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GAMEONE HOLDINGS LIMITED
智 傲 控 股 有 限 公 司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8282)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

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 and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, 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 announcement 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 announcement misleading.*

The Board is pleased to announce the audited consolidated results of the Group for the year ended 31 December 2019, together with the audited comparative figures for the preceding year as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2019

	Notes	**2019**	2018
		HK$'000	*HK$'000*
Revenue	*5*	**80,180**	105,447
Cost of services rendered		**(57,113)**	(83,883)
Gross profit		**23,067**	21,564
Other income	*5*	**3,430**	777
Selling expenses		**(14,525)**	(18,920)
Administrative expenses		**(12,722)**	(17,176)
Other expenses		**(1,092)**	(10,879)
Finance cost	*6*	**(121)**	–
Loss before income tax	*6*	**(1,963)**	(24,634)
Income tax credit	*7*	**–**	–
Loss for the year		**(1,963)**	(24,634)
Other comprehensive income			
Item that may be reclassified subsequently to profit or loss			
Exchange difference on translation of financial statements of foreign operations		**(256)**	413
Other comprehensive income for the year		**(256)**	413
Total comprehensive income for the year		**(2,219)**	(24,221)
Loss for the year attributable to:			
Owners of the Company		**(1,863)**	(24,340)
Non-controlling interests		**(100)**	(294)
		(1,963)	(24,634)
Total comprehensive income attributable to:			
Owners of the Company		**(2,119)**	(23,927)
Non-controlling interests		**(100)**	(294)
		(2,219)	(24,221)
		HK$	*HK$*
Losses per share	*9*		
– Basic and Diluted		**(0.01)**	(0.15)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2019

	Notes	2019 HK$'000	2018 HK$'000
ASSETS AND LIABILITIES			
Non-current assets			
Property, plant and equipment		**653**	1,739
Intangible assets		**4,850**	8,080
Right of use assets		**1,302**	–
		6,805	9,819
Current assets			
Inventories		**–**	23
Trade receivables	*10*	**3,127**	5,137
Prepayments, deposits and other receivables	*11*	**7,548**	7,727
Tax recoverable		**–**	98
Cash at banks and on hand		**44,981**	45,684
		55,656	58,669
Current liabilities			
Trade payables	*12*	**2,038**	3,744
Accrued expenses and other payables	*13*	**5,346**	5,671
Contract liabilities	*13*	**8,535**	11,674
Amount due to a related company	*14*	**–**	43
Tax payable		**77**	–
Lease liabilities		**1,328**	–
		17,324	21,132
Net current assets		**38,332**	37,537
Total assets less current liabilities		**45,137**	47,356
Non-current liabilities			
Deferred taxation		**–**	–
Net assets		**45,137**	47,356
EQUITY			
Share capital		**1,600**	1,600
Reserves		**43,537**	45,656
Equity attributable to the Company's owners		**45,137**	47,256
Non-controlling interests		**–**	100
Total equity		**45,137**	47,356

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2019

1. CORPORATE INFORMATION

Gameone Holdings Limited was incorporated in Cayman Islands with limited liability under the Companies Law of 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 No.07, 5/F, Workingberg Commercial Building, Nos.41-47 Marble Road, Hong Kong.

The Company's shares were listed on GEM of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 13 January 2016.

The principal activity of the Company is investment holding. The principal activities of the Group are engaged in development, operation, publishing and distribution of online and mobile games (the "**Core Business**") in Hong Kong, People's Republic of China (the "**PRC**") and Taiwan.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) Adoption of new/revised HKFRSs-effective 1 January 2019

The HKICPA has issued a number of new or amended HKFRSs that are first effective for the current accounting period of the Group:

HKFRS 16	Leases
HK(IFRIC)-Int 23	Uncertainty over Income Tax Treatments
Amendments to HKFRS 9	Prepayment Features with Negative Compensation
Amendments to HKAS 19	Plan Amendment, Curtailment or Settlement
Amendments to HKAS 28	Long-term Interests in Associates and Joint Ventures
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 3, Business Combinations
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKFRS 11, Joint Arrangements
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKAS 12, Income Taxes
Annual Improvements to HKFRSs 2015-2017 Cycle	Amendments to HKAS 23, Borrowing Costs

The impact of the adoption of HKFRS 16 Leases have been summarised in below. The other new or amended HKFRSs that are effective from 1 January 2019 did not have any significant impact on the group's accounting policies.

(i) Impact of the adoption of HKFRS 16

HKFRS 16 brings significant changes in accounting treatment for lease accounting, primarily for accounting for lessees. It replaces HKAS 17 Leases ("**HKAS 17**"), HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease, HK(SIC)-Int 15 Operating Leases-Incentives and HK(SIC)-Int 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. From a lessee's perspective, almost all leases are recognised in the statement of financial position as right-of-use assets and lease liabilities, with the narrow exception to this principle for leases which the underlying assets are of low-value or are determined as short-term leases. From a lessor's perspective, the accounting treatment is substantially unchanged from HKAS 17. For details of HKFRS 16 regarding its new definition of a lease, its impact on the Group's accounting policies and the transition method adopted by the Group as allowed under HKFRS 16, please refer to section (ii) to (v) of this note.

The Group has applied HKFRS 16 using the modified retrospective approach and recognised all the cumulative effect of initially applying HKFRS 16 as an adjustment to the opening balance at the date of initial application. The comparative information presented in 2018 has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16.

