

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

*This announcement appears for information only and does not constitute an invitation to acquire, purchase or subscribe for securities of the Company.*



**A-MAX HOLDINGS LIMITED**  
**奧瑪仕控股有限公司\***  
*(incorporated in Bermuda with limited liability)*  
**(Stock Code: 959)**

**MAJOR TRANSACTION  
RELATING TO  
GREEK MYTHOLOGY (MACAU) ENTERTAINMENT GROUP CORPORATION LIMITED  
AND  
RESUMPTION OF TRADING**

On 8 November 2005, the Company entered into the Sale and Purchase Agreement with the Vendor, pursuant to which the Company has conditionally agreed to purchase the Sale Shares, representing approximately 30% interest in Greek Mythology, from the Vendor for HK\$2,056,572,380. Such consideration will be satisfied (1) as to HK\$601,850,273 by the issue of the Consideration Shares, being 1,074,732,630 Shares, at the Issue Price of HK\$0.56 per Share, and (2) as to the balance of HK\$1,454,722,107 by the issue of a 10-year zero-interest promissory note by the Company to the Vendor.

The Consideration Shares have an aggregate market value of approximately HK\$601,850,273 (calculated on the basis of HK\$0.56 per Share with reference to the closing price of the Shares on the Stock Exchange on 2 September 2005, being the date of suspension of trading in the Shares prior to the date of this announcement). Based on the closing price of the Shares on 2 September 2005 of HK\$0.56 per Share, the market value attached to the Acquisition (i.e. the market value of the Consideration Shares and the 10-year zero-interest promissory note to be issued to the Vendor) is approximately HK\$2,056,572,380.

Greek Mythology manages one of the newest and largest casinos in Macau. As at the date of the announcement, the Company is interested as to approximately 19.9% in the issued share capital of Greek Mythology. Upon Completion, the Company's interest in Greek Mythology will be increased to approximately 49.9%.

As at the date of this announcement, the Vendor is interested in approximately 60.1% of Greek Mythology and approximately 9.68% of the Company. The Acquisition constitutes a major transaction for the Company under the Listing Rules which requires the approval of the Independent Shareholders by poll.

A circular containing, among other things, further details of the Acquisition and a notice of the Special General Meeting will be despatched by the Company to the Shareholders as soon as practicable in accordance with the Listing Rules.

The gaming activity of Greek Mythology will take place outside Hong Kong and the bookmaking transactions and the parties to the transactions are outside Hong Kong. The operation of Greek Mythology will not be subject to the Gambling Ordinance (Chapter 148 of the Laws of Hong Kong). The Company will use its reasonable endeavour to ensure that throughout the holding of its investment in Greek Mythology, the operation of Greek Mythology will comply with the applicable laws in the relevant jurisdiction. Shareholders are reminded that, in accordance with the Stock Exchange's guidelines on gambling business, that if the operation of Greek Mythology does not comply with applicable laws in the relevant jurisdictions, the Stock Exchange may, depending on the circumstances of the case, direct the Company to take remedial action, and/or may suspend dealings in, or may cancel the listing of, Shares under Rule 6.01 of the Listing Rules. If the Company cannot take the requisite remedial action in the circumstances aforementioned, it is the Company's intention to maintain active trading and listing status of the Shares through the Group's existing business and divest the Group's investment in Greek Mythology in accordance with applicable laws and regulations.

**The Stock Exchange is concerned that the ultimate intention of the Company and the Vendor is to inject a business into a listed company which is under the Vendor's control. The Stock Exchange will closely monitor all future transactions, if any, between the Company and the Vendor and may aggregate such transactions and decide whether the reverse takeover rule should apply. The Stock Exchange may also revisit this matter in the event that there is intention available to indicate that the Company is under the control of the Vendor. Shareholders and potential investors should also note that the Acquisition, which is subject to a number of conditions precedent, may or may not be completed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.**

Trading in the Shares was suspended at the request of the Company with effect from the afternoon of 2 September 2005 pending the release of this announcement. An application has been made by the Company to the Stock Exchange for trading in the Shares to resume from 9:30 a.m. on 9 November 2005.

