
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 stockbroker, or other licensed securities dealer, bank manager, solicitors, professional accountant or other professional adviser.

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

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Amax Entertainment Holdings Limited

澳瑪娛樂控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 959)

MAJOR TRANSACTION

DISPOSAL OF THE ENTIRE EQUITY INTERESTS OF A SUBSIDIARY

A notice convening a special general meeting of the Company to be held at Strategic Financial Relations Limited, Room 3202, 32nd Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Monday, 29 September 2008 at 3:00 p.m. is set out on pages 17 to 18 of this circular. A form of proxy for use at the special general meeting is enclosed.

Whether or not you intend to attend and vote at the special general meeting, you are requested to complete and return the enclosed form of proxy to the Company’s branch share registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding 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*

12 September 2008

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DEFINITIONS

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

“A-Max Global”	A-Max Global Products Limited
“associates”	the meaning ascribed thereto under the Listing Rules
“Board”	the board of Directors
“Company”	Amax Entertainment Holdings Limited (formerly known as A-Max Holdings Limited), a company incorporated in Bermuda with limited liability, the issued Shares of which are listed on the Stock Exchange
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the entire issued share capital of Profit Goal by the Group pursuant to the Sale and Purchase Agreement
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Third Party”	any person or company and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons (as defined in the Listing Rules)
“Latest Practicable Date”	12 September 2008, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information in this circular
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Profit Goal”	Profit Goal Holdings Limited, a company incorporated in the British Virgin Islands and a wholly owned subsidiary of the Company

DEFINITIONS

“Profit Goal Group”	Profit Goal and its subsidiaries
“Purchaser”	黎賢姬 (Li Xianji [#]), the purchaser to the Sale and Purchase Agreement and an Independent Third Party
“Sale and Purchase Agreement”	the sale and purchase agreement dated 27 August 2008 and made between the Company and the Purchaser in relation to the sale and purchase of the Sale Shares
“Sale Shares”	1,000 shares of US\$1.00 each in the share capital of Profit Goal, representing the entire issued share capital of Profit Goal
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“SGM”	the special general meeting of the Company to be convened and held to consider and, if thought fit, to approve the Disposal
“Share(s)”	ordinary share(s) with a nominal value of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

The English transliteration of the Chinese name(s) in this circular, where indicated, is included for information purpose only, and should not be regarded as the official English name(s) of such Chinese name(s).

LETTER FROM THE BOARD



Amax Entertainment Holdings Limited

澳瑪娛樂控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 959)

Executive Directors:

Mr. Cheung Nam Chung, Brian
Mr. Chan Ying Tat, Ted
Mr. Chan Chi Yuen
Mr. Lam Cheok Va, Francis
Ms. Li Wing Sze

Registered office:

Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

Independent Non-executive Directors:

Mr. Kou Hoi In
Attorney Lorna Patajo Kapunan
Mr. Chan Chiu Hung, Alex
Mr. Hau Chi Kit, Aaron

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

2701 Vicwood Plaza
199 Des Voeux Road Central
Hong Kong

12 September 2008

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTION

DISPOSAL OF THE ENTIRE EQUITY INTERESTS OF A SUBSIDIARY

INTRODUCTION

Reference is made to the announcement of the Company dated 27 August 2008 in which the Board announced that on 27 August 2008, the Company entered into the Sale and Purchase Agreement with the Purchaser pursuant to which the Company agreed to sell and the Purchaser agreed to acquire the Sale Shares for an aggregate consideration of HK\$1.00.

The Disposal constitutes a major transaction on the part of the Company under Chapter 14 of the Listing Rules.

The purpose of this circular is to provide you with further details regarding the Disposal in accordance with the Listing Rules.

** for identification purpose only*

LETTER FROM THE BOARD

THE SALE AND PURCHASE AGREEMENT

Date: 27 August 2008

Parties: (1) Vendor : the Company
(2) Purchaser: 黎賢姬 (Li Xianji#)

The Purchaser is a PRC citizen and a merchant.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser is an Independent Third Party.

