



## **BINGO GROUP HOLDINGS LIMITED**

### **比高集團控股有限公司**

*(Incorporated in Cayman Islands with limited liability)*

**(Stock Code: 8220)**

## **THIRD QUARTERLY RESULTS ANNOUNCEMENT FOR THE NINE MONTHS ENDED 31 DECEMBER 2014**

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

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The board of Directors (the “Board”) of the Company presents the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the three months and nine months ended 31 December 2014, together with the unaudited comparative figures for the corresponding period in 2013 were as follows:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	Three months ended 31 December		Nine months ended 31 December	
		2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
<b>CONTINUING OPERATIONS</b>					
Turnover	2	17,759	19,547	57,815	63,756
Cost of sales		(7,479)	(7,111)	(24,722)	(25,845)
Gross profit		10,280	12,436	33,093	37,911
Other revenue and other net income	3	636	87	854	136
Selling expenses		(470)	(114)	(1,467)	(466)
Administrative expenses		(12,410)	(12,536)	(36,443)	(35,561)
Share-based payments	4	-	(6,973)	(46,076)	(9,468)
Other losses		-	-	-	(94)
Finance costs	5	(741)	(622)	(2,135)	(1,781)
Loss before taxation	6	(2,705)	(7,722)	(52,174)	(9,323)
Taxation	7	(493)	(734)	(2,291)	(2,696)
<b>Loss for the period from continuing operations</b>		<b>(3,198)</b>	<b>(8,456)</b>	<b>(54,465)</b>	<b>(12,019)</b>
<b>DISCONTINUED OPERATION</b>	8				
Loss for the period from discontinued operation		-	(1)	-	(11)
<b>Loss for the period</b>		<b>(3,198)</b>	<b>(8,457)</b>	<b>(54,465)</b>	<b>(12,030)</b>
<b>Loss attributable to:</b>					
Owners of the Company		(3,728)	(10,397)	(56,920)	(16,313)
Non-controlling interests		530	1,940	2,455	4,283
		(3,198)	(8,457)	(54,465)	(12,030)
Dividend	9	-	-	-	-
<b>Loss per share (cents per share)</b>	10				
Basic					
From continuing and discontinued operations		(0.12)	(0.34)	(1.78)	(0.53)
From continuing operations		(0.12)	(0.34)	(1.78)	(0.53)
Diluted		N/A	N/A	N/A	N/A

# CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Three months ended 31 December		Nine months ended 31 December	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
<b>Loss for the period</b>	<b>(3,198)</b>	<b>(8,457)</b>	<b>(54,465)</b>	<b>(12,030)</b>
<b>Other comprehensive income</b>				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations				
— Exchange differences arising during the period	<b>88</b>	108	<b>108</b>	156
Other comprehensive income for the period, net of tax	<b>88</b>	108	<b>108</b>	156
<b>Total comprehensive loss for the period</b>	<b>(3,110)</b>	<b>(8,349)</b>	<b>(54,357)</b>	<b>(11,874)</b>
<b>Total comprehensive income/(loss) attributable to:</b>				
Owners of the Company	<b>(3,642)</b>	(10,298)	<b>(56,814)</b>	(16,177)
Non-controlling interests	<b>532</b>	1,949	<b>2,457</b>	4,303
	<b>(3,110)</b>	<b>(8,349)</b>	<b>(54,357)</b>	<b>(11,874)</b>

# NOTES TO THE CONDENSED QUARTERLY FINANCIAL INFORMATION

## 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 certain financial instruments, 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 2014.

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 2014. 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 quarterly results are unaudited but have been reviewed by the audit committee of the Company.

## 2. TURNOVER

An analysis of Group's turnover for the period from operations, is as follows:

	Three months ended		Nine months ended	
	31 December		31 December	
	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Continuing operations</b>				
Revenue from cinema business	17,759	18,979	57,685	61,161
Production and distribution of film right	-	-	-	1,917
Royalty and licensing income	-	568	130	678
	17,759	19,547	57,815	63,756

## 3. OTHER REVENUE AND OTHER NET INCOME

	Three months ended		Nine months ended	
	31 December		31 December	
	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Continuing operations</b>				
Interest income	50	9	152	58
Government grants	564	-	626	-
Others	22	78	76	78
	636	87	854	136

#### 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

The fair values of the HK\$45 million convertible bonds determined on 1 June 2010 using binomial option pricing model was HK\$124,360,000. The following assumptions were used to calculate the fair value of HK\$45 million convertible bonds:

