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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 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 2019 AGM to be held at EM Macau, Estrada Marginal Do Hipódromo N°S 56–66, Industrial Lee Cheung F10 on Friday, 10 May 2019 at 3:00 p.m. is set out on pages 17 to 22 of this circular.

A form of proxy for use in connection with the 2019 AGM is enclosed with this circular. Such form of proxy is also published on the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.apemacau.com). If you are not able or do not intend to attend the 2019 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 2019 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 2019 AGM or its adjournment if you so wish. If you attend and vote at the 2019 AGM, the instrument appointing your proxy will be deemed to have been revoked.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 Listed Company Information” page of the GEM website (www.hkgem.com) for at least 7 days from the date of publication. They will also be published on the Company’s website (www.apemacau.com).

29 March 2019

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 held on 31 May 2018
“2019 AGM”	the AGM to be held at EM Macau, Estrada Marginal Do Hipódromo N°S 56 – 66, Industrial Lee Cheung F10 on Friday, 10 May 2019 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 17 to 22 of this circular, or its adjournment
“AGM”	the annual general meeting of the Company
“APE HAT”	APE HAT Holdings Limited, a company incorporated in BVI with limited liability on 16 December 2016 and a Controlling Shareholder of the Company
“Articles of Association”	the articles of association of the Company as amended, supplemented or otherwise modified from time to time
“Audit Committee”	the audit committee of the Board
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“Chairman”	the chairman of the Board
“Chief Financial Officer”	the chief financial officer of the Company
“Chief Executive Officer”	the chief executive officer of the Company
“close associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Companies Law”	the Companies Laws (as revised) of the Cayman Islands, as amended, supplemental and/or otherwise modified from time to time
“Company”	Asia Pioneer Entertainment Holdings Limited, an exempted company incorporated in the Cayman Islands with limited liability, whose Shares in issue are listed and traded on GEM (Stock code: 8400)
“controlling shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules

DEFINITIONS

“core connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Deed of Concert Parties”	the deed of concert parties dated 10 March 2017 executed by our Controlling Shareholders (other than APE HAT), namely, Mr. Huie, Mr. Ng and Mr. Chan, to confirm, agree and acknowledge, among other things, that they are parties acting in concert in relation to the Group since 1 January 2015, details of which are set out in the paragraph headed “History, Reorganisation and corporate structure — History and development — Deed of Concert Parties” in the Prospectus
“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
“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 2019 AGM to the Directors to allot, issue and deal with additional Shares during the relevant period not exceeding 20% of the total number of Shares in issue as at the date of passing the resolution granting such mandate
“Latest Practicable Date”	25 March 2019, being the latest practicable date for ascertaining certain information contained herein prior to the printing of this circular
“Listing”	the listing of the Shares in issue on GEM by way of share offer
“Listing Date”	15 November 2017, the date on which the Shares in issue were initially listed on GEM

DEFINITIONS

“Macau”	the Macau Special Administrative Region of the PRC
“Mr. Chan”	Mr. Chan Chi Lun (陳子倫), an executive Director and a Controlling Shareholder of the Company
“Mr. Huie”	Mr. Huie, Allen Tat Yan (許達仁), an executive Director, the Chairman and a Controlling Shareholder of the Company
“Mr. Ng”	Mr. Ng Man Ho Herman (吳民豪), an executive Director, the Chief Executive Officer and a Controlling Shareholder of the Company
“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
“Prospectus”	the prospectus dated 31 October 2017
“Remuneration Committee”	the remuneration committee of the Board
“Repurchase Mandate”	the general and unconditional mandate proposed to be granted at the 2019 AGM to the Directors to repurchase Shares during the relevant period not exceeding 10% of the total number of Shares in issue 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
“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

DEFINITIONS

“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued 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 2018
“%”	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*)

Mr. Chan Chi Lun
(*Chief Financial Officer*)

Registered Office:

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

Independent Non-executive Directors:

Mr. Choi Kwok Wai

Mr. Ma Chi Seng

Mr. Ho Kevin King Lun

*Headquarters and Principal Place of
Business in Macau:*

EM, Macau, Estrada Marginal Do
Hipódromo N°S 56-66
Industrial Lee Cheung F10.