The Purchaser is a personal friend of the PRC management of a subsidiary of the Company and the Purchaser was introduced to the Company when the Company was in the course of identifying potential purchaser for the Disposal. The Purchaser was also the buyer of A-Max Global as disclosed in the annual report of the Company and the said disposal was completed on 28 June 2007. Save as disclosed above, there are no prior transactions between the Group and the Purchaser which would require to be aggregated pursuant to Rule 14.22 of the Listing Rules.

The Company considers that aggregation pursuant to Rule 14.22 of the Listing Rules for the Disposal and the disposal of A-Max Global is not necessary as the Disposal and the disposal of A-Max Global were based on separate negotiations and the disposal of A-Max Global has been completed more than 13 months before the entering into of the Sale and Purchase Agreement. In the event that aggregation under the Listing Rules is required, given the negligible size of the disposal of A-Max Global, the aggregation of the disposal of A-Max Global with the Disposal will not alter the classification of the Disposal as a major transaction under the Listing Rules.

Asset to be disposed

Pursuant to the Sale and Purchase Agreement, the Company has agreed to dispose and the Purchaser has agreed to acquire the Sale Shares, which represent the entire issued share capital of Profit Goal.

Consideration

The aggregate consideration for the Disposal is HK\$1.00, of which shall be satisfied by the Purchaser in cash upon Completion.

The consideration for the Disposal was arrived at after arm's length negotiations between the parties to the Sale and Purchase Agreement after taking into consideration of various factors, in particular, the current financial situation of Profit Goal Group. According to the audited consolidated financial statements of Profit Goal Group for the year ended 31 March 2008, Profit Goal Group made a net profit after tax of approximately HK\$6,307,000 for the

LETTER FROM THE BOARD

year ended 31 March 2008 and the net liabilities of Profit Goal Group amounted to approximately HK\$30,769,000 as at 31 March 2008. The primary factor attributable to the net liabilities of Profit Goal Group is the accumulated losses recorded by Profit Goal Group in the past years, which were mainly due to the operational losses of Profit Goal Group for the past years as a result of the adverse fierce competition among the market players and the expenses incurred by Profit Goal Group in maintaining its business operations. The net liabilities were mainly comprised of third party loan of approximately HK\$29.6 million for financing its business operations and trade payables and other payables.

Details of the profit after tax of Profit Goal Group for the year ended 31 March 2008 is as follows:

	<i>HK\$'000</i>
Loss from operations	(7,271)
Finance costs	(1,935)
Gain on disposal of subsidiaries	<u>15,513</u>
Profit for the year	<u><u>6,307</u></u>

Although Profit Goal Group made a net profit after taxation of approximately HK\$6.3 million for the year ended 31 March 2008, the net profit was mainly due to the gain from disposal of subsidiaries instead of the operational activities of Profit Goal Group. Based on the audited financial statements of Profit Goal Group for the year ended 31 March 2008, Profit Goal Group has recorded a loss from operations of more than HK\$7 million. After taking into consideration of various factors, including the loss from operation and the net liabilities position of Profit Goal Group, the Directors consider the terms and conditions of the Disposal to be fair and reasonable and on normal commercial terms and are in the interests of the Company and the Shareholders as a whole.

Conditions

The Disposal is conditional upon the satisfaction of the following:

- (1) if necessary, the passing by the Shareholders at the SGM to be convened and held of the necessary resolution to approve the Sale and Purchase Agreement and the transactions contemplated thereunder; and
- (2) all necessary consents and approvals required to be obtained on the part of the Purchaser in respect of the Sale and Purchase Agreement and the transactions contemplated thereunder having been obtained.

LETTER FROM THE BOARD

Each party shall use its best endeavours to satisfy and fulfill the conditions. If the conditions set out above have not been satisfied on or before 4:00 p.m. on 31 October 2008, or such other date as the Company and the Purchaser may agree, the Sale and Purchase Agreement shall cease and determine and thereafter neither party shall have any obligations and liabilities towards each other, save for any antecedent breaches of the terms of the Sale and Purchase Agreement.