The following tables summarised the impact of transition to HKFRS 16 on statement of financial position as of 31 December 2018 to that of 1 January 2019 as follows (increase/(decrease)):

	HK$'000
Statement of financial position as at 1 January 2019	
Right-of-use assets	**3,084**
Lease liabilities (non-current)	**1,302**
Lease liabilities (current)	**1,782**

The following reconciliation explains how the operating lease commitments disclosed applying HKAS 17 at the end of 31 December 2018 could be reconciled to the lease liabilities at the date of initial application recognised in the statement of financial position as at 1 January 2019:

	HK$'000
Reconciliation of operating lease commitment to lease liabilities	
Operating lease commitment as of 31 December 2018	**3,346**
Less: short term leases for which lease terms end within 31 December 2019	**(105)**
Less: leases of low-value assets	**(17)**
	3,224

The weighted average lessee's incremental borrowing rate applied to lease liabilities recognised in the statement of financial position as at 1 January 2019 is 5.12%.

Total lease liabilities as of 1 January 2019	**3,084**

(ii) The new definition of a lease

Under HKFRS 16, a lease is defined as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration. A contract conveys the right to control the use of an identified asset for a period of time when the customer, throughout the period of use, has both: (a) the right to obtain substantially all of the economic benefits from use of the identified asset and (b) the right to direct the use of the identified asset.

For a contract that contains a lease component and one or more additional lease or non-lease components, a lessee shall allocate the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate stand-alone price of the non-lease components, unless the lessee apply the practical expedient which allows the lessee to elect, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

(iii) Accounting as a lessee

Under HKAS 17, a lessee has to classify a lease as an operating lease or a finance lease based on the extent to which risks and rewards incidental to ownership of a lease asset lie with the lessor or the lessee. If a lease is determined as an operating lease, the lessee would recognise the lease payments under the operating lease as an expense over the lease term. The asset under the lease would not be recognised in the statement of financial position of the lessee.

Under HKFRS 16, all leases (irrespective of they are operating leases or finance leases) are required to be capitalised in the statement of financial position as right-of-use assets and lease liabilities, but HKFRS 16 provides accounting policy choices for an entity to choose not to capitalise (i) leases which are short-term leases and/or (ii) leases for which the underlying asset is of low-value. The Group has elected not to recognise right-of-use assets and lease liabilities for lease of low-value assets (the Group has leased photocopying machines) and leases for which at the commencement date have a lease term less than 12 months. The lease payments associated with those leases have been expensed on straight-line basis over the lease term.

The Group recognised a right-of-use asset and a lease liability at the commencement date of a lease.

Right-of-use asset

The right-of-use asset should be recognised at cost and would comprise: (i) the amount of the initial measurement of the lease liability (see below for the accounting policy to account for lease liability); (ii) any lease payments made at or before the commencement date, less any lease incentives received; (iii) any initial direct costs incurred by the lessee and (iv) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The Group measures the right-of-use assets applying a cost model. Under the cost model, the Group measures the right-to-use at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liability.

Lease liability

The lease liability should be recognised at the present value of the lease payments that are not paid at the date of commencement of the lease. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group shall use the Group's incremental borrowing rate.

The following payments for the right-to-use the underlying asset during the lease term that are not paid at the commencement date of the lease are considered to be lease payments: (i) fixed payments less any lease incentives receivable: (ii) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at commencement date; (iii) amounts expected to be payable by the lessee under residual value guarantees; (iv) the exercise price of a purchase option if the lessee is reasonably certain to exercise that option and (v) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Subsequent to the commencement date, a lessee shall measure the lease liability by: (i) increasing the carrying amount to reflect interest on the lease liability; (ii) reducing the carrying amount to reflect the lease payments made; and (iii) remeasuring the carrying amount to reflect any reassessment or lease modifications, e.g., a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in substance fixed lease payments or a change in assessment to purchase the underlying asset.

(v) Transition

As mentioned above, the Group has applied HKFRS 16 using the modified retrospective approach and recognised all the cumulative effect of initially applying HKFRS 16 as an adjustment to the opening balance of retained earnings at the date of initial application (1 January 2019). The comparative information presented in 2018 has not been restated and continues to be reported under HKAS 17 and related interpretations as allowed by the transition provision in HKFRS 16.

The Group has recognised the lease liabilities at the date of 1 January 2019 for leases previously classified as operating leases applying HKAS 17 and measured those lease liabilities at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate at 1 January 2019.

The Group has elected to recognise the right-of-use assets at 1 January 2019 for leases previously classified operating leases under HKAS 17, an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position immediately before the date of initial application. For all these right-of-use assets, the Group has applied HKAS 36 Impairment of Assets at 1 January 2019 to assess if there was any impairment as on that date.

The Group has also applied the follow practical expedients: (i) applied a single discount rate to a portfolio of leases with reasonably similar characteristics; and (ii) applied the exemption of not to recognise right-of-use assets and lease liabilities for leases with term that will end within 12 months of the date of initial application (1 January 2019) and accounted for those leases as short-term leases.

In addition, the Group has also applied the practical expedients such that: (i) HKFRS 16 is applied to all of the Group's lease contracts that were previously identified as leases applying HKAS 17 and HK(IFRIC)-Int 4 Determining whether an Arrangement contains a Lease; and (ii) not to apply HKFRS 16 to contracts that were not previously identified as containing a lease under HKAS 17 and HK(IFRIC)-Int4.

HK(IFRIC)-Int 23 – Uncertainty over Income Tax Treatments

The Interpretation supports the requirements of HKAS 12, Income Taxes, by providing guidance over how to reflect the effects of uncertainty in accounting for income taxes.

