



BINGO GROUP HOLDINGS LIMITED

比高集團控股有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 8220)

INTERIM RESULTS ANNOUNCEMENT FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2014

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

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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This announcement, for which 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 of 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 Company and its subsidiaries (the “Group”) for the three months and six months ended 30 September 2014, together with the unaudited comparative figures for the corresponding period in 2013 were as follows:

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

	Notes	Three months ended 30 September		Six months ended 30 September	
		2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
CONTINUING OPERATIONS					
Turnover	2	20,810	18,860	40,056	44,209
Cost of sales		(9,054)	(8,062)	(17,243)	(18,734)
Gross profit		11,756	10,798	22,813	25,475
Other revenue and other net income	3	164	9	218	49
Selling expenses		(399)	(147)	(997)	(352)
Administrative expenses		(11,032)	(11,494)	(24,033)	(23,025)
Share-based payments	5	-	(864)	(46,076)	(2,495)
Other losses		-	-	-	(94)
Finance costs	6	(712)	(593)	(1,394)	(1,159)
Loss before taxation	7	(223)	(2,291)	(49,469)	(1,601)
Taxation	8	(1,001)	(749)	(1,798)	(1,962)
Loss for the period from continuing operations		(1,224)	(3,040)	(51,267)	(3,563)
DISCONTINUED OPERATION					
Loss for the period from discontinued operation	9	-	(10)	-	(10)
Loss for the period		(1,224)	(3,050)	(51,267)	(3,573)
Loss attributable to:					
Owners of the Company		(2,423)	(3,495)	(53,192)	(5,916)
Non-controlling interests		1,199	445	1,925	2,343
		(1,224)	(3,050)	(51,267)	(3,573)
Dividend	10	-	-	-	-
Loss per share (cents per share)					
Basic					
From continuing and discontinued operations		(0.08)	(0.11)	(1.67)	(0.19)
From continuing operations		(0.08)	(0.11)	(1.67)	(0.19)
Diluted					
		N/A	N/A	N/A	N/A

CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Loss for the period	(1,224)	(3,050)	(51,267)	(3,573)
Other comprehensive income				
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations				
— Exchange differences arising during the period	35	24	20	48
Other comprehensive income for the period, net of tax	35	24	20	48
Total comprehensive loss for the period	(1,189)	(3,026)	(51,247)	(3,525)
Total comprehensive income/(loss) attributable to:				
Owners of the Company	(2,389)	(3,476)	(53,172)	(5,879)
Non-controlling interests	1,200	450	1,925	2,354
	(1,189)	(3,026)	(51,247)	(3,525)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
	<i>Notes</i>		
NON-CURRENT ASSETS			
Property, plant and equipment		42,414	46,484
Goodwill		950	950
		43,364	47,434
CURRENT ASSETS			
Trade receivables	12	11,191	11,435
Other receivables, deposits and prepayments		18,162	19,187
Payments to parties for procurement for investment of cinema business	13	49,204	49,204
Films in progress and film rights		6,662	5,246
Bank balances and cash		125,484	106,000
		210,703	191,072
CURRENT LIABILITIES			
Trade payables	14	1,918	1,730
Deposits received, other payables and accruals		78,276	79,852
Tax payables		2,550	2,220
		82,744	83,802
NET CURRENT ASSETS		127,959	107,270
TOTAL ASSETS LESS CURRENT LIABILITIES		171,323	154,704

