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Magnum Entertainment Group Holdings Limited

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2080)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 MARCH 2014

The board (the “**Board**”) of directors (the “**Directors**”) of Magnum Entertainment Group Holdings Limited (the “**Company**”) announces the consolidated results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 March 2014 together with the comparative figures for the year ended 31 March 2013 as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2014

	<i>Note</i>	2014 HK\$'000	2013 HK\$'000
Turnover	3	159,138	173,995
Other revenue	4(b)	196	33
Other net income		12	–
Cost of inventories sold	4(b)	(32,069)	(31,785)
Staff costs	4(a)	(34,662)	(31,104)
Depreciation and amortisation		(5,059)	(5,155)
Property rentals and related expenses		(33,450)	(30,314)
Advertising and marketing expenses		(15,446)	(18,846)
Other operating expenses		(20,347)	(20,143)
Listing expenses		(15,463)	(2,583)
Profit before taxation	4	2,850	34,098
Income tax	5	(3,435)	(6,064)
(Loss)/profit and total comprehensive income for the year		(585)	28,034
(Loss)/earnings per share	6		
Basic and diluted		(0.3) cent	13.0 cents

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2014

	<i>Note</i>	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Non-current assets			
Property, plant and equipment	7	15,235	18,679
Intangible asset		121	415
Deferred tax assets		1,983	473
		17,339	19,567
Current assets			
Inventories		2,872	2,222
Trade and other receivables	8	31,423	32,405
Amount due from director		–	1,677
Amounts due from related parties		2,191	1,976
Amount due from controlling shareholder		–	3,390
Tax recoverable		1,467	1,012
Pledged bank deposits		7,004	6,479
Cash at bank and in hand		136,379	22,239
		181,336	71,400
Current liabilities			
Trade and other payables	9	34,203	30,706
Amount due to related party		–	17
Amount due to controlling shareholder		–	6,151
Current taxation		–	2,295
		34,203	39,169
Net current assets		147,133	32,231
NET ASSETS		164,472	51,798
CAPITAL AND RESERVES			
Share capital	10	3,126	400
Reserves		161,346	51,398
TOTAL EQUITY		164,472	51,798

NOTES

1 GENERAL INFORMATION

The Company was incorporated in the Cayman Islands on 14 January 2013 as an exempted company with limited liability under the Companies Law (2011 Revision) (as consolidated and revised) of the Cayman Islands. The Group are principally engaged in operation of clubbing business.

Pursuant to a group reorganisation (the “**Reorganisation**”), the Company became the holding company of companies now comprising the Group on 15 April 2013. The Company’s shares were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on 23 January 2014.

2 STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

(a) Statement of compliance

The consolidated annual results set out in this announcement do not constitute the Group’s consolidated financial statements for the year ended 31 March 2014 but are extracted from those financial statements.

The Group’s consolidated financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (“**HKFRSs**”), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards (“**HKASs**”) and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and accounting principles generally accepted in Hong Kong. The Group’s consolidated financial statements also comply with the applicable disclosure requirements of the Hong Kong Companies Ordinance, which for this financial year and the comparative period continue to be those of the predecessor Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the new Hong Kong Companies Ordinance (Cap. 622), “Accounts and Audit”, which are set out in sections 76 to 87 of Schedule 11 to that Ordinance. The Group’s consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Stock Exchange.

The HKICPA has issued certain new and revised HKFRSs that are first effective or available for early adoption for the current accounting period of the Group. There have been no significant changes to the accounting policies applied in the Group’s consolidated financial statements for the years presented as a result of these developments. The Group has not applied any new or revised standard or interpretation that is not yet effective for the current accounting period.

(b) Basis of preparation

The companies that took part in the Reorganisation were controlled by Mr. Yip Mow Lum, a controlling shareholder, prior to and after the Reorganisation. The control is not transitional and consequently, there was a continuation of the risks and benefits to the controlling shareholder. Therefore, the Reorganisation is considered as a business combination of entities under common control and was accounted for on the basis of merger accounting. The consolidated financial statements of the Group have been prepared as if the current group structure had been in existence at the beginning of the reporting periods presented unless the combining companies first came under common control at a later date. The assets and liabilities of the combining companies are consolidated using the existing book value from the controlling shareholder’s perspective.