Under the Interpretation, the entity shall determine whether to consider each uncertain tax treatment separately or together based on which approach better predicts the resolution of the uncertainty. The entity shall also assume the tax authority will examine amounts that it has a right to examine and have full knowledge of all related information when making those examinations. If the entity determines it is probable that the tax authority will accept an uncertain tax treatment, then the entity should measure current and deferred tax in line with its tax filings. If the entity determines it is not probable, then the uncertainty in the determination of tax is reflected using either the "most likely amount" or the "expected value" approach, whichever better predicts the resolution of the uncertainty.

Amendments to HKFRS 9-Prepayment Features with Negative Compensation

The amendments clarify that prepayable financial assets with negative compensation can be measured at amortised cost or at fair value through other comprehensive income if specified conditions are met – instead of at fair value through profit or loss.

Amendments to HKAS 19 – Plan amendments, curtailment or settlement

The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company should use updated actuarial assumptions to determine its current service cost and net interest for the period. Additionally, the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income.

Amendments to HKAS 28-Long-term Interests in Associates and Joint Ventures

The amendment clarifies that HKFRS 9 applies to long-term interests ("**LTI**") in associates or joint ventures which form part of the net investment in the associates or joint ventures and stipulates that HKFRS 9 is applied to these LTI before the impairment losses guidance within HKAS 28.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 3, Business Combinations

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 3 which clarifies that when a joint operator of a business obtains control over a joint operation, this is a business combination achieved in stages and the previously held equity interest should therefore be remeasured to its acquisition date fair value.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKFRS 11, Joint Arrangements

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKFRS 11 which clarify that when a party that participates in, but does not have joint control of, a joint operation which is a business and subsequently obtains joint control of the joint operation, the previously held equity interest should not be remeasured to its acquisition date fair value.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 12, Income Taxes

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 12 which clarify that all income tax consequences of dividends are recognised consistently with the transactions that generated the distributable profits, either in profit or loss, other comprehensive income or directly in equity.

Annual Improvements to HKFRSs 2015-2017 Cycle – Amendments to HKAS 23, Borrowing Costs

The amendments issued under the annual improvements process make small, non-urgent changes to standards where they are currently unclear. They include amendments to HKAS 23 which clarifies that a borrowing made specifically to obtain a qualifying asset which remains outstanding after the related qualifying asset is ready for its intended use or sale would become part of the funds an entity borrows generally and therefore included in the general pool.

(b) New/revised HKFRSs that have been issued but are not yet effective

The following new/revised HKFRSs, potentially relevant to the Group's financial statements, have been issued, but are not yet effective and have not been early adopted by the Group. The Group's current intention is to apply these changes on the date they become effective.

Amendments to HKFRS 3	Definition of a business[1]
Amendments to HKAS 1 and HKAS 8	Definition of material[1]
Amendments to HKFRS 9, HKAS 39 and HKFRS 7	Interest Rate Benchmark Reform[1]
HKFRS 17	Insurance Contracts[2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]

1 Effective for annual periods beginning on or after 1 January 2020

2 Effective for annual periods beginning on or after 1 January 2021

3 The amendments were originally intended to be effective for periods beginning on or after 1 January 2018. The effective date has now been deferred/removed. Early application of the amendments of the amendments continue to be permitted.

Amendments to HKFRS 3 – Definition of a business

The amendments clarify that a business must include, as a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs, together with providing extensive guidance on what is meant by a "substantive process".

Additionally, the amendments remove the assessment of whether market participants are capable of replacing any missing inputs or processes and continuing to produce outputs, whilst narrowing the definition of "outputs" and a "business" to focus on returns from selling goods and services to customers, rather than on cost reductions.

An optional concentration test has also been added that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

Amendments to HKAS 1 and HKAS 8 – Definition of material

The amendments clarify the definition and explanation of "material", aligning the definition across all HKFRS Standards and the Conceptual Framework, and incorporating supporting requirements in HKAS 1 into the definition.

Amendments to HKFRS 9, HKAS 39 and HKFRS 7 – Interest Rate Benchmark Reform

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainties caused by interest rate benchmark reform. In addition, the amendments require companies to provide additional information to investors about their hedging relationships which are directly affected by these uncertainties.

HKFRS 17 – Insurance Contracts

HKFRS 17 will replace HKFRS 4 as a single principle-based standard for the recognition, measurement, presentation and disclosure of insurance contracts in the financial statements of the issuers of those contracts.

Amendments to HKFRS 10 and HKAS 28-Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify the extent of gains or losses to be recognised when an entity sells or contributes assets to its associate or joint venture. When the transaction involves a business the gain or loss is recognised in full, conversely when the transaction involves assets that do not constitute a business the gain or loss is recognised only to the extent of the unrelated investors' interests in the joint venture or associate.

The Group is not yet in a position to state whether these new pronouncements will result in substantial changes to the Group's accounting policies and financial statements.

3. BASIS OF PREPARATION

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards ("**HKASs**") and Interpretations (hereinafter collectively referred to as the "**HKFRS**") and the provisions of the Hong Kong Companies Ordinance which concern the preparation of financial statements. In addition, the financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange.

(b) Basis of measurements

The financial statements have been prepared under the historical cost convention.

(c) Functional and presentation currency

The financial statements are presented in Hong Kong dollars ("**HK$**"), which is the same as the functional currency of the Company.

4. SEGMENT INFORMATION

An operating segment is a component of the Group that is engaged in business activities from which the Group may earn revenue and incur expenses, and is defined on the basis of the internal management reporting information that is provided to and regularly reviewed by the executive directors in order to allocate resources and assess performance of the segment. During the Year, executive Directors regularly review revenue and operating results derived from development, operation, publishing and distribution of online and mobile games and consider as one single operating segment. The game operation income and license fee income are recognized over time while the game publishing income is recognized at a point in time.

