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**If you have sold or transferred** all your shares in Asia Pioneer Entertainment Holdings Limited, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.



## **Asia Pioneer Entertainment Holdings Limited**

**亞洲先鋒娛樂控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8400)**

### **PROPOSALS FOR GRANT OF GENERAL MANDATES TO ISSUE SHARES AND REPURCHASE SHARES, EXTENSION OF ISSUE MANDATE AND RE-ELECTION OF RETIRING DIRECTORS AND NOTICE OF ANNUAL GENERAL MEETING**

Capitalised terms used in the lower portion of this cover page and the inside cover/first page of this circular shall have the same respective meanings as those defined in the section headed “DEFINITIONS” of this circular.

A notice convening the 2018 AGM to be held at EM Macau, Estrada Marginal Do Hipódromo N°S 56 – 66, Industrial Lee Cheung F10 on Thursday, 31 May 2018 at 3:00 p.m. is set out on pages 16 to 21 of this circular.

A form of proxy for use in connection with the 2018 AGM is enclosed with this circular. Such form of proxy is also published on the respective websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.apemacau.com](http://www.apemacau.com)). If you are not able or do not intend to attend the 2018 AGM in person and wish to exercise your right as a Shareholder, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company’s Hong Kong branch share registrar and transfer office, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong as soon as possible but in any event, not later than 48 hours before the time appointed for holding the 2018 AGM or its adjournment (as the case may be). Completion and return of the form of proxy will not preclude you from attending in person and voting at the 2018 AGM or its adjournment if you so wish. If you attend and vote at the 2018 AGM, the instrument appointing your proxy will be deemed to have been revoked.

This circular together with the form of proxy will remain on the “Latest Company Announcements” page of the GEM website ([www.hkgem.com](http://www.hkgem.com)) for at least 7 days from the date of publication and on the Company’s website ([www.apemacau.com](http://www.apemacau.com)).

30 April 2018

## CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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## DEFINITIONS

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

“2018 AGM”	the AGM to be held at EM Macau, Estrada Marginal Do Hipódromo N°S 56 – 66, Industrial Lee Cheung F10 on Thursday, 31 May 2018 at 3:00 p.m. to consider and, if appropriate, to approve the resolutions contained in the notice of the meeting, which is set out on pages 16 to 21 of this circular, or its adjournment
“AGM”	the annual general meeting of the Company
“Articles of Association”	the articles of association of the Company as amended, supplemented or otherwise modified from time to time
“Board”	the board of Directors
“Chairman”	the chairman of the Board
“Chief Executive Officer”	the chief executive officer of the Company
“close associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Company”	Asia Pioneer Entertainment Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, whose issued Shares are listed and traded on GEM (Stock code: 8400)
“controlling shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“core connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Executive Director(s)”	the executive Director(s)
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM as amended, supplemented or otherwise modified from time to time
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

## DEFINITIONS

“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“INED(s)”	the independent non-executive Director(s)
“Issue Mandate”	the general and unconditional mandate proposed to be granted at the 2018 AGM to the Directors to allot, issue and deal with additional Shares during the relevant period not exceeding 20% of the aggregate number of the issued Shares as at the date of passing the resolution granting such mandate
“Latest Practicable Date”	24 April 2018, being the latest practicable date for ascertaining certain information contained herein prior to the printing of this circular
“Listing”	the listing of the issued Shares on GEM by way of share offer
“Listing Date”	15 November 2017, the date on which the issued Shares were initially listed on GEM
“Macau”	the Macau Special Administrative Region of the PRC
“MOP”	Macau Pataca, the lawful currency of Macau
“Nomination Committee”	the nomination committee of the Board
“PRC”	the People’s Republic of China and for the purpose of this circular, excluding Hong Kong, Macau and Taiwan
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted at the 2018 AGM to the Directors to repurchase Shares during the relevant period not exceeding 10% of the aggregate number of the issued Shares as at the date of passing the resolution granting such mandate
“Risk Management Committee”	the risk management committee of the Board
“SFC”	the Securities and Futures Commission in Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of nominal or par value of HK\$0.01 each in the share capital of the Company

## DEFINITIONS

“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“subsidiary(ies)”	has the meaning ascribed thereto under the GEM Listing Rules
“substantial shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs of Hong Kong approved by the SFC as amended, supplemented or otherwise modified from time to time
“USA”	the United States of America
“Year”	the year ended 31 December 2017
“%”	per cent



**Asia Pioneer Entertainment Holdings Limited**

**亞洲先鋒娛樂控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8400)**

*Executive Directors:*

Mr. Huie, Allen Tat Yan (*Chairman*)

Mr. Ng Man Ho Herman  
(*Chief Executive Officer*)

