



BINGO GROUP HOLDINGS LIMITED

比高集團控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 8220)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2013

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

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This announcement, for which the directors of Bingo Group Holdings Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “GEM Listing Rules”) for the purpose of giving information with regard to the Company. The directors of 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 of Directors (the "Board") of the Company presents the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the three months and six months ended 30 September 2013, together with the unaudited comparative figures for the corresponding period in 2012 were as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	Three months ended 30 September		Six months ended 30 September	
		2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Restated) (Unaudited)	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Restated) (Unaudited)
CONTINUING OPERATIONS					
Turnover	2	18,860	1,916	44,209	1,968
Cost of sales		(8,062)	(6)	(18,734)	(6)
Gross profit		10,798	1,910	25,475	1,962
Other revenue	2	9	15	49	15
Selling expenses		(147)	-	(352)	-
Administrative and operating expenses		(11,494)	(6,759)	(23,025)	(13,899)
Share-based payments	4	(864)	(25,060)	(2,495)	(28,364)
Other losses		-	-	(94)	-
Finance costs	5	(593)	-	(1,159)	-
Loss before taxation	6	(2,291)	(29,894)	(1,601)	(40,286)
Taxation	7	(749)	-	(1,962)	-
Loss for the period from continuing operations		(3,040)	(29,894)	(3,563)	(40,286)
DISCONTINUED OPERATION	8				
Loss for the period from discontinued operation		(10)	(290)	(10)	(269)
Loss for the period		(3,050)	(30,184)	(3,573)	(40,555)
Loss attributable to:					
Owners of the Company					
Loss for the period from continuing operations		(3,485)	(30,076)	(5,906)	(39,982)
Loss for the period from discontinued operation		(10)	(290)	(10)	(269)
Loss for the period attributable to owners of the Company		(3,495)	(30,366)	(5,916)	(40,251)
Non-controlling interests					
Profit/(Loss) for the period from continuing operations		445	182	2,343	(304)
		(3,050)	(30,184)	(3,573)	(40,555)
Dividend	9	-	-	-	-
Loss per share (cents per share)	10				
Basic					
From continuing and discontinued operations		(0.11)	(1.00)	(0.19)	(1.32)
From continuing operations		(0.11)	(0.99)	(0.19)	(1.31)
Diluted		N/A	N/A	N/A	N/A

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Three months ended		Six months ended	
	30 September		30 September	
	2013	2012	2013	2012
<i>Notes</i>	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Loss for the period	(3,050)	(30,184)	(3,573)	(40,555)
Other comprehensive income for the period, net of tax				
Exchange differences on translating foreign operations arising during the period	24	345	48	306
Total comprehensive loss for the period	(3,026)	(29,839)	(3,525)	(40,249)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	(3,476)	(30,035)	(5,879)	(39,959)
Non-controlling interests	450	196	2,354	(290)
	(3,026)	(29,839)	(3,525)	(40,249)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 September 2013 HK\$'000 (Unaudited)	As at 31 March 2013 HK\$'000 (Audited)
NON-CURRENT ASSETS			
Property, plant and equipment		49,024	52,580
Goodwill		9,245	9,245
Deposits paid for acquisition of assets in cinema business		11,662	11,662
		69,931	73,487
CURRENT ASSETS			
Trade receivables	11	28,045	31,152
Other receivables, deposits and prepayments		6,639	7,529
Payments to parties for procurement for investment of cinema business	12	51,058	51,058
Films in progress and film rights		24,487	24,934
Bank balances and cash		84,787	108,696
		195,016	223,369
CURRENT LIABILITIES			
Trade payables	13	1,692	2,311
Deposits received, other payables and accruals		67,842	99,700
Tax payables		2,772	2,333
		72,306	104,344
NET CURRENT ASSETS		122,710	119,025
TOTAL ASSETS LESS CURRENT LIABILITIES		192,641	192,512

	<i>Notes</i>	As at 30 September 2013 HK\$'000 (Unaudited)	As at 31 March 2013 HK\$'000 (Audited)
NON-CURRENT LIABILITIES			
Convertible bonds		14,966	13,614
NET ASSETS		177,675	178,898
CAPITAL AND RESERVES			
Share capital	14	122,456	122,456
Reserves		53,392	56,969
		175,848	179,425
Non-controlling interests		1,827	(527)
TOTAL EQUITY		177,675	178,898

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The Group's unaudited consolidated results have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosures requirements of the GEM Listing Rules and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for an investment property, derivative financial instruments and equity investments, which have been measured at fair value. The unaudited consolidated results are presented in Hong Kong dollars ("HK\$") and all values are rounded to the nearest thousand except when otherwise indicated.

The principal accounting policies applied in the preparation of the unaudited consolidated results are consistent with those adopted in the preparation of the annual consolidated financial statements of the Group for the year ended 31 March 2013.

In the current period, the Group has adopted a number of new and revised HKFRSs, which are effective for accounting periods beginning on or after 1 April 2013. The adoption of these new and revised HKFRSs had no material effect on the results or financial position of the Group for the current and/or prior accounting periods. Accordingly, no prior period adjustment has been required.

