



BINGO GROUP HOLDINGS LIMITED

比高集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8220)

FIRST QUARTERLY RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 30 JUNE 2021

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

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This announcement, 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 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 Group for the three months ended 30 June 2021, together with the unaudited comparative figures for the corresponding period in 2020 were as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

		Three months ended	
		30 June	
	<i>Notes</i>	2021	2020
		<i>HK\$'000</i>	<i>HK\$'000</i>
		(Unaudited)	(Unaudited)
Revenue	2	1,830	–
Cost of sales and services		<u>(795)</u>	<u>–</u>
Gross profit		1,035	–
Other revenue and other net income	3	393	519
Selling and marketing expenses		(37)	–
Administrative expenses		(4,563)	(5,742)
Share-based payments		(23)	(840)
Share of result of an associate		120	–
Finance costs	5	<u>(603)</u>	<u>(861)</u>
Loss before taxation	6	(3,678)	(6,924)
Taxation	7	<u>–</u>	<u>(15)</u>
Loss for the period		<u>(3,678)</u>	<u>(6,939)</u>
Loss attributable to:			
Owners of the Company		(3,478)	(6,401)
Non-controlling interests		<u>(200)</u>	<u>(538)</u>
		<u>(3,678)</u>	<u>(6,939)</u>
		<i>HK cents</i>	<i>HK cents</i>
Loss per share	9		
Basic and diluted		<u>(0.41)</u>	<u>(0.75)</u>

CONDENSED CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

	Three months ended	
	30 June	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Loss for the period	(3,678)	(6,939)
Other comprehensive loss		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translating foreign operations		
— Exchange differences arising during the period	<u>(124)</u>	<u>(42)</u>
Other comprehensive loss for the period, net of tax	<u>(124)</u>	<u>(42)</u>
Total comprehensive loss for the period	<u>(3,802)</u>	<u>(6,981)</u>
Other comprehensive loss attributable to:		
Owners of the Company	(103)	(69)
Non-controlling interests	<u>(21)</u>	<u>27</u>
	<u>(124)</u>	<u>(42)</u>
Total comprehensive loss attributable to:		
Owners of the Company	(3,581)	(6,470)
Non-controlling interests	<u>(221)</u>	<u>(511)</u>
	<u>(3,802)</u>	<u>(6,981)</u>

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 2021 are consistent with those used in the Group’s annual financial statements for the year ended 31 March 2021.

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.

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

2. REVENUE

An analysis of Group’s revenue for the period from operations is as follows:

	Three months ended	
	30 June	
	2021	2020
	HK\$’000	HK\$’000
	(Unaudited)	(Unaudited)
Revenue from cinema business	1,830	–

3. OTHER REVENUE AND OTHER NET INCOME

	Three months ended	
	30 June	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Exchange gain	257	–
Interest income	16	106
Government grants	–	351
Rent concession	36	36
Others	84	26
	<u>393</u>	<u>519</u>

4. SHARE-BASED PAYMENTS

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

Convertible bonds

Tranche number	<i>notes</i>	Tranche 2	Tranche 3	Tranche 4	Tranche 5
	<i>a, b</i>				
Principal amount		HK\$5,000,000	HK\$5,000,000	HK\$5,000,000	HK\$5,000,000
Share price	<i>c</i>	HK\$0.035	HK\$0.035	HK\$0.035	HK\$0.035
Interest		zero coupon	zero coupon	zero coupon	zero coupon
Conversion price		not applicable	HK\$0.544	HK\$0.544	HK\$0.544
Original maturity date		1 June 2021	1 June 2022	1 June 2023	1 June 2024
Revised maturity date		1 June 2022	1 June 2023	1 June 2024	1 June 2025

(a) Tranche 1 of the convertible bonds were fully repaid to the bondholder in June 2020.

(b) On 31 March 2020, the bondholder of the convertible bonds undertook the Company to extend the maturity dates of the outstanding convertible bonds by one year. The conversion rights attached to the convertible bonds, however, would still be expired on the original maturity dates. Accordingly, as at 30 June 2021, Tranche 2 of the convertible bonds has been considered straight bonds repayable on 1 June 2022.

