
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Amax International Holdings Limited (the “Company”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, 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 circular.



AMAX INTERNATIONAL HOLDINGS LIMITED

奧瑪仕國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 959)

**PROPOSED REFRESHMENT OF GENERAL MANDATE;
INCREASE IN AUTHORISED SHARE CAPITAL;
AND
NOTICE OF SPECIAL GENERAL MEETING**

**Independent Financial Adviser to the Independent Board Committee and
the Independent Shareholders**



Titan Financial Services Limited

A letter from the Board of the Company is set out on pages 3 to 11 of this circular. A letter from the Independent Board Committee containing its recommendation to the Independent Shareholders is set out on page 12 of this circular. A letter from the Independent Financial Adviser containing its advice to the Independent Board Committee and the Independent Shareholders is set out on pages 13 to 21 of this circular.

A notice convening the special general meeting of the Company to be held at 9/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Central, Hong Kong on Wednesday, 17 February 2016 at 11 a.m. is set out on pages 22 to 24 of this circular. A form of proxy for use at the special general meeting is enclosed with this circular. Such form of proxy is also published on the website of The Stock Exchange of Hong Kong Limited at www.hkex.com.hk.

Whether or not you are able to attend the special general meeting, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the special general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the special general meeting or any adjournment thereof should you so wish.

* *for identification purpose only*

2 February 2016

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	3
Letter from the Independent Board Committee	12
Letter from the Independent Financial Adviser	13
Notice of SGM	22

DEFINITIONS

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

“AGM”	the annual general meeting of the Company held on 28 August 2015
“associate(s)”	has the meaning ascribed to this term under the Listing Rules
“Board”	the board of Directors
“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
“Director(s)”	director(s) of the Company
“Existing General Mandate”	the general mandate duly approved and granted by the Shareholders at the AGM to the Directors to allot, issue and deal with a maximum of 55,786,557 new Shares, representing 20% of the issued share capital of the Company as at the date of passing the relevant resolution at the AGM
“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
“Increase in Authorised Share Capital”	the increase in the authorised share capital of the Company from HK\$80,000,000 (divided into 400,000,000 Shares) to HK\$400,000,000 (divided into 2,000,000,000 Shares) by the creation of an additional 1,600,000,000 Shares
“Independent Board Committee”	the independent board committee of the Board, comprising all the independent non-executive Directors, namely Ms. Yeung Pui Han, Regina, Mr. Li Chi Fai and Ms. Sie Nien Che, Celia, established to advise the Independent Shareholders in respect of the Refreshment of General Mandate
“Independent Financial Adviser”	Titan Financial Services Limited, a corporation licensed to carry out type 1 (dealing in securities) and type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong, which has been appointed as the independent financial adviser to advise to the Independent Board Committee and the Independent Shareholders in respect of the Refreshment of General Mandate

DEFINITIONS

“Independent Shareholder(s)”	any Shareholder(s) other than the controlling Shareholders and their respective associates or, if there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates
“Latest Practicable Date”	29 January 2016, being the latest practicable date prior to the printing of this circular for ascertaining certain information referred to in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“New General Mandate”	the new mandate proposed to be sought at the SGM to authorise the Directors to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of passing of the resolution on the Refreshment of General Mandate at the SGM
“PRC”	the People’s Republic of China
“Refreshment of General Mandate”	the proposed refreshment of the Existing General Mandate by way of granting the New General Mandate
“SGM”	the special general meeting of the Company to be convened on Wednesday, 17 February 2016 at 11 a.m. for the purpose of considering and, if thought fit, approving (i) the Refreshment of General Mandate; and (ii) the Increase in Authorised Share Capital
“Share(s)”	ordinary share(s) of HK\$0.2 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“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
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“%”	per cent.

In the event of any inconsistency, the English text of this circular shall prevail over the Chinese text.



AMAX INTERNATIONAL HOLDINGS LIMITED

奧瑪仕國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 959)

Board of Directors:

Executive Directors:

Mr. Ng Man Sun

(Chairman and Chief Executive Officer)

Ms. Ng Wai Yee

Independent Non-executive Directors:

Ms. Yeung Pui Han, Regina

Mr. Li Chi Fai

Ms. Sie Nien Che, Celia

Registered office:

Clarendon House

2 Church Street

Hamilton HM 11

Bermuda

**Head office and principal place
of business in Hong Kong:**

Units 5106–07,

51/F, The Center,

99 Queen's Road Central,

Central, Hong Kong

2 February 2016

Dear Shareholder(s),

**PROPOSED REFRESHMENT OF GENERAL MANDATE;
INCREASE IN AUTHORISED SHARE CAPITAL;
AND
NOTICE OF SPECIAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with (i) further information relating to the Refreshment of General Mandate; (ii) the Increase in Authorised Share Capital; (iii) the recommendation from the Independent Board Committee to the Independent Shareholders; (iv) the letter of advice from the Independent Financial Adviser setting out, among other things, its recommendation to the Independent Board Committee and the Independent Shareholders in relation to the Refreshment of General Mandate; and (v) the notice of SGM to be convened and held for the purpose of considering and, if thought fit, approving the Refreshment of General Mandate and the Increase in Authorised Share Capital.