The Company is an investment holding company and the principal place of the Group's operation is in Hong Kong. For the purpose of segment information disclosures under HKFRS 8, the Group regarded Hong Kong as its country of domicile.

Geographical information

The Group's revenue and information about its non-current assets by geographical location are detailed below.

	2019	2018
	HK$'000	*HK$'000*
By country/region		
Hong Kong (place of domicile)	**70,187**	96,231
Taiwan	**9,920**	9,025
Others	**73**	191
	80,180	105,447

Non-current assets

	2019	2018
	HK$'000	*HK$'000*
By country/region		
Hong Kong (place of domicile)	**6,710**	9,450
Taiwan	**95**	366
PRC	**–**	3
	6,805	9,819

Information about major customers

There is no single customer contributed to 10% or more revenue to the Group's revenue for the year.

5. REVENUE AND OTHER INCOME

Disaggregation of revenue from contracts with the customers by type categories and other income are as follows:

	2019	2018
	HK$'000	*HK$'000*
Revenue from contracts with customer within the scope of HKFRS 15:		
Game operation income	**78,438**	102,754
Game publishing income	**921**	1,794
Royalty income	**424**	489
License fee income	**397**	410
	80,180	105,447
Other income		
Interest income	**384**	116
Other income	**3,046**	661
	3,430	777
	83,610	106,224

6. LOSS BEFORE INCOME TAX

Loss before income tax expense is arrived at after charging/(crediting):

	2019	2018
	HK$'000	*HK$'000*
Under Cost of services rendered:		
Amortisation of intangible assets	**4,558**	9,050
Royalty expenses	**17,210**	33,079
Services charged by game distribution channels	**19,670**	25,912
Under administrative expenses:		
Auditor's remuneration	**606**	607
Exchange (gain)/losses, net	**(3)**	297
Operating lease charges	**–**	2,556
Lease payments not included in the measurement of lease liabilities	**161**	–
Depreciation of right of use assets	**1,850**	–
Under other expenses:		
Impairment on intangible assets	**1,032**	4,754
Loss on disposal of property, plant and equipment	**–**	149
Written off of prepayments	**–**	5,575
Under finance cost:		
Interest expense on lease liabilities	**121**	–
Depreciation of property, plant and equipment:		
– Under cost of services rendered	**746**	1,188
– Under administrative expenses	**517**	968
	1,263	2,156
Staff costs excluding directors' remuneration:		
– Salaries and allowances	**16,031**	15,608
– Contributions on defined contribution retirement plan	**931**	1,331
– Discretionary bonuses	**–**	835
	16,962	17,774

No depreciation was included in the cost of research and development for the year ended 31 December 2019 (2018: Nil). The salaries included in the cost of research and development for the year ended 31 December 2019 amounted to approximately HK$6,943,000 (2018: approximately HK$6,722,000).

7. INCOME TAX CREDIT

	2019	2018
	HK$'000	*HK$'000*
Current tax – Hong Kong Profits Tax		
– Tax for the year	**–**	–
– Over provision in prior years	**–**	–
Current tax – PRC Tax		
– Tax for the year	**–**	–
Deferred tax	**–**	–
Income tax credit	**–**	–

No provision for PRC Enterprise Income Tax (the "**EIT**") was made as the Group has not generated any tax assessable profits in the PRC for both years. A provision for the EIT in the PRC is calculated at the applicable rate of 25% in accordance with the relevant laws and regulation in PRC.

No Profits Tax for the Taiwan branch has been provided as the Taiwan branch has not generated any tax assessable profits in Taiwan for both years. A provision for the EIT in the Taiwan is calculated at the applicable rate of 17% in accordance with the relevant laws and regulation in Taiwan.

No provision for Hong Kong Profits Tax was made as the Group has not generated any tax assessable profits in Hong Kong for both years. A provision for Hong Kong Profits Tax is calculated at the applicable rate of 16.5% for the Group's estimated assessable profits derived in Hong Kong.

Reconciliation between income tax credit and accounting loss at applicable tax rate is as follows:

	2019	2018
	HK$'000	*HK$'000*
Loss before income tax	**(1,963)**	(24,634)
Tax on loss before income tax, calculated at rates applicable to profits in the tax jurisdictions concerned	**(230)**	(3,937)
Tax effect of non-deductible expenses	**326**	85
Tax effect of non-taxable revenue	**(17)**	(2)
Tax effect of tax losses not recognised	**(79)**	3,803
Other	**–**	51
Income tax credit	**–**	–

8. DIVIDENDS

No dividends have been paid or declared by the Company or any of the subsidiaries during the year (2018: Nil).

9. LOSSES PER SHARE

The calculation of basic losses per share is based on the loss attributable to the owners of the Company and on the basis of the weighted average number of 160,000,000 ordinary shares (2018: 160,000,000 ordinary shares) in issue.

The calculation of basic loss per share is based on the loss attributable to the owners of the Company on the basis of weighted average number of 160,000,000 ordinary shares in issue, being the number of shares of the Company after the completion of the Group reorganisation, capitalisation issue, and placing of shares upon the listing of the Company's shares on GEM of the Stock Exchange on 13 January 2016.

No diluted earnings per share is calculated for the year ended 31 December 2019 (2018: Nil) as there was no potential dilutive ordinary share in existence.

