Company’s lawyer in Macau on the possible impact of the Decision to the Group and possible appropriate actions to be taken by the Company, the Company is of the view that as the Decision involved various governmental departments in Macau including MGTO, lengthy and numerous communication with these governmental departments is needed before conclusion could be reached. The Company could only conclude any appropriate actions to be taken after communicating and clarifying with various governmental departments in Macau to make a detailed assessment of the overall situation.

### **Formation of special working committee**

In view of the above, the Company and the Hotel mutually agreed to form and is in the process of forming a special working committee (the “**Working Committee**”) consisting of management from both the Company and the Hotel, and the Working Committee will work closely with MGTO and other relevant departments to address and resolve the issues of the Decision. The Working Committee will start communication with these relevant departments once formally formed.

The Company will publish further announcement to update the Company’s shareholders and potential investors on the latest development on the business operation of Greek Mythology in connection with the Decision as and when appropriate.

### **Impact of the Decision on the financial position and operation of the Group**

The gaming table rights agreement and the slot machine rights agreement entered into between the Group and Greek Mythology on 15 February 2011 (the “**Agreements**”) provide that: (i) the Group has the rights to receive monthly fees from Greek Mythology and Greek Mythology has the obligation to pay to the Group for the exclusive rights to operate and manage the gaming tables and the slot machines operations respectively; (ii) the Agreements will automatically be renewed each year; (iii) the Group has the rights to terminate the Agreements; and (iv) Greek Mythology does not have any rights to terminate the Agreements. Based on the preliminary assessment by the Board, the Decision to temporarily close down the operation of the Hotel for a period of six months would not affect the terms and conditions of the Agreements. As such, the Board considers that the Decision will not have any material impact on the financial position of the Company.

As advised by the Company's lawyer in Macau, under the law of Macau, Greek Mythology can continue the operation notwithstanding the close down of the Hotel. However, the temporary close down of Hotel may have negative impact on the number of visitors and its business plan. The Working Committee, after it is formed, will work closely with MGTO and other relevant departments to address and resolve the issues of the Decision, with an aim to resume the operation of the Hotel within six months.

### **Board's assessment on the operations of the Group**

In view of the slowing growth in the gambling industry in Macau; the loss-making position of the investment in lottery industry in Guangxi, China; and the continuous legal dispute with Greek Mythology over the past years, the Board, notwithstanding its limited company resources to deal with business restructuring and resolve Greek Mythology dispute, has been embarking on a number of initiatives in fine-tuning its business model since March 2014 by consolidating its business resources to explore principal business overseas in order to mitigate regional business risks and diversify the Company's income sources.

Upon disposal of the Group's loss-making business – namely the provision of services to Guangxi Welfare Lottery Issue Centre and the commencement of the operation of the Group's gaming business in the Republic of Vanuatu (“**Vanuatu**”), the Group currently has major operating business lines on:

- VIP gaming tables related operation;
- Slot machines related operation;
- Gaming business in Vanuatu.

Regarding the VIP gaming tables related operation and slot machines related operation, as the Group has the rights to receive monthly fees from Greek Mythology and Greek Mythology has the obligation to pay to the Group for the exclusive rights to operate and manage the gaming tables and the slot machines operations respectively under the Agreements, the Board currently has no intention to terminate the Agreements, notwithstanding the disputes between the Company and Greek Mythology and the Decision to temporarily close down the Hotel for a period of six months.

Regarding the gaming business in Vanuatu, it has recorded solid contribution to the Group since the commencement of its business in July 2016.

Certain unaudited financial figures of the gaming business in Vanuatu are as follows:

	<b>From 1 July 2016 to the date of this announcement</b> <i>HK\$</i>
<b>Net Revenue</b>	<u>334,000</u>
	<b>As at 30 June 2016</b> <i>HK\$</i>
<b>Total assets</b>	
Tangible assets	21,195,982
Intangible assets	<u>153,488,000</u>
<b>Net assets</b>	<u>164,902,265</u>

The Board is confident in the long-term success of its gaming business given Vanuatu's anticipated tourist growth and supportive demographics, which can significantly and positively contribute to the Group. The Group has been formulating strategy to develop the Company's Vanuatu gaming business meanwhile exploring opportunities to expand its revenue source within the Asia Pacific Region. The Company will publish relevant announcement once if any business opportunity has been identified.

Based on the above, the Board is of the view that the Group is able to maintain sufficient level of operations.

## **RESUMPTION OF TRADING**

At the request of the Company, trading in the Company's shares on the Stock Exchange had been halted with effect from 1:00 p.m. on 22 July 2016 pending the release of this announcement. Application has been made to the Stock Exchange for the resumption of trading with effect from 9:00 a.m. on 25 July 2016.

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

Hong Kong, 22 July 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.*