Completion

Completion is expected to take place on the second Business Day after the fulfillment (or waiver) of the conditions (or such later date as the parties may agree) mentioned above.

Upon completion, Profit Goal will cease to be a wholly owned subsidiary of the Company and the Company will cease to have any interests in Profit Goal.

INFORMATION ON PROFIT GOAL

Profit Goal is a company incorporated in the British Virgin Islands with limited liability. The Profit Goal Group is principally engaged in the sales of LCD and LCD modules.

As at the Latest Practicable Date, Profit Goal is a wholly owned subsidiary of the Company.

According to the audited consolidated financial statements of Profit Goal Group, which were prepared in accordance with Hong Kong Financial Reporting Standards and the Hong Kong Accounting Standards, the turnover, net loss from operation and net loss after taxation for the year ended 31 March 2007 was approximately HK\$59,840,000, HK\$17,205,000 and HK\$5,164,000 respectively. According to the audited consolidated financial statements of Profit Goal Group, the turnover, net loss from operation and net profit after taxation for the year ended 31 March 2008 was approximately HK\$56,511,000, HK\$7,271,000 and HK\$6,307,000 respectively. The audited total assets of Profit Goal Group as at 31 March 2008 were approximately HK\$15,737,000 and the audited net liabilities of Profit Goal Group were approximately HK\$30,769,000.

REASONS FOR THE DISPOSAL

The Group is principally engaged in investment holding, gaming and entertainment business in Macau and the sales of LCD and LCD modules.

The Group has experienced fierce competition from other market players in the sales of LCD and LCD modules. Such competitions and the difficulties for the Group to expand its LCD products market have caused the Group to review and reposition its businesses.

After having taken into account of the negative net asset value of Profit Goal Group and the operating losses made by Profit Goal Group last year, the Directors consider it is in the interests of the Group to dispose the entire issued share capital of Profit Goal pursuant to the terms and conditions of the Sale and Purchase Agreement.

LETTER FROM THE BOARD

The Directors believe that with reference to the financial situation of Profit Goal, in particular the losses on operations and the net liabilities position, Profit Goal will probably not contribute positively to the profitability of the Group in short and medium term. In particular, under fierce competition from other market players, the Board does not expect that the performance of Profit Goal Group will become turnaround in a short term. In addition, after the Disposal, the management can concentrate on the development of the gaming and entertainment business.

Taking into consideration of the aforesaid, the Directors, including the Independent Non-executive Directors, consider that the terms and conditions of the Sale and Purchase Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

After deducting expenses relating to the Disposal, there will not be any net proceeds from the Disposal.

PROSPECTS OF THE GROUP

After completion of the Disposal, the Group will discontinue its operations in the sales of LCD and LCD modules business and will focus on its existing gaming and entertainment business in Macau.

The completion of the acquisition of 30% equity interest in Greek Mythology (Macau) Entertainment Group Corporation Limited (“**Greek Mythology**”) on 28 March 2006, bringing the Company’s equity interests in Greek Mythology to 49.9%, embarked the Group’s full participation in Macau’s gaming and entertainment sector, one of the world’s fastest-growing gaming market.

Focusing on the new operating environment, the Group was actively identifying investment opportunities to broaden its revenue base and market share. One of the milestones was the successful expansion of its operation into the VIP gaming market through engagement in the high-rolling gaming business since March 2007.

During the year ended 31 March 2008, the Group entered into an agreement to manage a VIP room in the Greek Mythology Casino via a profit sharing arrangement. The Group is responsible for the promotion, sales and advertising, client development, coordination and operation of the high roller gaming area in the Greek Mythology Casino.

