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## **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)

### **PROPOSED SHARE CONSOLIDATION**

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The Directors proposed to implement the Share Consolidation on the basis that every two issued and unissued Shares of HK\$0.02 par value each will be consolidated into one Consolidated Share of HK\$0.04 par value each. The Existing Shares trading in board lot size of 20,000 shares will not be changed upon the Share Consolidation becoming effective.

The Share Consolidation is subject to the Shareholders' approval at the EGM. Circular containing further information on the Share Consolidation and a notice to convene the EGM will be despatched to the Shareholders as soon as practicable.

#### **PROPOSED SHARE CONSOLIDATION**

The Directors propose to implement the Share Consolidation on the basis that every two issued and unissued Shares of HK\$0.02 par value each will be consolidated into one Consolidated Share of HK\$0.04 par value each. Fractional Consolidated Shares will be disregarded and not issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold and retained for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Consolidated Shares regardless of the number of share certificates held by such holder.

As at the date of this announcement, the authorised share capital of the Company is HK\$200,000,000 comprising 10,000,000,000 Existing Shares, of which 6,096,809,125 Existing Shares have been allotted and issued as fully paid or credited as fully paid.

Assuming that no further Existing Shares are issued or repurchased between the date of this announcement and the date of the EGM, immediately after the Share Consolidation becoming effective, the authorised share capital of the Company shall remain at HK\$200,000,000 comprising 5,000,000,000 Consolidated Shares and of which 3,048,404,562 Consolidated Shares will be in issue.

## **STATUS OF THE SHARE CONSOLIDATION**

The Consolidated Shares will rank pari passu in all respects with each other and the Share Consolidation will not result in any change in the relative rights of the Shareholders.

Fractional Consolidated Shares will be disregarded and not issued to the Shareholders but all such fractional Consolidated Shares will be aggregated and, if possible, sold and retained for the benefits of the Company. Fractional Consolidated Shares will only arise in respect of the entire shareholding of a holder of the Consolidated Shares regardless of the number of share certificates held by such holder.

Other than the expenses incurred in relation to the Share Consolidation, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or the interests or rights of the Shareholders.

## **CONDITIONS OF THE SHARE CONSOLIDATION**

The Share Consolidation is conditional upon the following:

- (i) the passing of the necessary resolutions by the Shareholders at the EGM to approve the Share Consolidation; and
- (ii) the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Consolidated Shares.

## **BOARD LOT SIZE**

Board lot size for trading will remain unchanged at 20,000 shares for the Consolidated Shares per board lot, which is the same board lot size for trading in the Existing Shares on the Stock Exchange. Based on the closing price of HK\$0.077 per Consolidated Share (assuming the Share Consolidation becoming effective) on the Last Trading Date, the value of each board lot of 20,000 Consolidated Shares would be HK\$1,540.

## **REASONS FOR THE SHARE CONSOLIDATION**

The Share Consolidation is proposed in order to comply with Rule 17.76 of the GEM Listing Rules. The Share Consolidation will increase the nominal value of the Shares. It is expected that the Share Consolidation would bring about a corresponding upward adjustment in the trading

price of the Consolidated Shares on the Stock Exchange and the Board believes that it may attract more investors and extend the shareholders base of the Company. The Board therefore believes that the Share Consolidation is in the interests of the Company and the Shareholders as a whole, in addition to the compliance with the requirement under the GEM Listing Rules.

### **ARRANGEMENT ON ODD LOT TRADING**

In order to facilitate the trading of odd lots (if any) of the Consolidated Shares arising from the Share Consolidation, the Company will appoint a designated broker to provide matching services for the odd lots of the Consolidated Shares on a best effort basis. Further details in respect of the odd lots matching arrangement will be set out in the circular to be despatched by the Company to the Shareholders.

### **EXCHANGE OF SHARE CERTIFICATES**

Subject to the Share Consolidation becoming effective, Shareholders may during the specified period submit share certificates for existing Shares to the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, in exchange, at the expense of the Company, for new share certificates for Consolidated Shares with new par value of HK\$0.04 each. Thereafter, certificates for existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such higher amount as may be allowed by the Stock Exchange from time to time) for each share certificate for existing Shares cancelled or each new share certificate issued for Consolidated Shares, whichever number of certificates cancelled/issued is higher. Nevertheless, certificates for existing Shares will continue to be good evidence of legal title and may be exchanged for certificates for Consolidated Shares at any time.

### **ADJUSTMENT TO THE SHARE OPTIONS AND THE CONVERTIBLE BONDS**

Upon the Share Consolidation becoming effective, the exercise price and the number of Shares to be issued under the Service Options and the Share Options and the conversion price and the number of Shares to be issued upon conversion of the Convertible Bonds may be subject to adjustment. The Company will instruct its auditors or an independent financial adviser to review and certify the basis of such adjustments as soon as possible. Further announcement will be made by the Company in respect of such adjustments as and when appropriate.

Save for the Share Options, the Service Options and the Convertible Bonds, the Company has no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares as at the date of this announcement.

## EXPECTED TIMETABLE

The expected timetable for the Share Consolidation set out below is indicative only and subject to change, and any such changes will be announced in a separate announcement by the Company as and when appropriate.