*Independent Non-executive Directors:*

Mr. Choi Kwok Wai

Mr. Ma Chi Seng

Mr. Ho Kevin King Lun

*Registered Office:*

PO Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

*Headquarters and Principal Place of  
Business in Macau:*

Avenida da Amizade  
No. 1023 Edificio Nam Fong  
1-(AA) Macau

*Principal Place of Business in Hong Kong:*

31/F., 148 Electric Road  
North Point  
Hong Kong

30 April 2018

*To the Shareholders*

Dear Sir or Madam,

**PROPOSALS FOR  
GRANT OF GENERAL MANDATES TO ISSUE SHARES AND  
REPURCHASE SHARES, EXTENSION OF ISSUE MANDATE  
AND  
RE-ELECTION OF RETIRING DIRECTORS  
AND  
NOTICE OF ANNUAL GENERAL MEETING**

**INTRODUCTION**

The Directors will propose at the 2018 AGM the resolutions for, among other matters, (i) the grant of the Issue Mandate and the Repurchase Mandate, (ii) the extension of the Issue Mandate to include Shares repurchased under the Repurchase Mandate and (iii) the proposed re-election of the retiring Directors.

## LETTER FROM THE BOARD

The purpose of this circular is to give you notice of the 2018 AGM and provide you with the information regarding the above resolutions to be proposed at the 2018 AGM to enable you to make an informed decision on whether to vote for or against those resolutions.

### ISSUE MANDATE

Given that the general and unconditional mandate granted to the Directors to allot, issue and deal with additional Shares pursuant to the written resolutions of all the Shareholders dated 25 October 2017 will lapse at the conclusion of the 2018 AGM, an ordinary resolution will be proposed at the 2018 AGM to grant the Issue Mandate to the Directors. Based on 1,000,000,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares will be issued and no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the 2018 AGM, if the Issue Mandate is exercised in full, the Directors will be authorised to allot, issue and deal with up to a total of 200,000,000 Shares, being 20% of the aggregate number of the issued Shares as at the date of the resolution in relation thereto. The Issue Mandate, if granted at the 2018 AGM, will continue to be in force until (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Articles of Association or any applicable laws of the Cayman Islands; or (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

### REPURCHASE MANDATE

Given that the general and unconditional mandate granted to the Directors to repurchase Shares pursuant to the written resolutions of all the Shareholders dated 25 October 2017 will lapse at the conclusion of the 2018 AGM, an ordinary resolution will be proposed at the 2018 AGM to grant the Repurchase Mandate to the Directors. Subject to the passing of the proposed ordinary resolution approving the grant of the Repurchase Mandate, based on 1,000,000,000 Shares in issue as at the Latest Practicable Date and assuming that no further Shares will be issued and no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of the 2018 AGM, the Company would be allowed to repurchase a maximum of 100,000,000 Shares, being 10% of the aggregate number of the issued Shares as at the date of the resolution in relation thereto. The Repurchase Mandate, if granted at the 2018 AGM, will end at the earliest of (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

An explanatory statement in connection with the Repurchase Mandate is set out in Appendix II to this circular. The explanatory statement contains all the requisite information required under the GEM Listing Rules to be given to the Shareholders to enable them to make informed decisions on whether to vote for or against the resolution approving the Repurchase Mandate.



## LETTER FROM THE BOARD

### EXTENSION OF ISSUE MANDATE TO ISSUE SHARES

Subject to the passing of the ordinary resolutions to grant the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the 2018 AGM to extend the Issue Mandate by including the number of Shares repurchased under the Repurchase Mandate.

### RE-ELECTION OF RETIRING DIRECTORS

As at the Latest Practicable Date, there were two Executive Directors, namely Mr. Huie, Allen Tat Yan (“**Mr. Huie**”) and Mr. Ng Man Ho Herman (“**Mr. Ng**”); and three INEDs, namely Mr. Choi Kwok Wai, Mr. Ma Chi Seng and Mr. Ho Kevin King Lun.

Article 108(a) of the Articles of Association provides that at each AGM, one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation provided that every Director shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. According to article 108(b) of the Articles of Association, the Directors to retire by rotation shall include (so far as necessary to obtain the number required) any Director who wishes to retire and not to offer himself for re-election. Any Director who has not been subject to retirement by rotation in the three years preceding the AGM shall retire by rotation at such AGM. Any further Directors so to retire shall be those who have been the longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Accordingly, Mr. Huie and Mr. Ng (collectively, the “**Retiring Directors**”) shall retire by rotation at the 2018 AGM and being eligible, will offer themselves for re-election at the 2018 AGM.

The Nomination Committee had evaluated the performance of each of the Retiring Directors during the period from their respective dates of appointment to 31 December 2017 and found their performance satisfactory. Therefore, with the recommendation of the Nomination Committee, the Board has proposed that all of the Retiring Directors stand for re-election as Directors at the 2018 AGM. As a good corporate governance practice, each of the Retiring Directors abstained from voting at the relevant Board meeting on the respective propositions of their recommendations for re-election by the Shareholders at the 2018 AGM.