(c) Share price as at 31 March 2020, which is the date of undertaking by the bondholder given to the Company to extend the maturity dates of the convertible bonds by one year.

Share Option Scheme

Details of specific categories of options are as follow:

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

Option type:	2016A	2017A	2018A	2020A
Grant date:	7-7-2016	3-3-2017	17-9-2018	14-7-2020
Number of options granted:	342,000,000	159,000,000	180,000,000	25,500,000
Exercise period:	7-7-2016– 6-7-2021	3-3-2017– 2-3-2022	17-9-2018– 16-9-2023	14-7-2020– 13-7-2025
Exercise price:	HK\$0.180	HK\$0.135	HK\$0.042	HK\$0.074
Adjusted exercise price: <i>(note d)</i>	HK\$0.720	HK\$0.540	HK\$0.168	N/A
Fair value:	HK\$26,600,000	HK\$8,640,000	HK\$2,181,000	HK\$893,000

(d) The exercise price was adjusted due to the share consolidation on 2 May 2019.

5. FINANCE COSTS

	Three months ended	
	30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Imputed interest on convertible bonds	512	700
Interest expenses on lease liabilities	91	161
	<u>603</u>	<u>861</u>

6. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

	Three months ended	
	30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Direct expenses of cinema business (<i>note a</i>)	795	–
Depreciation of property, plant and equipment	413	643
Depreciation of right-of-use assets	150	761
Exchange loss	–	109
Staff costs (including directors' remuneration)		
— Salaries and allowances	1,783	1,891
— Equity settled share-based payments	23	552
— Retirement scheme contributions	157	159
— Equity settled share-based payments paid to advisors	–	288

note a: The direct expenses mainly represent the profit sharing paid to film providers.

7. TAXATION

	Three months ended	
	30 June	
	2021	2020
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Current tax		
— The PRC	–	15

The taxation charge recognised in profit or loss comprises:

Current tax
— The PRC

	–	15
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On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “Bill”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%.

The directors of the Company considered the amount involved upon implementation of the two-tiered profits tax rates regime as insignificant to the consolidated financial statements. Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

No provision of Hong Kong Profits Tax has been made as there is no assessable profits for the three months ended 30 June 2021 and 2020.

No PRC Enterprise Income tax for PRC subsidiaries of the Company was provided for three months ended 30 June 2021, as no taxable profit was derived by these PRC subsidiaries during the corresponding period. PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for the three months ended 30 June 2020.

8. DIVIDEND

The Directors do not recommend the payment of any dividend for the three months ended 30 June 2021 (three months ended 30 June 2020: Nil).

9. LOSS PER SHARE

Basic and diluted loss per share

	Three months ended	
	30 June	
	2021	2020
	<i>HK cent</i>	<i>HK cent</i>
	(Unaudited)	(Unaudited)
Total basic and diluted loss per share	<u>(0.41)</u>	<u>(0.75)</u>

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	
	2021	2020
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(Unaudited)	(Unaudited)
Loss for the period attributable to owners of the Company	<u>(3,478)</u>	<u>(6,401)</u>
	2021	2020
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>855,384,669</u>	<u>855,384,669</u>

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 2021 and 2020 because they are antidilutive in calculating the diluted loss per share.