3 TURNOVER

The principal activity of the Group is the operation of clubbing business.

Turnover represents the amount received or receivable from the sale of beverages and tobacco products, revenue from club operations (including entrance fees, cloakroom fees and event rental income) and sponsorship income.

The Group's customer base is diversified and no individual customer had transactions which exceeded 10% of the Group's turnover during the years ended 31 March 2014 and 2013.

The chief operating decision maker of the Group assesses the performance and allocates the resources of the Group as a whole, as all of the Group's activities are considered to be primarily dependent on the operation of clubbing business. Therefore, management considers there is only one operating segment under the requirements of HKFRS 8, Operating Segments. In this regard, no segment information is presented.

No geographic information is shown as the turnover and profit from operations of the Group are primarily derived from its activities in Hong Kong.

4 PROFIT BEFORE TAXATION

Profit before taxation is arrived at after charging/(crediting):

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
(a) Staff costs		
Contributions to defined contribution retirement plans	1,461	1,340
Salaries, wages and other benefits	<u>33,201</u>	<u>29,764</u>
	<u>34,662</u>	<u>31,104</u>
(b) Other items		
Bank interest income	(196)	(33)
Amortisation of intangible asset	294	294
Depreciation	4,765	4,861
Auditors' remuneration	1,076	22
Operating lease charges: minimum lease payments – property rentals	29,403	26,519
Cost of inventories	<u>32,069</u>	<u>31,785</u>

5 INCOME TAX IN THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Income tax in the consolidated statement of comprehensive income represents:

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Current tax – Hong Kong Profits Tax		
Provision for the year	4,094	6,715
Under-provision in respect of prior years	<u>851</u>	<u>–</u>
	4,945	6,715
Deferred tax		
Origination and reversal of temporary differences	<u>(1,510)</u>	<u>(651)</u>
	<u>3,435</u>	<u>6,064</u>

Notes:

- (i) The provision for Hong Kong Profits Tax for 2014 is calculated at 16.5% (2013: 16.5%) of the estimated assessable profits for the year.
- (ii) Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in these jurisdictions.

6 (LOSS)/EARNINGS PER SHARE

(a) Basic (loss)/earnings per share

The calculation of basic (loss)/earnings per share is based on the loss attributable to ordinary equity shareholders of the Company of HK\$585,000 (2013: profit of HK\$28,034,000) and the weighted average number of 233,375,000 ordinary shares (2013: 216,000,000) in issue during the year, calculated as follows:

Weighted average number of ordinary shares

	2014 '000	2013 '000
Issued ordinary shares at the date of the prospectus	10	10
Effect of capitalisation issue (<i>note 10(i)</i>)	215,990	215,990
Effect of shares issued upon the initial public offering (<i>note 10(ii)</i>)	<u>17,375</u>	<u>–</u>
Weighted average number of ordinary shares at 31 March	<u>233,375</u>	<u>216,000</u>

(b) Diluted (loss)/earnings per share

The calculation of diluted (loss)/earnings per share is the same as basic (loss)/earnings per share for the years ended 31 March 2014 and 2013 as there were no dilutive potential ordinary shares during that year.

7 PROPERTY, PLANT AND EQUIPMENT

	Furniture, fixtures and equipment <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Total <i>HK\$'000</i>
Cost:			
At 1 April 2013	14,401	13,931	28,332
Additions	1,289	32	1,321
At 31 March 2014	15,690	13,963	29,653
Accumulated depreciation:			
At 1 April 2013	5,571	4,082	9,653
Charge for the year	2,598	2,167	4,765
At 31 March 2014	8,169	6,249	14,418
Net book value:			
At 31 March 2014	7,521	7,714	15,235
	Furniture, fixtures and equipment <i>HK\$'000</i>	Leasehold improvements <i>HK\$'000</i>	Total <i>HK\$'000</i>
Cost:			
At 1 April 2012	12,256	11,807	24,063
Additions	2,145	2,124	4,269
At 31 March 2013	14,401	13,931	28,332
Accumulated depreciation:			
At 1 April 2012	2,921	1,871	4,792
Charge for the year	2,650	2,211	4,861
At 31 March 2013	5,571	4,082	9,653
Net book value:			
At 31 March 2013	8,830	9,849	18,679