The Group has not applied the new and revised HKFRSs, which have been issued but are not yet effective, in the unaudited consolidated results. The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has anticipated that these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

The interim results are unaudited but have been reviewed by the audit committee of the Company.

2. TURNOVER AND OTHER INCOME

Turnover represents amount receivable for goods sold, services provided and royalty income generated in the normal course of business, net of sales related taxes.

	Three months ended 30 September		Six months ended 30 September	
	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Restated) (Unaudited)	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Restated) (Unaudited)
Turnover				
Revenue from cinema business	18,860	1,916	42,182	1,916
Production and distribution of film right	-	-	1,917	-
Royalty and licensing income	-	-	110	52
Attributable to continuing operations	18,860	1,916	44,209	1,968
Trading business attributable to discontinued operation	-	49,093	-	73,824
	18,860	51,009	44,209	75,792
Other income — continuing operations				
Interest income	9	15	49	15

3. SEGMENT INFORMATION

	Continuing Operations			Discontinued Operation	Total HK\$'000
	Cinema Investment and Management HK\$'000	Filmed Entertainment New Media Exploitations and Licensing Business HK\$'000	Subtotal HK\$'000	Trading HK\$'000	
For the six months ended 30 September 2013 (Unaudited)					
Segment Revenue					
Reportable segment revenue	42,182	2,027	44,209	-	44,209
Inter-segment revenue	-	-	-	-	-
Revenue from external customers	42,182	2,027	44,209	-	44,209
Segment Result					
Reportable segment result	6,967	285	7,252	(10)	7,242
Interest income			49	-	49
Share-based payments			(2,495)	-	(2,495)
Unallocated corporate expenses			(5,248)	-	(5,248)
Finance costs			(1,159)	-	(1,159)
Loss before taxation			(1,601)	(10)	(1,611)
As at 30 September 2013 (Unaudited)					
Segment Assets					
Reportable segment assets	143,332	116,033	259,365	185	259,550
Unallocated corporate assets			5,397	-	5,397
Consolidated total assets			264,762	185	264,947
Segment Liabilities					
Reportable segment liabilities	65,503	1,390	66,893	-	66,893
Tax payables			2,044	728	2,772
Convertible bonds			14,966	-	14,966
Unallocated corporate liabilities			2,641	-	2,641
Consolidated total liabilities			86,544	728	87,272
For the six months ended 30 September 2013 (Unaudited)					
Other Segment Information					
Capital expenditures	417	-	417	-	417
Interest income	2	47	49	-	49
Depreciation and amortisation	4,469	10	4,479	-	4,479
Amortisation of film right	-	716	716	-	716

	Continuing Operations			Discontinued Operation	
	Cinema Investment and Management HK\$'000	Filmed Entertainment New Media Exploitations and Licensing Business HK\$'000	Subtotal HK\$'000	Trading HK\$'000	Total HK\$'000
For the six months ended 30 September 2012 (Restated) (Unaudited)					
Segment Revenue					
Reportable segment revenue	1,916	52	1,968	73,824	75,792
Inter-segment revenue	-	-	-	-	-
Revenue from external customers	1,916	52	1,968	73,824	75,792
Segment Result					
Reportable segment result	(1,017)	(903)	(1,920)	(269)	(2,189)
Interest income			15	-	15
Share-based payments			(28,364)	-	(28,364)
Unallocated corporate expenses			(10,017)	-	(10,017)
Finance costs			-	-	-
Loss before taxation			(40,286)	(269)	(40,555)
As at 31 March 2013 (Restated) (Audited)					
Segment Assets					
Reportable segment assets	139,334	151,409	290,743	188	290,931
Unallocated corporate assets			5,925	-	5,925
Consolidated total assets			296,668	188	296,856
Segment Liabilities					
Reportable segment liabilities	67,096	31,127	98,223	-	98,223
Tax payables			1,605	728	2,333
Convertible bonds			13,614	-	13,614
Unallocated corporate liabilities			3,788	-	3,788
Consolidated total liabilities			117,230	728	117,958
For the six months ended 30 September 2012 (Restated) (Unaudited)					
Other Segment Information					
Interest income	2	13	15	-	15
Depreciation and amortisation	74	20	94	-	94

4. SHARE-BASED PAYMENTS

The Company has the convertible bonds and share option scheme for the directors, employees and advisers of the Group. Details of the convertible bonds and share options are as follows:

Convertible bonds

Issuer:	The Company
Principal amount:	HK\$45 million in aggregate. The convertible bonds in the amount of HK\$25 million issued on 1 June 2010 ("commencement date") and the remaining four tranches (each worth HK\$5 million, and HK\$20 million in aggregate) of the convertible bonds issued on the date being the first, second, third and fourth anniversary of the date of commencement date.
Issue date:	1 June 2010
Maturity date:	Ten years from the date of issue
Interest:	Zero coupon
Conversion price:	HK\$0.136 per share

Share Option Scheme

(i) Grant date:	1 June 2010
Maturity date:	the date falling on the expiry of the fortieth month from the date of grant of the options
Number of Options Granted:	125,000,000
Exercise price:	HK\$0.20 per share
Exercisable period:	Any time during the period commencing from the date of expiry of the eighteenth months from the date of grant of Options to the date falling on the expiry of the fortieth month from the date of grant of the Options.