10. 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 options reserve HK\$'000	Share award scheme reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Attributable to owners of the Company HK\$'000	Non-controlling interests HK\$'000	Total HK\$'000
At 1 April 2020 (Audited)	8,554	420,810	132,237	25,548	10,266	1,720	(1,646)	(561,958)	35,531	(3,937)	31,594
Loss for the period	-	-	-	-	-	-	-	(6,401)	(6,401)	(538)	(6,939)
Other comprehensive (loss)/income for the period											
— Exchange differences arising on translation	-	-	-	-	-	-	(69)	-	(69)	27	(42)
Total comprehensive loss for the period	-	-	-	-	-	-	(69)	(6,401)	(6,470)	(511)	(6,981)
Redemption of convertible bonds	-	-	-	(25,507)	-	-	-	25,507	-	-	-
Lapse of share options	-	-	-	-	(233)	-	-	233	-	-	-
Acquisition of non-controlling interests	-	-	-	-	-	-	-	(6,259)	(6,259)	5,532	(727)
Equity settled share award arrangement	-	-	-	-	-	840	-	-	840	-	840
At 30 June 2020 (Unaudited)	8,554	420,810	132,237	41	10,033	2,560	(1,715)	(548,878)	23,642	1,084	24,726
At 1 April 2021 (Audited)	8,554	420,810	132,237	40	7,563	1,687	(2,081)	(559,411)	9,399	(578)	8,821
Loss for the period	-	-	-	-	-	-	-	(3,478)	(3,478)	(200)	(3,678)
Other comprehensive loss for the period											
— Exchange differences arising on translation	-	-	-	-	-	-	(103)	-	(103)	(21)	(124)
Total comprehensive loss for the period	-	-	-	-	-	-	(103)	(3,478)	(3,581)	(221)	(3,802)
Lapse of share options	-	-	-	-	(233)	-	-	233	-	-	-
Equity settled share award arrangement	-	-	-	-	-	23	-	-	23	-	23
At 30 June 2021 (Unaudited)	8,554	420,810	132,237	40	7,330	1,710	(2,184)	(562,656)	5,841	(799)	5,042

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL

During the three months ended 30 June 2021 (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\$1.8 million and gross profit of HK\$1.0 million were generated during the Period. Due to outbreak of COVID-19 in the very beginning of Year 2020, all cinemas in Hangzhou and Shanghai could not open since late January 2020. No turnover was generated during the 3 months ended 30 June 2020.

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.

In 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 million (equivalent to HK\$34.9 million as at 30 June 2021) was lent to the JV Company. Another loan of RMB16 million (equivalent to HK\$19.2 million as at 30 June 2021) with a term of three years was granted to the JV Company on 30 September 2019. The difference between the new loan and old loan of RMB13 million with

the accrued interest has been repaid to the Bingo Movie on 30 September 2019. No appropriate VR or MR projects were located as at the date of this quarterly report. For further details, please refer to the Company's announcement dated 30 September 2019 and 7 November 2019.

In respect of the development of other businesses, the Group has established a subsidiary which is named as 浙江比高家品牌管理有限公司 (Zhejiang Bingo Family Brand Management Company Limited, "Bingo Family") in Zhejiang in late November 2020. The Group held 51% equity stake of Bingo Family. The principal businesses of Bingo Family are brand and intellectual property ("IP") management, key opinion leader ("KOL") incubation and KOL live shows and e-commerce. Since its incorporation to 31 March 2021, Bingo Family was still running in a trial period and has only incurred loss before tax of approximately HK\$2.5 million to the Group for that period. As mentioned in the Company's annual report 2020/21, the Group considered the growth of Bingo Family is not such satisfactorily. During the Period, Bingo Family incurred net loss of approximately 0.6 million and its net liabilities as at 30 June 2021 was approximately HK\$0.7 million. Subsequently on 13 August 2021, the Group disposed of 51% equity stake of Bingo Family to an employee of Bingo Family at a consideration of RMB1, equivalent to approximately HK\$1.

FINANCIAL REVIEW

During the Period, the Group recorded a total turnover of approximately HK\$1.8 million, whereas no turnover was generated in the corresponding period of last year. It was attributable to cinema closures of all cinemas in Hangzhou and Shanghai during the 3 months ended 30 June 2021, which was caused by outbreak of COVID-19.

In view of severe business environment, the Group has tightened its cost control measures significantly, which resulted in the decrease of administrative expenses from approximately HK\$5.7 million in the 3 months ended 30 June 2020 to approximately HK\$4.6 million in the Period.

As our cinemas have already reopened for business and there were reduction of administrative expenses during the Period, the Group's loss decreased from approximately HK\$6.9 million for 3 months ended 30 June 2020 to approximately HK\$3.7 million for the Period.

OUTLOOK

As of the date of this announcement, the coronavirus outbreak has killed over 4 million people and infected more than 200 million people globally. Although the situation in China is better than many countries in the West, the economy in China is still shocked to a certain extent. Especially COVID-19 Delta Variant has appeared in China recently. The cinemas have been ordered to be closed since early Year 2020 and certain cinemas in the PRC are just allowed to be re-opened in late July 2020. The cinema businesses in China will likely be affected again, if there is wide spread of COVID-19 Delta Variant.