* *for identification purpose only*

LETTER FROM THE BOARD

REFRESHMENT OF GENERAL MANDATE

Background of and reasons for the Refreshment of General Mandate

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

At the AGM, the Shareholders passed, among other things, an ordinary resolution in approving the Existing General Mandate to which the Directors were authorised to allot, issue and otherwise deal with a maximum of 55,786,557 new Shares, representing 20% of the total nominal amount of the share capital of the Company in issue as at the date of passing such resolution.

Since the granting of the Existing General Mandate to the Latest Practicable Date, the Existing General Mandate has been utilized as to approximately 87.8% as a result of (i) the placing of 25,000,000 existing Shares to seven independent placees and the top-up subscription of 25,000,000 new Shares completed on 18 September 2015; and (ii) the placing of 24,000,000 existing Shares to nine independent placees and the top-up subscription of 24,000,000 new Shares completed on 28 December 2015.

As at the Latest Practicable Date, the Company had an aggregate of 327,932,786 Shares in issue. Subsequent to the fund-raising activities as set out above, only a total of 6,786,557 new Shares might be further allotted and issued under the Existing General Mandate. Save for the proposed grant of the New General Mandate, there has been no refreshment of the Existing General Mandate since the AGM. Subject to the passing of the proposed resolution for the Refreshment of General Mandate by the Independent Shareholders at the SGM by way of poll and on the basis that no Share(s) will be issued or repurchased by the Company prior to the SGM, the Company will be allowed under the New General Mandate to issue 65,586,557 Shares, being 20% of the Shares in issue as at the Latest Practicable Date.

As at 31 December 2015, the Group had aggregate cash and cash equivalents of approximately HK\$5 million. Subsequent to the completion of the acquisition of 60% equity interests of Forenzia Enterprises Limited (“**Forenzia Enterprises**”), which is principally engaged in gaming business in the Republic of Vanuatu (“**Vanuatu**”) 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 may require additional funding of approximately HK\$4 million 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 operations and business development.

The Directors have also considered other financing methods such as rights issue, open offer, bank financing and debt financing so as to meet its financing requirements arising from any future development of the Group. However, the Directors are of the view that the ability of the Group to obtain debt financing such as bank borrowings usually depends on the Group’s profitability, financial position and prevailing market condition. In light of (i) the current weak financial performance of the Group; (ii) the debt financing will further

LETTER FROM THE BOARD

increase the gearing of the Company and will incur additional interest burden on the Company; and (iii) debt financing may involve lengthy due diligence and negotiations with banks, the Directors consider that debt financing to be relatively uncertain and time-consuming as compared to equity financing for the Group to obtain additional funding. Regarding pre-emptive equity financing methods such as rights issue and open offer, the Directors are of the view that such methods are usually subject to lengthy process of up to six months and additional costs such as underwriting, legal and administrative costs as compared to equity financing through issuance of new shares under general mandate, which allows the Company to raise capital within specified number of Shares promptly as and when necessary.

Having considered that equity financing by means of utilising general mandate (i) does not incur any interest-paying obligations on the Group as compared with debt financing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (iii) provides the Company with the flexibility and capability to capture any capital raising to satisfy the financial needs as and when it arises, the Directors consider that such ability is crucial in a competitive and rapidly changing business environment.

In view of the above, the Board is of the view that the Refreshment of General Mandate is fair and reasonable and in the best interests of the Company and the Shareholders as a whole by maintaining the flexibility for any future allotment and issue of Shares by the Board necessary for the Group's future business development. Should future funding needs arise or attractive terms for investment in the Shares become available from potential investors, the Board will be able to respond to the market and such investment opportunities promptly because fund-raising exercise pursuant to a general mandate provides the Company a more simple and less lead time process than other types of fund-raising exercise and to avoid the uncertainties and such circumstances that specific mandate may not be obtained in a timely manner.

As at the Latest Practicable Date, the Company (i) has not yet identified and/or concluded any terms for any suitable fund-raising opportunities with any financial institution(s); (ii) has not entered into any negotiation, agreement, arrangement, understanding or undertaking (whether formal or informal and whether express or implied) in relation to any acquisition or disposal of assets which is not disclosed in this circular; and (iii) does not have any arrangement(s), intention(s), understanding or in the process of negotiation regarding any possible fund-raising exercises (including debt or equity financing). It is noted that the forthcoming annual general meeting of the Company is expected to be held in or around late August 2016 and the New General Mandate will allow the Company to have sufficient flexibility to grasp appropriate fund-raising opportunities during this period. If any potential investors offer attractive terms for investment in the Shares subject to the then market conditions, the Directors will consider and may conduct an equity fund-raising exercise by issuing new Shares, the proceeds of which may be used as to support the Group's future business development and daily working capital. Announcement(s) will be made by the Company in the event any concrete fund-raising plan arises as and when appropriate.

