



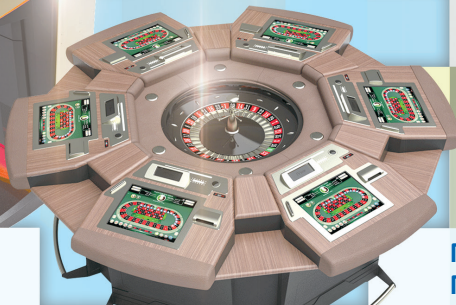
Asia Pioneer Entertainment Holdings Limited

亞洲先鋒娛樂控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code : 8400

## ELECTRONIC GAMING EQUIPMENT AND SMART VENDING SOLUTIONS IN MACAU AND ASIA



FIRST QUARTERLY  
REPORT 2022

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE” AND “GEM”, RESPECTIVELY)**

**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.**

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*This report, for which the directors of Asia Pioneer Entertainment Holdings Limited (the “**Company**” and together with its subsidiaries, the “**Group**” and the “**Directors**”, respectively) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (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 report 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 report misleading.*

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## 2022 FIRST QUARTERLY HIGHLIGHTS (UNAUDITED)

1. During the three months ended 31 March 2022 (the “**Period**”), the Group’s revenue amounted to approximately HK\$1.3 million, representing a decrease of approximately 34.5% from approximately HK\$2.0 million recorded for the three months ended 31 March 2021 (the “**Corresponding Period**”). The decrease in revenue was mainly due to a decrease of income derived from technical sales and distribution of electronic gaming equipments (“**EGES**”) by approximately 72.4% offset by the increases in revenue from consulting and technical services and repair services of 61.9% and 150.5%, respectively from the Corresponding Period.
2. The Group recorded a total comprehensive loss of approximately HK\$4.3 million for the Period representing a decrease in loss of approximately 1.8% from approximately HK\$4.3 million from the Corresponding Period. Such decrease in total comprehensive loss was mainly due to a continued slowdown of new orders as a result of the impact of novel coronavirus disease (the “**COVID-19**”) on the operations of our major customers — the casino operators in the Macau Special Administrative Region (“**Macau SAR**” or “**Macau**”).
3. The board of Directors (the “**Board**”) has resolved not to declare any payment of dividend for the Period (the Corresponding Period: Nil).

## UNAUDITED CONDENSED CONSOLIDATED FIRST QUARTERLY RESULTS

The Board presents the unaudited condensed consolidated results of the Group for the Period together with the comparative unaudited figures for the Corresponding Period as follows:

### UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2022

	NOTES	Three months ended 31 March	
		2022 HK\$ Unaudited	2021 HK\$ Unaudited
Revenue	3	<b>1,320,405</b>	2,015,658
Cost of sales and services		<b>(1,549,242)</b>	(1,600,238)
Gross profit/(loss)		<b>(228,837)</b>	415,420
Other income, gains and losses	4	<b>(30,637)</b>	(21,737)
Impairment losses under expected credit		<b>5,910</b>	3,543
Operating expenses		<b>(3,986,745)</b>	(4,717,323)
Finance costs		<b>(24,935)</b>	(21,539)
(Loss) before tax		<b>(4,265,244)</b>	(4,341,636)
Income tax expense	5	–	–
(Loss) and total comprehensive expenses attributable to shareholders of the Company for the period	6	<b>(4,265,244)</b>	(4,341,636)
(Loss) per share			
Basic	7	<b>(0.004)</b>	(0.004)



## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2022

	Share capital HK\$	Share premium HK\$	Merger reserve HK\$	Legal reserve HK\$	Accumulated profits/(loss) HK\$	Total HK\$
As at 1 January 2021 (Audited)	10,000,000	55,098,836	(3,416,148)	504,489	(6,100,260)	56,086,917
Loss and total comprehensive expenses for the period	-	-	-	-	(4,341,636)	(4,341,636)
As at 31 March 2021 (Unaudited)	10,000,000	55,098,836	(3,416,148)	504,489	(10,441,896)	51,745,281
As at 1 January 2022 (Audited)	10,000,000	55,098,836	(3,416,148)	504,489	(29,177,022)	33,010,155
Loss and total comprehensive expenses for the period	-	-	-	-	(4,265,244)	(4,265,244)
<b>As at 31 March 2022 (Unaudited)</b>	<b>10,000,000</b>	<b>55,098,836</b>	<b>(3,416,148)</b>	<b>504,489</b>	<b>(33,442,266)</b>	<b>28,744,911</b>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2022