The acquisition of Ace High Group Limited as disclosed in the circular of the Company dated 16 May 2008 represents another milestone of the Group in expanding its participation in Macau’s gaming and entertainment sector. The junket aggregation business has achieved rolling chip volume of more than HK\$139 billion and operating profit of HK\$131 million in its first three and half months of operation. The growth of VIP gaming revenues in Macau validates the Group’s approach to the Macau market in which the Company is predominantly focused on the VIP high-rolling segment through the arrangement with AMA International Limited.

LETTER FROM THE BOARD

While market commission rates are fluid at this time, such market commission rates are subject to change due to potential changes in the regulatory structure. The management of the Group expects to continue working with the casino and junket partners to maintain the mutually beneficial relationship.

The gaming and entertainment business of the Group is subject to various factors, including but not limited to the regulatory structure of the gaming and entertainment business in Macau. In the event that there is any material change in the regulatory structure, the profitability of the Group may be adversely affected.

The management of the Group anticipates that with completion of the Disposal, the Group can concentrate on the gaming and entertainment business of the Group, which is expected to be further expanded in the coming years.

FINANCIAL EFFECT OF THE DISPOSAL

Based on the audited consolidated financial statements of Profit Goal Group for the year ended 31 March 2008, subject to the review and confirmation of the auditors of the Company, it is estimated that upon completion, the Group will record a gain of approximately HK\$30,769,000 upon the Disposal for the year ending 31 March 2009 and an increase in the net assets of the Group by approximately HK\$30,769,000. The consideration of HK\$1.00 for the Disposal represents an excess of approximately HK\$30,769,000 to the book value of Profit Goal Group, i.e. net liabilities of net liabilities of approximately HK\$30,769,000, as in the audited consolidated financial statements of Profit Goal Group.

As Profit Goal will cease to be a subsidiary of the Company and its results will not consolidated with that of the Group after completion of the Disposal, it is expected that both the total assets and total liabilities of the Group will be decreased by approximately HK\$15,737,000 and HK\$46,506,000 respectively as a result of the Disposal.

The Directors are of the view that the Disposal will not have any material adverse impact on the business operations and financial position of the Group.

PROCEDURES FOR DEMANDING A POLL

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is required under the Listing Rules or any other applicable laws, rules or regulations or unless (before or on the declaration of the result of the show of hands or on the withdrawal of any other demand for a poll) a poll is demanded:

- (a) by the chairman of the meeting; or
- (b) by at least three Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy for the time being entitled to vote at the meeting; or
- (c) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and representing not less than one-tenth of the total voting rights of all the Shareholders having the right to vote at the meeting; or
- (d) by any Shareholder or Shareholders present in person (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy and holding Shares in the company conferring a right to vote at the meeting being Shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid up on all the Shares conferring that right.

LETTER FROM THE BOARD

A demand by a person as proxy for a Shareholder or in the case of a Shareholder being a corporation by its duly authorised representative shall be deemed to be the same as a demand by the Shareholder.

LISTING RULES IMPLICATION

The Disposal constitutes a major transaction on the part of the Company under Chapter 14 of the Listing Rules and is subject to the Shareholders' approval at the SGM to be convened and held by the Company.

To the best knowledge and information of the Directors, no Shareholder has a material interest in the Disposal and accordingly, no Shareholder will have to abstain from voting at the SGM.

SGM

A notice of SGM convening the SGM at which resolution will be proposed to the Shareholders to consider and, if thought fit, to approve the Disposal and the transactions contemplated thereunder is set out on pages 17 to 18 of this circular.

Whether or not you intend to attend the SGM, you are requested to complete and return the form of proxy accompanying with this circular in accordance with the instructions printed thereon not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting at the SGM or any adjournment thereof in person if you so wish.

RECOMMENDATION

The Directors consider that the Disposal and the transaction contemplated thereunder is in the interests of the Company and the Shareholders as a whole and accordingly recommend the Shareholders to vote in favour of the relevant resolution at the SGM.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information as set out in the appendices of this circular.