8 TRADE AND OTHER RECEIVABLES

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Trade receivables	2,275	4,502
Deposits, prepayments and other receivables	29,148	27,903
	<u>31,423</u>	<u>32,405</u>

At 31 March 2013 and 2014, none of the Group's trade receivables was individually or collectively considered to be impaired. The Group does not hold any collateral over these balances.

The amount of the Group's deposits, prepayments and other receivables expected to be recovered or recognised as expense after more than one year is HK\$13,702,000 (2013: HK\$14,342,000), which mainly represents rental deposits for clubs of the Group. All of the other trade and other receivables are expected to be recovered or recognised as expense within one year.

Ageing analysis

As of the end of the reporting period, the ageing analysis of trade receivables (which are included in trade and other receivables), based on the invoice date, is as follows:

	2014 <i>HK\$'000</i>	2013 <i>HK\$'000</i>
Within 1 month	2,206	4,153
Over 1 month to 2 months	–	238
Over 2 months	69	111
	<u>2,275</u>	<u>4,502</u>

The Group's trade receivables mainly represent the credit card sales receivable from financial institutions, which are neither past due nor impaired.

9 TRADE AND OTHER PAYABLES

	2014 HK\$'000	2013 HK\$'000
Trade creditors	1,854	3,217
Other payables and accrued charges	19,254	13,789
Receipts in advance	13,095	13,700
	<u>34,203</u>	<u>30,706</u>

All of the trade and other payables are expected to be settled or recognised as income within one year or are repayable on demand.

Receipts in advance represent the prepayments from customers in respect of the membership schemes operated by the Group.

As of the end of the reporting period, the ageing analysis of trade creditors (which are included in trade and other payables) based on the invoice date, is as follows:

	2014 HK\$'000	2013 HK\$'000
Within 3 months	<u>1,854</u>	<u>3,217</u>

10 SHARE CAPITAL

	2014		2013	
	No. of shares '000	Amount HK\$'000	No. of shares '000	Amount HK\$'000
Authorised:				
Ordinary shares of HK\$0.01 each	<u>10,000,000</u>	<u>100,000</u>	<u>10,000,000</u>	<u>100,000</u>
Ordinary shares, issued and fully paid:				
At 1 April 2013/14 January 2013 (date of incorporation)	—*	—*	—	—
Shares issued	10	—*	—*	—*
Capitalisation issue (<i>note (i)</i>)	215,990	2,160	—	—
Shares issued under initial public offering (<i>note (ii)</i>)	<u>96,600</u>	<u>966</u>	<u>—</u>	<u>—</u>
At 31 March	<u>312,600</u>	<u>3,126</u>	<u>—*</u>	<u>—*</u>

* Represented no. of shares less than 1,000 or amount less than HK\$1,000

The Company was incorporated on 14 January 2013 with an authorised share capital of HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each. On 14 January 2013 and 19 April 2013, 1 share and 9,999 shares of HK\$0.01 were allotted and issued as fully paid at par respectively.

Upon the completion of the Reorganisation on 15 April 2013, the Company became the holding company of the Group.

Since the Reorganisation was not completed on 31 March 2013, the share capital in the consolidated statement of financial position as at 31 March 2013 represented an aggregate amount of the paid-in capital of the companies comprising the Group.

