



# **BINGO GROUP HOLDINGS LIMITED**

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

Stock Code: 8220

**FIRST QUARTERLY REPORT 2019/20**

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

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.**

*Hong Kong Exchanges and Clearing Limited and the Stock Exchange take no responsibility for the contents of this report, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.*

*This report, for which the directors (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, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this report 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 report misleading.*

# CONTENTS

|  | Pages |
|--|-------|
| Corporate Information  | 3     |
| Management Discussion and Analysis                             | 4     |
| Condensed Consolidated Statement of Profit or Loss             | 6     |
| Condensed Consolidated Statement of Other Comprehensive Income | 7     |
| Notes to the Condensed Quarterly Financial Information         | 8     |
| Other Information  | 17    |

# CORPORATE INFORMATION

## BOARD OF DIRECTORS

### Executive Directors

Chiau Sing Chi  
Chow Man Ki Kelly  
Lau Man Kit

### Non-Executive Director

Chin Chow Chung Hang Roberta

### Independent Non-Executive Directors

Choi Mei Ping  
Tsoi Chiu Yuk  
Ong King Keung

## COMPANY SECRETARY

Chan Ka Yin

## COMPLIANCE OFFICER

Chow Man Ki Kelly

## AUDIT COMMITTEE

Ong King Keung (Chairman)  
Choi Mei Ping  
Tsoi Chiu Yuk

## REMUNERATION COMMITTEE

Choi Mei Ping (Chairman)  
Chow Man Ki Kelly  
Tsoi Chiu Yuk  
Ong King Keung

## NOMINATION COMMITTEE

Chow Man Ki Kelly (Chairman)  
Choi Mei Ping  
Tsoi Chiu Yuk  
Ong King Keung

## AUTHORIZED REPRESENTATIVES

Chow Man Ki Kelly  
Chan Ka Yin

## AUDITORS

Cheng & Cheng Limited  
*Certified Public Accountants*

## PRINCIPAL BANKERS

Fubon Bank Limited  
The Hongkong and Shanghai Banking  
Corporation Limited  
Dah Sing Bank, Limited

## REGISTERED OFFICE

Cricket Square, Hutchins Drive  
P.O. Box 2681, Grand Cayman  
KY1-1111, Cayman Islands

## HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

Unit 202, 2/F, Chinaweal Centre  
414-424 Jaffe Road  
Hong Kong

## SHARE REGISTRARS AND TRANSFER OFFICES

### Principal Registrar

Conyers Trust Company (Cayman) Limited  
Cricket Square, Hutchins Drive  
P.O. Box 2681  
Grand Cayman KY1-1111  
Cayman Islands

### Branch Registrar

Tricor Tengis Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

## STOCK CODE

8220

## WEBSITE

[www.bingogroup.com.hk](http://www.bingogroup.com.hk)

# MANAGEMENT DISCUSSION AND ANALYSIS

## GENERAL

During the three months ended 30 June 2019 (the “Period”), Bingo Group Holdings Limited (the “Company”) and its subsidiaries (collectively, 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\$7.2 million and gross profit of HK\$4.2 million were generated during the Period. The Group’s revenue and gross profit from the Cinema Business for the Period declined as compared to revenue of HK\$8.5 million and gross profit of HK\$5.2 million generated in the corresponding period of last year (the “Corresponding Period”), due to keen competition in the market. 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 continued to locate suitable business opportunities. However, no appropriate target was spotted in the Period. Accordingly, no revenue was generated in this sector during the Period.

On 9 February 2018, Bingo Movie Development Limited (“Bingo Movie”), a wholly owned subsidiary of the Company and Lechuang Holdings (HK) Limited (“Lechuang”), an independent third party, entered into an agreement (the “JV Agreement”) in relation to the formation of the joint venture company (“JV Company”). The issued share capital of the JV Company will be owned as to 49% by Bingo Movie and as to 51% by Lechuang. The JV Company will be principally engaged in investment and development of VR (Virtual Reality) and MR (Mixed Reality) projects. Pursuant to the JV Agreement, Bingo Movie will enter into of a loan agreement with the JV Company, pursuant to which Bingo Movie will advance the loan of not less than HK\$25 million and not more than HK\$35 million to the JV Company for investment and development of relevant VR and MR projects. In September 2018, the loan agreement has been signed and RMB29.0 million (equivalent to approximately HK\$33.8 million) was lent to the JV Company for a one-year term.