By order of the Board
Amax Entertainment Holdings Limited
Cheung Nam Chung, Brian
Chairman

1. INDEBTEDNESS

Borrowings

At the close of business on 31 July 2008, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of the circular dated 12 September 2008, the Group had outstanding borrowings of approximately HK\$908 million, comprising unsecured promissory notes of approximately HK\$867 million (with face value of approximately HK\$1,455 million) and unsecured loans payable of approximately HK\$41 million.

The promissory notes are unsecured, non-interest bearing and repayable on the tenth year of the date of issue of the promissory notes. Interest expense on promissory notes is calculated using the effective interest method by applying the effective interest rate of 7% per annum to the fair value of the promissory notes.

Unsecured loans payable bear interest ranging from 3.5% to 8.5% per annum and are not repayable after one year.

Contingent liabilities

At 31 July 2008, the Group had no significant contingent liabilities.

Disclaimers

Save as aforesaid above and apart from intra-group liabilities, at the close of business on 31 July 2008, the Group did not have any outstanding mortgages, charges, debentures, or other loan capital or bank overdrafts, term loans, debt securities issued and outstanding, and authorised or otherwise created but unissued or other similar indebtedness, liabilities under acceptances or acceptances credits or hire purchase commitments, or any guarantees or other material commitment or any material contingent liabilities.

The Directors have confirmed that there have been no material changes in the indebtedness and contingent liabilities of the Group since 31 July 2008.

2. WORKING CAPITAL

As at the Latest Practicable Date, taking into account of the internal resources available to the Group, the Directors of the Company, after due and careful consideration, are of the opinion that the Group has sufficient working capital for its present requirements, that is for at least twelve months from the date of this circular.

1. RESPONSIBILITY STATEMENT

This document includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Group. The Directors collectively and individually accept full responsibility for the accuracy of the information contained in this document and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief there are no other facts the omission of which would make any statement herein misleading.

2. DISCLOSURE OF INTERESTS

(a) Director's and chief executive's interests and short positions in the securities of the Company and its associated corporations

As at the Latest Practicable Date, the interests and short positions of the Directors and the chief executive of the Company in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules, were as follows:

Name of Director	Number or attributable number of Shares held or underlying Shares held or short positions	Nature of interests	Approximate percentage or attributable percentage of shareholding (%)
Cheung Nam Chung, Brian (<i>Note 1</i>)	4,530,000 (L)	Beneficial owner	0.17%
Chan Ying Tat, Ted (<i>Note 1</i>)	16,693,000 (L)	Beneficial owner	0.63%
Chan Chi Yuen (<i>Note 1</i>)	5,500,000 (L)	Beneficial owner	0.21%
Lam Cheok Va, Francis (<i>Note 1</i>)	1,000,000 (L)	Beneficial owner	0.04%

Name of Director	Number or attributable number of Shares held or underlying Shares held or short positions	Nature of interests	Approximate percentage or attributable percentage of shareholding (%)
Li Wing Sze (<i>Note 1</i>)	5,500,000 (L)	Beneficial owner	0.21%
Chan Chiu Hung, Alex	20,000 (L)	Beneficial owner	0.0007%
Hau Chi Kit, Aaron	40,000 (L)	Beneficial owner	0.0015%

L: Long Position

Note:

- Other than the 30,000 Shares held by Mr. Cheung Nam Chung, Brian, the 7,693,000 Shares held by Mr. Chan Ying Tat, Ted and the 1,000,000 Shares held by Mr. Chan Chi Yuen, these interests represent the underlying Shares the Directors are entitled to subscribe upon exercise of the share options granted to the Directors under the share option scheme adopted by the Company.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Companies contained in the Listing Rules.