Despatch of circular with notice of EGM on or before . . . . . Friday, 31 August 2012

Despatch and publication of the notice of EGM . . . . . Friday, 31 August 2012

Latest time for lodging proxy form of EGM . . . . . 11:00 a.m. Saturday, 15 September 2012

EGM . . . . . 11:00 a.m. Monday, 17 September 2012

Announcement on results of EGM . . . . . Monday, 17 September 2012

Effective date of Share Consolidation . . . . . 9:00 a.m. Tuesday, 18 September 2012

Dealings in Consolidated Shares commence . . . . . 9:00 a.m. Tuesday, 18 September 2012

First day for free exchange of existing share  
certificates for new share certificates . . . . . Tuesday, 18 September 2012

Original counter for trading in Existing Shares in  
board lots of 20,000 Existing Shares  
(in the form of existing share certificate)  
temporarily closes . . . . . 9:00 a.m. Tuesday, 18 September 2012

Temporary counter for trading in Consolidated  
Shares in board lots of 10,000 Consolidated  
Shares (in the form of existing share  
certificates) opens . . . . . 9:00 a.m. Tuesday, 18 September 2012

Original counter for trading in Consolidated Shares  
in board lots of 20,000 Consolidated Shares  
(only new certificates for the Consolidated Shares  
can be traded at this counter) re-opens . . . . . 9:00 a.m. Thursday, 4 October 2012

Parallel trading in Consolidated Shares  
(in the form of new share certificates  
for Consolidated Shares and existing  
share certificates) commences . . . . . 9:00 a.m. Thursday, 4 October 2012

Designated broker starts to stand in the market  
to provide matching services for odd lots of  
Consolidated Shares . . . . . 9:00 a.m. Thursday, 4 October 2012

Temporary counter for trading in Consolidated  
Shares in board lots of 10,000 Consolidated  
Shares (in the form of existing share  
certificates) closes . . . . . 4:00 p.m. Thursday, 25 October 2012

Parallel trading in Consolidated Shares (in the  
form of new share certificates for Consolidated  
Shares and existing share certificates) closes . . . . . 4:00 p.m. Thursday, 25 October 2012

Designated broker ceases to stand in the market  
to provide matching services for odd lots of  
Consolidated Shares . . . . . Thursday, 25 October 2012

Last day for free exchange of the existing  
share certificates for new share certificates  
for the Consolidated Shares . . . . . Tuesday, 30 October 2012

## **LISTING APPLICATION**

Application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Consolidated Shares in issue upon the Share Consolidation taking effect.

Subject to the granting of the listing of, and permission to deal in, the Consolidated Shares on the Stock Exchange, the Consolidated Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Consolidated Shares on the Stock Exchange or, under contingent situation, such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

## **EGM**

The Share Consolidation is subject to the Shareholders' approval at the EGM by way of poll and no Shareholders are required to abstain from voting on the resolution in relation to the Share Consolidation. Circular containing further details of the Share Consolidation and the notice of the EGM will be despatched to the Shareholders as soon as practicable.

## DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

“Board”	the board of Directors
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Company”	Bingo Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the GEM
“Consolidated Share(s)”	share(s) of HK\$0.04 par value each in the issued and unissued share capital of the Company after the Share Consolidation becoming effective
“Convertible Bonds”	Pursuant to the service agreement dated 1 June 2010, the company shall issue zero coupon convertible bonds of HK\$45 million in total to Mr. Chiau Sing Chi. Convertible bonds in the amount of HK\$25 million, HK\$5 million and HK\$5 million had been issued on the 1 June 2010, 1 June 2011 and 10 July 2012 representatively and remaining two tranches (each worth HK\$5 million, and HK\$10 million in aggregate) of the convertible bonds will be issued. For the detail of convertible bond, please refer to the service agreement mentioned in the circular dated on 3 May 2010. The Convertible Bond can be converted into shares of the Company at the adjusted conversion price of HK\$0.068 per share as at the date of this announcement
“Director(s)”	the director(s) of the Company
“EGM”	An extraordinary general meeting of the Company to be held for approving, among others, the Share Consolidation
“Existing Shares”	the 10,000,000,000 existing Shares of HK\$0.02 par value each in the issued and unissued share capital of the Company before the Share Consolidation becoming effective as at the date of this announcement
“GEM”	the Growth Enterprise Market of the Stock Exchange

“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Last Trading Date”	23 August 2012, being the last trading date for the Shares on the Stock Exchange before the date of this announcement
“Service Options”	the outstanding share options granted by the Company to Mr. Chiau Sing Chi, an executive director of the Company, which entitle him to subscribe for 250,000,000 new Shares as at the date of this announcement
“Share(s)”	ordinary share(s) of HK\$0.02 par value each in the share capital of the Company
“Share Consolidation”	the proposed consolidation of every two (2) Existing Shares of HK\$0.02 par value each in the issued and unissued share capital of the Company into one (1) Consolidated Share of HK\$0.04 par value each in the issued and unissued share capital in the Company
“Share Options”	the outstanding share options granted by the Company which entitle the grantees to subscribe for 71,000,000 new Shares and 589,680,000 new Shares pursuant to the share option scheme of the Company adopted on 19 October 2002 and 15 August 2012 respectively as at the date of this announcement
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

By order of the Board  
**BINGO GROUP HOLDINGS LIMITED**  
**Chan Cheong Yee**  
*Executive Director*

Hong Kong, 24 August 2012

*As at the date of this announcement, the Company's executive Directors are Mr. Chiau Sing Chi, Mr. Chan Cheong Yee, Mr. Yik Chok Man and Mr. Fok Wai Ming Jackie, the Company's non-executive Directors are Mr. Chong Lee Chang and Mrs. Chin Chow Chung Hang, Roberta, and the Company's independent non-executive Directors are Mrs. Chen Chou Mei Mei, Vivien, Mr. Chum Kwan Yue, Desmond and Mr. Wong Chak Keung.*

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors of the Company, 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.*

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