## 1. GENERAL INFORMATION

The Company is a limited liability company incorporated in the Cayman Islands on 22 February 2017. The address of the Company's registered office is Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The principal place of business of the Company in the Macau SAR is located at EM Macau, Estrada Marginal Do Hipódromo N°S 56–66, Industrial Lee Cheung F10. The shares of the Company (the "**Shares**") in issue have been listed on GEM since 15 November 2017 (the "**Listing Date**" and the "**Listing**", respectively).

The Company is an investment holding company and its subsidiaries have two principle lines of business. Firstly, it is a supplier of EGEs to casinos in the Macau and Asia (the "**EGE Business**"). Secondly, it is an operator of smart vending machines in Macau and Greater Bay Area ("**GBA**") of the People's Republic of China ("**PRC**" or "**China**") selling various Macau sourced products to consumers and travellers (the "**Smart VM Business**").

## 2. BASIS OF PREPARATION

The unaudited condensed consolidated financial statements of the Group for the Period (the "**Condensed Consolidated Financial Statements**") have been prepared by the Directors in accordance with International Financial Reporting Standards (the "**IFRSs**") issued by the International Accounting Standards Board and the disclosure requirements of the GEM Listing Rules. The accounting policies and basis adopted in the preparation of the Condensed Consolidated Financial Statements are consistent with those adopted in the annual consolidated financial statements of the Group for the year ended 31 December 2021. The adoption of the new and revised IFRSs that are relevant to the Group and effective from the Period had no significant effects on the results and financial position of the Group. The Condensed Consolidated Financial Statements have not been audited but have been reviewed by the Board's audit committee (the "**Audit Committee**"). The measurement basis used in the preparation of the unaudited Condensed Consolidated Financial Statements is the historical cost basis. The unaudited Condensed Consolidated Financial Statements are presented in Hong Kong dollars ("**HK\$**") unless otherwise indicated.

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2022

### 3. REVENUE AND SEGMENT INFORMATION

The Group now has two principle lines of business: 1) the EGE Business and 2) the Smart VM Business.

For the purpose of resources allocation and performance assessment, the chief operating decision maker reviews the overall results and financial position of the Group as a whole prepared based on same accounting policies set out in note 2 above. Accordingly, the Group has two operating segments and further discrete financial information and analysis of these two segments are presented.

#### Revenue from major products and services

	Three months ended 31 March	
	2022 HK\$ Unaudited	2021 HK\$ Unaudited
<b>EGE Business:</b>		
— Technical sales and distribution of EGEs	438,374	1,589,884
— Consulting and technical services	603,974	372,995
— Repair services	132,211	52,779
	<b>1,174,559</b>	2,015,658
<b>Smart VM Business:</b>		
— Sale of own goods	143,386	—
— Consignment sale	2,460	—
	<b>145,846</b>	—
Total	<b>1,320,405</b>	2,015,658

#### Geographical information

The Group primarily operates in Macau SAR, GBA and Southeast Asia. All of the revenue for the Corresponding Period and the Period were derived in Macau SAR, GBA and Southeast Asia.



## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2022

### 4. OTHER INCOME, GAINS AND LOSSES

	Three months ended 31 March	
	2022	2021
	HK\$	HK\$
	Unaudited	Unaudited
Bank interest income	163	331
Net foreign exchange (loss)	(33,213)	(24,532)
Others	563	762
Effective interest income on rental deposit	1,850	1,702
	<b>(30,637)</b>	<b>(21,737)</b>

### 5. INCOME TAX EXPENSE

	Three months ended 31 March	
	2022	2021
	HK\$	HK\$
	Unaudited	Unaudited
Current tax:		
Macau SAR complementary tax	–	–

No tax has been provided for the Period as the Group has suffered a loss (Corresponding Period: Nil). The Group is subject to Macau SAR complementary tax at a rate of 12% on the assessable income exceeding Macau Pataca (“MOP”) 600,000 (equivalent to approximately HK\$583,000) for the Period.



## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2022

### 6. (LOSS) FOR THE PERIOD

	Three months ended 31 March	
	2022 HK\$ Unaudited	2021 HK\$ Unaudited
(Loss) for the period has been arrived at after charging:		
Directors' remuneration	<b>779,860</b>	779,860
Other staff costs		
— salaries and allowances	<b>2,367,597</b>	2,213,020
— retirement benefits scheme contributions	<b>11,767</b>	10,388
	<b>2,379,364</b>	2,223,408
Total staff costs	<b>3,159,224</b>	3,003,268
Auditor's remuneration	<b>233,010</b>	262,136
Depreciation of property and equipment	<b>112,683</b>	466,852
Cost of inventories recognised as an expense	<b>318,713</b>	1,166,083
Minimum lease payment in respect of rental premises	<b>142,566</b>	66,699
Depreciation of right-of-use assets	<b>98,813</b>	291,734

## NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2022

### 7. (LOSS) PER SHARE

The calculation of the basic (loss) per share for each of the Period and the Corresponding Period is based on the following data:

	Three months ended 31 March	
	2022 HK\$ Unaudited	2021 HK\$ Unaudited
(Loss)		
(Loss) for the purpose of calculating basic (loss) per share (loss for the period attributable to shareholders of the Company)	<b>(4,265,244)</b>	(4,341,636)
	2022 '000	2021 '000
Number of shares		
Weighted average number of ordinary shares for the purpose of calculating basic (loss) per share	<b>1,000,000</b>	1,000,000

No diluted loss per share for the Period was presented as there were no potential dilutive ordinary Shares in issue during both periods.

### 8. DIVIDENDS

The Board has resolved not to declare any payment of dividend for the Period (Corresponding Period: Nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS REVIEW

The Group has two principle lines of business: 1) the EGE Business and 2) the Smart VM Business.

#### EGE Business:

The Group has been engaged in the EGE Business in Macau SAR since 2005 where it is a licensed supplier of EGE to all six of Macau’s casino concessionaires. The Group also supplies EGE to land-based casinos in the Asian region. The main EGEs or products supplied by the Group include electronic table games (“**ETGs**”) such as electronic baccarat table games and electronic gaming machines (“**EGMs**”) such as electronic slot machines. The Group represents many brands of EGE and provides many services on the EGEs. Overall, the Group’s EGE Business can be divided into: (1) the technical sales and distribution of EGE to casinos; (2) the provision of repair services to casino operators; and (3) the provision of consultancy and technical services.

The Group’s EGE Business performance for the first quarter of 2022 continues to be adversely affected by the outbreak of the COVID-19 in Macau SAR and Southeast Asia. Whilst revenues for technical sales and distribution of EGE products recorded a decrease of 72.4% for the Period over the Corresponding Period, this was offset by the increases in revenue in its consulting and technical services segment (61.9%) and in its repairs services segment (150.5%) over the same period.

#### Smart VM Business:

The Group began its Smart VM Business in Macau SAR in the second half of 2021 after several months of trials. At its core, the Group is an operator of smart vending machines (the “**VMs**”) selling various Macau sourced products to travellers to Macau SAR as well as domestic consumers in Macau SAR and the GBA. The Group operates and markets its smart VMs under its own registered brands and logos in both Macau SAR and China. In Macau SAR, the Group’s drinks and snacks VMs are marketed under the KatKatMall logo, and its coffee VMs are marketed under the Katffee logo. The Group also operates and markets customised VMs with well known product partners, for example, it operates a Choi Heung Yuen (“**CHY**”) VM specifically for CHY products in Macau SAR.

## MANAGEMENT DISCUSSION AND ANALYSIS

The Group's Smart VM Business is conducted through the Group's wholly-owned subsidiary, APE Smart Commerce Limited and its subsidiary, Xianfeng Zhitesco E-Commerce (Zhuhai Hengqin) Co. Ltd. in Zhuhai, the GBA to undertake such opportunities. As at 31 March 2022, the Group has installed 44 VMs of various types in Macau SAR, and 3 coffee VMs in Zhuhai, the GBA. The Smart VM Business performance for the first quarter of 2022 generated a revenue of approximately HK\$0.15 million, and a gross loss of approximately HK\$0.02 million. Total capital expenditures on VMs totalled approximately HK\$2.16 million.