Principle amount:	HK\$45 million
Expected life:	10 years
Interest:	Nil
Redemption price:	100% of the principal amount
Conversion price:	HK\$0.136 ( <i>Note 1</i> )
Risk-free rate:	2.47%
Effective interest rate:	16.73%
Share price:	HK\$0.27
Expected dividend yield:	0%
Expected volatility:	84.09%

## Share Option Scheme

Details of specific categories of options are as follow:

Option type:	2011A	2011B	2012A	2013A	2013B (Note 2)	2014A
Grant date:	1-6-2010	20-8-2010	23-8-2012	4-10-2013	4-10-2013	17-4-2014
Number of options granted:	125,000,000	21,000,000	294,840,000	2,000,000	125,000,000	304,140,000
Exercise period:	1-12-2011 - 30-9-2013	15-6-2011- 19-8-2016	23-8-2012 - 22-8-2017	4-10-2013 - 3-10-2018	4-10-2013 - 3-10-2016	17-4-2014 - 16-4-2019
Exercise price:	HK\$0.20 (Note 1)	HK\$0.492 (Note 1)	HK\$0.156 (Note 1)	HK\$0.1814	HK\$0.1814	HK\$0.364
Fair value:	HK\$51,691,000	HK\$5,324,000	HK\$22,921,000	HK\$6,000,000	HK\$110,000	HK\$45,500,000

The fair value of share options which were calculated by binomial option pricing model with the following assumptions:

Option type:	2011A	2011B	2012A	2013A	2013B	2014A
Share price as at grant date:	HK\$0.27	HK\$0.24	HK\$0.076	HK\$0.181	HK\$0.181	HK\$0.355
Nature of the options:	Call	Call	Call	Call	Call	Call
Risk-free rate:	1.08%	1.28%	0.284%	0.54%	1.15%	1.38%
Expected life of the options:	40 months	6 years	5 years	N/A	N/A	N/A
Expected volatility:	94.74%	91.85%	81.86%	65%	70%	62%
Expected dividend yield:	0%	0%	0%	N/A	N/A	0%
Early exercise behavior:	280%	220%	220%	N/A	N/A	N/A
Exercise multiple:	N/A	N/A	N/A	1.4	1.4	2.4

During the Period, HK\$5,000,000 convertible bonds and 304,140,000 share options were issued/granted and the Company recognized the total expenses of HK\$46,076,000 as share-based payments for the nine months ended 31 December 2014 (nine months ended 31 December 2013: HK\$9,468,000).

*Note 1:* Adjusted for share consolidation effective from 18 September 2012.

*Note 2:* The 2013B share options were approved at the extraordinary general meeting held on 17 December 2013.

## 5. FINANCE COSTS

	Three months ended 31 December		Nine months ended 31 December	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
<b>Continuing operations</b>				
Effective interest on convertible bonds	741	622	2,135	1,781

## 6. LOSS BEFORE TAXATION

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

	Three months ended 31 December		Nine months ended 31 December	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
<b>Continuing operations</b>				
Auditor's remuneration	158	109	473	441
Direct expenses of licensing business	43	271	56	282
Direct expenses of cinema business	7,436	6,840	24,666	24,847
Amortisation of film right	-	-	-	716
Depreciation	2,530	2,171	7,328	6,650
Exchange loss/(gain)	23	(238)	(56)	2
Other losses				
— Impairment on accounts receivable	-	-	-	94
Operating lease rental in respect of rented premises	2,382	1,131	5,911	5,437
Staff costs (including directors' remuneration)				
Salaries and allowance	3,409	3,229	9,620	9,295
Share-based payments	-	6,973	4,615	9,468
Retirement scheme contributions	370	336	1,075	990



## 7. TAXATION

	Three months ended 31 December		Nine months ended 31 December	
	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
<b>Continuing operations</b>				
The taxation charge comprises:				
Current tax				
Hong Kong	-	-	-	224
The PRC	493	734	2,291	2,472
	493	734	2,291	2,696

No provision for Hong Kong profits tax has been made in the financial results for the nine months ended 31 December 2014 since there was no assessable profit derived from Hong Kong for that period.

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profit for the nine months ended 31 December 2013.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for the nine months ended 31 December 2014 and 2013.

## 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 nine months ended 31 December 2013, the trading of coal and palm oil business was classified as a discontinued operation in this announcement.

No revenue was recognized by Sinotrans Resources Limited during the nine months ended 31 December 2014 and 2013. During the nine months ended 31 December 2014, no expense was recognized while an amount of HK\$11,000 was recorded in the nine months ended 31 December 2013.