Subsequently on 1 October 2013, these 125,000,000 Options were lapsed.

(ii) Grant Date:	20 August 2010
Maturity Date:	19 August 2016
Number of Options Granted:	21,000,000
Exercise Price:	HK\$0.492 per share
(iii) Grant Date:	14 April 2011
Maturity Date:	19 August 2016
Number of Options Granted:	3,750,000
Exercise Price:	HK\$0.492 per share
(iv) Grant Date:	23 August 2012
Maturity Date:	22 August 2017
Number of Options Granted:	294,840,000
Exercise Price:	HK\$0.156 per share

During the Period, HK\$5 million convertible bonds were issued by the Company. Share-based payments of HK\$2,495,000 derived from the convertible bonds of the principal amount of HK\$40 million was recognised as an expense of the Company for the six months ended 30 September 2013.

During the six months ended 30 September 2012, the share-based payments of HK\$28,364,000 were principally derived from the convertible bonds of the principal amount of HK\$35 million and 294,840,000 share options granted on 23 August 2012.

5. FINANCE COSTS

	Three months ended 30 September		Six months ended 30 September	
	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)
Continuing operations				
Effective interest on convertible bonds	593	-	1,159	-

6. LOSS BEFORE TAXATION

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

	Three months ended 30 September		Six months ended 30 September	
	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)
Continuing operations				
Direct expenses of licensing business	-	-	11	-
Direct expenses of cinema business	8,062	6	18,007	6
Amortisation of film right	-	-	716	-
Depreciation	2,244	48	4,479	94
Exchange loss/(gain)	(2)	276	240	175
Other losses				
— Impairment on accounts receivable	-	-	94	-
Operating lease rental in respect of rented premises	1,949	547	4,306	1,000
Staff costs (including directors' remuneration)				
Salaries and allowance	3,134	3,435	6,066	6,593
Share-based payments	864	6,152	2,495	9,456
Retirement scheme contributions	351	49	654	120

7. TAXATION

	Three months ended 30 September		Six months ended 30 September	
	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)
Continuing operations				
The taxation charge comprises:				
Current tax				
Hong Kong	-	-	224	-
The PRC	749	-	1,738	-
	749	-	1,962	-

Hong Kong profit tax is calculated at 16.5% of the estimated assessable profit for the six months ended 30 September 2013.

No provision for Hong Kong profits tax has been made in the financial statements for the six months ended 30 September 2012 since there was no assessable profit derived from Hong Kong for that period.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25%.

8. DISCONTINUED OPERATION

On 6 August 2013, the board of directors of Sinotrans Resources Limited, a subsidiary of the Company, confirmed and ratified that the business of trading of coal and palm oil be terminated in February 2013. Accordingly, for the six months ended 30 September 2013, the trading of coal and palm oil business was classified as a discontinued operation.

The results of discontinued operation are presented below:

	Three months ended 30 September		Six months ended 30 September	
	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Restated) (Unaudited)	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Restated) (Unaudited)
Turnover	-	49,093	-	73,824
Cost of sales	-	(48,912)	-	(73,622)
Gross Profit	-	181	-	202
Administrative and operating expenses	(10)	(471)	(10)	(471)
Loss before tax from discontinued operation	(10)	(290)	(10)	(269)
Taxation	-	-	-	-
Loss before tax from discontinued operation	(10)	(290)	(10)	(269)

9. DIVIDEND

The Directors do not recommend the payment of any dividend for the six months ended 30 September 2013 (six months ended 30 September 2012: Nil).

10. LOSS PER SHARE

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

Basic loss per share is calculated as follows:

	Three months ended 30 September		Six months ended 30 September	
	2013	2012	2013	2012
	HK Cent	HK Cent	HK Cent	HK Cent
		(Restated)		(Restated)
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Basic loss per share				
From continuing and discontinued operations	0.11	1.00	0.19	1.32
From continuing operations	0.11	0.99	0.19	1.31

The loss for the period and weighted average number of ordinary shares used in the calculation of basic loss per share are as follows:

	Three months ended 30 September		Six months ended 30 September	
	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Restated) (Unaudited)	2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Restated) (Unaudited)
Loss for the period attributable to owners of the Company				
From continuing operations	3,485	30,076	5,906	39,982
From discontinued operation	10	290	10	269
From continuing and discontinued operations	3,495	30,366	5,916	40,251

The weighted average number of ordinary shares for the purpose of calculating basic loss per share of 3,061,404,562 for the three months ended 30 September 2013 (three months ended 30 September 2012: 3,048,404,562) and 3,061,404,562 of the six months ended 30 September 2013 (six months ended 30 September 2012: 3,048,404,562) have been adjusted for the share consolidated effective from 18 September 2012.

