



Gameone Holdings Limited

智傲控股有限公司

(Incorporated in the Cayman Islands with limited liability)

Stock Code: 8282

2016

First Quarterly Report



CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

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Given the emerging nature of companies listed on GEM, 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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This report, for which the directors (the “**Directors**”) of Gameone Holdings Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (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.

The board of Directors (the “Board”) announces the unaudited condensed consolidated results of the Company and its subsidiaries (collectively the “Group”) for the three months ended 31 March 2016, together with the unaudited comparative figures for the corresponding period in 2015 as follows:

CONDENSED CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2016

	Notes	Three months ended 31 March	
		2016 HK\$'000 (unaudited)	2015 HK\$'000 (unaudited)
Revenue	4	25,370	29,604
Cost of services rendered		(15,879)	(13,980)
Gross profit		9,491	15,624
Other income	4	20	81
Selling expenses		(3,270)	(4,172)
Administrative expenses		(4,210)	(3,170)
Profit before income tax		2,031	8,363
Income tax expense	5	(550)	(1,479)
Profit for the period		1,481	6,884
Other comprehensive income			
<i>Item that may be reclassified subsequently to profit or loss</i>			
Exchange difference on translation of financial statements of foreign operations		(240)	(337)
Other comprehensive income for the period		(240)	(337)
Total comprehensive income for the period attributable to owners of the Company		1,241	6,547
		HK\$	HK\$
Earnings per share	7		
– Basic and Diluted		0.01	0.06



CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the three months ended 31 March 2016

	Share capital HK\$'000 Note 8	Share premium HK\$'000	Capital reserve HK\$'000	Other reserve HK\$'000	Translation reserve HK\$'000	Accumulated losses HK\$'000	Total equity HK\$'000
(Unaudited)							
At 1 January 2015	—	—	646	67,897	1,085	(19,701)	49,927
Profit for the period	—	—	—	—	—	6,884	6,884
Exchange difference on translation of financial statements of foreign operations	—	—	—	—	(337)	—	(337)
Other comprehensive income for the period	—	—	—	—	(337)	—	(337)
Total comprehensive income for the period	—	—	—	—	(337)	6,884	6,547
At 31 March 2015	<u>—</u>	<u>—</u>	<u>646</u>	<u>67,897</u>	<u>748</u>	<u>(12,817)</u>	<u>56,474</u>
(Unaudited)							
At 1 January 2016	85	—	—	71,458	1,708	(16,603)	56,648
Profit for the period	—	—	—	—	—	1,481	1,481
Exchange difference on translation of financial statements of foreign operations	—	—	—	—	(240)	—	(240)
Other comprehensive income for the period	—	—	—	—	(240)	—	(240)
Total comprehensive income for the period	—	—	—	—	(240)	1,481	1,241
Issuance of new shares	400	49,600	—	—	—	—	50,000
Capitalization issue of shares	1,115	(1,115)	—	—	—	—	—
Shares issue expenses	—	(7,356)	—	—	—	—	(7,356)
At 31 March 2016	<u>1,600</u>	<u>41,129</u>	<u>—</u>	<u>71,458</u>	<u>1,468</u>	<u>(15,122)</u>	<u>100,533</u>



NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2016

1. GENERAL INFORMATION

Gameone Holdings Limited (the “Company”) was incorporated in the Cayman Islands with limited liability under the Companies Law of the Cayman Islands on 14 April 2010. The Company’s registered office is located at PO Box 309, Ugland House, Grand Cayman, KY1-1104 Cayman Islands. The Company’s principal place of business is located at Unit A, 21/F, North Point Industrial Building, No. 499 King’s Road, North Point, Hong Kong.

The Company’s shares (the “Shares”) have been listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 13 January 2016 (the “Date of Listing”).

The principal activity of the Company is investment holding. The principal activities of the Group are development, operation, publishing and distribution of online and mobile games in Hong Kong and Taiwan.

2. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES

In preparation of the Company’s listing of its shares on the GEM of the Stock Exchange, the companies now comprising the Group underwent a reorganization to rationalize the existing group structure (the “Reorganization”). Pursuant to the Reorganization, the Company became the holding company of the companies now comprising the Group on 23 December 2015. Details of the Reorganization are fully explained in the prospectus dated 31 December 2015. As the Reorganization mainly involved inserting holding entities at the top of existing company and has not resulted in any change of economic substances, the unaudited condensed consolidated financial statements for the period ended 31 March 2015 has been presented as a continuance of the existing group using the merger accounting.

The unaudited condensed consolidated financial statements for the three months ended 31 March 2016 have been prepared in accordance with the accounting principles generally accepted in Hong Kong and comply with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and the applicable disclosure provisions of Chapter 18 of the GEM Listing Rules.

The accounting policies and methods of computation used in the preparation of the unaudited condensed consolidated financial statements for the three months ended 31 March 2016 are consistent with those adopted in the Group’s audited annual report dated 22 March 2016 (the “2015 Annual Report”), except for the adoption of the new and revised Hong Kong Financial Reporting Standards (the “New and Revised HKFRSs”) (which include all HKFRSs, Hong Kong Accounting Standards (“HKASs”) and Interpretations) issued by the HKICPA that are adopted for the first time for the current periods financial statements.

The adoption of the New and Revised HKFRSs has had no significant effect on these unaudited condensed consolidated financial statements for the three months ended 31 March 2016 and there have been no significant changes to the accounting policies applied in these unaudited condensed consolidated financial statements for the three months ended 31 March 2016.



2. BASIS OF PREPARATION AND ACCOUNTING POLICIES *(continued)*

The Group has not applied new and revised standards, amendments or interpretations that have been issued but are not yet effective. The Group is currently assessing the impact of the adoption of such new and revised standards, amendments or interpretations to the Group but is yet to be in a position to state whether they would have any material financial impact on the Group's results of operations and financial position.

The unaudited condensed consolidated financial statements for the three months ended 31 March 2016 have been prepared under the historical cost convention. The unaudited condensed consolidated financial statements for the three months ended 31 March 2016 are presented in Hong Kong dollars ("HK\$"), which is also the functional currency of the Group.

The condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for the year ended 31 December 2015.

The condensed consolidated financial statements have not been audited by the Company's auditors, but have been reviewed by the audit committee of the Company.

3. SEGMENT INFORMATION

Geographical information

	Three months ended 31 March	
	2016 HK\$'000	2015 HK\$'000
By country/region		
Hong Kong (place of domicile)	23,764	26,717
Taiwan	1,606	2,704
Others	—	183
	<u>25,370</u>	<u>29,604</u>

Information about major customers

So far as the Company is aware, there is no single customer contributed to 10% or more revenue to the Group's revenue for the respective periods.



4. REVENUE AND OTHER INCOME

An analysis of the Group's revenue and other income are as follows:

	Three months ended 31 March	
	2016 HK\$'000	2015 HK\$'000
Revenue		
Game operation income	24,092	28,726
Game publishing income	971	393
Royalty income	—	70
License fee income	307	415
	<u>25,370</u>	<u>29,604</u>
Other income		
Interest income	2	—
Other income	18	81
	<u>20</u>	<u>81</u>
	<u>25,390</u>	<u>29,685</u>

5. INCOME TAX EXPENSE

	Three months ended 31 March	
	2016 HK\$'000	2015 HK\$'000
Current tax - Hong Kong Profits Tax	550	1,479

No Profits Tax for the Taiwan branch has been provided as the Taiwan branch has not generated any tax assessable profits in Taiwan for the respective periods.

A provision for Hong Kong Profits Tax was made at the rate of 16.5% for the Group's estimated assessable profit derived in Hong Kong for the respective periods.

No provision for PRC Enterprise Income Tax was made as the Group has not generated any tax assessable profits in the PRC for the respective periods.