## THE SALE AND PURCHASE AGREEMENT

**Date:** 8 November 2005

### **Parties:**

- (1) Purchaser : The Company
- (2) Vendor : Mr. Ng Man Sun, who is a merchant engaged primarily in the gaming, entertainment, transportation and hotel industries and is interested in approximately 9.68% of the issued share capital of the Company and the Convertible Notes as at the date of this announcement. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the Vendor is not a connected person of the Company.

**Subject matter of sale and purchase:**

The Sale Shares, representing approximately 30% of the issued share capital of Greek Mythology.

**Consideration:**

The consideration for the Sale Shares is HK\$2,056,572,380 and will be satisfied at Completion as follows:

1. as to HK\$601,850,273 by the allotment and issue, at the Issue Price of HK\$0.56 per Share, of the Consideration Shares to the Vendor; and
2. as to the balance of HK\$1,454,722,107 by the issue of a 10-year zero-interest promissory note by the Company to the Vendor. The promissory note is payable on demand on the tenth year of the date of issue of the promissory note. The noteholder has the right to demand immediate payment if there occurs any situation which in the opinion of the noteholder may cause a material adverse change in the financial condition of the Company or that the ability of the Company to perform its obligation under the promissory note may be materially and adversely affected.

Based on the closing price of the Shares on 2 September 2005 (being the date of suspension of trading in the Shares on the Stock Exchange before the date of this announcement) of HK\$0.56 per Share, the market value attached to the Acquisition is approximately HK\$2,056,572,380 and is represented:

- (a) as to HK\$601,850,273 by the issue of the Consideration Shares based on HK\$0.56 per Share (i.e. the market value of the Consideration Shares, representing approximately 28.66% of the existing issued Shares and approximately 22.28% of the Shares as enlarged by the issue of the Consideration Shares); and
- (b) as to HK\$1,454,722,107 by the issue of the 10-year zero-interest promissory note to the Vendor.

The consideration has been determined after arm's length negotiations with reference to the leading position, well-established brand, business potential and growth prospect of Greek Mythology. Based on the unaudited accounts of Greek Mythology for the period from 23 December 2004 (the date of commencement of business of Greek Mythology ) to 30 April 2005, the turnover of Greek Mythology was approximately MOP171.44 million (equivalent to approximately HK\$166.45 million), and net profit after taxation was approximately MOP143.27 million (equivalent to approximately HK\$139.10 million). The net asset value of Greek Mythology as at 30 April 2005 was approximately MOP143.43 million (equivalent to approximately HK\$139.25 million). The Directors (including the independent non-executive Directors) consider that the terms of the Sale and Purchase Agreement are fair and reasonable so far as the Company and the Shareholders as a whole are concerned.

An application will be made by the Company to the Stock Exchange for the listing of and permission to deal in the Consideration Shares.

**The Issue Price**

The Issue Price of HK\$0.56 per Share for the Consideration Shares represents:

1. the closing price of the Shares on the Stock Exchange on 2 September 2005, being the date of the suspension of trading in the Shares prior to the date of this announcement;

2. a premium of approximately 12.22% from approximately HK\$0.499, the average closing price of Shares on the Stock Exchange for the last 10 trading days prior to the suspension of trading in the Shares prior to the date of this announcement; and
3. a premium of approximately 33.33% from approximately HK\$0.420, the average closing price of the Shares on the Stock Exchange for the last 30 trading days prior to the suspension of trading in the Shares prior to the date of this announcement.

The Issue Price was determined by the parties after arm's length negotiation on normal commercial terms. The Issue Price of HK\$0.56 per Share represents the closing price of the Shares on the Stock Exchange on 2 September 2005, being the date of the suspension of trading in the Shares prior to the date of this announcement, and a premium of approximately 12.22% and 33.33% on the average 10 and 30 days' closing prices for the Shares, respectively. Accordingly, the Directors (including the independent non-executive Directors) are of the view that the Issue Price is fair and reasonable so far as the Company and the Shareholders are concerned.

