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MANDARIN ENTERTAINMENT (HOLDINGS) LIMITED
東方娛樂控股有限公司*
(Incorporated in Bermuda with limited liability)
(Stock Code: 00009)

**RESULTS OF THE OPEN OFFER
ADJUSTMENT OF SHARE OPTIONS AND CONVERTIBLE BONDS
AS A RESULT OF THE OPEN OFFER
AND
APPOINTMENT OF AUTHORISED REPRESENTATIVE**

RESULTS OF THE OPEN OFFER

The Directors are pleased to announce that at 4:00 p.m. on 29 August 2008, being the Latest Time for Acceptance, an aggregate of 17 valid acceptances had been received for an aggregate of 1,149,855,653 Offer Shares. Such acceptances represent approximately 80.58% of the total number of 1,426,900,000 Offer Shares offered under the Open Offer and approximately 52.80% of the enlarged issued share capital of the Company of 2,177,900,000 Shares immediately after completion of the Open Offer.

The Open Offer became unconditional at 4:00 p.m. on 3 September 2008. Based on the above acceptance results, the Open Offer was under-subscribed by 277,044,347 Offer Shares. In accordance with the underwriting arrangements, the Underwriter has subscribed the untaken 277,044,347 Offer Shares.

It is expected that the share certificates for the Offer Shares will be despatched to the addresses (as shown on the register of members of the Company) of those persons who have validly applied and paid for the Offer Shares by ordinary post at their own risk on Friday, 5 September 2008.

Dealings in the Offer Shares are expected to commence at 9:30 a.m. on Tuesday, 9 September 2008.

ADJUSTMENTS IN RELATION TO THE SHARE OPTION SCHEMES AND THE CONVERTIBLE BONDS

Pursuant to the terms of the Share Option Scheme and the Convertible Bonds, the exercise/conversion price and the number of Shares to be issued upon exercise of the subscription rights attached to the Share Options and the Convertible Bonds have been adjusted as a result of the Open Offer.

APPOINTMENT OF AUTHORISED REPRESENTATIVES OF THE COMPANY

The Board announces that Ms. Law Kee, Alice has been appointed as authorised representative of the Company.

Reference is made to the prospectus of the Company dated 15 August 2008 (“the Prospectus”) in relation to the Open Offer. Terms used herein shall have the same meanings as defined in the Prospectus unless the context otherwise requires.

RESULTS OF THE OPEN OFFER

The Directors are pleased to announce that at 4:00 p.m. on 29 August 2008, being the Latest Time for Acceptance, an aggregate of 17 valid acceptances had been received for an aggregate of 1,149,855,653 Offer Shares. Such acceptances represent approximately 80.58% of the total number of 1,426,900,000 Offer Shares offered under the Open Offer and approximately 52.80% of the enlarged issued share capital of the Company of 2,177,900,000 Shares immediately after completion of the Open Offer. All applications made by the Qualifying Shareholders for the Open Offer Shares were accepted and allotted in full.

The Open Offer became unconditional at 4:00 p.m. on Wednesday, 3 September 2008.

UNDERWRITING ARRANGEMENTS

Based on the results of the Open Offer referred to above, the Open Offer was under-subscribed by 277,044,347 Offer Shares (“the Untaken Offer Shares”). In accordance with the Underwriting Agreement, the Underwriter has subscribed the untaken 277,044,347 Offer Shares (the “Untaken Offer”). The Untaken Offer Shares represent approximately 19.42% of the total Offer Shares and approximately 12.72% of the enlarged issued share capital of the Company of 2,177,900,000 Shares immediately after completion of the Open Offer. The Underwriter has fully placed out the 277,044,347 Offer Shares, to placees who are Independent Third Parties. No placee has received more than 5% of the enlarged issued share capital of the Company upon completion of the Open Offer.

DESPATCH OF SHARE CERTIFICATES AND COMMENCEMENT OF DEALINGS IN THE OFFER SHARES

It is expected that the share certificates for the Offer Shares will be despatched to the addresses (as shown on the register of members of the Company) of those persons who have validly applied and paid for the Offer Shares by ordinary post at their own risk on Friday, 5 September 2008.

Dealings in the Offer Shares are expected to commence at 9:30 a.m. on Tuesday, 9 September 2008.