As at 31 March 2014, the holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

Notes:

- (i) Pursuant to written resolutions of the Company's shareholders passed on 7 January 2014, conditional upon the crediting of the share premium account of the Company as a result of the issue of shares pursuant to the initial public offering, the Directors were authorised to allot and issue a total of 215,990,000 shares, by way of capitalisation of the sum of HK\$2,160,000 standing to the credit of the share premium account of the Company, credited as fully paid at par to the controlling shareholder.
- (ii) On 23 January 2014 and 10 February 2014, the Company issued 84,000,000 shares and 12,600,000 shares (i.e. over-allotment) respectively with a par value of HK\$0.01 each, at a price of HK\$1.5 per share by way of a global initial public offering to Hong Kong and international investors. Net proceeds from such issue amounted to HK\$123,659,000 (after offsetting share issuance expenses of HK\$21,241,000), of which HK\$966,000 and HK\$122,693,000 were recorded in share capital and share premium respectively.

11 DIVIDEND

On 24 October 2013, the Company declared a dividend of \$10,000,000 to the controlling shareholder. Such dividend represented dividend declared prior to the initial public offering of the Company. The rate of dividend per share is not presented as it does not indicate of the rate at which future dividends will be declared.

The Directors do not recommend the payment of final dividend for the year ended 31 March 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

The clubbing culture in Hong Kong has established itself over the years and the Group becomes a leading operator among the various clubbing venues in Hong Kong. The Group operates the largest clubbing venues in Hong Kong, in terms of gross floor area and premises capacity, according to the market research report by Euromonitor International Limited.

The three clubs of the Group are all located at the heart of the popular night entertainment area of Hong Kong known as Lan Kwai Fong area. After the renovation of Billion Club as well as new Zentral launching, the high-end positioning and high level customer service enable the Group to maintain attractive profit margin while maintaining customers loyalty and keeping its attractiveness to customers.

FINANCIAL REVIEW

Turnover

The Group's turnover recorded approximately HK\$159.1 million for the year ended 31 March 2014, representing a decrease of 8.6% as compared with approximately HK\$174.0 million for the year ended 31 March 2013. The decrease in turnover was mainly due to high competition in the clubbing industry. The clubbing industry is part of the night entertainment industry. The clubs owned by the Group, namely Beijing Club, Billion Club and Magnum Club (the “Clubs”) compete against other forms of night entertainment including public houses, bars, karaoke, live music performance, Mah Jong houses amongst others. The clubbing industry in Hong Kong, in particular in the Lan Kwai Fong area, is highly competitive, so the Clubs face keen competition from others in this area.

Staff costs

The staff costs comprise salaries, wages, discretionary bonuses, membership commission, tips from customers allocated to staff and other benefits including retirement benefit costs and other allowances and benefits payable to the permanent staff and part time staff. The staff costs increased by approximately 11.6% or HK\$3.6 million to approximately HK\$34.7 million for the year ended 31 March 2014 from approximately HK\$31.1 million for the year ended 31 March 2013. Such increase was mainly due to increase in average costs in retaining experienced staff for the listing purpose and extra marketing personnel for marketing and brand building activities.

Property rentals and related expenses

The property rentals and related expenses consist of lease payments under operating leases for the Clubs and the Group's headquarter. The property rentals and related expenses increased by approximately 10.6% or HK\$3.2 million to approximately HK\$33.5 million for the year ended 31 March 2014 from approximately HK\$30.3 million for the year ended 31 March 2013. Such increase was mainly due to the increase in the rental expenses of some of the leased properties of the Group.

Advertising and marketing expenses

The advertising and marketing expenses primarily consist of advertising and promotional expense, such as the cost of inviting international disc jockeys to the Clubs. The advertising and marketing expenses decreased by approximately 18.1% or HK\$3.4 million to approximately HK\$15.4 million for the year ended 31 March 2014 from approximately HK\$18.8 million for the year ended 31 March 2013. Such decrease was mainly due to less magazine advertisements placed by the Group.

Listing expenses

The Group incurred non-recurring listing expenses of approximately HK\$15.5 million for the year ended 31 March 2014 (31 March 2013: approximately HK\$2.6 million), which are related to the initial public offering ("IPO") of the shares of the Company (the "Shares"), as recognized in the Group's consolidated statement of comprehensive income.

