

To: Business Editor  
[For Immediate Release]



**Asia Pioneer Entertainment Holdings Limited**  
亞洲先鋒娛樂控股有限公司  
(Stock Code: 8400.HK)

**APE Proposed Listing on the Growth Enterprise Market of  
The Stock Exchange of Hong Kong Limited  
Offering Total of 250,000,000 Shares  
Price Set between HK\$0.24 and HK\$0.36 Per Offer Share**

(30 October 2017, HONG KONG) – **Asia Pioneer Entertainment Holdings Limited** (“APE” or the “Company”), announced today the details of the proposed listing of its shares by way of Share Offer on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (“HKEx”).

APE plans to offer a total of 250,000,000 Shares, comprising 25,000,000 Public Offer Shares and 225,000,000 Placing Shares, at an Offer Price between HK\$0.24 and HK\$0.36 per Offer Share. The Public Offer will open at 9:00 a.m. on Tuesday, 31 October 2017 and close at 12:00 noon on Friday, 3 November 2017. The allotment results will be announced on Tuesday, 14 November 2017. Dealings in the Company’s shares on GEM are expected to commence at 9:00 a.m. on Wednesday, 15 November 2017 under the stock code **8400**. Shares of the Company will be traded in board lots of 10,000 shares each.

Southwest Securities (HK) Capital Limited is the Sole Sponsor. Southwest Securities (HK) Brokerage Limited and Supreme China Securities Limited act as the Joint Bookrunners and Joint Lead Managers in relation to the Share Offer.

APE is the fourth largest Electronic Gaming Equipment supplier by revenue in Macau in 2016. Out of the two types of equipment categorised under Electronic Gaming Equipment, namely ETGs and EGMs, APE provides a full range of integrated services to its customers with the core business including: (1) the technical sales and distribution of Electronic Gaming Equipment to casino operators; (2) the provision of consulting services to manufacturers of Electronic Gaming Equipment and technical services to manufacturers and casino operators; and (3) the provision of repair services to casino operators. During the Track Record Period, APE is the largest ETG supplier in Macau in 2016 by revenue with a market share of approximately 30.4%.

For FY2015 and FY2016, its revenue was approximately HK\$48.17 million and HK\$52.58 million, respectively. Its net profit excluding listing expenses was approximately HK\$12.76 million and HK\$13.89 million, respectively. Net profit margin excluding listing expenses was 26.5% and 26.4%, respectively.

During the Track Record Period, APE has focused on the technical sales and distribution of ETGs in response to the rise in demand for ETGs. The Company has exclusive distribution rights with five Electronic Gaming Equipment manufacturers with the distribution agreements with these manufacturers ranging from one to five years. The strong and stable business relationships with Company's major suppliers allow APE to offer casino operators a wide range of Electronic Gaming Equipment, which will be able to drive growth in Company's consulting and technical services business.

Leveraging on its deep local knowledge of the regulatory requirements for introducing Electronic Gaming Equipment to the Macau gaming market and the preferences of the end-users of Electronic Gaming Equipment in Macau, APE is able to assist Electronic Gaming Equipment manufacturers, which are corporations operating outside of Macau, in successfully introducing different brands of Electronic Gaming Equipment.

APE, being a gaming machine agent independent of any Electronic Gaming Equipment manufacturers, is able to offer its customers with a diversified range of products manufactured by different manufacturers. Unlike Electronic Gaming Equipment manufacturers which may have preference with their own Electronic Gaming Equipment over those manufactured by other manufacturers, APE is able to introduce and recommend to casino operators different products based on their business needs so as to enhance its market competitiveness. APE's business model to operate as a gaming machine agent also allows it to keep capital expenditure at a lower level compared to Electronic Gaming Equipment manufacturers as production of Electronic Gaming Equipment generally requires high committed capital investment.