LETTER FROM THE BOARD

The New General Mandate will, if granted, remain effective until the earliest of (i) the conclusion of the next annual general meeting of the Company; (ii) the expiration of the period within which the next annual general meeting is required by the Bye-laws of the Company or any applicable law to be held; and (iii) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

Equity fund-raising activities in the past twelve months

Save as disclosed below, the Company has not conducted any equity fund-raising activities in the past twelve months before the Latest Practicable Date:

Date of announcements	Description	Net proceeds (approximately)	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
23 March 2015	Placing of existing Shares and top-up subscription of new Shares	HK\$7.58 million	General working capital and potential 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.

LETTER FROM THE BOARD

Date of announcements	Description	Net proceeds (approximately)	Intended use of proceeds	Actual use of proceeds as at the Latest Practicable Date
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\$6.18 million had been utilised for general working capital of the Group including (i) HK\$4.45 million for staff salaries and Directors fees; (ii) HK\$1.27 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. The remaining unutilised net proceeds will be used as intended.

LETTER FROM THE BOARD

In addition, as shown in the table above, the Company has a successful track record of completing equity fund-raising activities during the past 12 months immediately prior to the Latest Practicable Date. As such, the Directors consider that it is not unreasonable to propose the New General Mandate at the SGM in order to give the Company greater flexibility in the issuance of new Shares in the future as and when the Company considers desirable to conduct potential fund-raising exercises for the benefit of the development of the Company.

Potential dilution to shareholding of the public Shareholders

For illustrative purposes only, the table below sets out the shareholding structure of the Company before and after full utilization of the New General Mandate.

Name of Shareholders	As at the Latest Practicable Date and before full utilization of the New General Mandate		Upon full utilization of the New General Mandate	
	<i>Number of Shares</i>	<i>Approximate %</i>	<i>Number of Shares</i>	<i>Approximate %</i>
Mr. Ng Man Sun (<i>Note</i>)	37,377,366	11.40	37,377,366	9.50
Other public shareholders	290,555,420	88.60	290,555,420	73.83
Shares available under the New General Mandate	<u>—</u>	<u>—</u>	<u>65,586,557</u>	<u>16.67</u>
Total	<u><u>327,932,786</u></u>	<u><u>100.00</u></u>	<u><u>393,519,343</u></u>	<u><u>100.00</u></u>

Note: Mr. Ng Man Sun is the chairman, chief executive officer and executive Director of the Company.

PROPOSED INCREASE IN AUTHORISED SHARE CAPITAL

The existing authorised share capital of the Company is HK\$80,000,000 divided into 400,000,000 Shares of which 327,932,786 Shares are in issue and there are outstanding Share Options carrying rights to subscribe for an aggregate of 12,850,000 Shares.

In order to provide the Company with a flexibility for future investment opportunities, the Board proposes to increase the authorised share capital of the Company to HK\$400,000,000 divided into 2,000,000,000 Shares by the creation of an additional 1,600,000,000 Shares.

The Increase in Authorised Share Capital is conditional upon the passing of an ordinary resolution by the Shareholders at the SGM.

LETTER FROM THE BOARD

GENERAL

As at the Latest Practicable Date, a total of 327,932,786 Shares are in issue. An ordinary resolution will be proposed for the Independent Shareholders to approve the Refreshment of General Mandate to authorise the Directors to allot, issue and deal with Shares not exceeding 20% of the issued share capital of the Company as at the date of the passing the resolution of the Refreshment of General Mandate by way of poll at the SGM.

The Independent Board Committee, comprising Ms. Yeung Pui Han, Regina, Mr. Li Chi Fai and Ms. Sie Nien Che, Celia, all being the independent non-executive Directors, has been established to advise the Independent Shareholders on the Refreshment of General Mandate. Titan Financial Services Limited has been appointed as the Independent Financial Adviser to advise the Independent Board Committee and the Independent Shareholders in this regard.

Pursuant to Rule 13.36(4)(a) of the Listing Rules, any controlling Shareholders and their associates, or where there is no controlling Shareholder, the Directors (excluding independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the relevant resolution regarding the Refreshment of General Mandate to be proposed at the SGM. Pursuant to Rule 13.39(4) of the Listing Rules, the vote of the Independent Shareholders in respect of the Refreshment of General Mandate at the SGM will be taken by way of poll.

As at the Latest Practicable Date, there is no controlling Shareholder. As at the Latest Practicable Date, save as disclosed above that Mr. Ng Man Sun, being the chairman, chief executive and executive Director of the Company, has 37,377,366 Shares of the Company, none of the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates has any Shares. Therefore, Mr. Ng Man Sun is required to abstain from voting in favour of the resolution in respect of the Refreshment of General Mandate.

