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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)

**COMPLETION OF VERY SUBSTANTIAL ACQUISITION IN RELATION TO
THE ACQUISITION OF PROPERTY INTEREST IN CHENGDU**

The Board is pleased to announce that completion of the Acquisition of the entire issued share capital of Profit Source International Limited has taken place on 18 April 2008.

References are made to the announcement of the Company dated 6 February 2008 and the circular of the Company dated 12 March 2008 (the “Circular”) in relation to the Acquisition. Capitalised terms used in this announcement shall have the same meanings as defined in the Circular unless otherwise defined.

COMPLETION OF THE ACQUISITION

The Board is pleased to announce that completion of the Acquisition of the entire issued share capital of Profit Source International Limited has taken place on 18 April 2008.

* For identification purposes only

CHANGES IN SHAREHOLDING STRUCTURE

The following table sets out the shareholding structure of the Company (1) immediately before the Completion; (2) immediately after the Completion but before the conversion of the Convertible Bonds; and (3) immediately after the Completion but before the partial conversion of the Convertible Bonds with a cap of 25% on the maximum shareholding of the Vendors:

	Immediately before the Completion		Immediately after the Completion but before the conversion of the Convertible Bonds		Immediately after issue of the Consideration Shares and partial conversion of the Convertible Bonds with a cap of 25% on the maximum shareholding of the Vendors (Note 3)	
	No. of Shares held	Approx. shareholding %	No. of Shares held	Approx. shareholding %	No. of Shares held	Approx. shareholding %
Wong Pak Ming (Note 1)	233,065,048	40.46%	233,065,048	31.03%	233,065,048	30.35%
Zhang Xun (Note 2)	60,060,000	10.43%	60,060,000	8.00%	60,060,000	7.82%
Mr. Cheng Keung Fai (Note 3)	–	–	175,000,000	23.30%	192,000,000	25.00%
Public	282,874,952	49.11%	282,874,952	37.67%	282,874,952	36.83%
Total	<u>576,000,000</u>	<u>100.00%</u>	<u>751,000,000</u>	<u>100.00%</u>	<u>768,000,000</u>	<u>100.00%</u>

Notes:

- Mr. Wong Pak Ming is beneficially interested in 4,354,048 Shares. Mr. Wong Pak Ming is also the sole beneficial owners of the entire issue share capital of Idea Storm Holdings Limited which holds 155,000,000 Shares and Capeland Holding Limited which holds 73,300,000 Shares. Accordingly Mr. Wong Pak Ming is deemed to be interested in 233,065,048 Shares. Ms. Zee Ven Chu Lydia being the spouse of Mr. Wong Pak Ming is beneficially interested in 411,000 Shares and is also deemed to be interested in 233,065,048 Shares.
- Mr. Zhang Xun is interested in a hotel operation in PRC in which the Group is interested in 37.5%.

- 3 Pursuant to the Sale and Purchase Agreement (as amended by the Supplemental Agreement), the Vendors have undertaken to the Purchaser and the Company that the Vendors will not hold more than 25.0% in the share capital of the Company at any time and the Company has entered into the Supplemental Agreement to undertake that it will not issue further Conversion Shares to the Vendors if upon conversion the Vendors will hold more than 25% of the entire share capital of the Company in effect. In addition, Ms. Lam Suet Chung, being one of the Vendors, has executed an authorisation letter authorising the Company to issue and allot her respective share of the Consideration, being 87,500,000 Consideration Shares and HK\$35,000,000 of Convertible Bonds, to Mr. Cheng Keung Fai upon the Completion.

By order of the Board
Mandarin Entertainment(Holdings) Limited
Wong Pak Ming
Chairman

Hong Kong, 18 April 2008

As at the date of this announcement, the Board comprises seven Directors. The executive Directors are Mr. Wong Pak Ming, Ms. Wong Kit Fong, Ms. Wong Yee Kwan, Alvina and Ms. Law Kee, Alice. The independent non-executive Directors are Mr. Tang Kai Kui, Terence, Mr. Choy Sze Chung, Jojo and Mr. Tsui Pui Hung.