6. DIVIDENDS

No dividends have been paid or declared by the Company or any of the subsidiaries during the three months ended 31 March 2016 (three months ended 31 March 2015: Nil).

7. EARNINGS PER SHARE

The calculation of the basic and diluted earnings per share is based on the following data:

	Three months ended 31 March	
	2016 HK\$'000	2015 HK\$'000
Earnings		
Earnings for the purpose of basic earnings per share		
Profits for the period attributable to owners of the Company	<u>1,481</u>	<u>6,884</u>
Number of shares		
Weighted average number of ordinary shares for the purposes of basic earnings per share	<u>154,725,275</u>	<u>120,000,000</u>

For the three months ended 31 March 2016, the calculation of basic earnings per share attributable to owners of the Company was based on (i) the profit attributable to owners of the Company and (ii) the weighted average number of ordinary shares issued during the period.

For the three months ended 31 March 2015, the calculation of basic earnings per share attributable to owners of the Company was based on (i) the profits attributable to owners of the Company and (ii) the weighted average number of 120,000,000 Shares (comprising 8,534,007 Shares in issue as at 31 December 2015 and 111,465,993 Shares issued pursuant to a capitalization issue) as if these 120,000,000 Shares were outstanding throughout the period.

No diluted earnings per share is calculated for the three months ended 31 March 2016 (three months ended 31 March 2015: Nil) as there was no potential dilutive ordinary share in existence.

8. SHARE CAPITAL

The Company is an exempted company with limited liability incorporated in the Cayman Islands on 14 April 2010. At the date of incorporation, the authorized share capital of the Company was HK\$30,000 divided into 3,000,000 ordinary shares of HK\$0.01 each. One Share of HK\$0.01 in the share capital was issued and allotted fully paid to the initial subscribing shareholder and such fully paid subscriber share was transferred to Mr. Sze on 14 April 2010. On 30 September 2015, Mr. Sze transferred one Share, which represented entire issued share capital of the Company, to PC Investment Limited, a company incorporated in Hong Kong and the controlling shareholder of the Group.



8. SHARE CAPITAL *(continued)*

Authorized share capital

On 23 December 2015, the authorized share capital of the Company was increased from HK\$30,000 to HK\$10,000,000 by creation of an additional 997,000,000 ordinary shares.

Issued and fully paid

	As at 31 March 2016 Number of Shares	As at 31 March 2016 HK\$'000	As at 31 March 2015 Number of Shares	As at 31 March 2015 HK\$'000
Ordinary shares				
At beginning of period	8,534,007	85	1	—
Issue of Shares upon capitalization issue (a)	111,465,993	1,115	—	—
Issue of Shares by placing (b)	40,000,000	400	—	—
At ending of period	<u>160,000,000</u>	<u>1,600</u>	<u>1</u>	<u>—</u>

Notes:

- (a) Pursuant to the written resolution of the shareholders passed on 23 December 2015, the directors were authorized to capitalize the amount of HK\$1,114,659 standing to the credit of the share premium account of the Company and to appropriate such amount as to capital to pay up in full at par 111,465,993 Shares for allotment and issue to the then existing shareholders of the Company, each ranking pari passu in all respects with the then existing issued shares. On 13 January 2016, the Company allotted and issued such Shares as aforesaid and gave effect to the capitalization issue.
- (b) On 13 January 2016, the Company issued 40,000,000 Shares pursuant to the Company's listing on the GEM of the Stock Exchange by way of placing at a price of HK\$1.25 per Share.



MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

We are an integrated game developer, operator and publisher focusing in the market of Hong Kong and Taiwan. We operate and publish our self/co-developed and licensed games in Hong Kong and Taiwan primarily through our game distribution platforms as well as other third-party distribution platforms. We collect payments from players either through our own game platform, third-party distribution platforms such as Apple Store and Google Play, or third-party payment vendors, which include convenience stores selling pre-paid game cards/vouchers. We consider such integration of upstream and downstream services in the value chain of the game industry has provided us with a better market position.