10. TRADE RECEIVABLES

	2019	2018
	HK$'000	*HK$'000*
Trade receivables	**3,127**	5,137

The Group normally allows credit period within 60 days to its trade debtors. At each reporting date, the Group reviews receivables for evidence of impairment on both an individual and collective basis.

The ageing analysis of trade receivables (net of impairment losses), based on the invoice date, as of the end of the reporting period is as follows:

	2019	2018
	HK$'000	*HK$'000*
Not more than 30 days	**2,950**	4,478
30-60 days	**153**	577
Over 60 days	**24**	82
	3,127	5,137

At each reporting date, the Group reviews receivables for evidence of impairment on both individual and collective basis. During the year ended 31 December 2019, the Group has no written off trade receivables (2018: Nil) directly to the profit or loss for the year. The expected credit loss rate on trade receivables was assessed to be minimal and no provision was made for the year.

The directors consider that the carrying amounts of trade receivables approximate their fair value.

11. PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

	2019	2018
	HK$'000	*HK$'000*
Prepayments	**6,545**	6,337
Deposits	**564**	561
Other receivables	**439**	829
	7,548	7,727

12. TRADE PAYABLES

The Group's trade payables mainly due to its suppliers which are aged within 30 days, based on invoice date.

13. ACCRUED EXPENSES, OTHER PAYABLES AND CONTRACT LIABILITIES

	2019	2018
	HK$'000	*HK$'000*
Accrued expenses	**3,736**	4,114
Other payables	**1,610**	1,557
	5,346	5,671

CONTRACT LIABILITIES

	2019	2018
	HK$'000	*HK$'000*
Receipt in advance	**320**	3,860
Deferred income	**8,215**	7,814
	8,535	11,674

Typical payment terms which impact on the amount of contract liabilities are as follows:

Contract liabilities mainly represents the unamortised portion of income received in respect of in-game virtual items paid by paying players.

Movements in contract liabilities

	2019	2018
	HK$'000	*HK$'000*
Balance as at 1 January	**11,674**	16,759
Decrease in contract liabilities as a result of recognising revenue during the year that was included in the contract liabilities at the beginning of the year	**(11,674)**	(16,759)
Increase in contract liabilities as a result of receipts unamortised portion of income received in respect of in-game virtual items paid by paying players and prepaid royalty by licensee	**8,535**	11,674
Balance at 31 December	**8,535**	11,674

The directors consider that the carrying amounts of accrued expenses, other payables and contract liabilities approximate their fair values.

14. AMOUNT DUE TO A RELATED COMPANY

	2019	2018
	HK$'000	*HK$'000*
Suzhou Snail Digital Technology Company Limited	**–**	43

Its subsidiary, Snail Digital (HK) Limited, is a shareholder of the Company. The amount related to game operation of the Group. It was trade in nature, unsecured, interest-free and has no fixed terms of repayment.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW AND OUTLOOK

We are an integrated game developer, operator and publisher focusing on 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.

For the year ended 31 December 2019, the Group recorded a net loss of approximately HK$2.0 million as compared to a net loss of approximately HK$24.6 million for the same period in 2018. The Directors are of the view that the decrease in net loss of the Group during this year was mainly attributable to the continuing to exercise tight control over its cost of service, selling expenses and administrative expenses.

In order to increase our market share in the mobile game industry, we plan to expand our business through both organic growth and strategic partnerships. We intend to selectively invest in or enter into strategic partnerships with complementary game developers, development teams, other game operators and distributors in order to broaden the scope, spectrum and reach of our games, particularly mobile games. The Board will closely monitor the performance of the Group and the Group will continue to pursue the key business strategies to expand its gaming portfolio through introducing more high-quality licensed games with a focus on mobile games, to consolidate market position and to enhance marketing efforts.

PRINCIPAL RISKS AND UNCERTAINTIES FACING THE GROUP

The Group recognizes the importance of risk management practices. Thus, it endeavors its best to mitigate its exposure to operating and financial risks in an effective and efficient manner.

The principal risks, challenges and uncertainties faced by the Group include: (i) the mobile game industry is highly competitive; (ii) the game industry is subject to rapid technological changes which may render our games obsolete or unattractive to our users; (iii) we may not be able to extend licenses for our existing licensed games or introduce new licensed games, which will materially and adversely affect our revenue; and (iv) we rely on key personnel and our business may be severely disrupted if we lose the services of our key executives and employees.

FINANCIAL REVIEW

Revenue

The Group's revenue was approximately HK$80.2 million for the year ended 31 December 2019 representing a decrease of approximately 23.9% from approximately HK$105.4 million for the corresponding period in 2018, which was primarily attributable to approximately HK$25.2 million decrease in our game operation income, mainly from our licensed mobile games namely Demi Gods and Semi Devils (Mobile Version) (天龍八部手機版).

