

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.



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)

CONTINUING CONNECTED TRANSACTION

On 8 May 2014, High Amuse, a wholly owned subsidiary of the Company, entered into the Authorisation Agreement with Billion Winning to authorise and license Billion Winning as its authorised agent to promote the CJ7 Brand and to assist High Amuse to enter into Sub-license Agreement(s) with third parties.

Since Ms. Chow, an executive Director, is also the beneficial owner of Billion Winning, the entering into of the Authorisation Agreement constitutes a continuing connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules.

As the percentage ratios for the relevant aggregated annual cap amounts for the continuing connected transaction under the Authorisation Agreement are less than 25% and the annual cap amounts for the continuing connected transaction are below HK\$10 million, the Authorisation Agreement will be subject to announcement, reporting and annual review requirements under Chapter 20 of the GEM Listing Rules but exempt from the independent Shareholders' approval requirements.

On 8 May 2014, High Amuse, a wholly owned subsidiary of the Company, entered into the Authorisation Agreement with Billion Winning to authorise and license Billion Winning as its authorised agent to promote the CJ7 Brand and to assist High Amuse to enter into Sub-license Agreement(s) with third parties.

Principal terms of the Authorisation Agreement are disclosed below.

THE AUTHORISATION AGREEMENT

Date: 8 May 2014

Parties: (1) High Amuse
(2) Billion Winning

High Amuse is a company incorporated in the British Virgin Islands and is a wholly owned subsidiary of the Company.

Billion Winning is a company incorporated in Hong Kong with limited liability and is principally engaged in brand name promotion. Billion Winning is wholly owned by Ms. Chow. As Ms. Chow is an executive Director of the Company, Billion Winning is deemed as a connected person of the Company (as defined under Chapter 20 of the GEM Listing Rules).

Subject Matters

Pursuant to the terms of the Authorisation Agreement, High Amuse shall appoint Billion Winning as its exclusive brand promotion agent for the CJ7 Brand for a term of two years from the date of the Authorisation Agreement.

As the exclusive promotion agent of High Amuse, Billion Winning is authorised by High Amuse to explore and negotiate business cooperation opportunities with third parties in relation to the promotion of the CJ7 Brand and to assist the entering into of relevant Sub-license Agreement(s) with third parties relating to the CJ7 Brand. For the avoidance of doubt, any Sub-license Agreement(s) shall be subject to the authorised signatory by High Amuse and all license fees under the Sub-license Agreement(s) shall be deposited into a bank account as designated by High Amuse.

Billion Winning shall comply with all applicable laws and regulations when carrying out its duties under the Authorisation Agreement.

The entering into of the Authorisation Agreement shall not affect the rights of the intellectual property rights holder of the CJ7 Brand.

Commission and annual caps

High Amuse shall pay a commission of 20% of the net amount of the total contract sum of the Sub-license Agreement(s) after deduction of costs and expenses of High Amuse in respect of such sub-license Agreement(s) as procured by Billion Winning, provided that the maximum annual commission payable shall be subject to the cap of RMB3,000,000.

Billion Winning shall provide quarterly reports to High Amuse, which shall set out the license fees receivable by High Amuse under the Sub-license Agreements, the costs and expenses of High Amuse in respect of such sub-license Agreement(s) and also the commission amount payable by High Amuse to Billion Winning.

The commission rate and the annual cap are determined after arm's length negotiations between High Amuse and Billion Winning with reference to, among others, the potential benefits of the Group and the estimated annual demand of the CJ7 Brand in the coming years.

Based on the aforesaid, the Directors consider that the commission rate is fair and reasonable and in the interests of the Company and its Shareholders as a whole.

REASONS FOR THE TRANSACTION AND THE ANNUAL CAP

The Group is principally engaged in movie production, licensing and derivatives, crossover marketing, provision of interactive contents and cinema investment and management.

The appointment of Billion Winning as the authorised agent as contemplated under the Authorisation Agreement will allow the Group to further explore business opportunities for promoting the CJ7 Brand. Billion Winning will procure the entering into of Sub-license Agreement(s), which will broaden the income base of the Group and will assist the Group to develop the CJ7 Brand. Moreover, the Group will not need to pay any commission to Billion Winning until the entering into of any Sub-license Agreement(s).

The Directors, including the independent non-executive Directors, consider that the transactions contemplated under the Authorisation Agreement is in the ordinary and usual course of business of the Group and the terms of the Authorisation Agreement are based on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Since Ms. Chow is the sole beneficial owner of Billion Winning and Mr. Chiau is brother of Ms. Chow, Ms. Chow and Mr. Chiau are considered to have material interests in the Authorisation Agreement and the transactions contemplated thereunder and each of Ms. Chow and Mr. Chiau have abstained from voting in the relevant resolutions of the Board meeting approving the Authorisation Agreement and the transactions contemplated thereunder.

Save for Ms. Chow and Mr. Chiau, no other Directors have any material interest in the Authorisation Agreement and no other Directors are required to abstain from voting in the relevant resolution of the meeting of the Board of Directors.

GEM LISTING RULES IMPLICATIONS

Since Ms. Chow, an executive Director, is also the beneficial owner of Billion Winning, the entering into of the Authorisation Agreement constitutes a continuing connected transaction on the part of the Company under Chapter 20 of the GEM Listing Rules.

As the percentage ratios for the relevant aggregated annual cap amounts for the continuing connected transaction under the Authorisation Agreement are less than 25% and the annual cap amounts for the continuing connected transaction are below HK\$10 million, the Authorisation Agreement will be subject to announcement, reporting and annual review requirements under Chapter 20 of the GEM Listing Rules but exempt from the independent Shareholders' approval requirements.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions shall have the following meaning:

“Authorisation Agreement”	the authorisation agreement dated 8 May 2014 and entered into between High Amuse and Billion Winning in relation to the appointment of Billion Winning as exclusive agent for promotion of the CJ7 Brand
“Billion Winning”	Billion Winning Limited, a company incorporated in Hong Kong and is wholly owned by Ms. Chow
“Board”	the board of Directors
“CJ7 Brand”	the animation brand based on the movie known as “長江七號” and the peripheral products in relation thereto
“Company”	Bingo Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“Directors”	directors of the Company
“GEM”	Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“High Amuse”	High Amuse Limited, a company incorporated in the British Virgin Islands with limited liabilities and a wholly owned subsidiary of the Company
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Mr. Chiau”	Mr. Chiau Sing Chi, an executive Director of the Company and brother of Ms. Chow
“Ms. Chow”	Ms. Chow Man Ki Kelly, an executive Director and sister of Mr. Chiau
“PRC”	People’s Republic of China
“Share(s)”	share(s) of HK\$0.04 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

“Sub-license Agreement(s)”	the sub-license agreement(s) to be procured by Billion Winning relating to the CJ7 Brand as contemplated under the Authorisation Agreement
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“RMB”	Renminbi, the lawful currency of the PRC
“%”	per cent

By order of the Board
Bingo Group Holdings Limited
Chong Lee Chang
Executive Director

Hong Kong, 8 May 2014

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

This announcement, for which the Directors 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, 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.