The Consideration Shares have an aggregate market value of approximately HK\$601,850,273 (calculated on the basis of HK\$0.56 per Share with reference to the closing price of the Shares on the Stock Exchange on 2 September 2005, being the date of suspension of trading in the Shares prior to the date of this announcement).

**Conditions precedent:**

Completion is subject to the fulfillment of, among others, the following conditions:

1. the approval by the Independent Shareholders in general meeting by way of a poll of (a) the Acquisition, and (b) the allotment and issue of the Consideration Shares;
2. if applicable, the obtaining of all consents from government or regulatory authorities or third parties which are necessary in connection with the execution and performance of the Sale and Purchase Agreement and any of the transactions contemplated under the Sale and Purchase Agreement;
3. the Vendor having complied fully with his obligations under the warranties under the Sale and Purchase Agreement;
4. the Vendor and his connected persons will not hold the Convertible Notes upon Completion (as at the date of the announcement, the Vendor is interested in the Convertible Notes in the face value of HK\$2,800,000);
5. the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Consideration Shares; and
6. (if required) the Bermuda Monetary Authority granting its permission to the allotment and issue of the Consideration Shares.

## Completion

Completion will take place within the same business day after all the conditions precedent have either been fulfilled or waived. The Company has the right to waive only condition 3 (the compliance with the warranties) above prior to Completion. The Company has no present intention to waive such condition. The Company will make further announcement if such condition is waived. If any of the conditions precedent to Completion has not been fulfilled (or waived) by the Long Stop Date (or such later date as the parties to the Sale and Purchase Agreement may agree in writing), the Sale and Purchase Agreement will lapse and all obligations and liabilities of all parties will cease except for antecedent breaches.

Upon Completion, the Company will be interested in approximately 49.9% of the issued share capital of Greek Mythology and Greek Mythology will be accounted for as an associated company of the Group, and the Company has no present intention to participate in the day-to-day management of Greek Mythology after Completion. The Vendor will not be appointed as a Director and the Vendor has no present intention to nominate any representative to the Board after Completion and the Company has no present intention to make any material change to the composition of the Board.

The Company has no intention to nominate any representatives to the board of directors of Greek Mythology. As at the date of this announcement, Mr. Chan King Ming, an executive Director, is also a director of Greek Mythology. Mr. Chan King Ming was appointed an executive Director of the Company on 21 January 2005 for his rich management experiences which are considered essential to the manufacturing operation of the Company. Save for Mr. Chan King Ming, there are no common directors between the Company and Greek Mythology.

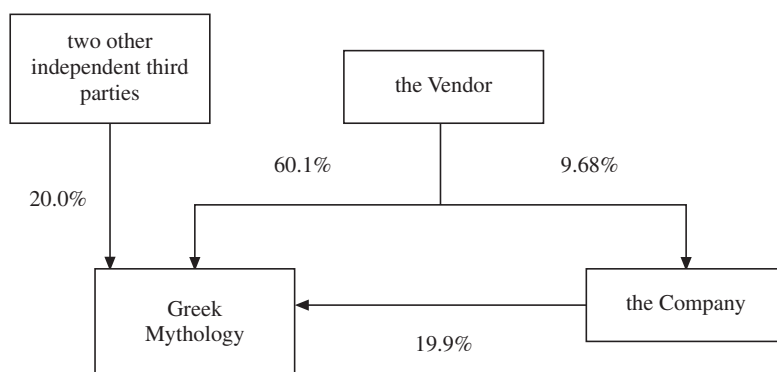
## SHAREHOLDING STRUCTURE BEFORE AND AFTER COMPLETION

As at the date of this announcement, the Vendor is interested as to approximately 60.1% in the issued share capital of Greek Mythology and is interested as to approximately 9.68% of the Company.