Principal Place of Business in Hong Kong:

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

29 March 2019

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 2019 AGM the resolutions for, among other matters, (i) the grant of each 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 2019 AGM and provide you with the information regarding the above resolutions to be proposed at the 2019 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 Shares pursuant to the resolutions passed by the Shareholders at 2018 AGM will lapse at the conclusion of the 2019 AGM, an ordinary resolution will be proposed at the 2019 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 2019 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 total number of Shares in issue as at the date of the resolution in relation thereto. The Issue Mandate, if granted at the 2019 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 the Companies Law or any applicable laws of the Cayman Islands; or (iii) the date on which such authority is revoked or varied or renewed 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 resolutions passed by the Shareholders at the 2018 AGM will lapse at the conclusion of the 2019 AGM, an ordinary resolution will be proposed at the 2019 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 2019 AGM, the Company would be allowed to repurchase a maximum of 100,000,000 Shares, being 10% of the total number of Shares in issue as at the date of the resolution in relation thereto. The Repurchase Mandate, if granted at the 2019 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 the Companies Law or any applicable laws of the Cayman Islands; or (iii) the date on which such authority is revoked or varied or renewed by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

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 each of the Issue Mandate and the Repurchase Mandate, an ordinary resolution will be proposed at the 2019 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 three Executive Directors, namely Mr. Huie, Allen Tat Yan (“**Mr. Huie**”), Mr. Ng Man Ho Herman (“**Mr. Ng**”) and Mr. Chan Chi Lun (“**Mr. Chan**”); and three INEDs, namely Mr. Choi Kwok Wai (“**Mr. Choi**”), Mr. Ma Chi Seng (“**Mr. Ma**”) 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. Choi and Mr. Ma will retire by rotation, as well as Mr. Chan will retire, at the 2019 AGM and being eligible, will offer themselves for re-election at the 2019 AGM.

Article 112 of the Articles of Association provides that the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director but so that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under this Article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.

The Nomination Committee has assessed and reviewed the annual written confirmation of independence of Mr. Choi and Mr. Ma based on the independence criteria as set out in Rule 5.09 of the GEM Listing Rules and confirmed that they remain independent.

LETTER FROM THE BOARD

In addition, the Nomination Committee had evaluated the performance of each of Mr. Chan, Mr. Choi and Mr. Ma (collectively, the “**Retiring Directors**”) during the Year 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 2019 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 2019 AGM.

The biographical details of each of the Retiring Directors to be re-elected at the 2019 AGM are set out in Appendix I to this circular in accordance with the relevant requirements under the GEM Listing Rules.

2019 AGM

The Company will convene the 2019 AGM at EM Macau, Estrada Marginal Do Hipódromo N°S 56 – 66, Industrial Lee Cheung F10 on Friday, 10 May 2019 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 each of the Issue Mandate and the Repurchase Mandate, (ii) the extension of the Issue Mandate to include the number of Shares repurchased under the Repurchase Mandate and (iii) the re-election of the Retiring Directors. The notice convening the 2019 AGM is set out on pages 17 to 22 of this circular.

A form of proxy for use in connection with the 2019 AGM is enclosed with this circular and can also be downloaded from the respective websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.apemacau.com). If you are not able or do not intend to attend the 2019 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 2019 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 2019 AGM or its adjournment should he/she/it so wishes. If the Shareholder attends and votes at the 2019 AGM, the instrument appointing the proxy will be deemed to have been revoked.

VOTING BY POLL AT THE 2019 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 2019 AGM and contained in the notice of the 2019 AGM will be voted by way of a poll by the Shareholders.