The biographical details of each of the Retiring Directors to be re-elected at the 2018 AGM are set out in Appendix I to this circular in accordance with the relevant requirements under the GEM Listing Rules.

### 2018 AGM

The Company will convene the 2018 AGM at EM Macau, Estrada Marginal Do Hipódromo N°S 56 – 66, Industrial Lee Cheung F10 on Thursday, 31 May 2018 at 3:00 p.m., at which the resolutions will be proposed for the purpose of considering and, if thought fit, approving, among others, (i) the grant of the Issue Mandate and the Repurchase Mandate, (ii)

## **LETTER FROM THE BOARD**

the extension of the Issue Mandate to include Shares repurchased under the Repurchase Mandate and (iii) the re-election of the Retiring Directors. The notice convening the 2018 AGM is set out on pages 16 to 21 of this circular.

A form of proxy for use in connection with the 2018 AGM is enclosed with this circular and can also be downloaded from the respective websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.apemacau.com](http://www.apemacau.com)). If you are not able or do not intend to attend the 2018 AGM in person and wish to exercise your right as a Shareholder, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return the completed form of proxy to the Company's Hong Kong branch share registrar and transfer office, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong as soon as possible but in any event, not later than 48 hours before the time appointed for holding the 2018 AGM or its adjournment (as the case may be). Completion and return of the form of proxy will not preclude any Shareholder from attending in person and voting at the 2018 AGM or its adjournment should he/she/it so wishes. If the Shareholder attends and votes at the 2018 AGM, the instrument appointing the proxy will be deemed to have been revoked.

### **VOTING BY POLL AT THE 2018 AGM**

Pursuant to Rule 17.47(4) of the GEM Listing Rules, any vote of the Shareholders at a general meeting must be taken by poll except where the chairman of the meeting, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. Therefore, all resolutions to be proposed at the 2018 AGM and contained in the notice of the 2018 AGM will be voted by way of a poll by the Shareholders.

### **RESPONSIBILITY STATEMENT**

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

### **RECOMMENDATION**

The Directors consider that (i) the grant of the Issue Mandate and the Repurchase Mandate, (ii) the extension of the Issue Mandate to include Shares repurchased under the Repurchase Mandate and (iii) the re-election of the Retiring Directors as set out in the notice of the 2018 AGM are in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of all the relevant resolutions to be proposed at the 2018 AGM as set out in the notice of the 2018 AGM on pages 16 to 21 of this circular.

**LETTER FROM THE BOARD**

**GENERAL**

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

**MISCELLANEOUS**

The English text of this circular shall prevail over the Chinese text for the purpose of interpretation.

Yours faithfully,  
For and on behalf of the Board  
**Asia Pioneer Entertainment Holdings Limited**  
**Huie, Allen Tat Yan**  
*Chairman and Executive Director*

*The following are the biographical details of the Directors who will retire as required by the Articles of Association and the GEM Listing Rules and are proposed to be re-elected at the 2018 AGM.*

Save as disclosed below, there is no other matter concerning the re-election of each of the following Directors that needs to be brought to the attention of the Shareholders, nor is there other information that is required to be disclosed pursuant to the requirements of Rule 17.50(2)(h) to (v) of the GEM Listing Rules.

#### **Mr. Huie, Allen Tat Yan**

Mr. Huie, Allen Tat Yan (許達仁), aged 59, was appointed as a Director on 22 February 2017 and was designated as an Executive Director and the Chairman on 15 March 2017. Mr. Huie is also the chairman of each of the Nomination Committee and the Risk Management Committee and a member of the Remuneration Committee. Mr. Huie is responsible for the strategic planning and financial supervision of the Group. Mr. Huie also holds directorships in all the subsidiaries of the Company. He has served as a director and the chairman of the board of directors of the Company's subsidiary, Asia Pioneer Entertainment, Ltd. ("APE BVI"), since 25 June 2015. He has also been appointed as a director and the chairman of the board of directors of the Company's main operating subsidiary, Asia Pioneer Entertainment Limited ("APE Macau"), since 18 November 2015 and 20 June 2016, respectively.

Mr. Huie is one of the founders of the Group, history of which can be traced back to late 2005. Mr. Huie has over 10 years of experience in the gaming industry.

Mr. Huie also has over 25 years of extensive experience in investments and investment banking. Apart from investing into the Group, Mr. Huie is also an investor in SeaAir Solutions, LLC (formerly known as Port Logistics), a terminal and cold storage operator in Florida, USA. Mr. Huie is also a shareholder of China Clean of Renewable Energy Limited, an engineering plastics company and is a shareholder of LVA Ventures Ltd, a venture capital firm in Hong Kong. Mr. Huie also serves directorships in a number of companies, including being a managing director of ShawKwei & Partners, a private equity firm in the Cayman Islands. Mr. Huie was formerly a managing director of Salomon Brothers Inc. Mr. Huie is licensed under the SFO to engage in Type 9 (asset management) regulated activities. He is also a director and responsible officer of Gear Asset Management Limited (formerly known as Valuengine Asset Management Limited), a licensed asset management company in Hong Kong under the SFO.