### FORWARD OUTLOOK

Despite the ongoing uncertainty on COVID-19 which continues to affect the operations and plans of our customers, the Group remains confident that within a medium term of 2-3 years' timeframe, our core EGE Business will recover back to operating normalcy once COVID-19 subsides. Over the longer term, we believe that casinos will assign more gaming floor space to cater towards the mass market segment of players. This in turn will increase operations of slot machines, EGMs and ETGs. Casino managers will move towards greater automation as they implement new social distancing policies for its customers.

The Group is also optimistic on the rollout of its smart VMs and the Smart VM Business in Macau SAR and the GBA. On March 30, 2020, the Group set up a new 100% owned subsidiary company called "APE Digital Creations Limited" (APE DCL) in Hong Kong SAR to participate and engage in metaverse and related businesses. The Group hopes that APE DCL will allow the Group to diversify into online, digital business opportunities. Digital consumerism is a growing trend in Macau SAR and the GBA, and smart and connected VMs is a good way to tap into consumers who want convenient access to quality branded products.

The Group's management continues to review various business plans to diversify the Group's business.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL REVIEW

#### Revenue

The revenue of the Company decreased by approximately 34.5% from approximately HK\$2.0 million for the Corresponding Period to approximately HK\$1.3 million for the Period. The decrease in revenue was mainly due to a decrease of income derived from technical sales and distribution of EGE segment of approximately 72.4% as compared to that for the Corresponding Period.

The following table sets forth the revenue from major products and services of the Group for the Period and the Corresponding Period:

Revenue from major products and services	Three months ended		Period-on-period change
	31 March		
	2022	2021	%
	HK\$	HK\$	
Technical sales and distribution of EGE	438,374	1,589,884	(72.4%)
Consulting and technical services	603,974	372,995	61.9%
Repair services	132,211	52,779	150.5%
Smart VM Business	145,846	–	–
	1,320,405	2,015,658	(34.5%)

#### Gross Profit and Gross Profit Margin by Revenue Streams

The following table sets forth the breakdown of the Group's gross profit margins by income segmentation for the Period and the Corresponding Period:

##### For the three months ended 31 March 2022

Breakdown by revenue streams	Technical sales and distribution of EGE	Consulting and technical services	Repair services	Smart VM Business	Total
	HK\$	HK\$	HK\$	HK\$	HK\$
Revenue	438,374	603,974	132,211	145,846	1,320,405
Cost of sales and services	(573,324)	(593,496)	(217,340)	(165,082)	(1,549,242)
Gross profit/(loss)	(134,950)	10,478	(85,129)	(19,236)	(228,837)
Gross profit/(loss) ratio	(30.8%)	1.7%	(64.4%)	(13%)	(17.3%)

## MANAGEMENT DISCUSSION AND ANALYSIS

For the three months ended 31 March 2021

Breakdown by revenue streams	Technical sales and distribution of EGE HK\$	Consulting and technical services HK\$	Repair services HK\$	Smart VM Business HK\$	Total HK\$
Revenue	1,589,884	372,995	52,779	–	2,015,658
Cost of sales and services	1,353,310	205,083	41,845	–	1,600,238
Gross profit	236,574	167,912	10,934	–	415,420
Gross profit ratio	14.9%	45.0%	20.7%	–	20.6%

Gross profit margin overall decreased from approximately 20.6% for the Corresponding Period to approximately -17.3% for the Period.

### Operating Expenses

The Group's operating expenses decreased from HK\$4.7 million for the Corresponding Period to HK\$4.0 million for the Period.

	Three months ended 31 March		Period-on- period change %
	2022 HK\$	2021 HK\$	
Directors' remuneration	779,860	779,860	0%
Other staff costs	2,379,364	2,223,408	7.0%

Directors' remuneration was approximately HK\$779,860 for the Period same as the Corresponding Period. Other staff costs increased by approximately 7.0% for the Period as compared to the Corresponding Period due to an increase in staff headcount.

### Loss

The Group recorded an unaudited net loss attributable to the shareholders of the Company (the "Shareholders") of approximately HK\$4.3 million for the Period as compared to a net loss of approximately HK\$4.3 million for the Corresponding Period.

This decrease in loss was mainly due to a drop in revenue from approximately HK\$2.0 million for the Corresponding Period to approximately HK\$1.3 million for the Period offset by the decrease in the operating expenses from approximately HK\$4.7 million for the Corresponding Period to approximately HK\$4.0 million for the Period.