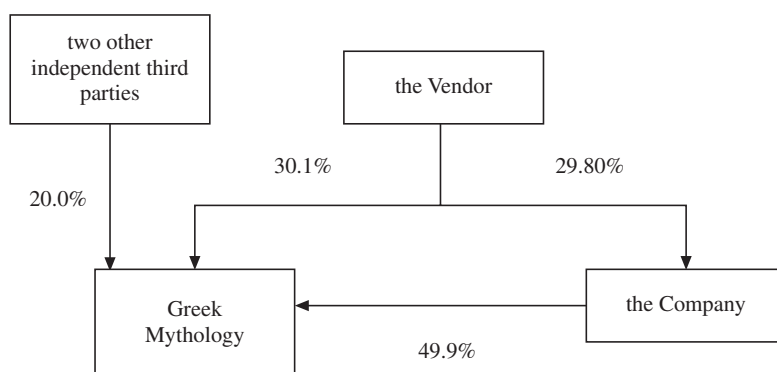
Set out below is a summary of the change in the shareholding of the Company as a result of the Acquisition:

Shareholders	Existing		Upon Completion and after the issue of the Consideration Shares (but before the conversion of the Convertible Notes)		Upon Completion and after the issue of the Consideration Shares and assuming full conversion of the Convertible Notes	
	Shares	%	Shares	%	Shares	%
Ng Man Sun	362,946,710	9.68	1,437,679,340	29.80	1,437,679,340	15.05
Public	3,386,747,976	90.32	3,386,747,976	70.20	8,114,356,742	84.95
	<u>3,749,694,686</u>	<u>100.00</u>	<u>4,824,427,316</u>	<u>100.00</u>	<u>9,552,036,082</u>	<u>100.00</u>

The following chart shows the simplified shareholding structure of the Company as at the date of this announcement:



The following chart shows the simplified holding structure of the Company immediately following Completion. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiry, the two other shareholders of Greek Mythology are independent third parties and not connected persons to the Company. As advised by the Vendor, each of the two other shareholders of Greek Mythology is independent and not connected with the Vendor.



The Acquisition will not give rise to an obligation to make a mandatory offer under the Takeovers Code.

## INFORMATION ON GREEK MYTHOLOGY

Greek Mythology is a private company established in Macau in September 2004 to engage in gaming and entertainment business in Macau and did not have any substantial operation before the opening of the casino on 23 December 2004.

Greek Mythology is principally engaged in the gaming and entertainment business and manages one of the newest and largest casinos (also known as the "Greek Mythology Casino") in the New Century Hotel, Taipa, Macau and occupies a gross floor area of approximately 160,000 square feet.

The gaming activities in the Greek Mythology Casino are primarily table games including baccarat, black-jack, roulette and other traditional Western and Asian games.

The ownership and operation of casino gaming facilities in Macau is unlawful unless the owner/operator has an appropriate concession or sub-concession issued by the Macau Government. The gaming and entertainment business of Greek Mythology is operated under the gaming concession of Sociedade de Jogos de Macau, S.A. in the New Century Hotel, Taipa, Macau. The Company has been advised by Paulo Dos Remédios, the legal advisers to Greek Mythology as to Macau law, that the operation of Greek Mythology is lawful under the laws and regulation of Macau. The Company has also been advised by A. Baguinho and J.M. Barros, the legal advisers to Greek Mythology as to Macau law, that the investment by the Company in Greek Mythology are lawful under the laws and regulations of Macau.

**The gaming activity of Greek Mythology will take place outside Hong Kong and the bookmaking transactions and the parties to the transactions are outside Hong Kong. As advised by Sidley Austin Brown & Wood, the legal advisers to the Company as to Hong Kong law, the operation of Greek Mythology will not be subject to the Gambling Ordinance (Chapter 148 of the Laws of Hong Kong). The Company will use its reasonable endeavour to ensure that throughout the holding of its investment in Greek Mythology, the operation of Greek Mythology will comply with the applicable laws in the relevant jurisdiction. Shareholders are reminded that, in accordance with the Stock Exchange's guidelines on gambling business, that if the operation of Greek Mythology does not comply with applicable laws in the relevant jurisdictions, the Stock Exchange may, depending on the circumstances of the case, direct the Company to take remedial action, and/or may suspend dealings in, or may cancel the listing of, Shares under Rule 6.01 of the Listing Rules. If the Company cannot take the requisite remedial action in the circumstances aforementioned, it is the Company's intention to maintain active trading and listing status of the Shares through the Group's existing business and divest the Group's investment in Greek Mythology in accordance with applicable laws and regulations.**