Mr. Huie received both a bachelor of science in economics degree from the Wharton School and bachelor of arts degree in economics from the School of Arts and Sciences of University of Pennsylvania, USA in 1980. He later obtained a Juris Doctor degree from the University of Pennsylvania Law School, USA in 1983.

Mr. Huie has entered into a service contract with the Company on 25 October 2017 for an initial term of three years commencing on the Listing Date, which may be terminated by not less than three months' notice served by either party on the other, and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out

in the Articles of Association. Pursuant to the service contract, Mr. Huie is entitled to an annual basic remuneration of HK\$936,000, a bonus equivalent to one month's remuneration (or a pro-rata amount if his office is less than one full year) and a discretionary bonus. His emolument was determined by the Board by reference to his duties and responsibilities within the Group and the Board's corporate goals and objectives, and may be adjusted by the Board subject to the annual review and recommendations by the Remuneration Committee having regard to the Company's operating results, his performance, duties and responsibilities within the Group and comparable market statistics and the resolutions of the Shareholders at a general meeting. The aggregate emolument of Mr. Huie received from the Group for the Year amounted to HK\$129,350. Mr. Huie is subject to retirement by rotation and re-election at the 2018 AGM in accordance with the Articles of Association.

As at the Latest Practicable Date, Mr. Huie was interested in 725,100,000 Shares, representing 72.51% of the total number of issued Shares, through his controlled corporation, APE HAT Holdings Limited ("**APE HAT**"), within the meaning of Part XV of the SFO. APE HAT is beneficially owned as to approximately 39.68% by Mr. Huie, approximately 39.68% by Mr. Ng, an Executive Director and the Chief Executive Officer, and approximately 20.64% by Mr. Chan Chi Lun ("**Mr. Chan**"). Mr. Huie is also a director of APE HAT. Pursuant to a deed of concert parties dated 10 March 2017 (the "**Deed of Concert Parties**"), each of Mr. Huie, Mr. Ng and Mr. Chan has agreed and confirmed, among other things, that they have been parties acting in concert in relation to the Group since 1 January 2015 and will continue to act in the same manner in the Group upon the Listing. By virtue of the SFO, Mr. Huie, Mr. Ng and Mr. Chan are deemed to be interested in the Shares held by APE HAT.

Mr. Huie was a co-founder and previously a director of Livingventures, Inc. ("**Livingventures**") (formerly known as Green Global Investments, Inc.), a company incorporated under the laws of the State of Florida, USA on 17 December 1999 and listed on the Over the Counter Bulletin Board of USA. Livingventures was initially incorporated as a clean energy consultant providing advisory services to new projects in the PRC and later shifted its business focus to senior housing management business in 2012. Mr. Huie's role was an investor of Livingventures in his own capacity and through his family trust. Mr. Huie served as the chairman of the board of directors and the chief executive officer of Livingventures from 2007 to 2012. Since 2012, a number of shareholders joined Livingventures and new directors were added to serve the board of Livingventures in view of the shift of the business focus. Mr. Huie served only as a director of Livingventures and had not been involved in the daily management and operations of Livingventures thereafter. Mr. Huie tendered his resignation as a director of Livingventures on 11 December 2014 so that he could focus on the management of his other investments. Since then Mr. Huie only remained as a shareholder of Livingventures. The business was unsuccessful and Livingventures became inactive and was dissolved on 25 September 2015. As confirmed by Mr. Huie, there was no wrongful act on his part leading to the dissolution of Livingventures. As at the Latest Practicable Date, no actual claim has been made against Mr. Huie as a result of the dissolution. In addition, Mr. Huie is not aware of any potential claim which will be made against him as a result of the dissolution.

**Mr. Ng Man Ho Herman**

Mr. Ng Man Ho Herman (吳民豪), aged 46, was appointed as a Director on 22 February 2017 and was designated as an Executive Director and the Chief Executive Officer on 15 March 2017. Mr. Ng is also a member of the Risk Management Committee. Mr. Ng is responsible for the overall business and, sales and marketing of the Group. Mr. Ng also holds directorships in all the subsidiaries of the Company. He has been appointed as a director and the managing director of the Company's subsidiary, APE BVI, since 14 November 2005 and 25 June 2015 respectively. He was also a sole director of the Company's main operating subsidiary APE Macau from 24 May 2006 to 17 November 2015 and has been appointed as the managing director and chief executive officer of APE Macau since 18 November 2015.

Mr. Ng is one of the founders of the Group, history of which can be traced back to 2005. Mr. Ng has over 10 years of experience in the gaming industry. Prior to establishing the Group, Mr. Ng was a manager of O Mundo De Diversoes Centro where he was responsible for the operation and management of the arcade game center from 1996 to 2004.