RECOMMENDATION

Your attention is drawn to (i) the letter from the Independent Board Committee set out on page 12 of this circular which contains its recommendation to the Independent Shareholders on the proposed grant of the New General Mandate; and (ii) the letter of advice from the Independent Financial Adviser set out on pages 13 to 21 of this circular, which contains, among other matters, its advice to the Independent Board Committee and the Independent Shareholders in relation to the Refreshment of General Mandate and the principal factors considered by it in arriving at its advice.

LETTER FROM THE BOARD

The Independent Board Committee, having taken into account the advice of the Independent Financial Adviser, is of the opinion that the Refreshment of General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole and accordingly recommends the Independent Shareholders to vote in favour of the resolution relating to the Refreshment of General Mandate to be proposed at the SGM.

Accordingly, the Directors (including the independent non-executive Directors) consider that the Refreshment of General Mandate is fair and reasonable and is in the interests of the Company and the Shareholders as a whole. Therefore, the Directors (including the independent non-executive Directors) recommend the Independent Shareholders to vote in favour of the resolution relating to the Refreshment of General Mandate to be proposed at the SGM.

The Directors (including the independent non-executive Directors) consider that the Increase in Authorised Share Capital is fair and reasonable and are in the interests of the Company and the Shareholders as a whole. Therefore, the Directors (including the independent non-executive Directors) recommend the Shareholders to vote in favour of the relevant resolution to be proposed at the SGM.

SGM

A notice convening the SGM to be held at 9/F, Gloucester Tower, The Landmark, 15 Queen's Road Central, Central, Hong Kong on Wednesday, 17 February 2016 at 11 a.m. is set out on pages 22 to 24 of this circular.

Whether or not you are able to attend the special general meeting, you are requested to complete the accompanying form of proxy, in accordance with the instructions printed thereon and deposit the same at the Hong Kong branch share registrar of the Company, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the special general meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the special general meeting or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

Yours faithfully

For and on behalf of the Board of
Amax International Holdings Limited
Ng Man Sun

Chairman and Chief Executive Officer



AMAX INTERNATIONAL HOLDINGS LIMITED

奧瑪仕國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 959)

2 February 2016

To the Independent Shareholders

Dear Sir or Madam,

PROPOSED REFRESHMENT OF GENERAL MANDATE

We refer to the circular of the Company dated 2 February 2016 (the “**Circular**”), of which this letter forms part. Terms as defined in the Circular shall have the same meanings when used herein unless the context otherwise requires.

We have been appointed to advise the Independent Shareholders in connection with the Refreshment of General Mandate. Titan Financial Services Limited has been appointed to advise the Independent Board Committee and the Independent Shareholders in this respect.

We are of the view that the Refreshment of General Mandate, after taking into account the advice of Titan Financial Services Limited as set out on pages 13 to 21 of the Circular, is fair and reasonable so far as the Independent Shareholders are concerned and is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the Independent Shareholders to vote in favour of the resolution to approve the Refreshment of General Mandate.

Yours faithfully,

Independent Board Committee

Ms. Yeung Pui Han, Regina

Mr. Li Chi Fai

Ms. Sie Nien Che, Celia

Independent Non-executive Directors

* *for identification purpose only*

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The following is the full text of the letter of advice to the Independent Board Committee and the Independent Shareholders from Titan Financial Services Limited in respect of the Proposed Refreshment of General Mandate prepared for the purpose of inclusion in this circular.



Titan Financial Services Limited
Suites 3201-02, 32/F
COSCO Tower,
Grand Millennium Plaza
183 Queen's Road Central
Hong Kong

2 February 2016

*To the Independent Board Committee
and the Independent Shareholders
of Amax International Holdings Limited*

Dear Sirs,

PROPOSED REFRESHMENT OF GENERAL MANDATE

INTRODUCTION

We refer to our appointment as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in respect of the Refreshment of General Mandate, details of which are set out in the letter from the Board (the “**Letter from the Board**”) contained in the circular of the Company dated 2 February 2016 (the “**Circular**”) to the Shareholders, of which this letter forms part. Capitalised terms defined in the Circular shall have the same meanings in this letter unless the context otherwise requires.

Pursuant to Rule 13.36(4) of the Listing Rules, the Refreshment of General Mandate requires the approval of the Independent Shareholders at the SGM at which any controlling Shareholders and their associates or, where there are no controlling Shareholders, the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates are required to abstain from voting in favour of the resolution(s) proposed for approving the Refreshment of General Mandate, and under 13.39(4) of the Listing Rules, the vote of the Independent Shareholders in respect of the Refreshment of General Mandate at the SGM will be taken by way of poll.