# MANAGEMENT DISCUSSION AND ANALYSIS

## FINANCIAL REVIEW

During the Period, the Group recorded a total turnover of approximately HK\$7.2 million, representing a decrease of approximately HK\$1.3 million compared with 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 of approximately HK\$5.4 million was recorded. As compared with the loss of HK\$6.7 million for the Corresponding Period, there was decrease in loss of approximately HK\$1.3 million. The decrease in loss for the Period was mainly attributable to the implementation of various cost control measures.

## OUTLOOK

Owing to the continuing 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 provision of consultancy services, online games developing and operating businesses, and investments in China cultural industry.

The VR and MR industry is undergoing rapid development and the Company considers that there will be growth potential in investment of VR and MR projects. On 9 February 2018, the Group entered into an agreement with Lechuang in relation to the formation of the JV Company. The formation of the JV Company will allow the Group to utilise its experience in provision of interactive contents with the expertise of Lechuang in developing VR and MR projects. The Company is optimistic as to the prospect of the JV Company, and has granted a loan to the JV Company of RMB29.0 million (equivalent to approximately HK\$33.8 million) in September 2018.

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.

The board of Directors (the “Board”) of the Company presents the unaudited consolidated results of the Group for the three months ended 30 June 2019, together with the unaudited comparative figures for the corresponding period in 2018 were as follows:

## CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

|                                    | Notes | Three months ended 30 June      |                                 |
|------------------------------------|-------|---------------------------------|---------------------------------|
|                                    |       | 2019<br>HK\$'000<br>(Unaudited) | 2018<br>HK\$'000<br>(Unaudited) |
| Turnover                           | 2     | 7,232                           | 8,525                           |
| Cost of sales                      |       | (2,993)                         | (3,331)                         |
| Gross profit                       |       | 4,239                           | 5,194                           |
| Other revenue and other net income | 3     | 288                             | 248                             |
| Selling and marketing expenses     |       | (482)                           | (220)                           |
| Administrative expenses            |       | (7,809)                         | (10,694)                        |
| Finance costs                      | 5     | (1,554)                         | (898)                           |
| Loss before taxation               | 6     | (5,318)                         | (6,370)                         |
| Taxation                           | 7     | (54)                            | (379)                           |
| <b>Loss for the period</b>         |       | <b>(5,372)</b>                  | <b>(6,749)</b>                  |
| <b>Loss attributable to:</b>       |       |                                 |                                 |
| Owners of the Company              |       | (4,968)                         | (6,057)                         |
| Non-controlling interests          |       | (404)                           | (692)                           |
|                                    |       | (5,372)                         | (6,749)                         |
|                                    |       | HK cents                        | HK cents<br>(Restated)          |
| <b>Loss per share</b>              | 9     |                                 |                                 |
| Basic and diluted                  |       | (0.58)                          | (0.71)                          |

# CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

|  | Three months ended 30 June      |                                 |
|--|---------------------------------|---------------------------------|
|  | 2019<br>HK\$'000<br>(Unaudited) | 2018<br>HK\$'000<br>(Unaudited) |
| Loss for the period  | (5,372)                         | (6,749)                         |
| Other comprehensive loss<br>Item that may be reclassified subsequently to<br>profit or loss: |                                 |                                 |
| Exchange differences on translating foreign<br>operations                                    |                                 |                                 |
| — Exchange differences arising during the<br>period  | (819)                           | (1,868)                         |
| Other comprehensive loss for the period,<br>net of tax                                       | (819)                           | (1,868)                         |
| Total comprehensive loss for the period  | (6,191)                         | (8,617)                         |
| <b>Total comprehensive loss attributable to:</b>   |                                 |                                 |
| Owners of the Company  | (5,825)                         | (7,988)                         |
| Non-controlling interests  | (366)                           | (629)                           |
|  | (6,191)                         | (8,617)                         |



# NOTES TO THE CONDENSED QUARTERLY FINANCIAL INFORMATION

## 1. BASIS OF PREPARATION

These unaudited consolidated results 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. These unaudited consolidated results also comply with the applicable disclosure provisions of the GEM Listing Rules and the disclosure requirements of the Hong Kong Companies Ordinance. These unaudited consolidated results have been prepared under historical cost convention except for certain financial instruments which are 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 accounting policies and methods of computation used in preparing the unaudited condensed consolidated financial statements for the three months ended 30 June 2019 are consistent with those used in the Group’s annual financial statements for the year ended 31 March 2019 except as described below.