From discontinued operations

Basic loss per share for the discontinued operations is HK0.00 cent per share (2012: HK0.01 cent per share) based on the loss for the six months ended 30 September 2013 from discontinued operation of approximately HK\$10,000 (2012: HK\$269,000) and the denominators used are the same as those detailed above for basic loss per share.

No diluted loss per share has been presented in the six months ended 30 September 2013 and 2012, as outstanding share options and convertible bonds of the Company are anti-dilutive since their exercise or concession would result in a decrease in loss per share.

11. TRADE RECEIVABLES

The aging of the Group's trade receivables is analysed as follows:

	As at 30 September 2013 HK\$'000 (Unaudited)	As at 31 March 2013 HK\$'000 (Audited)
Within 30 days	578	30,841
31–60 days	182	46
61–90 days	72	143
Over 90 days	28,060	875
	28,892	31,905
Provision	(847)	(753)
	28,045	31,152

For the cinema business and filmed entertainment, new media exploitations and licensing business segment, the credit terms granted by the Group to its customers normally ranged from COD (cash-on-delivery) to 120 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. All trade receivables are expected to be recovered within one year.

12. PAYMENTS TO PARTIES FOR PROCUREMENT FOR INVESTMENT OF CINEMA BUSINESS

Pursuant to the announcement for the joint venture agreement (“JV agreement”) dated 9 June 2011, a subsidiary of the Company entered into a JV agreement with CineChina Limited (“CineChina”) for the investment of cinemas business in the PRC.

The payments were made to a director (the “JV Director”) of a 70% owned subsidiary, who is also a director and shareholder of CineChina, and to CineChina, a 30% shareholder of the abovementioned subsidiary for the purpose of materializing the JV agreement:

	The Group	
	As at	As at
	30 September	31 March
	2013	2013
	HK\$'000	HK\$'000
	(Unaudited)	(Audited)
Amount paid to the JV Director	19,173	19,173
Amount paid to CineChina	28,640	28,640
Amount paid to an independent third party	3,245	3,245
	51,058	51,058

Under the prevailing legal requirements in the PRC, certain restrictions are imposed on foreign investors for taking up majority stake in cinema business in the PRC. In accordance with legal opinion from PRC lawyer, the approval for engaging in the foregoing business by the subsidiaries of the Company has not been obtained from the respective PRC authorities during the year ended 31 March 2012 and the organising of the above cinema business had not been completed at 31 March 2012. The JV Director, CineChina and an Independent third party (collectively, “these parties”) held the fund for the Group and would settle the cost incurred in procurement of the investment of cinema business in the PRC.

By an internal group reorganization the capital of 比高電影院（上海）有限公司 (“Shanghai Bingo”) was transferred from a domestic enterprise to a sino-foreign joint venture enterprise to comply with the relevant regulatory requirement for foreign investors to operate cinema business in the PRC during the year ended 31 March 2013. The Group legally owned 75% equity interest in Shanghai Bingo to operate the cinema business by mid-February 2013. The results of the cinema projects, including Linan and Hangzhou cinema projects, legally owned by Shanghai Bingo are consolidated into that of the Group after completion of the internal group reorganization. Pursuant to the agreement entered into between the Group and these parties on 6 December 2012, these parties in principle agreed to act as a conduit of payment on behalf of the Group for the development of the cinema business in the PRC. These parties have substantially utilized the funds for the cinema business through their connection (“the Connection”) in the PRC.

As at 30 September 2013, approximately HK\$48.7 million have been settled by the Connection (“the Connection Payables”) and was included in other payables of the Group. The Group, these parties and the Connection have principally agreed to offset the funds held by these parties with the amount payable to the Connection upon finalization of all the construction and decoration cost incurred and paid. The outstanding balance owed by these parties will deem to be settled upon the execution of the aforementioned offset.

Subsequent to the reporting date of 30 September 2013, the Group has settled the Connection Payables approximately HK\$1.8 million and the Group has received approximately HK\$1.8 million from the JV Director.

13. TRADE PAYABLES

The trade payables aged between 0–30 days.

14. SHARE CAPITAL

	As at 30 September 2013 (Unaudited)		As at 31 March 2013 (Audited)	
	No of shares '000	Amount HK\$'000	No of shares '000	Amount HK\$'000
Ordinary shares of HK\$0.04 each				
Authorised:				
At the beginning of the period/year	5,000,000	200,000	10,000,000	200,000
Share consolidation from two shares into one consolidated share	-	-	(5,000,000)	-
At the end of the period/year	5,000,000	200,000	5,000,000	200,000
Ordinary shares of HK\$0.04 each				
Issued and fully paid:				
At the beginning of the period/year	3,061,405	122,456	6,096,809	121,936
Share consolidation	-	-	(3,048,404)	-
Share allotment under share option scheme after share consolidation	-	-	13,000	520
At the end of the period/year	3,061,405	122,456	3,061,405	122,456

15. OPERATING LEASE COMMITMENTS

	As at 30 September 2013 HK\$'000 (Unaudited)	As at 31 March 2013 HK\$'000 (Audited)
Within one year	5,450	5,500
In the second to fifth year, inclusive	15,124	16,749
More than five years	28,928	28,706
	49,502	50,955