		As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
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NON-CURRENT LIABILITIES			
Convertible bonds		17,817	16,379
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NET ASSETS		153,506	138,325
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CAPITAL AND RESERVES			
Share capital	<i>15</i>	128,518	123,288
Reserves		17,961	9,935
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		146,479	133,223
Non-controlling interests		7,027	5,102
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TOTAL EQUITY		153,506	138,325
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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 option reserve HK\$'000	Exchange reserve HK\$'000	Accumulated losses HK\$'000	Sub-total HK\$'000	Non- controlling interests HK\$'000	Total HK\$'000
At 1 April 2013 (Audited)	122,456	331,580	3,930	110,353	75,884	(675)	(464,103)	179,425	(527)	178,898
Profit/(Loss) for the period	-	-	-	-	-	-	(5,916)	(5,916)	2,343	(3,573)
Other comprehensive income for the period	-	-	-	-	-	37	-	37	11	48
Total comprehensive income/(loss) for the period	-	-	-	-	-	37	(5,916)	(5,879)	2,354	(3,525)
Issue of convertible bonds	-	-	-	2,302	-	-	-	2,302	-	2,302
At 30 September 2013 (Unaudited)	122,456	331,580	3,930	112,655	75,884	(638)	(470,019)	175,848	1,827	177,675
At 1 April 2014 (Audited)	123,288	335,607	3,930	114,249	28,686	(662)	(471,875)	133,223	5,102	138,325
Profit/(Loss) for the period	-	-	-	-	-	-	(53,192)	(53,192)	1,925	(51,267)
Other comprehensive income for the period	-	-	-	-	-	20	-	20	-	20
Total comprehensive income/(loss) for the period	-	-	-	-	-	20	(53,192)	(53,172)	1,925	(51,247)
Issue of convertible bonds	-	-	-	532	-	-	-	532	-	532
Issue of new shares under share option scheme	5,230	25,332	-	-	(10,166)	-	-	20,396	-	20,396
Equity settled share option arrangement	-	-	-	-	45,500	-	-	45,500	-	45,500
Lapse of share options	-	-	-	-	(448)	-	448	-	-	-
At 30 September 2014 (Unaudited)	128,518	360,939	3,930	114,781	63,572	(642)	(524,619)	146,479	7,027	153,506

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	For the six months ended 30 September	
	2014	2013
	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)
Net cash generated used in operating activities	(306)	(23,572)
Net cash used in investing activities	(603)	(385)
Net cash from financing activities	20,396	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	19,487	(23,957)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	106,000	108,696
EFFECT OF FOREIGN RATE EXCHANGES	(3)	48
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	125,484	84,787
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS		
Cash at bank and on hand	125,484	84,787

NOTES TO THE INTERIM FINANCIAL STATEMENTS

1. BASIS OF PREPARATION

The Group's unaudited consolidated results have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") (which include all Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations) issued by the Hong Kong Institute of Certified Public Accountants, accounting principles generally accepted in Hong Kong and the disclosures requirements of the GEM Listing Rules and the Hong Kong Companies Ordinance. They have been prepared under the historical cost convention, except for certain financial instruments, which have been 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 principal accounting policies applied in the preparation of the unaudited consolidated results are consistent with those adopted in the preparation of the annual consolidated financial statements of the Group for the year ended 31 March 2014.

In the current period, the Group has adopted a number of new and revised HKFRSs, which are effective for accounting periods beginning on or after 1 April 2014. The adoption of these new and revised HKFRSs had no material effect on the results or financial position of the Group for the current and/or prior accounting periods. Accordingly, no prior period adjustment has been required.

The Group has not applied the new and revised HKFRSs, which have been issued but are not yet effective, in the unaudited consolidated results. The Group is in the process of making an assessment of the impact of these new and revised HKFRSs upon initial application. So far, it has anticipated that these new and revised HKFRSs are unlikely to have a significant impact on the Group's results of operations and financial position.

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

2. TURNOVER

An analysis of Group's turnover for the period from operations, is as follows:

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Continuing operations				
Revenue from cinema business	20,810	18,860	39,926	42,182
Production and distribution of film right	-	-	-	1,917
Royalty and licensing income	-	-	130	110
	20,810	18,860	40,056	44,209

3. OTHER REVENUE AND OTHER NET INCOME

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Continuing operations				
Interest income	75	9	102	49
Government grants	62	-	62	-
Others	27	-	54	-
	164	9	218	49

4. SEGMENT INFORMATION

	Continuing Operations			Discontinued Operation	Total HK\$'000
	Cinema Investment and Management HK\$'000	Filmed Entertainment New Media Exploitations and Licensing Business HK\$'000	Subtotal HK\$'000	Trading HK\$'000	
For the six months ended					
30 September 2014					
(Unaudited)					
Segment Revenue					
Reportable segment revenue	39,926	130	40,056	-	40,056
Inter-segment revenue	-	-	-	-	-
Revenue from external customers	39,926	130	40,056	-	40,056
Segment Result					
Reportable segment result	5,209	(479)	4,730	-	4,730
Interest income			102	-	102
Share-based payments			(46,076)	-	(46,076)
Unallocated corporate expenses			(6,831)	-	(6,831)
Finance costs			(1,394)	-	(1,394)
Loss before taxation			(49,469)	-	(49,469)
As at 30 September 2014					
(Unaudited)					
Segment Assets					
Reportable segment assets	147,042	86,254	233,296	-	233,296
Unallocated corporate assets			20,771	-	20,771
Consolidated total assets			254,067	-	254,067
Segment Liabilities					
Reportable segment liabilities	60,862	16,256	77,118	-	77,118
Tax payables			2,550	-	2,550
Convertible bonds			17,817	-	17,817
Unallocated corporate liabilities			3,076	-	3,076
Consolidated total liabilities			100,561	-	100,561