In the current period, the Group has applied, for the first time, the following new and amendments to HKASs and HKFRSs issued by the HKICPA that are relevant for the preparation of the Group’s unaudited condensed consolidated financial statements:

|                       |  |
|-----------------------|--|
| HKFRS 16              | Leases   |
| HK (IFRIC) – Int 23   | Uncertainty over Income Tax Treatments               |
| Amendments to HKAS 19 | Plan Amendments, Curtailment or Settlement           |
| Amendments to HKAS 28 | Long-term Interests in Associates and Joint Ventures |
| Amendments to HKFRS 9 | Prepayment Features with Negative Compensation       |
| Amendments to HKFRSs  | Annual Improvement to HKFRSs 2015 – 2017 Cycle       |

Except as described below, the application of the other new and amendments to HKASs and HKFRSs in the current period has had no material effect on the amounts reported in these unaudited condensed consolidated financial statements and/or disclosures set out in these unaudited condensed consolidated financial statements.

# NOTES TO THE CONDENSED QUARTERLY FINANCIAL INFORMATION

## HKFRS 16 “Leases”

The Group has applied HKFRS 16 for the first time in the current period. HKFRS 16 introduces a comprehensive model for the identification of lease arrangements and accounting treatments for both lessors and lessees which superseded HKAS 17 “Leases” and the related interpretations.

Under HKFRS 16, distinctions of operating leases and finance leases are removed for lessee accounting and is replaced by a model where a right-of-use asset and a corresponding liability have to be recognised for all leases by lessees, except for short-term leases and leases of low value assets.

The right-of-use asset is initially measured at cost and subsequently measured at cost (subject to certain exceptions) less accumulated depreciation and impairment losses, adjusted for any remeasurement of the lease liability. The lease liability is initially measured at the present value of the lease payments that are not paid at that date. Subsequently, the lease liability is adjusted for interest and lease payments, as well as the impact of lease modification, amongst others.

Other than certain requirements which are also applicable to lessor, HKFRS 16 substantially carries forward the lessor accounting requirements in HKAS 17 and continues to require a lessor to classify a lease either as an operating lease or a finance lease.

The Group has elected the practical expedient to apply HKFRS 16 to contracts that were previously identified as lease applying HKAS 17 and HK(IFRIC) – Int 4 “Determining whether an Arrangement contains a Lease” and not apply this standard to contracts that were not previously identified as containing a lease applying HKAS 17 and HK(IFRIC) – Int 4. Therefore, the Group will not reassess whether the contracts are, or contain a lease which already existed prior to the date of initial application, i.e. 1 April 2019. Furthermore, the Group has opted the modified retrospective approach for the application of HKFRS 16 as lessee and will recognise the cumulative effect of initial application to opening accumulated losses without restating comparative information.

Based on the allowed practical expedients under HKFRS 16, the Group has elected not to apply the requirements of HKFRS 16 in respect of recognition of lease liability and right-of-use assets to leases for which the lease term ends within twelve months of the date of initial application.

## NOTES TO THE CONDENSED QUARTERLY FINANCIAL INFORMATION

The summary of net impacts of HKFRS 16 on the condensed consolidated statement of profit or loss of the Group for the three months ended 30 June 2019 are set out as below:

|                           | As per<br>HKFRS 16<br>HK\$'000<br>(Unaudited) | As per<br>HKAS 17<br>HK\$'000<br>(Unaudited) | Impact due<br>to change<br>HK\$'000<br>(Unaudited) |
|---------------------------|---|--|--|
| Administrative expenses   | (7,809)                                       | (7,999)                                      | 190  |
| Finance costs             | (1,554)                                       | (1,065)                                      | (489)  |
| Loss for the period       | (5,372)                                       | (5,073)                                      | (299)  |
| Loss attributable to:     |   |  |  |
| Owners of the Company     | (4,968)                                       | (4,806)                                      | (162)  |
| Non-controlling interests | (404)   | (267)  | (137)  |
|                           | (5,372)                                       | (5,073)                                      | (299)  |
|                           | HK cents                                      | HK cents                                     | HK cents   |
| Loss per share            |   |  |  |
| Basic and diluted         | (0.58)  | (0.56)                                       | (0.02)   |