16. CAPITAL COMMITMENTS

	As at 30 September 2013 HK\$'000 (Unaudited)	As at 31 March 2013 HK\$'000 (Audited)
Contracted but not provide for		
— Additional cost to be incurred for animation under production	2,712	2,686
— Acquisition of assets used in cinema management segment	11,994	11,889
— Additional capital injection in a subsidiary, 比高電影院(上海)有限公司	4,031	3,996
	18,737	18,571

17. RELATED PARTY AND CONNECTED TRANSACTIONS

- (a) In addition to those disclosed in other sections of the financial statements, the Group entered into the following transactions with connected parties during the period:

Name of connected persons	Nature of transactions	Six months ended 30 September	
		2013 HK\$'000 (Unaudited)	2012 HK\$'000 (Unaudited)
Entrance Gate Limited <i>(Note 1)</i>	Royalty fee in relation to the royalty income generated from sub-licensing of intellectual property right	11	–
The Star Overseas Limited <i>(Note 2)</i>	Consultancy service fee in relation to the film production	420	–
	Rental paid	–	119
See Effort Limited <i>(Note 3)</i>	Rental paid	–	489

- (b) Outstanding balances with connected parties as at the end of the reporting period:

		30 September	31 March
		2013 HK\$'000 (Unaudited)	2013 HK\$'000 (Audited)
CineChina Limited <i>(Note 4)</i>	Payment for procurement for investment of cinema business	28,646	28,646
Mr. Yin Gang <i>(Note 5)</i>	Payment for procurement for investment of cinema business	19,173	19,173

- (c) Compensation of key management personnel. The remuneration of directors and other members of key management during the period was as follows:

	Six months ended 30 September	
	2013	2012
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Salaries, allowances and other benefits	770	2,010
Share-based payments	2,495	7,767
Post-employment benefits	8	14
	3,273	9,791

Note 1: Entrance Gate Limited is a company incorporated in the British Virgin Islands and the ultimate beneficial owner of which is family member(s) of Mr. Chiau Sing Chi. The Licence Agreement (commencing from 1 June 2010 which has been renewed on 22 July 2013 and effective on 1 June 2013) between Entrance Gate and High Amuse are inter-conditional with the following connected transaction/continuing connected transaction including (i) Service agreement for the appointment of Mr. Chiau Sing Chi, director of the Company, (ii) the Profit Transfer Deed between Ngai Wah and High Amuse and (iii) acquisition agreement between High Amuse and the shareholders of Raxco Assets Corp. before the effective of the acquisition agreement. Royalty fee payable to Entrance Gate in relation to the licence agreement is disclosed as a continuing connected transaction.

Note 2: Ms. Chow Man Ki, Kelly, a director of Star Overseas Limited, is a sister of Mr. Chiau Sing Chi who is a director of the Company and she is defined as a connected person under GEM Listing Rules.

Note 3: Ms. Chow Man Ki, Kelly, a director of See Effort Limited, is a sister of Mr. Chiau Sing Chi who is a director of the Company and she is defined as a connected person under GEM Listing Rules.

Note 4: CineChina Limited holds 30% equity interest in a subsidiary of the Company and it is defined as a connected person under the GEM Listing Rules.

Note 5: Mr. Yin Gang is a director of a subsidiary of the Company. He is defined as a connected person under the GEM Listing Rule. The Group has received approximately HK\$1.8 million from him subsequent to 30 September 2013.

18. EVENT AFTER THE REPORTING PERIOD

Subsequent to the end of the reporting period, the Company granted 125,000,000 share options to Mr. Chiau Sing Chi, an executive Director of the Company, on 4 October 2013. The above transaction is yet to be approved by the independent shareholders. For further details, please refer to the Company's announcement dated 4 October 2013.

19. COMPARATIVE AMOUNTS

The comparative consolidated income statement and certain disclosure notes have been reclassified as if the operation discontinued during the current period had been discontinued at the beginning of the comparative period. In addition, certain comparative amounts have been restated to conform with the current period's presentation.

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL

During the six months ended 30 September 2013 (the “Current Period”), the Group was principally engaged in movie production, licensing and derivatives, crossover marketing and provision of interactive contents (“Filmed Entertainment, New Media Exploitations and Licensing Businesses”) and cinema investment and management (“Cinema Business”). During the Current Period, the Group has discontinued the trading of coal and palm oil, with an aim to focus on Filmed Entertainment, New Media Exploitations and Licensing Businesses and Cinema Business.