As at the Latest Practicable Date, to the best knowledge, belief and information of the Directors, there was no controlling Shareholder and save for Mr. Ng Man Sun, being the chairman, chief executive officer and the executive Director of the Company, held 37,377,366 Shares, representing approximately 11.4% of the issued share capital of the Company, none of the Directors (excluding the independent non-executive Directors), the chief executive of the Company and their respective associates have any shareholding in the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Company. As such, Mr. Ng Man Sun and his respective associates are required to abstain from voting in favour of the resolution in respect of the Refreshment of General Mandate at the SGM.

The Independent Board Committee, comprising Ms. Yeung Pui Han, Regina, Mr. Li Chi Fai and Ms. Sie Nien Che, Celia (all being independent non-executive Directors), has been established by the Company to advise the Independent Shareholders as to whether the Refreshment of General Mandate is in the interests of the Company and its Shareholders as a whole, and fair and reasonable so far as the Independent Shareholders are concerned. We, Titan Financial Services Limited, have been appointed as the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in this respect.

As at the Latest Practicable Date, we were not aware of any relationships or interests between us and any member of the Group or any of their substantial shareholders, directors or chief executives, or their respective associates, that could reasonably be regarded as hindrance to our independence to act as the independent financial adviser to the Independent Board Committee and the Independent Shareholders. Accordingly, we are considered eligible to give independent advice to the Independent Board Committee and the Independent Shareholders regarding the Refreshment of General Mandate. In addition to our appointment as the independent financial adviser, we have not acted as the independent financial adviser in respect of any transaction of the Company in the past two years.

BASIS OF OUR OPINION

In formulating our recommendation to the Independent Board Committee and the Independent Shareholders, we have relied on the statements, information, opinions and representations contained or referred to in the Circular and the information and representations provided to us by the Directors and/or the management of the Company (the “**Management**”).

We have assumed that all information and representations provided by the Directors and/or the Management, for which they are solely and wholly responsible for are true, accurate and complete in all material respects and not misleading or deceptive at the time when they were provided or made and will continue to be true up to the Latest Practicable Date. We have also assumed that all statements of belief, opinion, expectation and intention made by the Directors in the Circular were reasonably made after due enquiries and careful consideration by the Directors and there are no other facts not contained in the Circular the omission of which would make any such statement contained in the Circular misleading. We have no reason to suspect that any relevant information has been withheld, nor are we aware of any fact or circumstance which would render the information provided and representations and opinions made to us untrue, inaccurate or misleading. We have not, however, carried out any independent verification of the information provided by the Directors and/or the Management nor have we conducted any independent investigation into the business, financial conditions and affairs of the Group or the prospects of the markets in which the Group operates.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

The Directors have collectively and individually accepted full responsibility for all information given with regard to the Company including particulars given in compliance with the Listing Rules. The Directors have confirmed, after having made all reasonable enquiries, which to the best of their knowledge and belief the information contained in the Circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or the Circular misleading.

This letter was issued to the Independent Board Committee and the Independent Shareholders solely in connection with their consideration in respect of the Refreshment of General Mandate.

PRINCIPAL FACTORS AND REASONS CONSIDERED

In formulating our opinion and recommendations to the Independent Board Committee and the Independent Shareholders, we have taken into consideration of the following principal factors and reasons. Our conclusions are based on the results of our analyses taken as a whole.

I. Background of the Refreshment of General Mandate

At the AGM, the Shareholders approved, among other things, an ordinary resolution for granting to the Directors the Existing General Mandate to allot, issue and otherwise to deal with not more than 55,786,557 new Shares, being 20% of the entire issued share capital of the Company of as at the date of passing of the relevant resolution.

During the period from the grant of the Existing General Mandate to the Latest Practicable Date, the Existing General Mandate has been utilised as to (i) the completion of the top-up placing and subscription of 25,000,000 Shares on 18 September 2015; and (ii) the completion of the top-up placing and subscription of 24,000,000 Shares on 28 December 2015. Accordingly, a total of 49,000,000 Shares were allotted and issued, representing approximately 87.8% of the Existing General Mandate. As at the Latest Practicable Date, the Company has not made any refreshment of the Existing General Mandate since the AGM. If there is no Refreshment of General Mandate, only 6,786,557 new Shares, approximately 12.2% of the Existing General Mandate, may be further allotted and issued under the Existing General Mandate.

Given that the Existing General Mandate has been utilised as to approximately 87.8% as at the Latest Practicable Date, the Directors propose to seek approval of the Independent Shareholders for the Refreshment of General Mandate such that the Directors will be granted the authority to allot and issue new Shares up to 20% of the issued share capital of the Company as at the date of passing of such resolution at the SGM.

As at the Latest Practicable Date, the Company had an aggregate of 327,932,786 Shares in issue. Subject to the passing of the ordinary resolution for the approval of the New General Mandate and on the basis that no further Shares are issued and/or

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

repurchased by the Company between the Latest Practicable Date and the date of the SGM, the Company would be allowed to allot and issue up to 65,586,557 Shares, being 20% of the total number of Shares in issue as at the Latest Practicable Date.