Moreover, APE has an experienced, dedicated and able management team with in-depth industry knowledge and experience. The Company is led by its executive Directors, Mr. Allen Huie, Chairman, Executive Director & Compliance Officer, who is responsible for the strategic planning and financial supervision of the Company and Mr. Herman Ng, Chief Executive Officer & Executive Director, who is responsible for overall business development, sales and marketing, each having more than 10 years of experience in the Macau gaming industry. Over the years, the management team has built close relationships with the Company's key principal suppliers and customers, accumulated in-depth knowledge of the industry such that APE could stay abreast of industry development and market trends.

**Mr. Allen Huie, Chairman, Executive Director & Compliance Officer** of APE says, "We are pleased to witness this significant milestone in the Company's history. Through our listing on GEM of the Hong Kong Stock Exchange, we will tap into the international capital markets, which will not only broaden our capital and shareholder base, but also provide us with capital to fund our expansion plan to continue strengthening our leading position in the industry and further enhancing our competitive advantages, thereby driving the Company's long-term development."

**Mr. Herman Ng, Chief Executive Officer & Executive Director** of APE added, "Being one of the first approved gaming machine agents in Macau, we have formed our particular expertise in localisation and customisation of Electronic Gaming Equipment and have established a solid customer base as well as a leading position in the industry over the past decade. Looking forward, with the proceeds from the Share Offer, we are poised to leverage on our leading position in Macau to continue to capitalize on the potential growth of the gaming market in Macau. With our competitive edges and business plans in place, we are well-positioned to benefit from the enormous market opportunities."

Photo Captions



From left to right:

Mr. Herman Ng	Mr. Allen Hui	Mr. Ernest Tse
Chief Executive Officer & Executive Director  Asia Pioneer Entertainment Holdings Limited	Chairman, Executive Director & Compliance Officer  Asia Pioneer Entertainment Holdings Limited	Managing Director & Head of Equity Capital Markets  Southwest Securities (HK) Capital Limited

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## Factsheet

### Details of Public Offer:

No. of Offer Shares	:	250,000,000 shares (subject to the Offer Size Adjustment Option)
No. of Public Offer Shares	:	25,000,000 shares (subject to reallocation)
No. of Placing Shares	:	225,000,000 shares (subject to reallocation and the Offer Size Adjustment Option)
No. of Shares per board lot	:	10,000 shares
Offer Price	:	Between HK\$0.24 and HK\$0.36 per Offer Share
Public Offer Date	:	9:00 a.m. on Tuesday, 31 October 2017 – 12:00 noon on Friday, 3 November 2017
Announcement of Allocation Results	:	Tuesday, 14 November 2017
Expected Listing Date	:	Wednesday, 15 November 2017
Stock Code	:	8400

### Use of Proceeds:

The net proceeds from the Share Offer, after deducting underwriting commission and estimated expenses in relation to the Share Offer, are estimated to be approximately HK\$50.2 million.

Use of Proceeds	% of Net Proceeds (%)
Upfront deposits for manufacturers to provide more trial products	43.4%
Procuring of Electronic Gaming Equipment for lease to casino operators in Macau	17.3%
Procuring and refurbishment of used Electronic Gaming Equipment for resale in Macau to customers who will have South East Asia as end markets	12.8%
Expansion of sales & marketing and technical team	16.9%
Purchase of tools and equipment and new ERP system	6.4%
General working capital	2.6%
Relocation of office premises	0.6%

### Track Record:

HKD '000	For the year ended 31 December		For the four months ended 30 April	
	2015	2016	2016	2017
<b>Revenue</b>	48,175	52,576	15,169	20,208
<b>Gross profit</b>	19,540	23,228	7,222	9,323
<b>Gross profit margin</b>	40.6%	44.2%	47.6%	46.1%
<b>Core Profit for the year / period*</b>	12,759	13,894	4,684	5,688
<b>Core Net profit margin*</b>	26.5%	26.4%	30.9%	28.1%

\*Excluding the listing expenses