(b) Persons who have an interest or short position which is discloseable under Divisions 2 and 3 of Part XV of the SFO and substantial Shareholders

So far as is known to the Directors and the chief executive of the Company, as at the Latest Practicable Date, the following persons (not being Directors or chief executive of the Company) had, or were deemed to have, interests or short positions in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name of Shareholder	Number or attributable number of shares held or short positions	Nature of interests	Approximate percentage or attributable percentage of shareholding (%)
Janus Capital Management LLC (<i>Note 1</i>)	422,518,500 (L)	Beneficial owner	15.89%
UBS AG	148,126,000 (L)	Beneficial owner	5.57%
Farrington Capital Management Switzerland SA	138,126,000 (L)	Beneficial owner	5.19%

L: Long Position

Note:

1. Janus Capital Management LLC is owned by Janus Capital Group, Inc., a company listed on the New York Stock Exchange.

Save as disclosed above, as at the Latest Practicable Date, the Directors and the chief executive of the Company were not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares, which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

As at the Latest Practicable Date, none of the Directors was a Director or employee of a company which had, or was deemed to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

3. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by the members of the Group within the two years immediately preceding the date of this circular and are or may be material:

- (a) the placing agreement dated 10 October 2006 entered into between Lippo Securities Limited and the Company in relation to the placing of two lots of 586,412,155 new Shares each;
- (b) the sale and purchase agreement dated 12 February 2007 entered into between Profit Goal and Ms. He Liqiu relating to Profit Goal's transfer of the entire issued share capital of Keview Technology (BVI) Limited to Ms. He Liqiu at the consideration of HK\$50 million;
- (c) the sale and purchase agreement dated 14 March 2007 entered into between Greek Mythology and the Company relating to the Company's acquisition of the entire issued share capital of Jadepower Limited at the consideration of HK\$48 million;
- (d) the sale and purchase agreement dated 30 March 2007 entered into between Ms. Chen Mei Huan and the Company relating to the Company's acquisition of the entire issued share capital of Thousand Ocean Investments Limited at the consideration of HK\$20 million;
- (e) the rights assignment agreement dated 22 May 2007 entered into between Ms. Chen Mei Huan and Thousand Ocean Investments Limited relating to the acquisition by Thousand Ocean Investments Limited of the operation rights to 5 gaming tables at the high roller gaming area in the Greek Mythology Casino at the consideration of HK\$20 million;
- (f) the loan agreement dated 23 August 2007 entered into between the Company and Ace High Group Limited in relation to the grant of the loan facility in the amount of up to HK\$3 billion by the Company to Ace High Group Limited;
- (g) the conditional placing agreement dated 17 October 2007 (as supplemented by the supplementary agreement entered into on 4 December 2007) entered into between the Company and CLSA Limited as placing agent in relation to the placing of an aggregate of 15,384,615,000 placing Shares at the placing price of HK\$0.13 per placing Share;
- (h) the extension letters dated 21 September 2007 and 22 October 2007 respectively entered into between the Company and Ace High Group Limited relating to extension of the deadline for fulfillment or waiver of the conditions precedent under the loan agreement dated 23 August 2007;

- (i) the capitalisation notice dated 11 February 2008 executed by the Company and Ace High Group Limited in relation to the capitalisation of HK\$50,000,000 of the loan granted under the loan agreement dated 23 August 2007 into 9,999 shares of US\$1.00 each in the issued share capital of Ace High Group Limited, representing 99.99% of the issued share capital of Ace High Group Limited;
- (j) the profit transfer agreement dated 10 September 2007 (as supplemented by the supplemental agreement dated 29 April 2008) entered into between AMA International Limited and Ace High Group Limited in relation to, among other matters, the provision of the operating capital of AMA International Limited by Ace High Group Limited and the transfer of all the profits of AMA International Limited to Ace High Group Limited;
- (k) the profit transfer agreement dated 10 September 2007 made between Ace High Group Limited and Mr. Francisco Xavier Albino in relation to, among other matters, the transfer of 20% of the profits by Ace High Group Limited to Mr. Francisco Xavier Albino or his nominee; and
- (l) the Sale and Purchase Agreement.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation)).

5. LITIGATION

No member of the Group is engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened against any member of the Group as at the Latest Practicable Date.