Result for the year

The Company issued an announcement regarding the profit warning on 24 March 2014 to inform the shareholders and potential investors that the profit of the Group for the eleven months ended 28 February 2014 would decrease significantly and it is expected to record a loss for the year ended 31 March 2014. The Group's loss for the year ended 31 March 2014 was HK\$0.6 million, as compared with the Group's profit of approximately HK\$28.0 million for the year ended 31 March 2013. This was mainly attributable to non-recurring listing expenses; decrease in turnover; and increased operating expenses including property rentals and staff costs. If the non-recurring listing expenses of approximately HK\$15.5 million (31 March 2013: HK\$2.6 million) were not taken into account, the Group's profit after tax for the year ended 31 March 2014 would be approximately HK\$14.9 million, representing a decrease of 51.3%.

LIQUIDITY, FINANCIAL RESOURCES AND GEARING

As at 31 March 2014, the Group's total current assets and current liabilities were approximately HK\$181.3 million (31 March 2013: approximately HK\$71.4 million) and approximately HK\$34.2 million (31 March 2013: approximately HK\$39.2 million) respectively, while the current ratio was 5.3 times (31 March 2013: 1.8 times).

As at 31 March 2014, the Group maintained cash at bank and in hand of approximately HK\$136.4 million (31 March 2013: approximately HK\$22.2 million), primarily due to the net proceeds from IPO of 84.0 million new Shares in January 2014. In February 2014, the Company issued another 12.6 million new Shares as the Over-allotment Option (as defined in the prospectus of the Company dated 13 January 2014 (the “**Prospectus**”)) was exercised. In the foreseeable future, the Group expects to fund its capital expenditures, working capital and other capital requirements from the net proceeds from IPO and cash generated from its operations.

As at 31 March, 2014, the Group had no borrowings (31 March 2013: Nil). The gearing ratio, which is calculated by dividing total borrowings by total equity, as at 31 March 2014 was zero (31 March 2013: zero).

CAPITAL STRUCTURE

As at 31 March 2014, the total equity of the Group was approximately HK\$164.5 million which was attributable to equity shareholders of the Company. The Group had no borrowings, debt securities or other capital instruments as at 31 March 2014. The Group manages its capital to safeguard the Group's ability to continue as a going concern while maximizing the return to shareholders through maintaining the equity and debt in a balanced position.

MATERIAL ACQUISITIONS OR DISPOSALS OF SUBSIDIARIES AND ASSOCIATED COMPANIES

Save for the Reorganisation for the purpose of listing of Shares on the Stock Exchange as disclosed in the Prospectus, the Group did not have any material acquisitions or disposals of subsidiaries and associated companies during the year ended 31 March 2014.

CHARGE ON ASSETS

As at 31 March 2014, the Group's pledged bank deposits was approximately HK\$7.0 million (31 March 2013: approximately HK\$6.5 million).

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

With the benefit from the economies of scale of the Group's operations, the Group intends to increase its market penetration and launch a new venue, Zentral, in the new California Tower in the Lan Kwai Fong area in the second half of 2014.

FOREIGN EXCHANGE EXPOSURE

The Directors believe that the Group's exposure to foreign currency risk is minimal as the monetary assets, liabilities and transactions are principally denominated in Hong Kong dollars.

CONTINGENT LIABILITIES

As at 31 March 2014, the Group did not have any contingent liabilities.

EMPLOYEE AND REMUNERATION POLICY

As at 31 March 2014, the Group employed approximately 180 employees. The Group offers competitive remuneration packages to its staff, including share option scheme, mandatory provident fund schemes and discretionary bonus.

PROSPECT

Total customer satisfaction has always been the Group's first and foremost mission. In order to improve the superb service and unbeatable ambience its clubs are founded on, the Group is determined to provide regular trainings to its staff, including bartending workshops conducted by world-class bartenders and other professional services trainings. The Group believes that the enhancement in the quality in both its drinks and services will contribute significantly to its being an internationalized corporation with an enterprise-style management.