Revenue by game ownership and forms

The following table sets out a breakdown of our revenue by its type in absolute amounts and as percentage of our revenue for the periods indicated:

	For the year ended 31 December			
	2019		2018	
	HK$'000	*%*	*HK$'000*	*%*
Game operation income				
– Self/co-developed games	**19,195**	**23.9**	9,670	9.2
– Licensed games	**59,243**	**73.9**	93,084	88.3
Game publishing income				
– Games for publishing	**921**	**1.2**	1,794	1.7
Income from game operation and publishing	**79,359**	**99.0**	104,548	99.2
Royalty income	**424**	**0.5**	489	0.5
License fee income	**397**	**0.5**	410	0.3
Total	**80,180**	**100.0**	105,447	100.0

We offered our games in two forms: mobile games and online PC games. The following table sets out a revenue breakdown by game forms in absolute amounts and as percentage of our revenue for the periods indicated:

	For the year ended 31 December			
	2019		2018	
	HK$'000	**%**	*HK$'000*	*%*
Mobile games	**72,279**	**90.1**	95,709	90.8
Online PC games	**7,080**	**8.9**	8,839	8.4
Income from game operation and publishing	**79,359**	**99.0**	104,548	99.2
Royalty income	**424**	**0.5**	489	0.5
License fee income	**397**	**0.5**	410	0.3
Total	**80,180**	**100.0**	105,447	100.0

Cost of services rendered

The Group's cost of services rendered for the year ended 31 December 2019 was approximately HK$57.1 million, representing a decrease of approximately 31.9% from approximately HK$83.9 million for the corresponding period in 2018, which was primarily attributable to the combined effect of (i) an approximately HK$6.2 million decrease in channel fees; (ii) an approximately HK$15.9 million decrease in royalty expenses; and (iii) an approximately HK$4.4 million decrease in amortization of intangible assets during the year ended 31 December 2019.

Gross profit and gross profit margin

The Group's gross profit for the year ended 31 December 2019 was approximately HK$23.1 million, representing an increase of approximately 6.9% from approximately HK$21.6 million for the year ended 31 December 2018, primarily due to a decrease in royalty expenses and channel fee of the Group's licensed mobile games. The Group's gross profit margin for the year ended 31 December 2019 was approximately 28.8%, representing an increase of approximately 8.3 percentage points compared to approximately 20.5% for the year ended 31 December 2018. The increase in the Group's gross profit margin was primarily due to the decrease in royalty expenses and channel fee of the Group's licensed mobile games.

Selling expenses

The Group's selling expenses for the year ended 31 December 2019 were approximately HK$14.5 million, representing a decrease of approximately 23.3% from approximately HK$18.9 million for the corresponding period in 2018, primarily attributable to a decrease in advertising and promotion expenses.

Administrative expenses

The Group's administrative expenses for the year ended 31 December 2019 were approximately HK$12.7 million, representing a decrease of approximately 26.2% from approximately HK$17.2 million for the corresponding period in 2018, primarily attributable to a decrease in staff costs and legal and professional fees.

Other expenses

The Group's other expenses was approximately HK$1.1 million for the year ended 31 December 2019, representing a decrease of approximately 89.9% from approximately HK$10.9 million for the corresponding period in 2018, which was mainly attributable to the recognition of impairment loss on the intangible assets of certain games of the Group for the year ended 31 December 2018 due to the write-down of license fees paid for certain games of the Group which launched in third and fourth quarters of 2018 and failed to achieve the expected performance level.

Loss for the year

The Group recorded a loss for the year ended 31 December 2019 of approximately HK$2.0 million as compared with a loss of approximately HK$24.6 million for the corresponding period in 2018, which was primarily attributable to (i) a decrease in cost of services for the year ended 31 December 2019 due to a decrease in the royalty expenses and channel fee from the Group's licensed mobile games; (ii) a decrease in selling expenses due to the cost control on the promotion and advertising expenses; (iii) a decrease in administrative expenses as a result of a decrease in the staff cost and legal fee and professional fees ; and (iv) a decrease of impairment loss on the intangible assets of certain games of the Group.

CAPITAL STRUCTURE

The Group's shares were successfully listed on GEM on 13 January 2016 (the "**Listing Date**"). There has been no change in the capital structure of the Group since the Listing Date and up to the date of this annual report. The share capital of the Group only comprises of ordinary shares.

As at 31 December 2019, the Company's issued share capital was HK$1.6 million and the number of its issued ordinary shares was 160,000,000 of HK$0.01 each.

LIQUIDITY, FINANCIAL RESOURCES AND FUNDING

We financed our operations primarily through cash generated from our operating activities. During the year ended 31 December 2019, we did not have any bank borrowings. As at 31 December 2019, we had cash and cash equivalents of approximately HK$45.0 million (31 December 2018: approximately HK$45.7 million), which were cash at banks and on hand. No banking facility has been arranged by our Group during the year ended 31 December 2019.

Our primary uses of cash have been and are expected to continue to be operating costs and capital expenditure.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

Save as disclosed herein, there was no material acquisition and disposal of subsidiaries and associated companies by the Company during the year ended 31 December 2019.

SIGNIFICANT INVESTMENTS HELD BY THE GROUP

During the year ended 31 December 2019, there was no significant investment held by the Group.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

The Group did not have any concrete plan for material investments or capital assets as at 31 December 2019.

FOREIGN EXCHANGE EXPOSURE

Foreign currency risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Our exposures to currency risk arise mainly from its overseas income or payment on royalty and license fee, which are primarily denominated in United States dollar, Japanese Yen or Renminbi. These are not the functional currencies of our principal subsidiaries to which these transactions related. We currently do not have a foreign currency hedging policy. However, we monitor foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arises.

BORROWING AND GEARING RATIO

During the year ended 31 December 2019, we did not have any short-term or long-term bank borrowings.

As at 31 December 2019, the gearing ratio of the Group, calculated as total liabilities, divided by total assets, was approximately 27.7% (31 December 2018: approximately 30.9%).

TREASURY POLICIES

The Group adopts a conservative approach towards its treasury policies. We monitor our trade receivables on an ongoing basis and only trade with creditworthy parties. We consider the credit risk on liquid funds as low because the counterparties are major banks with high credit ratings. We are subject to concentration of credit risk since majority of our trade receivables are due from a limited number of trade debtors which were primarily the third-party game distribution platforms and payment channels. To manage liquidity risk, we closely monitors the Group's liquidity position to ensure that the liquidity structure of the Group's assets, liabilities and commitments can meet its funding requirement.