## 9. DIVIDEND

The Directors do not recommend the payment of any dividend for the nine months ended 31 December 2014 (nine months ended 31 December 2013: Nil).

## 10. LOSS PER SHARE

### (a) Basic

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 31 December		Nine months ended 31 December	
	<b>2014</b>	2013	<b>2014</b>	2013
	<b>HK Cent</b>	HK Cent	<b>HK Cent</b>	HK Cent
	<b>(Unaudited)</b>	(Unaudited)	<b>(Unaudited)</b>	(Unaudited)
Basic loss per share				
From continuing and discontinued operations	<b>0.12</b>	0.34	<b>1.78</b>	0.53
From continuing operations	<b>0.12</b>	0.34	<b>1.78</b>	0.53

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 31 December		Nine months ended 31 December	
	<b>2014</b> <b>HK\$'000</b> <b>(Unaudited)</b>	2013 HK\$'000 (Unaudited)	<b>2014</b> <b>HK\$'000</b> <b>(Unaudited)</b>	2013 HK\$'000 (Unaudited)
Loss for the period attributable to owners of the Company				
From continuing operations	<b>3,728</b>	10,396	<b>56,920</b>	16,302
From discontinued operation	-	1	-	11
From continuing and discontinued operations	<b>3,728</b>	10,397	<b>56,920</b>	16,313
Weighted average number of ordinary shares for the purpose of basis loss per share	<b>3,212,944,562</b>	3,062,694,888	<b>3,198,828,017</b>	3,061,836,235

**(b) Diluted**

No diluted loss per share has been presented in the nine months ended 31 December 2014 and 2013, 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. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital HK\$'000	Share premium HK\$'000	Contributed surplus HK\$'000	Equity component of convertible bonds HK\$'000	Share option reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Sub-total HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 1 April 2013 (Audited)	122,456	331,580	3,930	110,353	75,884	(675)	(464,103)	179,425	(527)	178,898
Profit/(Loss) for the period	-	-	-	-	-	-	(16,313)	(16,313)	4,283	(12,030)
Other comprehensive income for the period	-	-	-	-	-	136	-	136	20	156
Total comprehensive income/(loss) for the period	-	-	-	-	-	136	(16,313)	(16,177)	4,303	(11,874)
Issue of convertible bonds	-	-	-	3,099	-	-	-	3,099	-	3,099
Issue of new shares of HK\$0.04 each under share option scheme	432	2,091	-	-	(839)	-	-	1,684	-	1,684
Equity settled share option arrangement	-	-	-	-	6,110	-	-	6,110	-	6,110
Lapse of share options	-	-	-	-	(51,692)	-	51,692	-	-	-
At 31 December 2013 (Unaudited)	122,888	333,671	3,930	113,452	29,463	(539)	(428,724)	174,141	3,776	177,917
At 1 April 2014 (Audited)	<b>123,288</b>	<b>335,607</b>	<b>3,930</b>	<b>114,249</b>	<b>28,686</b>	<b>(662)</b>	<b>(471,875)</b>	<b>133,223</b>	<b>5,102</b>	<b>138,325</b>
Profit/(Loss) for the period	-	-	-	-	-	-	(56,920)	(56,920)	2,455	(54,465)
Other comprehensive income for the period	-	-	-	-	-	106	-	106	2	108
Total comprehensive income/(loss) for the period	-	-	-	-	-	106	(56,920)	(56,814)	2,457	(54,357)
Issue of convertible bonds	-	-	-	532	-	-	-	532	-	532
Issue of new shares of HK\$0.04 each under share option scheme	5,230	25,332	-	-	(10,166)	-	-	20,396	-	20,396
Equity settled share option arrangement	-	-	-	-	45,500	-	-	45,500	-	45,500
Lapse of share options	-	-	-	-	(448)	-	448	-	-	-
At 31 December 2014 (Unaudited)	<b>128,518</b>	<b>360,939</b>	<b>3,930</b>	<b>114,781</b>	<b>63,572</b>	<b>(556)</b>	<b>(528,347)</b>	<b>142,837</b>	<b>7,559</b>	<b>150,396</b>

## 12. PENDING LITIGATION

Lofty Gain Investments Limited, a wholly-owned subsidiary of the Company, has filed a writ of summons (the "Writ") against Huayi Brothers Media Corporation for its breaches of certain agreements in relation to the cooperation arrangement and the box-office overages and bonus, and other distribution arrangement (the "Gross Receipts") of the film *Journey to the West: Conquering the Demons Film* in Mainland China, in the Beijing Third Intermediate People's Court (the "PRC Court") to claim for, among others, the outstanding Gross Receipts. The Writ has been accepted by the PRC Court on 29 September 2014. The case is yet to be finalised as at the date of this quarterly results announcement.