	Continuing Operations			Discontinued Operation	Total HK\$'000
	Cinema Investment and Management HK\$'000	Filmed Entertainment New Media Exploitations and Licensing Business HK\$'000	Subtotal HK\$'000	Trading HK\$'000	
For the six months ended					
30 September 2013					
(Unaudited)					
Segment Revenue					
Reportable segment revenue	42,182	2,027	44,209	-	44,209
Inter-segment revenue	-	-	-	-	-
Revenue from external customers	42,182	2,027	44,209	-	44,209
Segment Result					
Reportable segment result	6,967	285	7,252	(10)	7,242
Interest income			49	-	49
Share-based payments			(2,495)	-	(2,495)
Unallocated corporate expenses			(5,248)	-	(5,248)
Finance costs			(1,159)	-	(1,159)
Loss before taxation			(1,601)	(10)	(1,611)
As at 31 March 2014 (Audited)					
Segment Assets					
Reportable segment assets	145,708	83,907	229,615	188	229,803
Unallocated corporate assets			8,703	-	8,703
Consolidated total assets			238,318	188	238,506
Segment Liabilities					
Reportable segment liabilities	62,173	15,262	77,435	-	77,435
Tax payables			1,492	728	2,220
Convertible bonds			16,379	-	16,379
Unallocated corporate liabilities			4,147	-	4,147
Consolidated total liabilities			99,453	728	100,181

Other segment information:

	Cinema Investment and Management HK\$'000	Filmed Entertainment New Media Exploitations and Licensing Businesses HK\$'000	Corporate level HK\$'000	Continuing Operations HK\$'000	Discontinued Operation HK\$'000	Total HK\$'000
For the six months ended						
30 September 2014						
(Unaudited)						
Additions to non-current assets	693	-	12	-	-	705
Interest income	62	40	-	-	-	102
Depreciation	4,533	1	264	4,798	-	4,798
Amortisation of film rights	-	-	-	-	-	-
For the six months ended						
30 September 2013						
(Unaudited)						
Additions to non-current assets	417	-	-	417	-	417
Interest income	2	47	-	49	-	49
Depreciation	4,469	10	-	4,479	-	4,479
Amortisation of film rights	-	716	-	716	-	716

5. SHARE-BASED PAYMENTS

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

Convertible bonds

Issuer:	The Company
Principal amount:	HK\$45 million in aggregate. The Convertible Bonds in the amount of HK\$25 million issued on 1 June 2010 (“commencement date”) and the remaining four tranches (each worth HK\$5 million, and HK\$20 million in aggregate) of the Convertible Bonds issued on the date being the first, second, third and fourth anniversary of the date of commencement date.
Issue date:	1 June 2010
Maturity date:	Ten years from the date of issue
Interest:	Zero coupon
Conversion price:	HK\$0.136 per share

The fair values of the HK\$45 million convertible bonds determined on 1 June 2010 using binomial option pricing model was HK\$124,360,000. The followings assumptions were used to calculate the fair value of HK\$45 million convertible bonds:

Principle amount:	HK\$45 million
Expected life:	10 years
Interest:	Nil
Redemption price:	100% of the principal amount
Conversion price:	HK\$0.136 (<i>Note 1</i>)
Risk-free rate:	2.47%
Effective interest rate:	16.73%
Share price:	HK\$0.27
Expected dividend yield:	0%
Expected volatility:	84.09%

Share Option Scheme

Details of specific categories of options are as follow:

Option type:	2011A	2011B	2012A	2013A	2013B <i>(Note 2)</i>	2014A
Grant date:	1-6-2010	20-8-2010	23-8-2012	4-10-2013	4-10-2013	17-4-2014
Number of options granted:	125,000,000	21,000,000	294,840,000	2,000,000	125,000,000	304,140,000
Exercise period:	1-12-2011- 30-9-2013	15-6-2011- 19-8-2016	23-8-2012- 22-8-2017	4-10-2013- 3-10-2018	4-10-2013- 3-10-2016	17-4-2014- 16-4-2019
Exercise price:	HK\$0.20 <i>(Note 1)</i>	HK\$0.492 <i>(Note 1)</i>	HK\$0.156 <i>(Note 1)</i>	HK\$0.1814	HK\$0.1814	HK\$0.364
Fair value:	HK\$51,691,000	HK\$5,324,000	HK\$22,921,000	HK\$6,000,000	HK\$110,000	HK\$45,500,000