## MANAGEMENT DISCUSSION AND ANALYSIS

### **LIQUIDITY, FINANCIAL RESOURCES, GEARING RATIO AND CAPITAL STRUCTURE**

During the Period, the Group financed its operations by its internal resources. As at 31 March 2022, the Group had net current assets of approximately HK\$26.2 million versus approximately HK\$30.6 million as at 31 December 2021. The decrease in net current assets was mainly attributed to a decrease in cash flow of approximately HK\$4.9 million. As at 31 March 2022, the Group had no bank borrowings, no bank overdrafts and no other banking loans. Gearing ratio (which is calculated by dividing total debt by total equity) was not applicable to the Group as at 31 March 2022. There has been no change in the capital structure of the Company since 31 December 2021. The capital structure refers to the maturity profile of debt and obligation, type of capital instrument used, currency and interest rate structure.

### **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

Save as disclosed in this report, the Company's 2021 annual report and the Company's announcement dated 30 March 2022 and the development of the Metaverse and related business, the Group did not have any other plans for material investment or capital assets as at the date of this report.

### **SIGNIFICANT INVESTMENTS OR MATERIAL ACQUISITIONS AND DISPOSALS**

The Group did not make any significant investment or material acquisition and disposal of subsidiaries, associates or joint ventures during the Period.



## MANAGEMENT DISCUSSION AND ANALYSIS

### CONTINGENT LIABILITIES

As at 31 March 2022 and 31 December 2021, the Group did not have any material contingent liabilities.

### EMPLOYEES AND REMUNERATION POLICY

As at 31 March 2022, the Group had a total of 45 employees (31 March 2021: 42). For the Period, the Group incurred staff costs, including Directors' remuneration of approximately HK\$3.2 million (31 March 2021: approximately HK\$3.0 million). The Company has adopted a share option scheme (the "Scheme") on 25 October 2017 for the purpose of recognising and acknowledging the contribution of employees and directors of the Group and other selected participants. The Company has not granted any share options under the Scheme since its adoption and up to the date of this report. As at 31 March 2022, there were no outstanding share options and no share options lapsed or were exercised or cancelled during the Period.

### CAPITAL COMMITMENTS

As at 31 March 2022, the Group had capital commitment of HK\$114,221 (31 December 2021: approximately HK\$0.1 million).

### CHARGES ON GROUP'S ASSETS

As at 31 March 2022, the Group had no charges on the Group's assets (31 December 2021: Nil).

### TREASURY POLICIES

The Directors will continue to follow a prudent policy in managing the Group's cash balances and maintain a strong and healthy liquidity to ensure that the Group is well-placed to take advantage of future growth opportunities. As at 31 March 2022, all cash on hand was deposited with licensed financial institutions in Hong Kong SAR and Macau SAR.

## MANAGEMENT DISCUSSION AND ANALYSIS

### CUSTOMER AND SUPPLIER RELATIONSHIPS

The Group's major customers are mostly casino operators in Macau SAR listed on the Stock Exchange. The Group is committed to building long term and stable business relationships with existing customers through our sales and marketing department and technical service team. The Group also maintains good relationships with its suppliers. The Group has long term relationships with a selected number of suppliers who distribute on an exclusive territorial or a non-exclusive basis.

### FOREIGN CURRENCY EXPOSURE

The Group bills its customers mainly in United States dollars ("USD"), HK\$ and MOP. The main exposure to foreign currency fluctuations comes from daily operating expenses and supplies in HK\$. For the Period, the Group's net foreign exchange loss was HK\$33,213. This was attributable to the fluctuation of exchange rate of US\$ against HK\$, which affected negatively our payables in HK\$ liabilities.

### DIVIDEND

The Board has resolved not to declare any payment of dividend for the Period (Corresponding Period: Nil).