In spite of the wide-spreading of coronavirus mentioned above, the Group may continue to grasp other business opportunities in investments in cinemas in the PRC and attractive movies, when appropriate. 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 (Virtual Reality) and MR (Mixed Reality) industry is undergoing rapid development and the Company considers that there will be growth potential in investment of VR and MR projects. In February 2018, the Group entered into an agreement with Lechuang Holdings (HK) Limited (“Lechuang”) in relation to the formation of the joint venture company (“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 RMB16.0 million (equivalent to approximately HK\$19.2 million as at 30 June 2021) in September 2019.

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 30 June 2021, 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 2021 was 855,384,669.

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 (Note 1)	Number of options held as at 1 April 2021 (Note 2) '000	Number of options granted '000	Number of options exercised '000	Number of options cancelled/ lapsed (Note 2) '000	Number of options held as at 30 June 2021 (Note 2) '000
Mr. CHIAU Sing Chi	2017A	8,500	-	-	-	8,500
Ms. CHOW Man Ki Kelly	2016A	7,500	-	-	-	7,500
	2018A	7,500	-	-	-	7,500
Mr. LAU Man Kit	2016A	750	-	-	-	750
Ms. CHOW Nga Chee Alice	2018A	7,500	-	-	-	7,500
Mrs. CHIN CHOW Chung Hang Roberta (Note 3)	2016A	750	-	-	(750)	-
Ms. CHOI Mei Ping	2016A	750	-	-	-	750
		<u>33,250</u>	<u>-</u>	<u>-</u>	<u>(750)</u>	<u>32,500</u>

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.

Note 3: Resigned on 30 June 2021.

In addition to 8,500,000 number of Shares which would be allotted and issued upon the exercise in full of the options offered to Mr. CHIAU Sing Chi (“Mr. Chiau”) under the share option scheme of the Company above, 36,764,704 number of Shares which would be allotted and issued upon the exercise in full of the convertible bonds held by Mr. Chiau.

On 16 August 2019, based on the recommendation of the remuneration committee (“Remuneration Committee”) of the Board, the Board (including all independent non-executive Directors) has resolved to grant 8,550,000 awarded Shares (the “Awarded Shares”) to Mr. Chiau, under the share award scheme of the Company as recognition of Mr. Chiau’s contribution to the Group and incentive for Mr. Chiau for his continuing future contribution to the Group. The Awarded Shares are to be purchased by the trustee of the Company’s share award scheme on the Stock Exchange and to be held on trust for Mr. Chiau pursuant to the terms of the share award scheme of the Company. The Awarded Shares shall be vested to Mr. Chiau on the first anniversary of the date of grant, i.e. 16 August 2020, and subsequently delayed to 16 August 2021, which is mutually agreed between the Company and Mr. Chiau.

On 14 October 2019, based on the recommendation of the Remuneration Committee, the Board (including all independent non-executive Directors) has resolved to grant 4,240,000 Awarded Shares to Ms. CHOW Man Ki Kelly (“Ms. Kelly Chow”), under the share award scheme of the Company as recognition of Ms. Kelly Chow’s contribution to the Group and incentive for Ms. Kelly Chow for her continuing future contribution to the Group. The Awarded Shares are to be purchased by the trustee of the Company’s share award scheme on the Stock Exchange and to be held on trust for Ms. Kelly Chow pursuant to the terms of the share award scheme of the Company. All of 4,240,000 Awarded Shares shall be vested to Ms. Kelly Chow on the first anniversary of the date of grant, i.e. 14 October 2020, which was subsequently delayed to 14 October 2021 or the date on which the trustee has completed the acquisition of all 4,240,000 Awarded Shares on market, whichever is earlier.