SHAREHOLDING STRUCTURE OF THE COMPANY

The following is a summary of the shareholding structure of the Company before and upon completion of the Open Offer:

	Shareholding immediately before completion of the Open Offer		Shareholding immediately after completion of the Open Offer	
	<i>Number of Shares</i>	<i>%</i>	<i>Number of Shares</i>	<i>%</i>
Mr. Wong	231,304,000	30.80	670,781,600 <i>(Note 1)</i>	30.80
Mr. Cheng Keung Fai ("Mr. Cheng") <i>(Note 2)</i>	175,000,000	23.30	507,500,000	23.30
Public Shareholders	<u>344,696,000</u>	<u>45.90</u>	<u>999,618,400</u>	<u>45.90</u>
Total	<u><u>751,000,000</u></u>	<u><u>100.00</u></u>	<u><u>2,177,900,000</u></u>	<u><u>100.00</u></u>

Notes:

1. Upon completion of the Open Offer, Mr. Wong Pak Ming would be beneficially interested in 8,711,600 Shares. Mr. Wong Pak Ming is also the sole beneficial owners of the entire issue share capital of Idea Storm Holdings Limited which holds 449,500,000 Shares and Capeland Holdings Limited which holds 212,570,000 Shares. Accordingly, Mr. Wong Pak Ming is deemed to be interested in 670,781,600 Shares. Ms. Zee Ven Chu Lydia, being the spouse of Mr. Wong Pak Ming, is also deemed to be interested in 670,781,600 Shares.
2. Mr. Cheng was one of the vendors in connection to the Acquisition and he has become a substantial Shareholder through his beneficial interest in 175,000,000 Shares and the Convertible Bonds, being part of the consideration of the Acquisition on 18 April 2008.

ADJUSTMENTS IN RELATION TO THE SHARE OPTION SCHEMES AND THE CONVERTIBLE BONDS

Pursuant to the terms of the Share Option Scheme and the Convertible Bonds, the exercise/conversion price and the number of Shares to be issued upon exercise of the subscription rights attached to the Share Options and the Convertible Bonds are required to be adjusted as a result of the Open Offer. Based on the number of outstanding Share Options and Convertible Bonds as at the date of the Prospectus, details of such adjustments are set out as follows:

SHARE OPTIONS

Date of grant	Exercise price per Share before the Open Offer	Exercise price per Share upon completion of the Open Offer	Number of Shares entitled to be subscribed for before the Open Offer	Number of Shares entitled to be subscribed for upon completion of the Open Offer
23 June 2006	HK\$0.841	HK\$0.577	1,830,240	2,667,742
10 May 2007	HK\$0.789	HK\$0.541	6,696,000	9,760,033
			8,526,240	12,427,775
			8,526,240	12,427,775

CONVERTIBLE BONDS

The Company had outstanding Convertible Bonds in an aggregate principal amount of HK\$70,000,000 convertible into 175,000,000 new Shares at the conversion price of HK\$0.40 per Share. The conversion price of the Convertible Bonds has been adjusted to HK\$0.274 per Share, pursuant to the terms and conditions of the Convertible Bonds. Following the adjustment, the maximum number of conversion Shares to be allotted and issued by the Company upon full conversion of the Convertible Bonds based on the adjusted conversion price of HK\$0.274 per Share would be 255,078,534 new Shares.

Robert Chui & Co., the independent accountant of the Company, have checked the accuracy of the computation of such adjustments and confirmed in writing to the Directors that the adjustments, have been made so that the holders of the Share Options and Convertible Bonds will be entitled to the same proportion of the issued capital of the Company as that to which the grantee was previously entitled and the adjusted subscription price of the shares to be issued will not be less than its nominal value, which comply with the requirements as set out in the note to Rule 17.03(13) of the Listing Rules and the supplementary guidance issued by the Stock Exchange on 5 September 2005 and the terms and conditions of the Convertible Bonds.

APPOINTMENT OF AUTHORISED REPRESENTATIVES OF THE COMPANY

The Board announces that Ms. Law Kee, Alice has been appointed as authorised representative of the Company.

By order of the Board of
MANDARIN ENTERTAINMENT (HOLDINGS) LIMITED
Mr. Wong Pak Ming
Chairman

Hong Kong, 3 September 2008

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Wong Pak Ming (Chairman), Ms. Law Kee, Alice, Ms. Wong Yee Kwan, Alvina and Mr. Wong Chi Woon, Edmond and three independent non-executive Directors namely Mr. Choy Sze Chung, Jojo, Mr. Chan Tung Tak, Alain and Mr. Tsui Pui Hung.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable enquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement the omission of which would make any of the statements in this announcement misleading.

* *for information purposes only*