LETTER FROM THE BOARD

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 each of the Issue Mandate and the Repurchase Mandate, (ii) the extension of the Issue Mandate to include the number of Shares repurchased under the Repurchase Mandate and (iii) the re-election of the Retiring Directors as set out in the notice of the 2019 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 as set out in the notice of the 2019 AGM on pages 17 to 22 of this circular.

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 2019 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. CHAN CHI LUN

Mr. Chan Chi Lun (陳子倫) (“**Mr. Chan**”), aged 49, is the chief financial officer of the Group. He was appointed as an executive Director on 1 February 2019 and is also a member the Risk Management Committee. Mr.Chan is also one of the Controlling Shareholder of the Group.

Mr. Chan graduated from the University of Strathclyde in Scotland with a degree of Bachelor of Science in Technology and Business Studies and a degree of Master of International Management.

Since April 2018, Mr. Chan has been appointed as the chief financial officer of APE Macau. Since 2013, Mr. Chan has been the chief financial officer of another wholly-owned subsidiary of the Company, whose principal activity is investment holding, and Mr. Chan provided investor relations and corporate finance consultancy service to APE Macau during the period from 2014 to March 2018.

Mr. Chan is currently the President of TiE Hong Kong, which is the Hong Kong Chapter of TiE Global, a non-profit organisation aimed at fostering entrepreneurship. Mr. Chan was a director of Asia Pacific DealFlow Limited, a company which served as a platform for distributing private equity fundraising deals. Since 2006, Mr. Chan has been a director of Health Builder London Limited which is a health-tech company based in Hong Kong.

Mr. Chan has entered into a service agreement with the Company for an initial term of three years commencing on 1 February 2019, 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. Mr. Chan is entitled to a remuneration of HK\$840,000 per annum plus a bonus equivalent to one month’s remuneration. His emolument was determined by the Board by reference to his background, qualification, experience, duties and responsibilities within the Group and the performance of the Group and may be adjusted by the Board subject to the recommendations by the Remuneration Committee and the resolutions of the Shareholders at a general meeting. The aggregate emolument of Mr. Chan received from the Group for the Year amounted to HK\$910,000. Mr. Chan is subject to retirement by rotation and re-election at the 2019 AGM in accordance with the Articles of Association.

As at the Latest Practicable Date, Mr. Chan was interested in 725,100,000 Shares, representing 72.51% of the total number of Shares in issue, 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, an executive Director and the Chief Executive Officer, and approximately 20.64% by Mr. Chan. Mr. Chan 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.

MR. CHOI KWOK WAI

Mr. Choi Kwok Wai (蔡國偉) (“Mr. Choi”), aged 58, was appointed as an INED on 25 October 2017. Mr. Choi is the chairman of the Audit Committee. Mr. Choi is responsible for supervising and providing independent judgment to the Board.

Mr. Choi obtained a degree in accounting from the University of Southern Queensland in Australia in 1993.

Mr. Choi has been a member of the Hong Kong Institute of Certified Public Accountants since 1994. He has also been a certified practising accountant in Australia since 1994 and a certified tax advisor in Hong Kong since 2009. Mr. Choi was appointed as the chairman of The Society of Chinese Accountants and Auditors in Hong Kong in 2017 and resigned in 2018. He has served as its council member from 2009 to 2018.

Mr. Choi has 20 years of experience in accounting, auditing, taxation and corporate consultancy. He has been the managing partner of Choi, Lo & Co., a certified public accountant firm in Hong Kong, since 1998, responsible for the daily management and strategic planning of the firm. Mr. Choi has extensive experience in advising his clients on internal control, compliance and corporate governance, and providing pre-IPO consultation service.

Mr. Choi has confirmed that he meets the independent criteria as set out in Rule 5.09 of the GEM Listing Rules.

Mr. Choi has entered into a letter of appointment 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. Mr. Choi is entitled to an annual basic remuneration of HK\$160,000. His emolument was determined by the Board by reference to his responsibilities, workload and time devoted to the Group and the performance of the Group and may be adjusted by the Board subject to the recommendations by the Remuneration Committee and the resolutions of the Shareholders at a general meeting. The aggregate emolument of Mr.