On 14 October 2019, based on the recommendation of the Remuneration Committee, the Board (including all independent non-executive Directors) has resolved to grant 4,240,000 Awarded Shares to Ms. CHOW Nga Chee Alice (“Ms. Alice Chow”), under the share award scheme of the Company as recognition of Ms. Alice Chow’s contribution to the Group and incentive for Ms. Alice Chow for her continuing future contribution to the Group. The Awarded Shares are to be purchased by the trustee of the Company’s share award scheme on the Stock Exchange and to be held on trust for Ms. Alice Chow pursuant to the terms of the share award scheme of the Company. Half of the Awarded Shares (i.e. 2,120,000 awarded Shares) shall be vested to Ms. Alice Chow on the first anniversary of the date of grant, i.e. 14 October 2020, which was subsequently delayed to 14 October 2021 or the date on which the trustee has completed the acquisition of all 4,240,000 Awarded Shares on market, whichever is earlier. The remaining half of the Awarded Shares (i.e. 2,120,000 awarded Shares) shall be vested to Ms. Alice Chow on the second anniversary of the date of grant, i.e. 14 October 2021.

Save as disclosed above, as at 30 June 2021, 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 2021, 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%
KO Kin Hang	51,355,000	6.00%

Notes:

- 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.
- 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 2021.

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.

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 (Note 1)	Number of options held as at 1 April 2021 (Note 2) '000	Number of options granted '000	Number of options exercised '000	Number of options cancelled/ lapsed (Note 2) '000	Number of options held as at 30 June 2021 (Note 2) '000
Directors	2016A	9,750	-	-	(750)	9,000
	2017A	8,500	-	-	-	8,500
	2018A	15,000	-	-	-	15,000
Employees	2018A	7,500	-	-	-	7,500
Advisors	2016A	1,500	-	-	-	1,500
	2020A	25,500	-	-	-	25,500
		<u>67,750</u>	<u>-</u>	<u>-</u>	<u>(750)</u>	<u>67,000</u>

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.

THE SHARE AWARD SCHEME

On 14 August 2019 (the “Adoption Date”), the Board adopted a share award scheme (the “Share Award Scheme”) which has taken effect immediately. The following is a summary of the principal terms and conditions of the Share Award Scheme:

Purposes and objectives

The purposes of the Share Award Scheme are to recognise and reward the contribution of Eligible Persons, which are defined below, to the growth and development of the Group, to give incentives to Eligible Persons in order to retain them for the continual operation and development of the Group and to attract suitable personnel for further development of the Group.

Duration

Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid and effective for a term of ten (10) years commencing on the Adoption Date.

Eligible Persons

Pursuant to the terms of the Share Award Scheme, the following classes of participants (each an “Eligible Person”) are eligible for participation in the Share Award Scheme:

- (a) any employee (an “Employee”) (whether full time or part time, including any executive director but excluding any non-executive director) of any member of the Group or any entity (the “Invested Entity”) in which the Group holds any equity interest;
- (b) any non-executive directors (including independent non-executive directors) of the Company, any of its subsidiaries or any Invested Entity;
- (c) any adviser (professional or otherwise), consultant to or expert in any area of business or business development of any member of the Group or any Invested Entity; and
- (d) any other group or classes of participants who have contributed or may contribute by way of joint venture, business alliance or other business arrangement to the development and growth of the Group,

and, for the purposes of the Share Award Scheme, the awarded shares may be made to any company wholly owned by one or more of the above participant(s). The eligibility of any of the Eligible Persons to an awarded shares shall be determined by the Board from time to time on the basis of the Board's opinion as to his contribution and/or future contribution to the development and growth of the Group.

The grant of the awarded shares to the Eligible Person(s) is through (i) the purchase of awarded shares by the Company's administration committee or the trustee of the Share Award Scheme; and/or (ii) issue of new awarded shares under the general mandate approved at the Company's general meetings.

The Company has not granted any awarded shares for the three months ended 30 June 2021 and 2020.

For further details of the Share Award Scheme, please refer to the Company's announcement dated 14 August 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 2021.

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 three months ended 30 June 2021, 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. TSUI Wing Tak. The Group’s unaudited results for the three months ended 30 June 2021 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 2021.

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

Hong Kong, 13 August 2021

As at the date of this announcement, the Board comprises Mr. CHIAU Sing Chi, Ms. CHOW Man Ki Kelly, Mr. LAU Man Kit, Ms. CHOW Nga Chee Alice, Mr. LIN Jason and Mr. YIP Yiu Bong as executive Directors; and Ms. CHOI Mei Ping, Mr. ONG King Keung and Mr. TSUI Wing Tak as independent non-executive Directors.