## NOTES TO THE CONDENSED QUARTERLY FINANCIAL INFORMATION

The Group has not early applied the following new and amendments to HKASs and HKFRSs that have been issued but are not yet effective:

|                                    |  |
|------------------------------------|--|
| HKFRS 17                           | Insurance Contracts <sup>2</sup>   |
| Amendments to HKAS 1 and HKAS 8    | Definition of Material <sup>1</sup>  |
| Amendments to HKFRS 3              | Definition of a Business <sup>1</sup>  |
| Amendments to HKFRS 10 and HKAS 28 | Sale or Contribution of Assets between an Investor and its Associate or Joint Venture <sup>3</sup> |

<sup>1</sup> Effective for annual periods beginning on or after 1 January 2020

<sup>2</sup> Effective for annual periods beginning on or after 1 January 2021

<sup>3</sup> Effective for annual periods beginning on or after a date to be determined

The directors of the Company anticipate that the application of all new and amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

The first 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 30 June |             |
|------------------------------|----------------------------|-------------|
|                              | 2019                       | 2018        |
|                              | HK\$'000                   | HK\$'000    |
|                              | (Unaudited)                | (Unaudited) |
| Revenue from cinema business | 7,232                      | 8,525       |

# NOTES TO THE CONDENSED QUARTERLY FINANCIAL INFORMATION

## 3. OTHER REVENUE AND OTHER NET INCOME

|                 | Three months ended 30 June |             |
|-----------------|----------------------------|-------------|
|                 | 2019                       | 2018        |
|                 | HK\$'000                   | HK\$'000    |
|                 | (Unaudited)                | (Unaudited) |
| Interest income | 276                        | 247         |
| Others          | 12                         | 1           |
|                 | 288                        | 248         |

## 4. SHARE-BASED PAYMENTS

The Company has the convertible bonds and share option scheme for the directors, employees and advisors 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 and the outstanding amount as at 30 June 2019 was HK\$30 million. |
| Issue date:       | 1 June 2010   |
| Maturity date:    | Ten years from the date of issue  |
| Interest:         | Zero coupon   |
| Conversion price: | HK\$0.544 per share <i>[Note 1]</i>   |

# NOTES TO THE CONDENSED QUARTERLY FINANCIAL INFORMATION

## Share Option Scheme

Details of specific categories of options are as follow:

| Option type:               | 2014A                   | 2015A                        | 2016A                        | 2017A                        | 2018A                        |
|----------------------------|-------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| Grant date:                | 17-4-2014               | 13-7-2015                    | 7-7-2016                     | 3-3-2017                     | 17-9-2018                    |
| Number of options granted: | 304,140,000             | 161,000,000                  | 342,000,000                  | 159,000,000                  | 180,000,000                  |
| Exercise period:           | 17-4-2014–<br>16-4-2019 | 13-7-2015–<br>12-7-2020      | 7-7-2016–<br>6-7-2021        | 3-3-2017–<br>2-3-2022        | 17-9-2018–<br>16-9-2023      |
| Exercise price:            | HK\$0.364               | HK\$0.940<br><i>(Note 1)</i> | HK\$0.720<br><i>(Note 1)</i> | HK\$0.540<br><i>(Note 1)</i> | HK\$0.168<br><i>(Note 1)</i> |
| Fair value:                | HK\$45,500,000          | HK\$16,800,000               | HK\$26,600,000               | HK\$8,640,000                | HK\$2,181,000                |

The Company has not issued/granted any convertible bonds or share options and the Company did not recognize any expense as share-based payments for the three months ended 30 June 2019 and 2018.

*Note 1:* Adjusted for share consolidation effective from 2 May 2019.

## 5. FINANCE COSTS

|  | Three months ended 30 June |             |
|--|----------------------------|-------------|
|  | 2019                       | 2018        |
|  | HK\$'000                   | HK\$'000    |
|  | (Unaudited)                | (Unaudited) |
| Imputed interest on convertible bonds  | 1,065                      | 898         |
| Interest expenses on lease liabilities | 489                        | –           |
|  | <b>1,554</b>               | 898         |

# NOTES TO THE CONDENSED QUARTERLY FINANCIAL INFORMATION

## 6. LOSS BEFORE TAXATION

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

|  | Three months ended 30 June |             |
|--|----------------------------|-------------|
|  | 2019                       | 2018        |
|  | HK\$'000                   | HK\$'000    |
|  | (Unaudited)                | (Unaudited) |
| Direct expenses of cinema business                   | 2,993                      | 3,331       |
| Depreciation of property, plant and equipment        | 627                        | 627         |
| Depreciation of right-of-use assets                  | 765                        | –           |
| Exchange loss  | 205                        | 2,290       |
| Operating lease rental in respect of rented premises | 363                        | 1,258       |
| Staff costs (including directors' remuneration)      |                            |             |
| — Salaries and allowances                            | 3,094                      | 3,246       |
| — Retirement scheme contributions                    | 449                        | 416         |