CHARGE ON GROUP ASSETS

As at 31 December 2019, no asset of the Group was pledged as a security for bank borrowing or any other financing facilities (31 December 2018: Nil).

CONTINGENT LIABILITIES

As at 31 December 2019, the Group did not have any significant contingent liabilities (31 December 2018: Nil).

COMMITMENTS

Our contract commitments mainly involve leases of office properties and acquisition of intangible assets. As at 31 December 2019, the Group's operating leases were approximately HK$0.1 million (31 December 2018: approximately HK$3.3 million) and capital commitments for acquisition of intangible assets were approximately HK$1.0 million (31 December 2018: approximately HK$2.4 million).

INFORMATION ON EMPLOYEES

As at 31 December 2019, the Group had 60 employees (31 December 2018: 69) working in Hong Kong, Taiwan and the People's Republic of China (the "**PRC**"). Employees are remunerated according to their performance and work experience. On top of basic salaries, discretionary bonus and share option may be granted to eligible staff by reference to the Group's performance as well as individual's performance. The total staff cost (including remuneration, allowances and mandatory provident funds contributions of the Directors) for the year ended 31 December 2019 amounted to approximately HK$20.0 million (31 December 2018: approximately HK$22.0 million). The dedication and hard work of the Group's staff during the year ended 31 December 2019 are generally appreciated and recognized.

SHARE OPTION SCHEME

The following is a summary of the principal terms of the share option scheme (the "**Share Option Scheme**") conditionally approved and adopted by written resolutions of the then shareholders of the Company (the "**Shareholders**") on 23 December 2015.

(a) Purpose

The purpose of the Share Option Scheme is to attract and retain the best quality personnel for the development of the Group's businesses; to provide additional incentives to the employees (whether full-time or part-time employee) and the person who is an officer of any members of the Group or any affiliates, the person who is seconded to work for any member of the Group or any affiliates, the consultant, agent, representative, adviser, customer, contractor of the Group or any affiliates and other selected participants; and to promote the long term financial success of the Group by aligning the interests of option holders to Shareholders.

(b) The participants of the Share Option Scheme

On and subject to the terms of the Share Option Scheme and the requirements of the GEM Listing Rules, the Board may offer to grant an option to the employees (whether full-time or part-time employee) and the person who is an officer of any members of the Group or any affiliates, the person who is seconded to work for any member of the Group or any affiliates, the consultant, agent, representative, adviser, customer, contractor of the Group or any affiliates and other selected participants.

(c) Maximum number of shares available for issue

The limit on the number of shares of the Company (the "**Shares**") which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Share Option Scheme and any other schemes must not exceed 30% of the Shares in issue from time to time. No options may be granted under any schemes of the Company if this will result in the limit being exceeded (the "**Overriding Limit**").

In addition to the Overriding Limit and prior to the approval of a Refreshed Mandate Limit below, the total number of Shares which may be issued upon exercise of all options to be granted under the Share Option Scheme and any other schemes of the Company must not in aggregate exceed 10% of the Shares in issue on the Listing Date. Options lapsed in accordance with the terms of the Share Option Scheme or any other schemes will not be counted for the purpose of calculating the 10% limit.

The Company may by ordinary resolutions of the Shareholders refresh the mandate limit provided the Company shall issue a circular containing such information as required by the GEM Listing Rules to Shareholders before such approval is sought. However, the total number of Shares which may be issued upon exercise of all options to be granted under all of the schemes of the Company under the limit as refreshed (the "**Refreshed Mandate Limit**") must not exceed 10% of the Shares in issue as at the date of approval of the Refreshed Mandate Limit. Options previously granted under the schemes (including those outstanding, cancelled, lapsed in accordance with any of the schemes or exercised options) will not be counted for the purpose of calculating the limit as refreshed.

The Company has refreshed the Share Option Scheme mandate limit at the annual general meeting held on 6 May 2019, representing 20% of the total number of the issued Shares on the same date (i.e. a total of 32,000,000 Shares).

(d) Maximum entitlement of each participants

The total number of Shares issued and to be issued upon exercise of options (whether exercised or outstanding) granted in any 12-month period to each Qualifying Grantee must not exceed 1% of the Shares in issue. Where any further grant of options to a Qualifying Grantee would result in the Shares issued and to be issued upon exercise of all options granted and to be granted to such person (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the Shares in issue, such further grant shall be subject to separate approval by Shareholders in general meeting with the relevant Qualifying Grantee and his close associates (or his associates if the participant is a connected person) abstaining from voting. Prior to seeking such approval, the Company shall issue a circular containing such information as required by the GEM Listing Rules to Shareholders.

(e) Acceptance and payment on acceptance of option offer

An offer shall remain open for acceptance by the Qualifying Grantee concerned for a period of 28 days from the date of the offer (or such period as the Board may specify in writing).

HK$1 is payable by the grantee to the Company on acceptance of the option offer.

(f) Option period

The period as the Board may in its absolute discretion determine and specify in relation to any particular option holder in his option agreement during which the option may be exercised (subject to such restriction on exercisability specified therein), which shall be not greater than the period prescribed by the GEM Listing Rules from time to time (which is, as at the date of adoption of the Share Option Scheme, a period of 10 years from the date of the granting of the option).

