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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)**

### **DISCLOSEABLE TRANSACTION: PROVISION OF FINANCIAL ASSISTANCE**

On 30 September 2019, Bingo Movie, a wholly owned subsidiary of the Company entered into of the Loan Agreement with the JV Company, pursuant to which Bingo Movie will advance the Loan of RMB16,000,000 to the JV Company for investment and development of relevant VR and MR projects.

As certain applicable percentage ratios in respect of the Loan Agreement are more than 5% but all below 25%, the entering into of the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

Reference is made to the announcement of the Company dated 9 February 2018 in relation to, among others, the formation of the JV Company and the proposed entering into of the 2018 Loan Agreement with the JV Company and the Group. Pursuant to the 2018 Loan Agreement, Bingo Movie advanced a loan of RMB29,000,000 (equivalent to approximately HK\$35 million) to the JV Company.

The Board announces that after arm's length negotiations, Bingo Movie, a wholly owned subsidiary of the Company entered into of the Loan Agreement with the JV Company, pursuant to which Bingo Movie will advance the Loan of RMB16,000,000 to the JV Company. For the avoidance of doubt, the JV Company has fully repaid all the interest accrued under the 2018 Loan Agreement with partial repayment of certain principal amount of the loan in the sum of RMB13,000,000 under the 2018 Loan Agreement. Immediately prior to the entering into of the Loan Agreement, the outstanding loan amount owed by the JV Company to Bingo Movie amounts approximately RMB16,000,000, which is equivalent to the principal amount of the Loan under the Loan Agreement and is deemed to have been withdrawn under the Loan Agreement. Set out below are the principal terms of the Loan Agreement.

## THE LOAN AGREEMENT

**Date:** 30 September 2019

**Parties:** (1) Bingo Movie as lender  
(2) JV Company as borrower

Pursuant to the Loan Agreement, Bingo Movie agrees to advance the Loan of RMB16,000,000 to the JV Company subject to and conditional upon the terms and conditions set out in the Loan Agreement. The Loan would be deemed to have withdrawn by the JV Company as at the date of the Loan Agreement.

The JV Company is a joint venture company formed by Bingo Movie and Lechuang and is owned as to 49% and 51% by Bingo Movie and Lechuang respectively. The JV Company is principally engaged in investment and development of relevant VR and MR projects. To the best of the Directors' knowledge, information and belief, the JV Company, Lechuang and its ultimate beneficial owner(s) are Independent Third Party.

**Loan Amount:** RMB16,000,000

**Interest:** Unless upon occurrence of an event of default, the interest rate of the Loan shall be equivalent to the deposit interest rate of the designated bank account of which Bingo Movie or its authorised representative shall be the signatory

**Term:** three years from the date of the Loan Agreement, provided that Bingo Movie shall have the right to demand for early repayment under the Loan Agreement

**Repayment:** The JV Company shall repay the principal amount of the Loan together with any outstanding interest accrued thereon on the due date of the Loan.

**Purpose:** The Loan will be utilized by the JV Company only for the purpose of investment and development of relevant VR and MR projects (including those projects being owned by Lechuang)

**Conditions:**

The obligation of Bingo Movie to make the Loan under the Loan Agreement shall be subject to the fulfillment of the following conditions:

- (a) all necessary approvals, consents, authorizations and licenses in relation to the transactions contemplated under the Loan Agreement having been obtained; and
- (b) all the warranties given by the JV Company under the Loan Agreement remains true and accurate in all respects; and
- (c) no event of default having occurred.

**REASONS FOR THE LOAN AGREEMENT**

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

The Directors consider that the making of the Loan under the Loan Agreement constitutes provision of financial assistance by the Group under the Listing Rules. The Loan amount was determined after arm's length negotiations having taking into consideration of the investment sums of relevant VR and MR projects and the capital needs of the JV Company for its business development. Having considered the capital needs of the JV Company for its business development and the interest income from the Loan Agreement, the Company considers that the entering into of the Loan Agreement and the transactions contemplated thereunder would be beneficial to the Group as a whole.

Taking into account of the aforesaid, the Directors (including the independent non-executive Directors) consider that the entering into of the Loan Agreement and the terms and conditions of the Loan Agreement (including the Loan amount and interest rate) are fair and reasonable and on normal commercial terms and in the interests of the Company and its Shareholders as a whole.

**LISTING RULES IMPLICATIONS**

As certain applicable percentage ratios in respect of the Loan Agreement are more than 5% but all below 25%, the entering into of the Loan Agreement constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

## DEFINITIONS

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

“2018 Loan Agreement”	the loan agreement dated 20 September 2018 and entered into between Bingo Movie as lender and the JV Company as borrower
“Bingo Movie”	Bingo Movie Development Limited, a company incorporated in Hong Kong with limited liability and a wholly owned subsidiary of the Company
“Board”	the board of Directors
“Company”	Bingo Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability the issued Shares of which are listed on GEM
“connected person”	has the meaning ascribed to it in the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	GEM 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
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s) whom, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third party(ies) independent of the Company and its connected persons in accordance with the Listing Rules
“JV Company”	Goal Creation Game Limited 創高遊戲有限公司, a joint venture company formed by Bingo Movie and Lechuang
“Loan”	the loan advanced by Bingo Movie to the JV Company under the Loan Agreement
“Loan Agreement”	the loan agreement dated 30 September 2019 and entered into between Bingo Movie and the JV Company
“Lechuang”	樂創控股(香港)有限公司 Lechuang Holdings (HK) Limited, a company incorporated in Hong Kong with limited liability

“Shareholders”	holders of the Shares
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company
“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**  
**Lau Man Kit**  
*Executive Director*

Hong Kong, 30 September 2019

*As at the date of this announcement, 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.*

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