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors nor their respective associates had any business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

7. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors are not aware of any material change in the financial or trading position of the Group since 31 March 2008, being the date up to which the latest published audited financial statements of the Group were made up.

8. MISCELLANEOUS

- (a) There is no contract or arrangement entered into by any member of the Group subsisting at the date of this circular in which any Director is materially interested and which is significant to the business of the Group.
- (b) As at the Latest Practicable Date, none of the Directors had any direct or indirect interest in any asset which had been acquired, disposed of by or leased to, or which were proposed to be acquired, disposed of by or leased to, any member of the Group since 31 March 2008, the date to which the latest published audited consolidated financial statements of the Group were made up.
- (c) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal places of business of the Company in Hong Kong is at 2701 Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong.
- (d) Tricor Secretaries Limited, the branch share registrar and transfer office of the Company in Hong Kong is located at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong.
- (e) The company secretary and qualified accountant of the Company is Mr. Chan Chi Yuen who is a fellow member of the Hong Kong Institute of Certified Public Accountants and the Association of Chartered Certified Accountants and is an associate member of the Institute of Chartered Accountants in England and Wales.

9. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be made available for inspection during normal business hours on Business Days at the office of the Company at 2701 Vicwood Plaza, 199 Des Voeux Road Central, Hong Kong from the date of this circular up to and including 29 September 2008 and at the SGM:

- (a) the memorandum of association and bye-laws of the Company;
- (b) the material contracts referred to in the paragraph headed "Material contracts" in this Appendix;
- (c) the annual reports of the Company for each of the two financial years ended 31 March 2007 and 31 March 2008;
- (d) the circular of the Company dated 5 November 2007;
- (e) the circular of the Company dated 16 May 2008; and
- (f) this circular.

NOTICE OF SGM



Amax Entertainment Holdings Limited

澳瑪娛樂控股有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 959)

NOTICE IS HEREBY GIVEN that a special general meeting (the “**Meeting**”) of Amax Entertainment Holdings Limited (the “**Company**”) will be held at Strategic Financial Relations Limited, Room 3202, 32nd Floor, Admiralty Centre I, 18 Harcourt Road, Hong Kong on Monday, 29 September 2008 at 3:00 p.m. for the purpose of considering and, if thought fit, passing the following resolution with or without amendments as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT:**

- (a) the conditional sale and purchase agreement (the “**Sale and Purchase Agreement**”) dated 27 August 2008 entered into between the Company as vendor and 黎賢姬 (Li Xianji[#]) as purchaser in relation to the sale and purchase of the 1,000 shares of US\$1.00 each in the issued share capital of Profit Goal Holdings Limited, a wholly owned subsidiary of the Company, for an aggregate consideration of HK\$1.00 (a copy of which is marked “A” and produced to the Meeting and signed by the chairman of the Meeting for identification purpose) and the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (b) any director of the Company be and are hereby authorised to do all such acts and things and execute all documents which they consider necessary, desirable or expedient for the implementation of and giving effect of the Sale and Purchase Agreement and the transactions contemplated thereunder.”

By order of the Board
Amax Entertainment Holdings Limited
Cheung Nam Chung, Brian
Chairman

Hong Kong, 12 September 2008

* for identification purpose only

NOTICE OF SGM

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

*Head office and principal place of
business in Hong Kong:*
2701 Vicwood Plaza
199 Des Voeux Road Central
Hong Kong

Notes:

1. Any member entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and, in the event of a poll, vote in his/her stead. A proxy needs not be a member of the Company.
2. In order to be valid, the form of proxy must be duly lodged at the Company's branch registrar in Hong Kong, Tricor Secretaries Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong together with a power of attorney or other authority, if any, under which it is duly signed or a notarially certified copy of that power of attorney or authority, not less than 48 hours before the time for holding the meeting or any adjourned meeting.
3. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the above meeting or any adjournment thereof, should he so wish, and in such event, the form of proxy shall be deemed to be revoked.