Mr. Ng obtained an associate in science degree in construction and energy management and associate in science degree in business (general) from Cabrillo College in USA in 1994 and 1995 respectively.

Mr. Ng has entered into a service contract with the Company on 25 October 2017 for an initial term of three years commencing on the Listing Date, which may be terminated by not less than three months' notice served by either party on the other, and is subject to termination provisions therein and provisions on retirement by rotation of Directors as set out in the Articles of Association. Pursuant to the service contract, Mr. Ng is entitled to an annual basic remuneration of HK\$1 from the Company, a bonus equivalent to one month's remuneration (or a pro-rata amount if his office is less than one full year) and a discretionary bonus. Mr. Ng is also entitled to a monthly salary of MOP98,000 (equivalent to approximately HK\$95,146) from APE Macau. His emolument was determined by the Board by reference to his duties and responsibilities within the Group and the Board's corporate goals and objectives, and may be adjusted by the Board subject to the annual review and recommendations by the Remuneration Committee having regard to the Company's operating results, his performance, duties and responsibilities within the Group and comparable market statistics and the resolutions of the Shareholders at a general meeting. The aggregate emolument of Mr. Ng received from the Group for the Year amounted to HK\$1,460,670. Mr. Ng is subject to retirement by rotation and re-election at the 2018 AGM in accordance with the Articles of Association.

As at the Latest Practicable Date, Mr. Ng was interested in 725,100,000 Shares, representing 72.51% of the total number of issued Shares, through his controlled corporation, APE HAT, within the meaning of Part XV of the SFO. APE HAT is beneficially owned as to approximately 39.68% by Mr. Huie, an Executive Director and the Chairman, approximately 39.68% by Mr. Ng, and approximately 20.64% by Mr. Chan. Mr. Ng is also a director of APE HAT. Pursuant to the Deed of Concert Parties, each of Mr. Huie, Mr. Ng and Mr. Chan has agreed and confirmed, among other things, that they have been parties acting in concert in

relation to the Group since 1 January 2015 and will continue to act in the same manner in the Group upon the Listing. By virtue of the SFO, Mr. Huie, Mr. Ng and Mr. Chan are deemed to be interested in the Shares held by APE HAT.

Save as disclosed above, each of the above Directors (i) had not held any directorship in the last three years in any public company, the securities of which are listed on any securities market in Hong Kong or overseas; and (ii) confirms with respect to him that as at the Latest Practicable Date: (a) he did not hold other positions in the Company or other members of the Group; (b) he did not have any relationship with any other Directors, senior management, substantial shareholder or controlling shareholder of the Company; and (c) he did not have any interests in the shares, underlying shares or debentures of the Company or any of its associated corporations within the meaning of Part XV of the SFO.



*This appendix serves as an explanatory statement as required by Rule 13.08 of the GEM Listing Rules to be given to all Shareholders relating to the resolution to be proposed at the 2018 AGM granting the Repurchase Mandate.*

The GEM Listing Rules permit companies whose primary listing is on GEM to repurchase their fully-paid shares on GEM subject to certain restrictions, the most important of which are summarised below:

### **1. SHAREHOLDERS' APPROVAL**

All proposed repurchase of shares on the Stock Exchange by the Company must be approved in advance by the Shareholders by an ordinary resolution of the Company, either by way of a general mandate or by a specific approval to the Directors.

### **2. REPURCHASE OF SECURITIES FROM CORE CONNECTED PERSONS**

Under the GEM Listing Rules, the Company is prohibited from knowingly purchasing Shares on the Stock Exchange from a core connected person.

As at the Latest Practicable Date, to the best knowledge of the Directors having made all reasonable enquiries, no core connected person of the Company has notified the Company that he/she/it has a present intention to sell any Shares to the Company or has undertaken not to sell any of the Shares held by him/her/it to the Company in the event that the Repurchase Mandate is approved by the Shareholders.

### **3. SHARE CAPITAL**

As at the Latest Practicable Date, the issued share capital of the Company comprised 1,000,000,000 Shares. Subject to the passing of the proposed ordinary resolution approving the grant of the Repurchase Mandate and assuming that no further Shares will be issued and no Shares will be repurchased and cancelled after the Latest Practicable Date and up to the date of passing such resolution at the 2018 AGM, the Directors would be authorised to repurchase up to a maximum of 100,000,000 Shares, representing 10% of the aggregate number of the issued Shares as at the date of passing the relevant resolution. The Repurchase Mandate will end at the earliest of (i) the conclusion of the next AGM; (ii) the expiration of the period within which the next AGM is required to be held by the Articles of Association or any applicable laws of the Cayman Islands; and (iii) the date on which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

### **4. REASONS FOR REPURCHASES**

The Directors have no present intention to repurchase any Shares but consider that the Repurchase Mandate is in the interests of the Company and the Shareholders as a whole. An exercise of the Repurchase Mandate may, depending on the market conditions and funding arrangements at the time, lead to an enhancement of the net assets value per share and/or earnings per share and will only be made when the Directors believe that a repurchase will benefit the Company and the Shareholders as a whole.