## 7. TAXATION

|   | Three months ended 30 June |             |
|---|----------------------------|-------------|
|   | 2019                       | 2018        |
|   | HK\$'000                   | HK\$'000    |
|   | (unaudited)                | (unaudited) |
| The taxation charge recognised in profit or loss comprises: |                            |             |
| Current tax   |                            |             |
| — The PRC   | 54                         | 379         |

No provision for Hong Kong profits tax was made by the Group as the Group did not derive any assessable profits in Hong Kong for the three months ended 30 June 2019 and 2018.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for the three months ended 30 June 2019 and 2018.

## 8. DIVIDEND

The Directors do not recommend the payment of any dividend for the three months ended 30 June 2019 (three months ended 30 June 2018: Nil).

# NOTES TO THE CONDENSED QUARTERLY FINANCIAL INFORMATION

## 9. LOSS PER SHARE

### Basic and diluted loss per share

|  | Three months ended 30 June     |  |
|--|--------------------------------|--|
|  | 2019<br>HK Cent<br>(Unaudited) | 2018<br>HK Cent<br>(Unaudited)<br>(Restated) |
| Total basic and diluted loss per share | <b>(0.58)</b>                  | (0.71)                                       |

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

|   | Three months ended 30 June      |                                 |
|---|---------------------------------|---------------------------------|
|   | 2019<br>HK\$'000<br>(Unaudited) | 2018<br>HK\$'000<br>(Unaudited) |
| Loss for the period attributable to owners of the Company | <b>(4,968)</b>                  | (6,057)                         |

|  | 2019   | 2018<br>(Restated) |
|--|--|--------------------|
|  | Weighted average number of ordinary shares for the purpose of basic and diluted loss per share | <b>855,384,669</b> |

The weighted average numbers of ordinary shares for the purpose of calculating basic loss per share have been retrospectively adjusted to reflect the share consolidation with effect from 2 May 2019.

The incremental shares from assumed exercise of share options granted by the Company and conversion of the Company's outstanding convertible bonds are excluded in calculating the diluted loss per share during the three month ended 30 June 2019 and 2018 because they are antidilutive in calculating the diluted loss per share.



# NOTES TO THE CONDENSED QUARTERLY FINANCIAL INFORMATION

## 10. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

|  | Share capital | Share premium | Contributed surplus | Equity component of convertible bonds | Share options reserve | Exchange reserve | Accumulated losses | Attributable to owners of the Company | Non-controlling interests | Total    |
|--|---------------|---------------|---------------------|---------------------------------------|-----------------------|------------------|--------------------|---------------------------------------|---------------------------|----------|
|  | HK\$'000      | HK\$'000      | HK\$'000            | HK\$'000                              | HK\$'000              | HK\$'000         | HK\$'000           | HK\$'000                              | HK\$'000                  | HK\$'000 |
| At 1 April 2018 (Audited)                        | 136,861       | 420,810       | 3,930               | 76,520                                | 99,685                | 62               | (644,270)          | 93,598                                | 11,230                    | 104,828  |
| Loss for the period                              | -             | -             | -                   | -                                     | -                     | -                | (6,057)            | (6,057)                               | (692)                     | (6,749)  |
| Other comprehensive (loss)/income for the period | -             | -             | -                   | -                                     | -                     | (1,931)          | -                  | (1,931)                               | 63                        | (1,868)  |
| Total comprehensive loss for the period          | -             | -             | -                   | -                                     | -                     | (1,931)          | (6,057)            | (7,988)                               | (629)                     | (8,617)  |
| Cancellation of share options                    | -             | -             | -                   | -                                     | (47,848)              | -                | 47,848             | -                                     | -                         | -        |
| At 30 June 2018 (Unaudited)                      | 136,861       | 420,810       | 3,930               | 76,520                                | 51,837                | (1,869)          | (602,479)          | 85,610                                | 10,601                    | 96,211   |
| At 1 April 2019 (Audited)                        | 136,861       | 420,810       | 3,930               | 76,520                                | 53,022                | (1,228)          | (621,836)          | 68,079                                | 9,856                     | 77,935   |
| Loss for the period                              | -             | -             | -                   | -                                     | -                     | -                | (4,968)            | (4,968)                               | (404)                     | (5,372)  |
| Other comprehensive (loss)/income for the period | -             | -             | -                   | -                                     | -                     | (857)            | -                  | (857)                                 | 38                        | (819)    |
| Total comprehensive loss for the period          | -             | -             | -                   | -                                     | -                     | (857)            | (4,968)            | (5,825)                               | (366)                     | (6,191)  |
| Capital reorganisation*                          | (128,307)     | -             | 128,307             | -                                     | -                     | -                | -                  | -                                     | -                         | -        |
| At 30 June 2019 (Unaudited)                      | 8,554         | 420,810       | 132,237             | 76,520                                | 53,022                | (2,085)          | (626,804)          | 62,254                                | 9,490                     | 71,744   |