(g) Subscription price

The subscription price in respect of any particular option shall be such price as the Board may in its absolute discretion determine at the time of grant of the relevant option but the subscription price shall not be less than whichever is the highest of: (i) the closing price of the Shares as stated in the Stock Exchange's daily quotations sheet on the date of the granting of the option; (ii) the average closing prices of the Shares as stated in the Stock Exchange's daily quotation sheets for the five business days immediately preceding the date of the granting of the option; and (iii) the nominal value of a Share.

For more details of the principal terms of the Share Option Scheme, please refer to the section headed "Share Option Scheme" in Appendix IV to the Prospectus.

For the year ended 31 December 2019, no share option was granted, exercised, expired or lapsed and there was no outstanding share option under the Share Option Scheme.

FUTURE PROSPECTS

In order to adapt to the fast-changing preference of game players and increase the chance of market success of our games, we will continue to seek development rights to popular literatures, comics and animations that are attractive to local game players and possess strong monetizing potentials.

We strive to introduce high-quality games and deliver the superior game experience to players in order to retain their interests in our games. It is our constant endeavor to elevate the awareness of our brand-name in order to associate our brand with high-quality games and appealing game experience. This is achieved through investments in talents, expanding our game development team and hiring more staff, upgrades of software such as game engines, game-designing tools, and the acquisition of hardware to accommodate increasing technical demands for operating the games. Furthermore, our investment in technology, both in terms of hardware and software, would raise the entry barrier for future competitors as well as maintaining our competitive edge against existing competitors.

In order to increase our market share in the mobile game industry, we plan to expand our business through both organic growth and strategic partnerships. We intend to selectively invest in or enter into strategic partnerships with complementary game developers, development teams, other game operators and distributors in order to broaden the scope, spectrum and reach of our games, particularly mobile games.

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. During the Year, to the best knowledge of the Board, the Company has complied with all the applicable code provisions set out in the Code.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by the Directors (the "**Code of Conduct**") on terms no less exacting than the required standards of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules (the "**Required Standard Dealings**"). The Company had also made specific enquiry of all the Directors and each of them was in compliance with the Code of Conduct and Required Standard Dealings throughout the year under review. Further the Company was not aware of any non-compliance with the required standard of dealings regarding securities transactions by the Directors throughout the year under review.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES OF THE COMPANY

During the Year, neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities.

NON-COMPETITION UNDERTAKINGS

Each of Ms. Wong Pui Yain, Mr. Wong Kiam Seng and Mr. Sze Yan Ngai (together called, the "**Covenanting Shareholders**") have confirmed to the Company of their respective due compliance with the terms of the Deed of Non-Competition since the Listing Date and up to the date of this announcement.

Our independent non-executive Directors have reviewed compliance of the Deed of Non-Competition and were satisfied that the terms of the Deed of Non-Competition had been duly complied with and enforced since the Listing Date and up to the date of this announcement.

During the Year, the Board had not received any written confirmation from any of our Directors in respect of interest in any business (other than our Group) which is or is likely to be directly or indirectly in competition with our business.

FINAL DIVIDEND

The Board does not recommend the payment of a final dividend for the Year (2018: Nil).

SCOPE OF WORK OF BDO LIMITED

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income, and the related notes thereto for the Year as set out in the preliminary announcement have been agreed by the Group's auditor, BDO Limited, to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by BDO Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by BDO Limited on the preliminary announcement.

AUDIT COMMITTEE

The Audit Committee was established on 23 December 2015. The chairman of the Audit Committee is Mr. Iu Tak Meng Teddy, our independent non-executive Director, and other members include Mr. Yung Kai Tai and Dr. Fung Ying Him Anthony, our independent non-executive Directors. The written terms of reference of the Audit Committee are posted on the GEM website and on the Company's website.

The primary duties of the Audit Committee are mainly to review the financial information and reporting process, internal control procedures and risk management system, audit plan and relationship with external auditors and arrangements to enable employees of the Company to raise, in confidence, concerns about possible improprieties in financial reporting, internal control or other matters of the Company.

The Company has complied with Rule 5.28 of the GEM Listing Rules that at least one of the members of the Audit Committee (which must comprise a minimum of three members, the majority of the members of the Audit Committee must be independent non-executive Director and must be chaired by an independent non-executive Director) is an independent non-executive Director who possesses appropriate professional qualifications or accounting or related financial management expertise.

The Group's consolidated financial statements for the Year have been reviewed by the Audit Committee. The Audit Committee is of the opinion that the consolidated financial statements of the Group for the Year comply with applicable accounting standards, GEM Listing Rules and the Hong Kong Companies Ordinance and adequate disclosures have been made. The consolidated financial statements of the Group have been agreed by the auditor of the Group.

EVENTS AFTER THE REPORTING PERIOD

There is no material subsequent event undertaken by the Company or by the Group after 31 December 2019 and up to the date of this announcement.

CLOSURE OF THE REGISTER OF MEMBERS

The forthcoming annual general meeting is scheduled to be held on Friday, 8 May 2020 (the "**AGM**"). For determining the entitlement to attend and vote at the AGM, the register of members of the Company will be closed from Tuesday, 5 May 2020 to Friday, 8 May 2020, both days inclusive, during which period no transfer of shares of the Company will be registered. In order to attend and vote at the AGM, all share transfer documents accompanied by the relevant share certificates must be lodged with the share registrar of the Company in Hong Kong, Tricor Investor Services Limited, Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Monday, 4 May 2020.

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

Hong Kong, 27 March 2020

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

This announcement will remain on the website of the Stock Exchange at www.hkexnews.hk on the "Latest Listed Company Information" page for at least 7 days from the date of its posting and will be published on the Company's website at www.gameone.com.hk.