FINANCIAL REVIEW

During the Current Period, the Group recorded a total turnover under continuing operations of approximately HK\$44.2 million and only slim revenue of HK\$2.0 million was generated in the six months ended 30 September 2012 (the “Period 2012”). Loss attributable to shareholders for the Current Period was approximately HK\$3.6 million as compared with a loss of HK\$40.6 million for the Period 2012. The significant decrease in loss for the Current Period was mainly attributable to the developing operations of the Group’s cinemas, which brought gross revenue of approximately HK\$42.2 million to the Group. In the Period 2012, only slim revenue of HK\$1.9 million was generated in this sector. In addition, the decrease in non-cash share-based payments by approximately HK\$25.9 million also led to the decrease in the Company’s net loss.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 September 2013, the Group had total assets of approximately HK\$264.9 million (31 March 2013: HK\$296.9 million), including cash and cash equivalents of approximately HK\$84.8 million (31 March 2013: HK\$108.7 million). There was no pledged bank deposit as at 30 September 2013 and 31 March 2013. During the Current Period, the Group financed its operations with its own working capital. As at 30 September 2013 and 31 March 2013, the Group did not have any bank overdraft. As at 30 September 2013, the debt ratio (defined as the ratio between total liabilities over total assets) was approximately 0.33 (31 March 2013: approximately 0.40). In view of the strong cash position of the Group and the improvement in the debt ratio, the Board believes that the Group has sufficient resources to satisfy its working capital requirements.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

The Group had no material acquisition or disposal of subsidiaries and affiliated companies during the Current Period.

FOREIGN EXCHANGE EXPOSURE

The Group's transactions during the Current Period were mainly denominated in Renminbi, HK Dollars and US Dollars. Risk on exposure to fluctuation in exchange rates was insignificant to the Group.

EMPLOYEES

As at 30 September 2013, the Group had 160 (31 March 2013: 168) staff in the PRC and Hong Kong. Total staff costs including directors' remuneration were approximately HK\$9.2 million during the Current Period (Period 2012: approximately HK\$16.2 million), in which HK\$2.5 million was related to share-based payments to directors (Period 2012: HK\$7.8 million). Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme to its employees. During the Current Period, the Company did not grant any share option.

CONTINGENT LIABILITIES

As at 30 September 2013, the Group did not have any significant contingent liabilities (31 March 2013: Nil).

COMMITMENTS

Details of the Group's operating lease commitments and capital commitments are set out in notes 15 and 16 to the interim financial statements of the Group for the six months ended 30 September 2013 respectively.

OPERATION REVIEW AND PROSPECTS

In view of the on-going development of the Cinema Business, this segment has become the prime revenue generator of the Group in the Current Period. Positive results generated within the first couple of years of the operation of cinemas in the PRC are encouraging. The Group will continue to focus on expanding the audience headcount and improve the financial performance of the Cinema Business accordingly.

In active pursuit of the movie business, one of the Group's core businesses, the Chinese language motion picture titled "Journey to the West: Conquering the Demons" ("the Picture") was released principally in China, Hong Kong, Taiwan and certain South-Eastern regions, during the Spring Festival in 2013. It became number one in global box office receipts for the first two consecutive weekends after its opening. As of today, its accumulated box office receipts in Mainland China has exceeded RMB1.24 billion. The Group continued to enjoy the income flow from the Picture during the Current Period.

Bingo Animation Limited ("Bingo Animation"), a subsidiary of the Company, has entered into the Film Production Agreement ("Agreement") with 青島廣電動畫有限公司 in relation to the production of cartoon movie and cartoon TV series of title of CJ7 (長江七號). Pursuant to the Agreement, Bingo Animation worked with 青島廣電動畫有限公司 to develop, produce and distribute the cartoon movie and cartoon TV series derived from the intellectual property right of CJ7 (長江七號) during the Current Period.

OUTLOOK

While the Group has continued its existing businesses, the Group will put more focus onto the newly developing Filmed Entertainment, Online Games and Licensing business and Cinema Business in sustaining its core competitiveness through intensive execution of the following strategies:

- The Board is cooperating with various experts in filmed entertainment and cinema operation and development to create a synergistic effect to the Group which allows the Group to expand its operation and businesses in the areas of cinema related businesses in the PRC.
- The Board is commencing a series of reorganization exercises in relation to certain arrangements within the Cinema Business. Subject to the completion of reorganization, the Group will own beneficially the equity interests in the existing operating cinemas in Chengdu and Chongqing of the PRC.

OTHER INFORMATION

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES

As at 30 September 2013, the following Directors of the Company had or were deemed to have interests or short positions in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Future Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) (i) which were required 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 (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to herein; or (iii) which were, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors to be notified to the Company and the Stock Exchange:

Long positions in the shares of the Company

Name of Directors	Nature of interest	Number of Shares held	Approximate percentage of issued share capital of the company
Mr. Chan Cheong Yee	Beneficial owner	5,000	0.00%
Mr. Chong Lee Chang (<i>Note 1</i>)	Beneficial owner	8,065,976	0.26%
	Corporate interests	37,250,023	1.22%
Mrs. Chen Chou Mei Mei Vivien	Beneficial owner	2,750,000	0.09%
Mr. Chiau Sing Chi (<i>Note 2</i>)	Held by trust	1,608,484,963	52.54%
	Held by family member	2,750,000	0.09%

Notes:

1. Mr. Chong Lee Chang, an Executive Director of the Company, had personally owned 8,065,976 Shares and had been deemed to be interested in 37,250,023 shares through his beneficial interest in the entire issued share capital of Shieldman Limited.
2. These shares are registered in the name of Beglobal Investments Limited, Golden Treasure Investments Limited and Barco Investments Limited. Beglobal Investments Limited and Golden Treasure Investments Limited are companies indirectly owned by the trust the discretionary objects of which are Mr. Chiau and his family. And Barco Investments Limited had been deemed to be owned by Mr. Chiau and his family.
3. The total number of the issued share capital of the Company as at 30 September 2013 was 3,061,404,562.