### **Risks associated with the gaming business in Macau**

#### *Loss of concession*

It is illegal to operate a casino in Macau unless the owner/operator has been granted by the Macau Government of an appropriate gaming concession or sub-concession. Greek Mythology currently manages the gaming and entertainment operations under the gaming concession of Sociedade de Jogos de Macau, S.A. in the New Century Hotel, Taipa, Macau. If for any reason that Sociedade de Jogos de Macau, S.A. losses the concession or the concession is not renewed upon its expiry, the operation of Greek Mythology will be adversely affected.

#### *Money laundering*

Macau has in place an anti-money laundering legal framework designed to prevent and combat the processes of disguising or concealing properties or proceeds of illicit origin or derived from illicit activities. Although the Directors believe that the anti-money laundering policy of Greek Mythology is in compliance with the applicable anti-money laundering laws and regulations of Macau, there is no guarantee that the casino operation in the Greek Mythology Casino would not attract criminal elements to use the gaming activities of the casino for money laundering. Should the anti-money laundering policy of Greek Mythology failed to prevent and combat such illegal acts, the reputation and operation of Greek Mythology may be adversely affected.

## **REASONS FOR AND BENEFITS OF THE ACQUISITION**

The Group currently owns approximately 19.9% of the issued share capital of Greek Mythology. The Directors consider that the Acquisition represents an attractive opportunity for the Group to increase its interest in Greek Mythology. Upon Completion, the Group will be interested as to approximately 49.9% in the issued share capital of Greek Mythology with the Vendor being interested in approximately 30.1% of the issued share capital of Greek Mythology and the remaining approximately 20% being held as to approximately 10% each by two independent third parties.

Greek Mythology manages one of the newest and largest casinos in Macau. Given the improved Macau economy, the prospects of Macau's gaming industry and the market position enjoyed by Greek Mythology, the Directors consider that the increased investment in Greek Mythology would strengthen the Group's earning potential and recurrent income base. Accordingly, the Directors (including the independent non-executive Directors) are of the view that the Acquisition is in the interest of the Company and the Shareholders as a whole.

For the two years ended 31 March 2004 and 31 March 2005, the Group made a loss of approximately HK\$10.6 million and approximately HK\$18.3 million, respectively. The Directors believe that the acquisition of the profitable Greek Mythology would be advantageous to the Group in the long run. Further disclosure on the financial impacts to the Group as a result of the Acquisition will be made in the circular to be dispatched to the Shareholders. As Greek Mythology was only established in September 2004 and commenced business on 23 December 2004, it will not have the necessary track record of three financial years immediately preceding the issue of the circular to comply with the disclosure requirements under Rule 14.67(4) and Chapter 4 of the Listing Rules. Accordingly, the Company has applied to the Stock Exchange for only including in the circular to be dispatched to the Shareholders the accountants' report of Greek Mythology for less than one year.

## **GENERAL**

The Group is principally engaged in investment holding, manufacture and sale of LCD, LCD modules and electronic consumer products. The Directors are continuously seeking investment opportunities that would offer an attractive return for the shareholders. It has already been demonstrated that the investment in Greek Mythology could strengthen and improve the Group's recurrent income base. In this connection, it is the Company's ultimate intention to further strengthen the earning potential and recurrent income base of the Group while maintaining the manufacturing and selling of LCD, LCD modules and electronic consumer products as its principle lines of business.

The Vendor advised the Company that his ultimate intention is to raise the market profile of Greek Mythology by having a listed company such as the Company as a strategic investor in Greek Mythology, which would in turn facilitate the business of Greek Mythology, and the overseas expansion of Greek Mythology.

As at the date of this announcement the Vendor is interested in approximately 60.1% of Greek Mythology and approximately 9.68% of the Company. The Acquisition constitutes a major transaction for the Company under the Listing Rules which requires the approval of the Independent Shareholders by poll.