The Shares of Company have been listed on GEM of the Stock Exchange since 13 January 2016 (the "Listing"). The Listing proceeds raised have strengthened the Group's cash flow. The Group has implemented part of and will continue to implement its future plans i.e. (i) expanding game portfolio through introducing more high-quality licensed games with a focus on mobile games; (ii) securing the development rights for popular literatures, comics and animations; (iii) utilizing the existing games and development rights to broaden revenue stream; (iv) enhancing game development capacity and increase the investment in game technology to increase the number of self developed games; (v) consolidating market position and enhancing marketing efforts; (vi) pursuing strategic alliances and acquisition opportunities; and (vii) working capital and other general corporate purposes as disclosed in the prospectus of the Company dated 31 December 2015.

For the three months ended 31 March 2016, the Group recorded a net profit of approximately HK\$1.5 million as compared to a net profit of approximately HK\$6.9 million for the same period in 2015. Due to factors as elaborated below, the Group's profit for the three months ended 31 March 2016 represented a decrease of approximately 78.3% as compared to the profit of the three months ended 31 March 2015. The Directors are of the view that the downturn experienced by the Group during this quarter was temporary. In view of the expected game launch date, the Directors believe that the Group's revenue will catch up and the current situation will be improved by the end of this financial year. To ensure the success of the Group, the Board will closely monitor the performance of the Group and the Group will continue to pursue the key business strategies to expand game portfolio through introducing more high-quality licensed games with a focus on mobile games and consolidate market position and enhance marketing efforts. Generally, the Directors remain optimistic about the future of Hong Kong's game industry.

FINANCIAL REVIEW

Revenue

The Group's revenue decreased by approximately 14.3% from approximately HK\$29.6 million for the three months ended 31 March 2015 to approximately HK\$25.4 million for the three months ended 31 March 2016, primarily attributable to the combined effect of (i) a HK\$4.6 million decrease in its game operation income from its licensed games primarily due to the relatively lower revenue contribution from the product launch during the three months ended 31 March 2016 in contrast with the significant increase in revenue recorded in the corresponding period last year as a result of the launch of Demi-Gods and Semi-Devils 3D* (天龍八部3D) in February 2015; (ii) a HK\$0.8 million increase in its game publishing income from mobile games; and (iii) a HK\$0.2 million decrease in our game publishing income from its online PC games for the three months ended 31 March 2016.



Cost of services rendered

The Group's cost of services rendered for the three months ended 31 March 2016 was approximately HK\$15.9 million, representing an increase of approximately 13.6% from approximately HK\$14.0 million for the corresponding period in 2015, primarily attributable to the combined effect of (i) a HK\$0.8 million increase in channel fees primarily resulted from the operation and publishing of more mobile games in the first quarter of 2016 which were more dependent on services by third-party distribution platforms than that for online PC games and web games; (ii) a HK\$0.8 million increase in staff cost primarily resulted from an increase in its headcount; and (iii) a HK\$0.5 million increase in amortization of its intangible assets during the three months ended 31 March 2016.

Gross profit and gross profit margin

The Group's gross profit for the three months ended 31 March 2016 was approximately HK\$9.5 million, representing a decrease of approximately 39.1% from approximately HK\$15.6 million for the three months ended 31 March 2015, primarily due to a decrease in the Group's game operation income from the Group's licensed games and an increase in the Group's cost of services rendered.

The Group's gross profit margin for the three months ended 31 March 2016 was approximately 37.4%, representing a decrease of approximately 15.4 percentage points compared to approximately 52.8% for the three months ended 31 March 2015. The decrease in the Group's gross profit margin was primarily due to the decreased in revenue from licensed games and partly due to fixed cost of services rendered were increased, such as staff cost and amortization of its intangible assets.