## DISCLOSURE OF INTERESTS

### DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES OF THE COMPANY AND ITS ASSOCIATED CORPORATIONS

As at 31 March 2022, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong (the "SFO")), which were required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, recorded in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, notified to the Company and the Stock Exchange, were as follows:

#### Long Position in the Shares

Name of Directors/ Chief executive	Capacity/ Nature of interest	Number of Shares/ Underlying Shares interested	Approximate percentage of the issued Shares*
Mr. Huie, Allen Tat Yan ("Mr. Huie")	Beneficial owner	293,409,680 <sup>Note</sup>	29.34%
Mr. Ng Man Ho Herman ("Mr. Ng")	Beneficial owner	288,719,680 <sup>Note</sup>	28.87%
Mr. Chan Chi Lun ("Mr. Chan")	Beneficial owner	151,580,640 <sup>Note</sup>	15.16%

*Note:* Each of Mr. Huie, Mr. Ng and Mr. Chan beneficially owned 293,409,680 Shares, 288,719,680 Shares and 151,580,640 Shares, respectively. Pursuant to a deed of concert parties dated 10 March 2017 and signed by Mr. Huie, Mr. Ng and Mr. Chan (the "Deed of Concert"), each of them has agreed and confirmed, among other things, that they have been cooperating with each other and acting in concert in relation to the Group (for the purpose of the Code of Takeovers and Mergers of Hong Kong SAR) 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 733,710,000 Shares, representing approximately 73.37% of the total number of Shares in issue, held by them altogether.

\* The percentage represents the total number of the Shares and the underlying Shares, if any, interested divided by the number of issued Shares of 1,000,000,000 as at 31 March 2022.

## DISCLOSURE OF INTERESTS

Save as disclosed above, as at 31 March 2022, none of the Directors nor the chief executive of the Company had any interests and short positions in the shares, underlying shares and debentures of the Company and any of its associated corporations (within the meaning of Part XV of the SFO), which were required to be (a) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO); or (b) pursuant to Section 352 of the SFO, recorded in the register referred to therein; or (c) pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, notified to the Company and the Stock Exchange.

### **SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN THE SHARES AND UNDERLYING SHARES**

As at 31 March 2022, other than the interests which would be required to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO in respect of the Directors and the chief executive of the Company, the Company had not been notified by any person or entity, not being a Director or the chief executive of the Company, of having 5% or more of the interests and short positions in the Shares and underlying Shares as required to be recorded in the register under Section 336 of the SFO.

## CORPORATE GOVERNANCE AND OTHER INFORMATION

### **DIRECTORS' AND CONTROLLING SHAREHOLDERS' INTERESTS IN COMPETING BUSINESS**

None of the Directors or the controlling Shareholders (as defined under the GEM Listing Rules) of the Company or their respective close associates (as defined under the GEM Listing Rules) had interests in any business apart from the Group's business which had competed or was likely to compete, either directly or indirectly, with the businesses of the Group and had or might have any other conflicts of interest with the Group during the Period.

### **COMPLIANCE WITH CORPORATE GOVERNANCE CODE**

During the Period, the Company has applied the principles and adopted all code provisions, where applicable, of the Corporate Governance Code contained in Appendix 15 to the GEM Listing Rules (the "**CG Code**"). The Company has complied with all applicable code provisions as set out in the CG Code during the Period.

### **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

During the Period, the Company did not redeem its listed securities, nor did the Company or any of its subsidiaries purchase or sell such securities.

### **IMPORTANT EVENTS AFTER THE PERIOD**

The Board is not aware of any material event requiring disclosure, that has taken place subsequent to 31 March 2022 and up to the date of this report.

### **REVIEW BY AUDIT COMMITTEE**

The Audit Committee was established with effect from the Listing Date with written terms of reference in compliance with code provision D.3 of the CG Code and Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the Audit Committee are, among other things, to make recommendations to the Board on the appointment, re-appointment and removal of external auditors and to review and monitor the financial reporting process, risk management and internal control systems of the Group. The Audit Committee currently comprises all the three independent non-executive Directors (the "**INEDs**"), namely Mr. Choi Kwok Wai, Mr. Ma Chi Seng and Mr. Ho Kevin King Lun. Mr. Choi Kwok Wai is the chairman of the Audit Committee.



## CORPORATE GOVERNANCE AND OTHER INFORMATION

The Audit Committee has reviewed the unaudited Condensed Consolidated Financial Statements and this quarterly report and is of the view that such statements and report have been prepared in compliance with the applicable accounting standards, the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

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

Hong Kong, 11 May 2022

*As at the date of this report, the executive Directors are Mr. HUIE, Allen Tat Yan (Chairman), Mr. NG Man Ho Herman (Chief Executive Officer) and Mr. CHAN Chi Lun (Chief Financial Officer); and the INEDs are Mr. CHOI Kwok Wai, Mr. MA Chi Seng and Mr. HO Kevin King Lun.*