\* Details of the capital reorganisation are stated in the Company's circular dated 16 January 2019.

## 11. EVENT AFTER THE REPORTING PERIOD

On 14 August 2019, the Company adopted a share award scheme, details of which are stated on the Company's announcement titled "Adoption of Share Award Scheme" and dated 14 August 2019.

## OTHER INFORMATION

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

As at 30 June 2019, the following directors (the "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 of the Company

| Name of Directors     | Nature of interest              | Number of Shares held | Approximate percentage of issued share capital of the Company |
|-----------------------|---------------------------------|-----------------------|---|
| Mr. Chiau Sing Chi    | Beneficial owner                | 27,573,529            | 3.22%   |
|                       | Held by trust ( <i>Note 1</i> ) | 402,121,240           | 47.01%  |
| Ms. Chow Man Ki Kelly | Held by trust ( <i>Note 1</i> ) | 402,121,240           | 47.01%  |

#### Notes:

1. These shares are registered in the name of Beglobal Investments Limited and Golden Treasure Global Investment Limited. Beglobal Investments Limited and Golden Treasure Global Investment Limited are companies indirectly owned by the trust, the discretionary objects of which are Mr. Chiau Sing Chi, Ms. Chow Man Ki Kelly and their family.
2. The total number of the issued share capital of the Company as at 30 June 2019 was 855,384,669.

## OTHER INFORMATION

### Long positions in the underlying shares of the Company

The Company adopted a share option scheme on 15 August 2012 which the Board may, at their discretion, offer employees, 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 the share options granted to the Directors under the Schemes and any other schemes and movements in such holdings during the Period were as follows:

| Name of Directors                    | Option type<br>(Note 1) | Number of<br>options held<br>as at 1 April<br>2019<br>(Note 2)<br>'000 | Number of<br>options<br>granted<br>'000 | Number of<br>options<br>exercised<br>'000 | Number of<br>options<br>cancelled/<br>lapsed<br>(Note 2)<br>'000 | Number of<br>options held<br>as at 30 June<br>2019<br>'000 |
|--------------------------------------|-------------------------|--|---|---|--|--|
| Mr. Chiau Sing Chi                   | 2014A                   | 750  | -                                       | -   | (750)  | -  |
|                                      | 2015A                   | 2,000  | -                                       | -   | -  | 2,000  |
|                                      | 2017A                   | 8,500  | -                                       | -   | -  | 8,500  |
| Ms. Chow Man Ki Kelly                | 2014A                   | 750  | -                                       | -   | (750)  | -  |
|                                      | 2015A                   | 750  | -                                       | -   | -  | 750  |
|                                      | 2016A                   | 7,500  | -                                       | -   | -  | 7,500  |
|                                      | 2018A                   | 7,500  | -                                       | -   | -  | 7,500  |
| Mr. Lau Man Kit                      | 2014A                   | 750  | -                                       | -   | (750)  | -  |
|                                      | 2015A                   | 750  | -                                       | -   | -  | 750  |
|                                      | 2016A                   | 750  | -                                       | -   | -  | 750  |
| Mrs. Chin Chow<br>Chung Hang Roberta | 2014A                   | 750  | -                                       | -   | (750)  | -  |
|                                      | 2015A                   | 750  | -                                       | -   | -  | 750  |
|                                      | 2016A                   | 750  | -                                       | -   | -  | 750  |
| Ms. Choi Mei Ping                    | 2015A                   | 750  | -                                       | -   | -  | 750  |
|                                      | 2016A                   | 750  | -                                       | -   | -  | 750  |
| Mr. Tsoi Chiu Yuk                    | 2016A                   | 750  | -                                       | -   | -  | 750  |
|                                      |                         | 34,500   | -                                       | -   | (3,000)  | 31,500   |

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

*Note 2:* The number of share options mentioned are adjusted to reflect the share consolidation effective on 2 May 2019.