# MANAGEMENT DISCUSSION AND ANALYSIS

## GENERAL

During the nine months ended 31 December 2014 (the “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”).

## OPERATION REVIEW

During the Period, the Group continues to focus on Filmed Entertainment, New Media Exploitations and Licensing Businesses and Cinema Business.

In view of the on-going development of the Cinema Business, this segment has become the prime revenue generator of the Group in the Period. Approximately revenue of HK\$57.7 million and gross profit of HK\$33.0 million with gross margin of approximately 57.2% were generated during the 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 the segment of Filmed Entertainment Business, the Group was locating suitable business opportunities and an appropriate target was spotted in late last fiscal year. In March 2014, the Group entered into an agreement with a company, which is an associate of Mr. Chiau Sing Chi (“Mr. Chiau”), to participate in the development of the feasibility study for a film production. The initial capital investment of the Group was HK\$2.5 million. The feasibility study should be completed by 31 March 2015. Accordingly, no revenue was generated from that film during the Period.

In the area of animation, the Group was working to develop, produce and distribute the animation film(s) and TV cartoon(s) derived from the intellectual property right of CJ7 (長江7號). In relation to the CJ7 animation film(s), the Group has successfully invited Film Development Fund of Hong Kong to invest in one animation film. The production of the corresponding animation film and TV cartoon was still in progress as at 31 December 2014.

## **FINANCIAL REVIEW**

During the Period, the Group recorded a total turnover under continuing operations of approximately HK\$57.8 million, representing a decrease of approximately HK\$5.9 million compared with the nine months ended 31 December 2013 (the “Corresponding Period”). The turnover of the Group for the Period and the Corresponding Period principally represented revenue from Cinema Business. Loss for the Period was approximately HK\$54.5 million compared with a loss of approximately HK\$12.0 million for the Corresponding Period.

In addition to the decrease in turnover, the increase in loss for the Period was mainly attributable to recognition of non-cash share-based payments of approximately HK\$46.1 million of which approximately HK\$41.5 million represented expenses for share options granted to advisers of the Company for developing Cinema Business and Filmed Entertainment Business.

## **OUTLOOK**

Owing to the booming development of the film industry in the PRC, the Group will continue to grasp other business opportunities in investments in cinemas in the PRC and attractive movies. While the Group continued its existing businesses, the Group will put more focus onto locating other business opportunities with enormous potentials, including online games developing and operating businesses, and investments in China cultural industry. The Board believes that the Group’s existing businesses can create a synergistic effect with the above-mentioned new businesses and will benefit the Group in the future.

## OTHER INFORMATION

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

As at 31 December 2014, the following Directors of the Company had or were deemed to have interests or short positions in the shares (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

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	0.25%
	Corporate interests	37,250,023	1.16%
Mr. Chiau Sing Chi <i>(Note 2)</i>	Held by trust	1,608,484,963	50.06%
Ms. Chow Man Ki Kelly <i>(Note 2)</i>	Held by trust	1,608,484,963	50.06%

#### Notes:

1. Mr. Chong Lee Chang, an executive Director, 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 and Golden Treasure 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, Ms. Chow Man Ki Kelly and their family.
3. The total number of the issued share capital of the Company as at 31 December 2014 was 3,212,944,562.

## Long positions in the underlying Shares

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 31 December 2014 were as follows:

Name of Directors	Option type (Note 1)	Number of options held as at 1 April 2014	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 31 December 2014
Mr. Chiau Sing Chi	2012A	3,000,000	-	-	-	3,000,000
	2013B	125,000,000	-	-	-	125,000,000
	2014A	-	3,000,000	-	-	3,000,000
Ms. Chow Man Ki Kelly	2014A	-	3,000,000	-	-	3,000,000
Mr. Chan Cheong Yee	2012A	15,000,000	-	-	-	15,000,000
	2014A	-	3,000,000	-	-	3,000,000
Mr. Chong Lee Chang	2012A	3,000,000	-	-	-	3,000,000
	2013A	2,000,000	-	-	-	2,000,000
	2014A	-	3,000,000	-	-	3,000,000
Mr. Lau Man Kit	2014A	-	3,000,000	-	-	3,000,000
Mrs. Chin Chow Chung Hang Roberta	2012A	3,000,000	-	-	-	3,000,000
	2014A	-	3,000,000	-	-	3,000,000
Mrs. Chen Chou Mei Mei Vivien (Note 2)	2012A	250,000	-	(250,000)	-	-
	2014A	-	3,000,000	-	(3,000,000)	-
Mr. Chum Kwan Yue Desmond	2012A	3,000,000	-	-	-	3,000,000
	2014A	-	3,000,000	-	-	3,000,000
Mr. Wong Chak Keung	2012A	3,000,000	-	-	-	3,000,000
	2014A	-	3,000,000	-	-	3,000,000

Note 1: Details of specific categories of share options are disclosed in note 4 to the condensed quarterly financial information.