II. Reasons for the Refreshment of General Mandate

The Company is an investment holding company and the Group is principally engaged in investment in high-end niche gaming and entertainment related businesses.

As disclosed in the interim report of the Company for the six months ended 30 September 2015 (“**IR2015**”), the Group recorded a net loss of approximately HK\$17.7 million for the six months ended 30 September 2015, representing a slight improvement of approximately 3.8% from net loss of approximately HK\$18.4 million for the six months ended 30 September 2014. As set out in IR2015 and further discussed with the Management, notwithstanding the Group recorded an increase in the revenue of approximately 63.2% for the six months ended 30 September 2015 as compared to the same corresponding period in 2014 being net off by the deterioration in the gross profit margin of the Group from approximately 94.6% for the six months ended 30 September 2014 to approximately 73.4% for the six months ended 30 September 2015, the Group recorded the net loss position for the six months ended 30 September 2015, which was mainly due to the general and administrative expenses comprising approximately HK\$5.0 million for salary expenses and staff welfare, approximately HK\$2.8 million for professional and consultancy fees, approximately HK\$2.4 million for rental expenses and approximately HK\$1.7 million for depreciation and amortisation, as well as approximately HK\$6.1 million for finance costs.

According to IR2015 and as discussed with the Management, the Group will continue to seek for suitable business and investment opportunities to enhance its existing business portfolio of tapping into high-growing gaming regions and other potential markets so as to mitigate the challenges and combat the stagnant growth in Macau and to diversify its revenue stream and counter balance the cyclical nature of the Group’s businesses. Further stated in the IR2015, the Company has diversified its core gaming and entertainment business by entering into a sale and purchase agreement for the acquisition of 60% equity interests of Forenzia Enterprises Limited (“**Forenzia Enterprises**”), which is principally engaged in gaming business in the Republic of Vanuatu (“**Vanuatu**”) and obtained, through its wholly-owned subsidiaries, an interactive gaming license valid for a period of 15 years in Vanuatu in or above November 2014. As further advised by the Management, the Group is in the process of setting up the business operation of Forenzia Enterprises and may require additional funding of approximately HK\$4 million for its intended business development.

As for the financial position, we note that, as at 30 September 2015, the Group had (i) cash and cash equivalents of approximately HK\$7.6 million; (ii) short-term promissory notes of approximately HK\$183.8 million; and (iii) net current liabilities of approximately HK\$139.1 million. We also noted that the Group recorded (i) negative operating cash position of approximately HK\$10.4 million for the six month ended 30 September 2015; and (ii) gearing ratio, calculated on the total liabilities over the total shareholder’s equity, of approximately 19.4% as at 30 September 2015. In view of the above, the financial position of the Group is relatively weak.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

We were further advised by the Management that the next annual general meeting of the Company, in which the Refreshment of General Mandate could also be sought, will not be held until around the end of August 2016, which is around seven months away from the Latest Practicable Date.

In light of (i) the Existing General Mandate has been substantially utilised as to approximately 87.8% as at the Latest Practicable Date; (ii) the next annual general meeting will not be held until around the end of August 2016, which is about seven months away from the Latest Practicable Date; (iii) the potential additional funding needs for the intended business operation of Forenzia Enterprises; (iv) the Group has been actively seeking for suitable business and investment opportunities; and (v) the Refreshment of General Mandate would be able to provide financial flexibility necessary for the Group's future business development and investment opportunities, we concur with the view of the Directors that the Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole.

As at the Latest Practicable Date, the Company (i) has not yet identified and/or concluded any terms for any suitable fund-raising opportunities with any financial institution(s); (ii) has not entered into any negotiation, agreement, arrangement, understanding or undertaking (whether formal or informal and whether express or implied) in relation to any acquisition or disposal of assets which is not disclosed in this circular; and (iii) does not have any arrangement(s), intention(s), understanding or in the process of negotiation regarding any possible fund-raising exercises (including debt or equity financing). As advised by the Directors, as at the Latest Practicable Date, the Company does not have any immediate plan to utilise the New General Mandate upon approval of the Refreshment of General Mandate.

III. Other financing alternatives

We have enquired with the Directors and were confirmed that, apart from the equity financing, the Company will also consider debt financing, rights issue or open offer, to be other possible fund raising alternatives available to the Group. However, the Directors are of the view that the ability of the Group to obtain debt financing such as bank borrowings usually depends on the Group's profitability, financial position and prevailing market condition. In light of (i) the current weak financial performance of the Group; (ii) the debt financing will further increase the gearing of the Company and will incur additional interest burden on the Company; and (iii) debt financing may involve lengthy due diligence and negotiations with banks, the Directors consider that debt financing to be relatively uncertain and time-consuming as compared to equity financing for the Group to obtain additional funding. Furthermore, the Directors have also considered other pre-emptive equity financing methods such as rights issue and open offer, however, the Directors are of the view that such methods are usually subject to lengthy process of up to six months and additional costs such as underwriting, legal and administrative costs as compared to equity financing through issuance of new shares under the general mandate, which allows the Company to raise capital within specified number of Shares promptly as and when necessary.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Having considered that equity financing by means of utilising general mandate (i) does not incur any interest-paying obligations on the Group as compared with debt financing; (ii) is less costly and time-consuming than raising funds by way of rights issue or open offer; and (iii) provides the Company with the flexibility and capability to capture any capital raising to satisfy the financial needs as and when it arises, the Directors consider that such ability is crucial in a competitive and rapidly changing business environment.