## OTHER INFORMATION

In addition to 10,500,000 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, 55,147,057 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 30 June 2019, 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 or 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 June 2019, the following persons (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 position in the Shares and underlying Shares

| Name of Shareholders                                      | Number of Shares held | Approximate percentage of issued share capital of the Company |
|---|-----------------------|---|
| Sinostar FE (PTC) Limited <i>(Note 1)</i>                 | 402,121,240           | 47.01%  |
| Treasure Offshore Holdings Limited <i>(Note 1)</i>        | 402,121,240           | 47.01%  |
| Beglobal Investments Limited <i>(Note 2)</i>              | 402,121,240           | 47.01%  |
| Golden Treasure Global Investment Limited <i>(Note 2)</i> | 72,500,000            | 8.48%   |

## OTHER INFORMATION

### *Notes:*

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 329,621,240 shares of the Company (representing approximately 38.53% of the issued share capital of the Company) and indirectly holds 72,500,000 shares of the Company (representing approximately 8.48% of the issued share capital of the Company) through Golden Treasure Global Investment Limited as at 30 June 2019.

## SHARE OPTION 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.

## OTHER INFORMATION

Details of the share options granted under the Schemes and any other schemes and movements in such holdings during the Period were as follows:

| Category  | Option type<br>(Note 1) | Number of<br>options held<br>as at 1 April<br>2019<br>(Note 2)<br>'000 | Number of<br>options<br>granted<br>'000 | Number of<br>options<br>exercised<br>'000 | Number of<br>options<br>cancelled/<br>lapsed<br>(Note 2)<br>'000 | Number of<br>options held<br>as at 30 June<br>2019<br>'000 |
|-----------|-------------------------|--|---|---|--|--|
| Directors | 2014A                   | 3,000  | -                                       | -   | (3,000)  | -  |
|           | 2015A                   | 5,000  | -                                       | -   | -  | 5,000  |
|           | 2016A                   | 10,500   | -                                       | -   | -  | 10,500   |
|           | 2017A                   | 8,500  | -                                       | -   | -  | 8,500  |
|           | 2018A                   | 7,500  | -                                       | -   | -  | 7,500  |
| Employees | 2018A                   | 15,000   | -                                       | -   | -  | 15,000   |
| Advisors  | 2014A                   | 68,450   | -                                       | -   | (68,450)   | -  |
|           | 2015A                   | 1,000  | -                                       | -   | -  | 1,000  |
|           | 2016A                   | 1,500  | -                                       | -   | -  | 1,500  |
|           | 2018A                   | 22,500   | -                                       | -   | -  | 22,500   |
|           |                         | 142,950  | -                                       | -   | (71,450)   | 71,500   |

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

*Note 2:* The number of share options mentioned are adjusted to reflect the share consolidation effective on 2 May 2019.

### 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 OPTION 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 June 2019.

### 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.

## OTHER INFORMATION

### PURCHASE, SALE OR REDEMPTION OF SHARES

For the three months ended 30 June 2019, 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 the Company's annual report and accounts, interim report and quarterly reports and to provide advices and comments thereon to the Board. The Committee will also be responsible for reviewing and supervising the Company's financial reporting, risk management and internal control systems. The Committee comprises three independent non-executive Directors, namely Mr. Ong King Keung (Chairman), Ms. Choi Mei Ping and Mr. Tsoi Chiu Yuk. The Group's unaudited results for the three months ended 30 June 2019 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 three months ended 30 June 2019.

By order of the Board  
**Bingo Group Holdings Limited**  
**Lau Man Kit**  
*Executive Director*

Hong Kong, 14 August 2019

As at the date of this report, the Board comprises Mr. Chiau Sing Chi, Ms. Chow Man Ki Kelly and Mr. Lau Man Kit as executive Directors; Mrs. Chin Chow Chung Hang Roberta as non-executive Director; and Ms. Choi Mei Ping, Mr. Tsoi Chiu Yuk and Mr. Ong King Keung as independent non-executive Directors.