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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: 0009)

RESULTS OF THE OPEN OFFER

AND

ADJUSTMENT OF OPTIONS AS A RESULT OF THE OPEN OFFER

RESULTS OF THE OPEN OFFER

The Directors are pleased to announce that at 4:00 p.m. on 7 September 2007, being the latest time for acceptance and payment for the Offer Shares, an aggregate of 36 valid acceptances had been received for an aggregate of 154,316,487 Offer Shares. Such acceptances represent approximately 85.73% of the total number of 180,000,000 Offer Shares offered under the Open Offer and approximately 28.58% of the enlarged issued share capital of the Company of 540,000,000 Shares immediately after completion of the Open Offer.

The Open Offer became unconditional at 4:00 p.m. on 11 September 2007. Based on the above acceptance results, the Open Offer was under-subscribed by 25,683,513 Offer Shares. In accordance with the underwriting arrangements, Orient Securities Limited underwrites the untaken 25,683,513 Offer Shares.

It is expected that the share certificates for the Offer Shares will be dispatched 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 or about Friday, 14 September 2007.

Dealings in the Offer Shares are expected to commence at 9:30 a.m. on Tuesday, 18 September 2007.

ADJUSTMENTS TO THE EXERCISE PRICE OF AND NUMBER OF SHARES TO BE ALLOTTED AND ISSUED UNDER THE SHARE OPTIONS

Pursuant to the terms of the Share Option Scheme, the exercise price and the number of Shares to be issued upon exercise of the subscription rights attached to the Options are required to be adjusted as a result of the Open Offer. Details of such adjustments are set out in this announcement.

Reference is made to the prospectus of the Company dated 24 August 2007 (“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 7 September 2007, being the latest time for acceptance and payment for the Offer Shares, an aggregate of 36 valid acceptances had been received for an aggregate of 154,316,487 Offer Shares. Such acceptances represent approximately 85.73% of the total number of 180,000,000 Offer Shares offered under the Open Offer and approximately 28.58% of the enlarged issued share capital of the Company of 540,000,000 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 Tuesday, 11 September 2007.

UNDERWRITING ARRANGEMENTS

Based on the results of the Open Offer referred to above, the Open Offer was under-subscribed by 25,683,513 Offer Shares (“the Untaken Offer Shares”). In accordance with the Underwriting Agreement, Orient Securities Limited underwrites the Untaken Offer Shares.

The Untaken Offer Shares represent approximately 14.27% of the total Offer Shares and approximately 4.76% of the enlarged issued share capital of the Company of 540,000,000 Shares immediately after 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 dispatched 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 or about Friday, 14 September 2007.

Dealings in the Offer Shares are expected to commence at 9:30 a.m. on Tuesday, 18 September 2007.

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:

Name of Shareholders	Shareholding immediately before completion of the Open Offer		Shareholding immediately after completion of the Open Offer	
	<i>Shares</i>	<i>Approximate %</i>	<i>Shares</i>	<i>Approximate %</i>
Wong Pak Ming	154,742,000	42.98	232,113,000 <i>(Note 1)</i>	42.98
Zhang Xun	40,040,000	11.12	60,060,000	11.12
Fang Shu An	25,000,000	6.95	37,500,000 <i>(Note 2)</i>	6.95
The Underwriter	–	–	25,683,513	4.76
Other public Shareholders	<u>140,218,000</u>	<u>38.95</u>	<u>184,643,487</u>	<u>34.19</u>
Total	<u><u>360,000,000</u></u>	<u><u>100.00</u></u>	<u><u>540,000,000</u></u>	<u><u>100.00%</u></u>

Note:

- Out of the 232,113,000 Shares, (i) 183,300,000 Shares are held by Idea Storm Holdings Limited, which is wholly owned by Mr. Wong Pak Ming; (ii) 45,000,000 Shares are held by Capeland Holdings Limited, which is wholly owned by Mr. Wong Pak Ming; (iii) 171,000 Shares are held in the name of Mr. Wong Pak Ming's spouse, Zee Ven Chu Lydia; and (iv) 3,642,000 Shares are held by Mr. Wong Pak Ming himself as beneficial owner.
- The number of Shares held by Fang Shu An after completion of the Open Offer as set out herein is made on the assumption that Fang Shu An took up all of his assured entitlements. As at the date of this announcement, to the best of the knowledge of the Directors, after making relevant enquiries from Fang Shu An at his last known address and the share registrar, the Directors are unable to ascertain whether Fang Shu An has taken up his assured entitlements or not. Given that the Untaken Offer Shares were only 25,683,513 Shares, the Board, therefore made the assumption that he has taken up all his assured entitlements.

ADJUSTMENT TO THE EXERCISE PRICE AND NUMBER OF SHARES SUBJECT TO THE OPTIONS

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

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\$0.938	HK\$0.841	2,624,000	2,928,384
10 May 2007	HK\$0.880	HK\$0.789	12,000,000	13,392,000
			<u>14,624,000</u>	<u>16,320,384</u>

Deloitte Touche Tohmatsu 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 option holders 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.

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

Hong Kong, 12 September 2007.

As at the date of this announcement, the Board comprises four executive Directors, namely Mr. Wong Pak Ming (Chairman), Ms. Wong Kit Fong, Ms. Wong Yee Kwan, Alvina and Mr. Ko Tin Chow, and three independent non-executive Directors namely Mr. Tang Kai Kui, Terence, Mr. Choy Sze Chung, Jojo 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*