We were further advised by the Directors that they will consider the cost and the terms of the funding to decide the most appropriate means of financing in order to maximise the benefit to the Shareholders and will exercise due and careful consideration when choosing the best method of financing for the Company. Considering the fact that the Refreshment of General Mandate will provide the Company with an additional financing alternative and it is reasonable for the Company to have higher degree of flexibility in deciding the financing method for its future business development in a promptly manner, we are of the view that the Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

IV. Fund raising activities of the Company in the past twelve months

Set out below are the fund raising activities conducted by the Company in the past twelve months prior to the Latest Practicable Date:

Date of announcement	Event	Net Proceeds (approximately)	Intended use of proceeds	Actual use of proceeds
23 March 2015	Placing of existing Share and top-up subscription of new Shares	HK\$7.58 million	General working capital and potential 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.
7 September 2015	Placing of existing Share 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 Share and top-up subscription of new Shares	HK\$15.19 million	General working capital and investment	Approximately HK\$6.18 million had been utilised for general working capital of the Group including (i) HK\$4.45 million for staff salaries and Directors fees; (ii) HK\$1.27 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. As advised by the Management, the remaining unutilised net proceeds will be used as intended.

As confirmed by the Directors, apart from the fund raising activity as disclosed above, the Company has not conducted any other fund raising activity in the past twelve months immediately preceding the Latest Practical Date.

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

V. Potential dilution to shareholdings of the other public Shareholders

The table below set out the shareholding structure of the Company (i) as at the Latest Practicable Date; and (ii) for illustrative purpose, upon full utilisation of the New General Mandate (assuming no further Shares are issued or repurchased by the Company):

Shareholders	As at the Latest Practicable Date		Upon full utilisation of the New General Mandate (assuming no further Shares are issued or repurchased by the Company)	
	Number of Shares	Approximate %	Number of Shares	Approximate %
— Mr. Ng Man Sun (<i>Note</i>)	37,377,366	11.40	37,377,366	9.50
— Other public Shareholders	290,555,420	88.60	290,555,420	73.83
— Shares available under the New General Mandate	—	—	65,586,557	16.67
Total	<u>327,932,786</u>	<u>100.00</u>	<u>393,519,343</u>	<u>100.00</u>

Note: Mr. Ng Man Sun is the chairman, chief executive officer and executive Director of the Company.

Assuming that (i) the Refreshment of General Mandate is approved at the SGM; (ii) no Shares will be repurchased and no new Shares will be issued from the Latest Practicable Date up to the date of the SGM (both dates inclusive); and (iii) upon full utilisation of the New General Mandate, 65,586,557 Shares are to be issued, representing 20% of the issued share capital of the Company as at the date of the SGM and approximately 16.67% of the enlarged issued share capital of the Company upon full utilisation of the New General Mandate, and the aggregate shareholding of the existing public Shareholders will be diluted from approximately 88.60% as at the Latest Practicable Date to approximately 73.83% upon full utilisation of the New General Mandate.

Having considered the Refreshment of General Mandate will (i) provide alternative means for the Company to raise capital; (ii) empower the Directors to allot and issue new Shares as and when necessary, providing the Company the necessary financial flexibility to raise further capital should profitable investment opportunities arise and/or improving the liquidity position of the Group; and (iii) the fact that the shareholding of the Shareholders will be diluted proportionally to their respective shareholdings upon any utilisation of the New General Mandate under the circumstance that no new Shares under the New General Mandate are issued to the existing Shareholders, we consider such potential dilution to shareholdings of the existing public Shareholders to be justifiable.

OPINION AND RECOMMENDATION

Having taken into account the factors and reasons as mentioned above, we consider that the Refreshment of General Mandate is fair and reasonable so far as the Independent Shareholders are concerned and the Refreshment of General Mandate is in the interests of the Company and the Shareholders as a whole. Accordingly, we recommend the

LETTER FROM THE INDEPENDENT FINANCIAL ADVISER

Independent Shareholders, and also the Independent Board Committee to advise the Independent Shareholders, to vote in favour of the ordinary resolution to be proposed at the SGM to approve the Refreshment of General Mandate.