## 5. FUNDING OF REPURCHASES

Pursuant to the Repurchase Mandate, repurchases would be funded entirely from the Company's funds legally available in accordance with the laws of the Cayman Islands and the Articles of Association for such purpose.

## 6. IMPACT ON WORKING CAPITAL OR GEARING POSITION

An exercise of the Repurchase Mandate in full may have a material adverse impact on the working capital or gearing position of the Company when compared with that as at 31 December 2017, being the date of its latest published audited consolidated financial statements. The Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse impact on the working capital or gearing position of the Company, which in the opinion of the Directors is from time to time appropriate for the Company.

## 7. SHARE PRICES

The highest and lowest market prices at which the Shares had been traded on GEM since the Listing Date and up to the Latest Practicable Date were as follows:

Month	Traded Price per Share (HK\$)	
	Highest	Lowest
<b>2017</b>		
November (since the Listing Date)	0.550	0.247
December	0.315	0.192
<b>2018</b>		
January	0.270	0.196
February	0.230	0.173
March	0.236	0.176
April (up to and including the Latest Practicable Date)	0.179	0.158

*Source:* the Stock Exchange

## 8. DIRECTORS AND THEIR CLOSE ASSOCIATES

None of the Directors or, to the best of their knowledge having made all reasonable enquiries, their respective close associates, has any present intention to sell to the Company or any member of the Group any of the Shares if the Repurchase Mandate is approved at the 2018 AGM.

## 9. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that so far as the same may be applicable, they will exercise the powers of the Company to make repurchases pursuant to the Repurchase Mandate in accordance with the GEM Listing Rules and the applicable laws of the Cayman Islands.

## 10. EFFECT OF THE TAKEOVERS CODE

If a Shareholder's proportionate interest in the voting rights of the Company increases as a result of the Company exercising its powers to repurchase Shares pursuant to the Repurchase Mandate, such an increase will be treated as an acquisition for the purpose of the Takeovers Code. As a result, a Shareholder, or a group of Shareholders acting in concert (as defined in the Takeovers Code), could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

To the best knowledge and belief of the Directors, as at the Latest Practicable Date, APE HAT was beneficially interested in 725,100,000 Shares, representing 72.51% of the total number of issued Shares. APE HAT is beneficially owned as to approximately 39.68% by Mr. Huie, an Executive Director and the Chairman, approximately 39.68% by Mr. Ng, an Executive Director and the Chief Executive Officer, and approximately 20.64% by Mr. Chan. Pursuant to the Deed of Concert Parties, each of Mr. Huie, Mr. Ng and Mr. Chan has agreed and confirmed, among other things, that they have been parties acting in concert in relation to the Group since 1 January 2015 and will continue to act in the same manner in the Group upon the Listing. By virtue of the SFO, Mr. Huie, Mr. Ng and Mr. Chan are deemed to be interested in 725,100,000 Shares, representing 72.51% of the total number of issued Shares, held by APE HAT. In the event that the Directors exercise in full the Repurchase Mandate, the proportionate shareholding interests in the Company of each of APE HAT, Mr. Huie, Mr. Ng and Mr. Chan would be increased to approximately 80.57% of the total number of the issued Shares and such increase will not give rise to any obligation to make a mandatory offer under Rule 26 of the Takeovers Code. Save as aforesaid, the Directors are not aware of any consequence which may arise under the Takeovers Code as a result of any repurchase of Shares under the Repurchase Mandate.

Assuming that there is no issue of further Shares between the Latest Practicable Date and the date of a repurchase, an exercise of the Repurchase Mandate in whole or in a certain part will result in the aggregate amount of the issued Shares in the public hands falling below the prescribed minimum percentage of 25%. As required by the GEM Listing Rules, a listed issuer must maintain the said minimum public float. The Directors confirm that the Repurchase Mandate will not be exercised to the extent as may result in the amount of the Shares held by the public being reduced to less than 25% of the issued Shares.

## 11. SHARES REPURCHASE MADE BY THE COMPANY

No repurchases of Shares have been made by the Company (whether on the Stock Exchange or otherwise) since the Listing Date up to the Latest Practicable Date.