Long positions in the underlying shares of the Company

The Company adopted a share options scheme on 15 August 2012 which the Board may, at their discretion, offer employees, non-executive Directors, independent non-executive Directors or any other persons who have contributed to the Group to take up share options to subscribe for shares subject to the terms and conditions stipulated in the share option scheme.

Details of share options granted to the Directors as at 30 September 2013 were as follows:

Name of Director	Date of grant	Number of options held as at 1 April 2013	Number of options granted during the period	Number of options exercised during the period	Number of options cancelled/ lapsed during the period	Number of options held as at 30 September 2013	Exercise price HK\$	Exercisable period
Mr. Chiau Sing Chi	1-6-2010	125,000,000	-	-	-	125,000,000	0.2000	1-12-2011 - 30-9-2013 <i>(Note)</i>
Mr. Chiau Sing Chi	23-8-2012	3,000,000	-	-	-	3,000,000	0.1560	23-8-2012 - 22-8-2017
Mr. Chan Cheong Yee	23-8-2012	15,000,000	-	-	-	15,000,000	0.1560	23-8-2012 - 22-8-2017
Mr. Chong Lee Chang	23-8-2012	3,000,000	-	-	-	3,000,000	0.1560	23-8-2012 - 22-8-2017
Mrs. Chin Chow Chung Hang Roberta	23-8-2012	3,000,000	-	-	-	3,000,000	0.1560	23-8-2012 - 22-8-2017
Mrs. Chen Chou Mei Mei Vivien	23-8-2012	250,000	-	-	-	250,000	0.1560	23-8-2012 - 22-8-2017
Mr. Chum Kwan Yue Desmond	23-8-2012	3,000,000	-	-	-	3,000,000	0.1560	23-8-2012 - 22-8-2017
Mr. Wong Chak Keung	23-8-2012	3,000,000	-	-	-	3,000,000	0.1560	23-8-2012 - 22-8-2017

Note: Subsequent to 30 September 2013, the 125,000,000 share options granted to Mr. Chiau Sing Chi were lapsed on 1 October 2013.

Convertible Bonds

Pursuant to the service agreement dated 1 June 2010, the Company shall issue zero coupon convertible bonds of HK\$45 million in total to Mr. Chiau. Convertible bonds in the amount of HK\$25 million, HK\$5 million, HK\$5 million and HK\$5 million had been issued on the 1 June 2010, 1 June 2011, 10 July 2012 and 1 June 2013 representatively and remaining one tranche (worth HK\$5 million) of the convertible bonds will be issued. For the detail of convertible bonds, please refer to the circular of the Company dated on 3 May 2010.

Save as disclosed above, as at 30 September 2013, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the shares, underlying shares of debentures of the Company and its associated corporations (within the meaning of Part XV of the SFO), (i) which were required 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 were taken or deemed to have under such provisions of the SFO); (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were, pursuant to rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange.

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

So far as known to the Directors, as at 30 September 2013, the following person (not being Directors or chief executive of the Company) had, or was deemed to have, interests or short in the Shares or underlying Shares (i) 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 (ii) who is expected, directly and indirectly, interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group or (iii) which were required, pursuant to section 336 of the SFO, to be entered in the register referred to therein:

Long positions in the shares and underlying shares of the Company

Name of Shareholder	Number of Share held	Approximate percentage of issued share capital of the Company	Number of Underlying shares held
Beglobal Investments Limited <i>(Note)</i>	1,608,484,963	52.54%	–
Lee Sherman	183,750,000	6.00%	–
Bhanusak Asvaintra	157,500,000	5.14%	–

Note: 1,318,484,963 Shares are held by Beglobal Investments Limited (“Beglobal”) and 290,000,000 Shares are held by Golden Treasure Investments Limited. Beglobal is ultimately owned by the trustee of a discretionary trust, The Sino Star Trust. The discretionary objects of The Sino Star Trust include Mr. Chiau Sing Chi and his family. Beglobal is the sole beneficial owner of Golden Treasure Global Investment.

Save as disclosed above, as at 30 September 2013, the Directors are not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares (including any interests in options in respect of such capital), 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 who was directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group.

SHARE OPTIONS SCHEME

The Company’s share option scheme was adopted pursuant to written resolutions passed on 15 August 2012 (the “Scheme”) for the primary purpose of providing incentives to directors, eligible employees and participants who have contributed to the Group, and will expire in 14 August 2022. Under the Scheme, the board of directors of the Company may grant options to full-time or part-time employees including directors (executive and non-executive) and any advisor, consultant, supplier, distributor, contractor, agent, business partner, promoter, service provider or customer of the Company or any of its subsidiaries, to subscribe for shares in the Company.