Choi received from the Group for the Year amounted to HK\$160,000. Mr. Choi is subject to retirement by rotation and re-election at the 2019 AGM in accordance with the Articles of Association.

MR. MA CHI SENG

Mr. Ma Chi Seng (馬志成) (“**Mr. Ma**”), aged 40, was appointed as an INED on 25 October 2017. Mr. Ma is a member of each of the Audit Committee, the Remuneration Committee and the Nomination Committee. Mr. Ma is responsible for supervising and providing independent judgment to our Board.

Mr. Ma obtained a bachelor degree in business management from the Monash University in Australia in 2003.

Since 2008, Mr. Ma has been appointed as a director of New Worldwide International Limited, a company incorporated in Macau, conducting wholesale business of tobacco and wine.

Mr. Ma has confirmed that he meets the independent criteria as set out in Rule 5.09 of the GEM Listing Rules.

Mr. Ma has entered into a letter of appointment 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. Mr. Ma is entitled to an annual basic remuneration of HK\$160,000. His emolument was determined by the Board by reference to his responsibilities, workload and time devoted to the Group and the performance of the Group, and may be adjusted by the Board subject to the recommendations by the Remuneration Committee and the resolutions of the Shareholders at a general meeting. The aggregate emolument of Mr. Ma received from the Group for the Year amounted to HK\$160,000. Mr. Ma is subject to retirement by rotation and re-election at the 2019 AGM in accordance with the Articles of Association.

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 2019 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 2019 AGM, the Directors would be authorised to repurchase up to a maximum of 100,000,000 Shares, representing 10% of the total number of Shares in issue as at the date of passing the relevant resolution. The Repurchase Mandate 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 the Companies Law any applicable laws of the Cayman Islands; and (iii) the date on which such authority is revoked or varied or renewed by an ordinary resolution of the Shareholders in a general meeting of the Company, whichever occurs first.

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 2018, 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 during each of the 12 months preceding the Latest Practicable Date were as follows:

Month	Traded Price per Share (HK\$)	
	Highest	Lowest
2018		
March	0.236	0.176
April	0.181	0.158
May	0.184	0.164
June	0.182	0.130
July	0.163	0.122
August	0.152	0.093
September	0.139	0.084
October	0.115	0.085
November	0.113	0.085
December	0.131	0.086
2019		
January	0.208	0.110
February	0.201	0.169
March (up to and including the Latest Practicable Date)	0.225	0.200

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 2019 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 Shares in issue. 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 an executive Director and the Chief Financial Officer. 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 Shares in issue 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) in the six months immediately preceding 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 Friday, 10 May 2019 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 2018;
2. (a) To re-elect Chan Chi Lun as an executive director of the Company; and
(b) To re-elect Mr. Choi Kwok Wai as an independent non-executive director of the Company; and
(c) To re-elect Mr. Ma Chi Seng as an independent non-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 2019;
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 securities convertible into or exchangeable for

NOTICE OF ANNUAL GENERAL MEETING

Shares, or options, 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 total 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 total number of Shares in issue 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 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 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).”

NOTICE OF ANNUAL GENERAL MEETING

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 shares of the Company (the **“Shares”**) in issue 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 total 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 total number of Shares in issue 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
- (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.”

NOTICE OF ANNUAL 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 total 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 total number of Shares in issue 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, 29 March 2019

Registered Office:

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

Headquarters and Principal Place of

Business in Macau:

EM Macau,
Estrada Marginal Do
Hipódromo N°S 56-66
Industrial Lee Cheung F10

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 and voting in person 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 Tuesday, 7 May 2019 to Friday, 10 May 2019 (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 Monday, 6 May 2019.
5. In relation to the proposed resolutions numbered 2 (a) to (c) above, Mr. Chan Chi Lun, Mr. Choi Kwok Wai and Mr. Ma Chi Seng 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 29 March 2019 (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.