Selling expenses

The Group's selling expenses for the three months ended 31 March 2016 were approximately HK\$3.3 million, representing a decrease of approximately 21.4% from approximately HK\$4.2 million for the corresponding period in 2015, primarily attributable to a HK\$1.0 million decrease in marketing and promotion costs as a result of relatively lower marketing and promotion expense for the introduction of new games in the first quarter of 2016.

Administrative expenses

The Group's administrative expenses for the three months ended 31 March 2016 were approximately HK\$4.2 million, representing an increase of approximately 31.3% from approximately HK\$3.2 million for the three months ended 31 March 2015, primarily due to a HK\$0.8 million of listing expenses for the services rendered by professional parties for the listing process.

Profit for the period

The Group's net profit decreased by approximately 78.3% from approximately HK\$6.9 million for the three months ended 31 March 2015 to approximately HK\$1.5 million for the three months ended 31 March 2016, primarily attributable to the combined effect of (i) a HK\$6.1 million decrease in the gross profit for the three months ended 31 March 2016 primarily attributable to a decrease in the Group's revenue contributed by the Group's game operation income from the Group's licensed games; (ii) a HK\$0.9 million decrease in the selling expenses primarily attributable to relatively lower marketing and promotion costs for game promotion; and (iii) a HK\$1.0 million increase in the administrative expenses primarily attributable to the recognition of listing expenses for the three months ended 31 March 2016.



OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTEREST AND SHORT POSITION IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at the date of this report, the interests and short positions of the Directors and chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of Securities and Futures Ordinance ("SFO")) which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:

Long position in Shares and underlying Shares:

Name of Director/ chief executive	Capacity/Nature of interest	Total number of Shares	Approximate percentage of shareholding
Ms. Wong Pui Yain (<i>Note 1</i>)	Interest of controlled corporation	66,787,235	41.74%
Mr. Sze Yan Ngai (Chairman) (<i>Note 2</i>)	Interest of controlled corporation	31,248,722	19.53%

Notes:

- (1) Ms. Wong Pui Yain ("Ms. Wong") holds 50% of the issued share capital of PC Asia Limited ("PC Asia"), which directly holds 99% and indirectly holds 1%, through PC Asia Nominees Limited ("PC Asia Nominees"), of the issued share capital of PC Investment Limited ("PCIL"). By virtue of the SFO, Ms. Wong is deemed to be interested in the 66,787,235 Shares in which PCIL is interested.
- (2) Mr. Sze Yan Ngai ("Mr. Sze") holds 50% of the issued share capital of Right One Global Limited ("Right One"), which holds 21,874,107 Shares. In addition, Mr. Sze holds 70% of the shares in the entire issued share capital of Gameone Holdings Limited ("Gameone (BVI)") holding 9,374,615 Shares. By virtue of the SFO, Mr. Sze is deemed to be interested in the Shares in which Right One and Gameone (BVI) are interested.

Save as disclosed above, as at the date of this report, none of the Directors and chief executives of the Company had any interests or short positions in any shares, underlying shares and debenture of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which would have to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.



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

So far as is known to the Directors or chief executives of the Company, as at the date of this report, the following persons (other than Directors or chief executives of the Company) had, or were deemed or taken to have interests or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

Long positions in ordinary shares of the Company

Name of shareholders	Nature of interest	Number of Shares or securities held	Approximate percentage of interest in the Company
Mr. Wong Kiam Seng (<i>Note 1</i>)	Interest of controlled corporation	66,787,235	41.74%
PCIL (<i>Note 2</i>)	Beneficial owner	66,787,235	41.74%
PC Asia (<i>Note 2</i>)	Interest of controlled corporation	66,787,235	41.74%
Ms. Chan Lai Chu (<i>Note 5</i>)	Interest of controlled corporation/ Interest of spouse	31,248,722	19.53%
Right One (<i>Note 3</i>)	Beneficial owner	21,874,107	13.67%
Nineyou International Limited (<i>Note 4</i>)	Beneficial owner	18,367,182	11.48%
Heartland Investment Limited	Interest of controlled corporation	18,367,182	11.48%
Gameone (BVI)	Beneficial owner	9,374,615	5.86%

