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## **Magnum Entertainment Group Holdings Limited**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 2080)**

### **RESULTS OF COURT HEARING OF THE SUMMONS**

This announcement is made pursuant to the provisions under Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) and Rules 13.09(2)(a) and 13.51B(2) of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

Reference is made to the prospectus dated 13 January 2014 (the "**Prospectus**") and the announcements dated 28 February 2014, 4 June 2014, 22 July 2014, 13 August 2014 and 20 October 2014 of Magnum Entertainment Group Holdings Limited (the "**Company**").

At the hearings held on 28 October 2014, the 11 subsidiaries of the Company pleaded guilty to the 17 charges under the 17 summons. Meanwhile, the executive directors of the Company, namely, Mr. Chan Chi Wah, Ms. Mok Kung Yee, Mr. Lam Jhug Ching (the "**Executive Directors**") and the chief executive officer of the Company, namely, Mr. Wong Hei Yan (the "**CEO**") pleaded guilty to the 66 charges under the 66 summons. The total fines imposed by the court on the 11 subsidiaries of the Company were HK\$80,000, whereas the fines imposed on Mr. Chan Chi Wah, Ms. Mok Kung Yee, Mr. Lam Jhug Ching and Mr. Wong Hei Yan were HK\$24,000, HK\$108,000, HK\$54,000 and HK\$390,000 respectively.

Rainbow Key Holdings Limited (formerly known as Rainbow Key Investments Limited) and Mr. Yip Mow Lum, being the controlling shareholders of the Company (the "**Controlling Shareholders**"), have entered into two separate deeds of indemnity (the "**Deeds of Indemnity**") both dated 3 January 2014 in favour of (i) the Company and as trustee for its subsidiaries and (ii) the Executive Directors and the CEO. In accordance with the Deeds of Indemnity, the Controlling Shareholders will indemnify the 11 subsidiaries of the Company, the Executive Directors and the CEO against the total fines of HK\$656,000 and the associated legal fee incurred by them for all summons.

As the 11 subsidiaries of the Company will be fully indemnified by the Controlling Shareholders, the board of directors (the "**Board**") consider that there is no impact on the financial position or operation of the Company.

The Company has adopted the internal control measures set out in the paragraph headed "Internal Control Measures" on page 129 of the Prospectus to prevent recurrence of non-compliance.

As disclosed in page 126 of the Prospectus, the omission was not wilful and was due to absence of timely and professional advice to the relevant subsidiaries of the Company to ensure due compliance, the Board considers the convictions will not affect the Executive Directors' and CEO's integrity and competence in discharging their respective duties as executive directors and chief executive officer of the Company.

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

Hong Kong, 28 October 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.*