The following share options were outstanding under the Scheme during the period:

Category	Date of grant	Number of options held as at 1 April 2013 '000	Number of options granted during the Period '000	Number of options exercised during the Period '000	Number of options cancelled/ lapsed during the Period '000	Number of options held as at 30 September 2013 '000	Exercise price HK\$	Exercise period
Directors	1-6-2010	125,000	-	-	-	125,000	0.2000	1-12-2011 - 30-9-2013 (<i>Note</i>)
	23-8-2012	30,250	-	-	-	30,250	0.1560	23-8-2012 - 22-8-2017
Employees	23-8-2012	10,790	-	-	-	10,790	0.1560	23-8-2012 - 22-8-2017
Advisor	20-8-2010	9,000	-	-	-	9,000	0.4920	20-8-2010 - 29-8-2016
	23-8-2012	240,800	-	-	-	240,800	0.1560	23-8-2012 - 22-8-2017
Total		415,840	-	-	-	415,840		

Note: The 125,000,000 share options were subsequently lapsed on 1 October 2013.

DIRECTORS' AND EMPLOYEES' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the sections headed "DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN SHARES AND UNDERLYING SHARES" and "SHARE OPTIONS SCHEME" above, none of the Directors or employees of the Group or their associates were granted by the Company or its subsidiaries the rights to acquire shares or debentures of the Company or any other body corporate, or had exercised any such rights as at 30 September 2013.

COMPETING INTEREST

None of the Directors, the management shareholders or the substantial shareholders of the Company, or any of their respective associates, has engaged in any business that competes or may compete with the business of the Group or has any other conflict of interest with the Group.

CONNECTED TRANSACTIONS

Saved as disclosed in note 17 to the interim financial statements, no other connected transactions were entered into by the Group under the GEM Listing Rules.

PURCHASE, SALE OR REDEMPTION OF SHARES

For the six months ended 30 September 2013, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the Company's listed securities.

AUDIT COMMITTEE

The Company has established its audit committee (the “Committee”) with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The primary duties of the audit committee are to review and supervise the financial reporting process and internal control system of the Group. The Committee comprises three independent non-executive Directors, namely Mr. Wong Chak Keung (Chairman), Mrs. Chen Chou Mei Mei Vivien and Mr. Chum Kwan Yue Desmond. The Committee has reviewed with management the accounting principles and practices adopted by the Company, and discussed internal control and financial reporting matters including the review of the unaudited interim results for the six months ended 30 September 2013.

COMPLIANCE OF CODE FOR DIRECTORS’ SECURITIES TRANSACTION

The Company has adopted a code of conduct regarding securities transactions by Directors on terms no exacting than the required standard of dealings set out in Rule 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors have complied with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company throughout the six months ended 30 September 2013.

CORPORATE GOVERNANCE

The Board considers that the Company has complied with the code provisions of Code on Corporate Governance Practices and Corporate Governance Report (the “CG Code”) set out in Appendix 15 to the GEM Listing Rules throughout the six months ended 30 September 2013, except for the following deviations:

(a) Chairman and Chief Executive Officer

Pursuant to the Code Provision A.2.1 of the CG Code, the roles of the Chairman and the Chief Executive Officer should be separated and should not be performed by the same individual. The division of responsibilities between the Chairman and the Chief Executive Officer should be clearly established and set out in writing. The Board is in the process of locating appropriate persons to fill the vacancies of the Chairman and Chief Executive Officer of the Company as soon as practicable.

(b) Appointment and Re-Election of the Directors

Pursuant to the Code Provision A.4.1 of the CG Code, the non-executive directors should be appointed for a specific term, subject to re-election.

The non-executive Director and all independent non-executive Directors are not appointed for a specific term, but they are subject to re-election at the annual general meeting of the Company in accordance with the Articles.

In accordance with the Article 87 of the Articles of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

(c) Chairman of Nomination Committee

Pursuant to the Code Provision A.5.1 of the CG Code, the nomination committee should be chaired by the chairman of the board or an independent non-executive director. The Chairman of the Company's nomination committee is Mr. Chong Lee Chang, who is an executive Director but not the Chairman of the Board.

As mentioned in point (a) above, the Board is in the process of locating appropriate persons to fill the vacancies of the Chairman of the Company as soon as practicable.

By order of the Board
Bingo Group Holdings Limited
Chan Cheong Yee
Executive Director

Hong Kong, 13 November 2013

As at the date of this announcement, the executive Directors are Mr. Chiau Sing Chi, Mr. Chan Cheong Yee and Mr. Chong Lee Chang, the non-executive Director is Mrs. Chin Chow Chung Hang, Roberta and the independent non-executive Directors are Mrs. Chen Chou Mei Mei, Vivien, Mr. Wong Chak Keung and Mr. Chum Kwan Yue Desmond.

This announcement will remain on the "Latest Company Announcements" page of the GEM website at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the Company's website at www.bingogroup.com.hk.