Looking ahead, the Group considers it essential to enter the Mainland China market. The Group is undertaking in-depth research in the first-tier cities in the country and is determined to explore for expansion.

In the long run, the Group is hopeful and confident about its future development. With its concrete, ambitious plan to open more clubs, the Group targets at expanding its market share and transforming into an international entertainment clubbing business operator, securing the role as the leader in the industry.

FINAL DIVIDEND

On 24 October 2013, the Company declared a one-off and non-recurring dividend of HK\$10,000,000 to the controlling shareholder.

The Directors do not recommend the payment of final dividend for the year ended 31 March 2014.

USE OF PROCEEDS FROM THE IPO

The Shares were listed on 23 January 2014 on the Main Board of the Stock Exchange. The total net proceeds from the IPO which involved the issue of 84,000,000 Shares and 12,600,000 Shares as the Over-allotment Option (as defined in the Prospectus) of HK\$0.01 each of the Company amounted to approximately HK\$105.6 million. Up to date of this announcement, the net proceeds from the listing were not utilised. The fund would be utilised in accordance with the proposed applications set out in the section headed “Future Plans, Reasons for Listing and Use of Proceeds” in the Prospectus. The Group held the unutilised net proceeds in short-term deposits with licensed financial institutions in Hong Kong.

CORPORATE GOVERNANCE

The shares of the Company were listed on the Main board of the Stock Exchange on 23 January 2014 (the “**Listing Date**”). Since the Listing Date, the Company has adopted the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) as its corporate governance code of practices. The Board is of opinion that the Company has complied with the CG Code from the Listing Date up to 31 March 2014.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted The Code for Securities Transactions by Directors of Listed Issuers (the “**Model Code**”) as set forth in Appendix 10 to the Listing Rules as the code for securities transactions by the Directors. The Company has made specific enquiry with all Directors and all Directors have confirmed that they complied with the Model Code throughout the period from the Listing Date up to 31 March 2014.

PURCHASE, SALE OR REDEMPTION OF THE LISTED SECURITIES OF THE COMPANY

During the period from the Listing Date up to 31 March 2014, neither the Company nor any of its subsidiaries have purchased, sold or redeemed any of the Company’s listed securities.

REVIEW OF ANNUAL RESULTS BY THE AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) on 3 January 2014. The Audit Committee consists of three independent non-executive Directors, namely, Mr. Yung Ha Kuk, Victor (Chairman of the Audit Committee), Mr. Leung Chun Kuen, Noel and Mr. Lam Kwok Fai, Osmond.

The Audit Committee has reviewed the Group’s consolidated financial statements and annual results for the year ended 31 March 2014. The Audit Committee is of the view that these financial statements have been prepared in accordance with the applicable accounting standards, the Listing Rules and the statutory provisions, and sufficient disclosures have already been made.

SCOPE OF WORK OF KPMG

The figures in respect of the preliminary announcement of the Group’s results for the year ended 31 March 2014 had been compared by the Company’s auditors, KPMG, Certified Public Accountants, to the amounts set out in the Group’s draft financial statements for the year and the amounts were found to be in agreement. The work performed by KPMG in this respect was limited and did not constitute an audit, review or other assurance engagement and consequently no assurance has been expressed by the auditors on this announcement.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

The results announcement is published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.magnumentertainment.com.hk. The annual report for the year ended 31 March 2014 will be dispatched to the shareholders and published on the above websites in due course.

By order of the Board
Magnum Entertainment Group Holdings Limited
Chan Chi Wah
Executive Director

Hong Kong, 27 June 2014

As at the date of this announcement, the executive Directors are Mr. Chan Chi Wah, Ms. Mok Kung Yee, Ms. Tsang Kwok Shan, Sandy and Mr. Lam Jhug Ching; the non-executive Director is Mr. Yip Mow Lum and the independent non-executive Directors are Mr. Yung Ha Kuk, Victor, Mr. Leung Chun Kuen, Noel and Mr. Lam Kwok Fai, Osmond.