Note 2: Retired on 15 August 2014.



In addition to 131,000,000 number of Shares which would be allotted and issued upon the exercise in full of the options offered to Mr. Chiau Sing Chi under the share option scheme of the Company above, 330,882,352 number of Shares which would be allotted and issued upon the exercise in full of the convertible bonds held by Mr. Chiau Sing Chi.

Save as disclosed above, as at 31 December 2014, 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 31 December 2014, 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**

<b>Name of Shareholders</b>	<b>Number of Shares held</b>	<b>Approximate percentage of issued share capital of the Company</b>	<b>Number of underlying Shares held</b>
Sinostar FE (PTC) Limited <i>(Note 1)</i>	1,608,484,963	50.06%	–
Treasure Offshore Holdings Limited (formerly known as Treasure Offshore Holdings (PTC) Limited) <i>(Note 1)</i>	1,608,484,963	50.06%	–
Beglobal Investments Limited <i>(Note 2)</i>	1,608,484,963	50.06%	–
Golden Treasure Global Investment Limited <i>(Note 2)</i>	290,000,000	9.03%	–

*Note:*

1. Mr. Chiau Sing Chi, Ms. Chow Man Ki, Kelly and their family are the beneficiaries of a discretionary trust of which Sinostar FE (PTC) Limited (“Sinostar”) is the trustee. Sinostar as the trustee of the discretionary trust is the sole shareholder of Treasure Offshore Holdings Limited, which is the sole shareholder of Beglobal Investments Limited.
2. Beglobal Investments Limited directly holds 1,318,484,963 shares of the Company (representing approximately 41.03% of the issued share capital of the Company) and indirectly holds 290,000,000 shares of the Company (representing approximately 9.03% of the issued share capital of the Company) through Golden Treasure Global Investment Limited as at 31 December 2014.

Save as disclosed above, as at 31 December 2014, 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 and any other schemes during the Period:

Category	Option type	Number of options held as at 1 April 2014 '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 31 December 2014 '000
Directors	2012A	30,250	-	(250)	-	30,000
	2013A	2,000	-	-	-	2,000
	2013B	125,000	-	-	-	125,000
	2014A	-	27,000	-	(3,000)	24,000
Employees	2012A	10,000	-	-	-	10,000
Advisors	2011B	9,000	-	-	-	9,000
	2012A	220,800	-	(130,500)	-	90,300
	2014A	-	277,140	-	-	277,140
Total		397,050	304,140	(130,750)	(3,000)	567,440

*Note:* Details of specific categories of share options are disclosed in note 4 to the condensed quarterly financial information.

## **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 31 December 2014.

## **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.

## **PURCHASE, SALE OR REDEMPTION OF SHARES**

For the nine months ended 31 December 2014, 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 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), Mr. Chum Kwan Yue Desmond and Ms. Choi Mei Ping. The Group's unaudited results for the nine months ended 31 December 2014 have been reviewed by the Committee who was of the opinion that the preparation of such results complied with the applicable accounting standards, the GEM Listing Rules and legal requirements and that adequate disclosures have been made.

## **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 nine months ended 31 December 2014.

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

Hong Kong, 6 February 2015

As at the date of this announcement, the Board comprises Mr. Chiau Sing Chi, Ms. Chow Man Ki, Kelly, Mr. Chan Cheong Yee, Mr. Chong Lee Chang and Mr. Lau Man Kit as executive Directors; Mrs. Chin Chow Chung Hang, Roberta as non-executive Director; and Mr. Chum Kwan Yue, Desmond, Mr. Wong Chak Keung and Ms. Choi Mei Ping as independent non-executive Directors.

This announcement will remain on the "Latest Company Announcements" page of the GEM website ([www.hkgem.com](http://www.hkgem.com)) for at least 7 days from its date of publication and on the website of the Company ([www.bingogroup.com.hk](http://www.bingogroup.com.hk)).