**The Stock Exchange is concerned that the ultimate intention of the Company and the Vendor is to inject a business into a listed company which is under the Vendor's control. The Stock Exchange will closely monitor all future transactions, if any, between the Company and the Vendor and may aggregate such transactions and decide whether the reverse takeover rule should apply. The Stock Exchange may also revisit this matter in the event that there is intention available to indicate that the Company is under the control of the Vendor. Shareholders and potential investors should also note that the Acquisition, which is subject to a number of conditions precedent, may or may not be completed. Shareholders and potential investors are reminded to exercise caution when dealing in the securities of the Company.**

A circular containing, among other things, further details of the Acquisition and a notice of the Special General Meeting will be despatched by the Company to the Shareholders as soon as practicable in accordance with the Listing Rules.

Trading in Shares was suspended at the request of the Company with effect from the afternoon of 2 September 2005 pending release of this announcement. An application has been made by the Company to the Stock Exchange for trading in Shares to resume from 9:30 a.m. on 9 November 2005.

## **DEFINITIONS**

*In this announcement, the following expressions shall have the meanings set out below unless the context requires otherwise:*

“Acquisition”	the acquisition by the Company of the Sale Shares;
“associate”	has the meaning given that term in the Listing Rules;
“Board”	the board of Directors;
“Company”	A-Max Holdings Limited, a company incorporated with limited liability in Bermuda, the shares of which are listed on the Stock Exchange;
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the Sale and Purchase Agreement;
“Completion Date”	the date on which Completion takes place;
“connected person”	has the meaning given that term in the Listing Rules;
“Consideration Shares”	1,074,732,630 Shares to be allotted and issued by the Company to satisfy part of the consideration for the Sale Shares in accordance with the Sale and Purchase Agreement;
“Convertible Notes”	the convertible notes in the face value of HK\$2,800,000 as approved by the Shareholders in the special general meeting of the Company held on 26 March 2004;
“Director(s)”	the director(s) of the Company;

“Greek Mythology”	Greek Mythology (Macau) Entertainment Group Corporation Limited, a company incorporated in Macau and is owned as to approximately 19.9% by the Company as at the date of this announcement;
“Group”	the Company and its subsidiaries;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Independent Shareholders”	Shareholders other than the Vendor and his associates;
“Issue Price”	the price of HK\$0.56 per Share;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Long Stop Date”	18 January 2006 or such other date as the Vendor and the Company may agree in writing;
“MOP”	Macau pataca, the lawful currency of Macau;
“PRC”	the People’s Republic of China (for the purposes of this announcement, exclude Hong Kong, the Macau Special Administrative Region and Taiwan);
“Sale and Purchase Agreement”	the agreement dated 8 November 2005 entered into between the Vendor and the Company in respect of the Acquisition;
“Sale Shares”	724 shares of MOP1,000 each in Greek Mythology, representing approximately 30% in the issued share capital of Greek Mythology, held by the Vendor;
“Shareholder(s)”	holder(s) of the Shares;
“Share(s)”	shares of HK\$0.001 each in the share capital of the Company;
“Special General Meeting”	the special general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving, among other things, the Acquisition;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“subsidiary”	has the meaning given that term in the Listing Rules;
“Vendor”	Mr. Ng Man Sun, who is interested in approximately 9.68% of the issued share capital of the Company as at the date of this announcement;

“HK\$” Hong Kong dollar, the lawful currency of Hong Kong;

“%” per cent.

*For the purpose of this announcement, the exchange rate between HK\$ and MOP is calculated at HK\$1.00 = MOP1.03.*

By Order of the Board  
**A-Max Holdings Limited**  
**Chan King Ming**  
Chairman

Hong Kong, 8 November 2005

*As at the date of this announcement, the executive Directors are Chan King Ming, Lam Cheok Va, Francis, and Chan Chi Yuen and the independent non-executive Directors are Chan Chiu Hung, Alex, Cham Yiu Keung and Ng Wai Hung.*

\* *For identification purposes only*

“Please also refer to the published version of this announcement in China Daily”