## NOTICE OF ANNUAL GENERAL MEETING



### Asia Pioneer Entertainment Holdings Limited

亞洲先鋒娛樂控股有限公司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8400)**

## NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the annual general meeting of Asia Pioneer Entertainment Holdings Limited (the “**Company**” and the “**AGM**”, respectively) will be held at EM Macau, Estrada Marginal Do Hipódromo N°S 56 – 66, Industrial Lee Cheung F10 on Thursday, 31 May 2018 at 3:00 p.m. (or the adjournment thereof) for the following purposes:

### AS ORDINARY BUSINESSES

1. To consider and receive the audited consolidated financial statements of the Company and its subsidiaries and the reports of the directors and independent auditor of the Company for the year ended 31 December 2017;
2. (a) To re-elect Mr. Huie, Allen Tat Yan as an executive director of the Company; and  
(b) To re-elect Mr. Ng Man Ho Herman as an executive director of the Company;
3. To authorise the board of directors of the Company to fix the remuneration of the directors of the Company for the year ending 31 December 2018;
4. To re-appoint Deloitte Touche Tohmatsu as the independent auditor of the Company and authorise the board of directors of the Company to fix its remuneration;
5. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

**“THAT:**

- (a) subject to paragraph (c) of this Resolution below and pursuant to the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited, the exercise by the directors of the Company (the “**Directors**”) during the Relevant Period (as defined below) of all the powers of the Company to allot, issue and deal with additional shares in the capital of the Company (the “**Shares**”) or

## NOTICE OF ANNUAL GENERAL MEETING

securities convertible into or exchangeable for Shares, or options or warrants, for similar rights to subscribe for any Shares and to make or grant offers, agreements and options which might require the exercise of such powers, be and is hereby generally and unconditionally approved;

- (b) the approval in paragraph (a) of this Resolution above shall be in addition to any other authorisation given to the Directors and shall authorise the Directors during the Relevant Period to make or grant offers, agreements and options which might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of the Shares allotted or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (a) of this Resolution above, otherwise than pursuant to (i) a Rights Issue (as defined below); or (ii) the exercise of any options granted under the share option scheme of the Company; or (iii) any issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company (the “**Articles of Association**”) in force from time to time, shall not exceed 20% of the aggregate number of the issued Shares as at the date of the passing of this Resolution and such approval shall be limited accordingly; and
- (d) for the purposes of this Resolution:

“**Relevant Period**” means the period from the date of the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the Articles of Association, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised from time to time) of the Cayman Islands or any other applicable laws; and
- (iii) the date on which the authority set out in this Resolution is revoked and varied by way of an ordinary resolution by the shareholders of the Company in a general meeting;

“**Rights Issue**” means an offer of Shares, or offer or issue of warrants, options or other similar instruments giving the rights to subscribe for Shares open for a period fixed by the Directors to holders of Shares on the register on a fixed record date in proportion to their then holdings of Shares (subject to such exclusion or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or

## NOTICE OF ANNUAL GENERAL MEETING

the requirements of, or the expense or delay which may be involved in determining the existence or extent of any restrictions or obligations under the laws of, or the requirements of, any jurisdiction applicable to the Company or any recognised regulatory body or any stock exchange applicable to the Company).”

6. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“**THAT:**

- (a) subject to paragraph (b) of this Resolution below, the exercise by the directors of the Company during the Relevant Period (as defined below) of all the powers of the Company to repurchase the issued shares of the Company (the “**Shares**”) on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which the Shares may be listed and recognised by the Securities and Futures Commission of Hong Kong (the “**Commission**”) and the Stock Exchange for this purpose, subject to and in accordance with the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised from time to time) of the Cayman Islands or any other applicable laws, the Code on Share Buy-backs approved by the Commission and the requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of the Shares which may be repurchased by the Company pursuant to the approval in paragraph (a) of this Resolution above during the Relevant Period (as defined below) shall not exceed 10% of the aggregate number of the issued Shares as at the date of the passing of this Resolution and the authority pursuant to paragraph (a) of this Resolution above shall be limited accordingly; and
- (c) for the purposes of this Resolution:

“**Relevant Period**” means the period from the date of the passing of this Resolution until whichever is the earliest of:

- (i) the conclusion of the next annual general meeting of the Company;
- (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by the articles of association of the Company, the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated or revised from time to time) of the Cayman Islands or any other applicable laws; and

**NOTICE OF ANNUAL GENERAL MEETING**

(iii) the date on which the authority set out in this Resolution is revoked and varied by way of an ordinary resolution by the shareholders of the Company in a general meeting.”

7. To consider and, if thought fit, pass with or without amendments the following resolution as an ordinary resolution:

“**THAT** conditional upon Resolutions numbered 5 and 6 set out in the notice convening this annual general meeting (the “**Notice**”) being passed, the general and unconditional mandate granted to the directors of the Company pursuant to Resolution numbered 5 set out in the Notice be and is hereby extended by the addition thereto of an amount representing the aggregate number of the shares in the capital of the Company (the “**Shares**”) repurchased under the authority granted pursuant to Resolution numbered 6 set out in the Notice, provided that such amount shall not exceed 10% of the aggregate number of the issued Shares as at the date of passing this Resolution.”