Yours faithfully,
for and on behalf of
Titan Financial Services Limited

Eric Koo **Arthur Kan**
Managing Director *Executive Director*

Mr. Eric Koo is a licensed person under the SFO to engage in type 6 (advising on corporate finance) regulated activities. He has over 15 years of experience in corporate finance.

Mr. Arthur Kan is a licensed person under the SFO to engage in type 6 (advising on corporate finance) regulated activities. He has over 14 years of experience in corporate finance.



AMAX INTERNATIONAL HOLDINGS LIMITED

奧瑪仕國際控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 959)

NOTICE IS HEREBY GIVEN that a Special General Meeting of Amax International Holdings Limited (the “**Company**”) will be held at 9/F, Gloucester Tower, The Landmark, 15 Queen’s Road Central, Central, Hong Kong on Wednesday, 17 February 2016 at 11 a.m.. for the purpose of considering and, if thought fit, passing, with or without modifications, the following resolutions of the Company:

ORDINARY RESOLUTIONS

1. THAT:

- (a) subject to paragraph (c) below, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined in paragraph (d) below) of all the powers of the Company to allot, issue and deal with unissued shares of the Company and to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period (to be defined in paragraph (d) below) to make or grant offers, agreements, options and rights of exchange or conversion which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate nominal amount of share capital allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval granted in paragraph (a) above, otherwise than pursuant to (i) a Rights Issue (as defined in paragraph (d) below), or (ii) any share option schemes of the Company approved by The Stock Exchange of Hong Kong Limited, or (iii) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Bye-laws of the Company, or (iv) the exercise of the outstanding conversion rights attaching to any convertible securities issued by the Company, which are convertible into shares of the Company, shall not exceed 20 per cent. of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the said approval shall be limited accordingly; and

* *for identification purpose only*

NOTICE OF SGM

(d) for the purposes of this resolution:

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required by the Bye-laws of the Company or any applicable law to be held; or
- (iii) the date upon which the authority set out in this resolution revoked or varied by way of ordinary resolution of the Company in general meeting; and

“**Rights Issue**” means an offer of shares open for a period fixed by the Directors to holders of shares on the register on a fixed record date in proportion to their then holdings of such shares (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of any relevant jurisdiction, or the requirements of any recognized regulatory body or any stock exchange, in any territory outside Hong Kong).”

2. “**THAT**

- (a) the authorised share capital of the Company be and is hereby increased from HK\$80,000,000 (divided into 400,000,000 Shares) to HK\$400,000,000 (divided into 2,000,000,000 Shares) by the creation of an additional 1,600,000,000 Shares (the “**Increase in Authorised Share Capital**”); and
- (b) any one or more of the Directors be and is/are hereby authorised for and on behalf of the Company to execute all such documents, instruments and agreements and to do all such acts or things deemed by him/them to be incidental to, ancillary to or in connection with the matters contemplated in and for the completion of the Increase in Authorised Share Capital.”

Yours faithfully

For and on behalf of the board of directors of
Amax International Holdings Limited
Ng Man Sun
Chairman and Chief Executive Officer

Hong Kong, 2 February 2016

NOTICE OF SGM

Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and principal place
of business in Hong Kong:*
Units 5106–07,
51/F, The Center,
99 Queen’s Road Central,
Central, Hong Kong

Notes:

1. Any shareholder of the Company (the “**Shareholder(s)**”) entitled to attend and vote at the SGM shall be entitled to appoint another person as his proxy to attend and vote instead of him. A proxy needs not be a Shareholder.
2. The form of proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. Delivery of the form of proxy shall not preclude a Shareholder from attending and voting in person at the SGM and in such event, the form of proxy shall be deemed to be revoked.
4. Where there are joint Shareholders, any one of such joint Shareholders may vote, either in person or by proxy, in respect of such shares as if he were solely entitled thereto, but if more than one of such joint Shareholders be present at the SGM the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint Shareholders, and for this purpose seniority shall be determined by the order in which the names stand in the register of Shareholders of the Company in respect of the joint holding.
5. The form of proxy and (if required by the board of directors) the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the Company’s branch share registrar in Hong Kong, Tricor Secretaries Limited at Level 22, Hopewell Centre, 183 Queen’s Road East Hong Kong not less than 48 hours before the time appointed for the holding of the SGM or any adjournment thereof at which the person named in the form of proxy proposes to vote or, in the case of a poll taken subsequently to the date of the SGM or any adjournment thereof, not less than 48 hours before the time appointed for the taking of the poll and in default the form of proxy shall not be treated as valid.
6. If Typhoon Signal No. 8 or above, or a “black” rainstorm warning is in effect any time after 8:00 a.m. on the date of the SGM, the meeting will be postponed. The Company will post an announcement on the Company’s website (<http://www.amaxhldg.com>) and on the website of The Stock Exchange of Hong Kong Limited (www.hkex.com.hk) to notify Shareholders of the date, time and place of the rescheduled meeting.