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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)

LEGAL PROCEEDINGS INVOLVING AN INDEPENDENT NON-EXECUTIVE DIRECTOR; RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR AND CHANGE IN COMPOSITION OF BOARD COMMITTEES

LEGAL PROCEEDINGS INVOLVING AN INDEPENDENT NON-EXECUTIVE DIRECTOR

The board (the “**Board**”) of directors (the “**Directors**”) of Bingo Group Holdings Limited (the “**Company**”, together with its subsidiaries, known as the “**Group**”) has been given to understand that Mr. ONG King Keung (“**Mr. ONG**”), an independent non-executive Director, has been named as one of the respondents in a petition dated 12 May 2022 (the “**Petition**”) filed with the Court of First Instance of the High Court of Hong Kong (the “**Court of First Instance**”) by the Securities and Futures Commission of Hong Kong (the “**SFC**”) pursuant to sections 214(1)(b), (c) and (d) of the Securities Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

According to the Petition, the SFC alleged that the business or affairs of China Candy Holdings Limited, a company which was listed on GEM of The Stock Exchange of Hong Kong Limited until 31 December 2019 (“**China Candy**”) have been conducted in a manner (i) involving defalcation, misfeasance or misconduct towards the China Candy, its subsidiaries and its members; (ii) resulting in its members not having been given all the information with respect to its business or affairs that they might reasonably expect; and/or (iii) unfairly prejudicial to their members or part of their members and that the directors of

China Candy (the “**China Candy Directors**”) were wholly or partly responsible for the business or affairs of China Candy having been so conducted. Among other things, the SFC alleged that the China Candy Directors (including Mr. ONG, who was an independent non-executive director and the chairperson of the audit committee of China Candy from February 2016 to September 2017) as the management of China Candy were negligent and/or in breach of their duties owed to China Candy including duties of care, skill and diligence and duties to act in the best interest of China Candy.

The SFC seeks an order to be made by the Court of First Instance against the China Candy Directors that, among others, they shall not (i) be, or continue to be, a director of any listed or unlisted corporation in Hong Kong and (ii) in any way directly or indirectly be concerned, or take part, in the management of any listed or unlisted corporation in Hong Kong.

The Board has been informed by Mr. ONG that he disagrees with the allegations of the SFC in the Petition and he did not involve in day-to-day operation of China Candy. He is in the process of seeking legal advice in order to contest the Petition vigorously.

The Petition does not involve the Group. The Board considers that the above-mentioned legal proceedings does not have any material adverse impact on the business or operations of the Company as (i) the above-mentioned legal proceedings is still on-going and a judgment has not yet been pronounced; (ii) Mr. ONG has no role in the day-to-day operations of the Company and (iii) the Board has closely monitored the business operation and financial position of the Group together with the Company’s auditors. As at the date of this announcement, the business of the Group is operating as usual.

RESIGNATION OF INDEPENDENT NON-EXECUTIVE DIRECTOR

Mr. ONG has tendered his resignation as an independent non-executive Director with effect from 20 May 2022 due to his intention to devote more time to his personal affairs and other business commitments.

Mr. ONG has confirmed that (i) he has no disagreement with the Board and (ii) there are no other matters in relation to his resignation that needs to be brought to the attention of the shareholders of the Company (the “**Shareholders**”) and The Stock Exchange of Hong Kong Limited.

The Board would like to take this opportunity to express its sincere gratitude to Mr. ONG for his valuable contributions to the Company during his tenure of office as an independent non-executive Director.

CHANGE IN COMPOSITION OF THE BOARD COMMITTEES

Following Mr. ONG's resignation, (i) Mr. ONG also ceased to be the chairman of the audit committee of the Company (the "**Audit Committee**"), and a member of each of the remuneration committee of the Company (the "**Remuneration Committee**") and the nomination committee of the Company (the "**Nomination Committee**"), and (ii) Mr. TSUI Wing Tak, an independent non-executive Director and a member of Audit Committee, has been appointed as the chairman of the Audit Committee.

As a result of the above changes, with effect from 20 May 2022, (i) the Audit Committee will be composed of Mr. TSUI Wing Tak (chairman) and Ms. CHOI Mei Ping ; (ii) the Remuneration Committee will be composed of Ms. CHOI Mei Ping (chairman), Ms. CHOW Man Ki Kelly and Mr. TSUI Wing Tak; (iii) the Nomination Committee will be composed of Ms. CHOI Mei Ping (chairman) and Mr. TSUI Wing Tak.

NON-COMPLIANCE WITH THE RULES GOVERNING THE LISTING OF SECURITIES ON GEM OF THE STOCK EXCHANGE (THE "GEM LISTING RULES") IN RELATION TO BOARD COMPOSITION

As a result of Mr. ONG's resignation, the Audit Committee and the Nomination Committee comprises only two members. It results in non-compliance with the requirements under Rule 5.05(1), Rule 5.05A and Rule 5.28 of the GEM Listing Rules.

Rule 5.05(1)

Pursuant to Rule 5.05(1) of the GEM Listing Rules, every board of directors of a listed issuer must include at least three independent non-executive directors. Following the resignation of Mr. ONG as an independent non-executive Director, the Company only has two independent non-executive Directors.

Rule 5.05A

Pursuant to Rule 5.05A of the GEM Listing Rules, an issuer must appoint independent non-executive directors representing at least one-third of the board. Following the resignation of Mr. ONG as an independent non-executive Director, the Company only has two independent non-executive Directors which do not represent one-third of the Board.

Rule 5.28

Pursuant to Rule 5.28 of the GEM Listing Rules, the audit committee must comprise a minimum of three members. Following the resignation of Mr. ONG as an independent non-executive Director, the Audit Committee will only have two members.

As such, the Board will make its best endeavours to identify suitable candidate to fill the vacancy as soon as practicable and in any event within three months from 20 May 2022 in order to ensure compliance by the Company with the requirements set out in the GEM Listing Rules. The Company will make further announcement as soon as practicable after the appointment of the new independent non-executive Director.

By order of the Board
BINGO GROUP HOLDINGS LIMITED
CHOW Nga Chee Alice
Executive Director

Hong Kong, 19 May 2022

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 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.

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.

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