Notes:

- (1) PC Asia is beneficially owned by Ms. Wong as to 50% and Mr. Wong Kiam Seng ("Mr. Wong") as to 50%. Mr. Wong is the father of Ms. Wong.
- (2) PCIL is beneficially owned by PC Asia as to 99% and PC Asia Nominees as to 1%. PC Asia Nominees is beneficially owned by PC Asia.
- (3) Mr. Sze holds 50% of the issued share capital of Right One which holds 21,874,107 Shares. In addition, Mr. Sze holds 70% of the entire issued share capital of Gameone (BVI), which in turn holds 9,374,615 Shares. By virtue of the SFO, Mr. Sze is deemed to be interested in the Shares in which Right One and Gameone (BVI) are interested.
- (4) Based on the information provided by Nineyou International Limited ("NYIL"), NYIL is beneficially owned by Heartland Investment Limited as to approximately 44.443%, Wollerton Investments Pte. Ltd. as to approximately 18.958%, Fair Gold International Limited as to approximately 15.612%, Everstar Overseas Holding Ltd. as to approximately 10.036%, Star Fortune Overseas Holding Limited as to approximately 8% and Hongxin International Holdings Limited as to approximately 2.951%, all of whom are independent third parties.
- (5) Ms. Chan Lai Chu ("Mrs. Sze") holds 50% of the issued share capital of Right One which holds 21,874,107 Shares. In addition, Mrs. Sze is the spouse of Mr. Sze. Mr. Sze holds 70% of the issued share capital of Gameone (BVI) which holds 9,374,615 Shares. Under the SFO, Mrs. Sze is deemed to be interested in the Shares in which Right One and Gameone (BVI) are interested.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

The Shares of the Company have been listed on the GEM of the Stock Exchange since the Date of Listing. Save as the Listing, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities from the Date of Listing to 31 March 2016.



COMPETITION AND CONFLICT OF INTERESTS

None of the Directors, the management shareholders or substantial shareholders of the Company or any of its respective associates has engaged in any business that competes or may compete, either directly or indirectly, with the businesses of the Group, as defined in the GEM Listing Rules, or has any other conflict of interests with the Group during the three months ended 31 March 2016.

DIRECTORS' SECURITIES TRANSACTIONS

The Company adopted the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding directors' securities transactions in securities of the Company. Based on specific enquiry made with the Directors, all Directors confirmed that they had fully complied with the required standard of dealings and there was no event of non-compliance from the Date of Listing up to the date of this report.

INTERESTS OF THE COMPLIANCE ADVISER

As confirmed by the Group's compliance adviser, Innovax Capital Limited (the "Compliance Adviser"), save as the compliance adviser agreement entered into between the Company and the Compliance Adviser dated 18 December 2015, none of the Compliance Adviser or its directors, employees or associates (as defined under the GEM Listing Rules) had any interest in the Group or in the share capital of any member of the Group which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

CORPORATE GOVERNANCE PRACTICE

The Company has applied the principles and code provisions in the Corporate Governance Code and Corporate Governance Report (the "Code") as set out in Appendix 15 to the GEM Listing Rules. In the opinion of the Board, the Company has complied with the Code from the Date of Listing up to the date of this report.

AUDIT COMMITTEE

The audit committee of the Company reviewed the unaudited condensed consolidated results of the Group for the three months ended 31 March 2016 with the management and is of the view that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures had been made.

By order of the Board
Gameone Holdings Limited
Sze Yan Ngai
Chairman and Executive Director

Hong Kong, Thursday, 12 May 2016

As at the date of this report, the executive Directors are Mr. Sze Yan Ngai and Mr. Lam Kin Fai; the non-executive Directors are Ms. Wong Pui Yain and Mr. Hong Ming Sang; and the independent non-executive Directors are Mr. Yung Kai Tai, Dr. Fung Ying Him Anthony and Mr. Lu Tak Meng Teddy.