By order of the Board  
**Asia Pioneer Entertainment Holdings Limited**  
**Huie, Allen Tat Yan**  
*Chairman and Executive Director*

Hong Kong, 30 April 2018

*Registered Office:*

PO Box 1350  
Clifton House  
75 Fort Street  
Grand Cayman KY1-1108  
Cayman Islands

*Headquarters and Principal Place of*

*Business in Macau:*  
Avenida da Amizade  
No. 1023 Edificio Nam Fong  
1-(AA) Macau

*Principal Place of Business in Hong Kong:*

31/F., 148 Electric Road  
North Point  
Hong Kong

## NOTICE OF ANNUAL GENERAL MEETING

*Notes:*

1. Any member of the Company (the “**Member**”) entitled to attend and vote at the AGM or its adjourned meeting (as the case may be) is entitled to appoint one (or, if he/she/it holds two or more Shares, more than one) proxy to attend and vote instead of him/her/it. A proxy needs not be a Member but must be present in person at the AGM to represent the Member. If more than one proxy is so appointed, the appointment shall specify the number of Shares in respect of which such proxy is so appointed.
2. Completion and return of the form of proxy will not preclude a Member from attending in person and voting at the AGM if he/she/it so wishes. In the event of a Member who has lodged a form of proxy attending the AGM in person, the form of proxy will be deemed to have been revoked.
3. In order to be valid, the duly completed and signed form of proxy must be deposited together with a power of attorney or other authority, if any, under which it is signed or a notarially certified copy of such power or authority, at the office of the Company’s Hong Kong branch share registrar and transfer office, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong as soon as possible but in any event, not later than 48 hours before the time appointed for holding the AGM or its adjournment (as the case may be).
4. For determining the entitlement of the Members to attend and vote at the AGM, the register of members of the Company (“**Register of Members**”) will be closed from Monday, 28 May 2018 to Thursday, 31 May 2018 (both days inclusive), during which period no transfer of Shares will be effected. To qualify for attending and voting at the AGM, non-registered Members must lodge all transfer documents, accompanied by the relevant share certificates with the Company’s Hong Kong branch share registrar and transfer office, Boardroom Share Registrars (HK) Limited at Room 2103B, 21/F., 148 Electric Road, North Point, Hong Kong for registration no later than 4:30 p.m. on Friday, 25 May 2018.
5. In relation to the proposed Resolution numbered 2 above, Mr. Huie, Allen Tat Yan and Mr. Ng Man Ho Herman will retire as Directors at the AGM and, being eligible, offer themselves for re-election. Details of the above Directors are set out in Appendix I to the Company’s circular dated 30 April 2018 (the “**Circular**”).
6. In relation to the proposed Resolution numbered 4 above, the board of Directors (the “**Board**”) concurs with the views of the audit committee of the Board and has recommended that Deloitte Touche Tohmatsu be re-appointed as the independent auditor of the Company.
7. In relation to the proposed Resolution numbered 5 above, approval is being sought from the Members for the grant to the Directors of a general and unconditional mandate to authorise the allotment and issue of Shares under the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”). The Directors have no immediate plans to issue any new Shares.
8. In relation to the proposed Resolution numbered 6 above, the Directors wish to state that they will exercise the powers conferred thereby to repurchase Shares only in the circumstances which they consider appropriate for the benefit of the Company and the Members as a whole. An explanatory statement containing the information necessary to enable the Members to make an informed decision to vote on the proposed resolution as required by the GEM Listing Rules is set out in Appendix II to the Circular.
9. In compliance with Rule 17.47(4) of the GEM Listing Rules, voting on all proposed resolutions set out in this Notice will be decided by way of a poll. The Company will announce the poll results of the AGM in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.
10. Where there are joint holders of any Share, any one of such joint holders may vote at the AGM, either personally or by proxy, in respect of such Share as if he/she were solely entitled thereto, but if more than one of such joint holders are present at the AGM personally or by proxy, that one of such joint holders so present whose name stands first in the Register of Members in respect of the joint holding shall alone be entitled to vote in respect thereof.

## NOTICE OF ANNUAL GENERAL MEETING

11. (a) Subject to paragraph (b) below, if a tropical cyclone warning signal No. 8 or above is expected to be hoisted or a rainstorm warning signal is expected to be in force at any time between 7:00 a.m. and 5:00 p.m. (or the time fixed for holding the AGM, if earlier) on the date of the AGM, the AGM will be postponed and the Members will be informed of the date, time and venue of the postponed AGM by an announcement posted on the respective websites of the Company and the Stock Exchange.
  - (b) If a tropical cyclone warning signal No. 8 or above or a rainstorm warning signal is lowered or cancelled at or before three hours before the time fixed for holding the AGM and where conditions permit, the AGM will be held as scheduled.
  - (c) The AGM will be held as scheduled when an amber or thunderstorm warning signal or typhoon signal No. 3 or below is in force.
  - (d) After considering their own situations, the Members should decide on their own as to whether they would attend the AGM under any bad weather condition and if they do so, they are advised to exercise care and caution.
12. The translation into Chinese language of this Notice is for reference only. In case of any inconsistency, the English version shall prevail.