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

Option type:	2011A	2011B	2012A	2013A	2013B	2014A
Share price as at grant date:	HK\$0.27	HK\$0.24	HK\$0.076	HK\$0.181	HK\$0.181	HK\$0.355
Nature of the options:	Call	Call	Call	Call	Call	Call
Risk-free rate:	1.08%	1.28%	0.284%	0.54%	1.15%	1.38%
Expected life of the options:	40 months	6 years	5 years	N/A	N/A	N/A
Expected volatility:	94.74%	91.85%	81.86%	65%	70%	62%
Expected dividend yield:	0%	0%	0%	N/A	N/A	0%
Early exercise behavior:	280%	220%	220%	N/A	N/A	N/A
Exercise multiple:	N/A	N/A	N/A	1.4	1.4	2.4

During the Period, HK\$5,000,000 convertible bonds and 304,140,000 share options were issued/granted and the Company recognized the total expenses of HK\$46,076,000 as share-based payments for the six months ended 30 September 2014 (six months ended 30 September 2013: HK\$2,495,000).

Note 1: Adjustment for share consolidation effective from 18 September 2012.

Note 2: The 2013B share options were approved at the extraordinary general meeting held on 17 December 2013.

6. FINANCE COSTS

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Continuing operations				
Effective interest on convertible bonds	712	593	1,394	1,159

7. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging/(crediting):

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Continuing operations				
Auditor's remuneration	157	156	315	332
Direct expenses of licensing business	-	-	13	11
Direct expenses of cinema business	9,054	8,062	17,230	18,007
Amortisation of film right	-	-	-	716
Depreciation	2,414	2,244	4,798	4,479
Exchange loss/(gain)	(125)	(2)	(79)	240
Other losses				
— Impairment on accounts receivable	-	-	-	94
Operating lease rental in respect of rented premises	1,555	1,949	3,529	4,306
Staff costs (including directors' remuneration)				
Salaries and allowance	3,197	3,134	6,211	6,066
Share-based payments	-	864	4,615	2,495
Retirement scheme contributions	382	351	705	654

8. TAXATION

	Three months ended 30 September		Six months ended 30 September	
	2014	2013	2014	2013
	HK\$'000	HK\$'000	HK\$'000	HK\$'000
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Continuing operations				
The taxation charge comprises:				
Current tax				
Hong Kong	-	-	-	224
The PRC	1,001	749	1,798	1,738
	1,001	749	1,798	1,962

No provision for Hong Kong profits tax has been made in the financial results for the six months ended 30 September 2014 since there was no assessable profit derived from Hong Kong for that period.

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profit for the six months ended 30 September 2013.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for the six months ended 30 September 2014 and 2013.

9. DISCONTINUED OPERATION

On 6 August 2013, the board of directors of Sinotrans Resources Limited, a subsidiary of the Company, confirmed and ratified that the business of trading of coal and palm oil be terminated in February 2013. Accordingly, for the six months ended 30 September 2013, the trading of coal and palm oil business was classified as a discontinued operation.

No revenue was recognized by Sinotrans Resources Limited during the six months ended 30 September 2014 and 2013. During the six months ended 30 September 2014, no expense was recognized while an amount of HK\$10,000 was recorded in the six months ended 30 September 2013.

10. DIVIDEND

The Directors do not recommend the payment of any dividend for the six months ended 30 September 2014 (six months ended 30 September 2013: Nil).

11. LOSS PER SHARE

(a) Basic

Basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

Basic loss per share is calculated as follows:

	Three months ended 30 September		Six months ended 30 September	
	2014 HK Cent (Unaudited)	2013 HK Cent (Unaudited)	2014 HK Cent (Unaudited)	2013 HK Cent (Unaudited)
Basic loss per share				
From continuing and discontinued operations	0.08	0.11	1.67	0.19
From continuing operations	0.08	0.11	1.67	0.19

The loss for the period and weighted average number of ordinary shares used in the calculation of basic loss per share are as follows:

	Three months ended 30 September		Six months ended 30 September	
	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)	2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Loss for the period attributable to owners of the Company				
From continuing operations	2,423	3,485	53,192	5,906
From discontinued operation	-	10	-	10
From continuing and discontinued operations	2,423	3,495	53,192	5,916
Weighted average number of ordinary shares for the purpose of basic loss per share	3,212,824,997	3,061,404,562	3,191,731,174	3,061,404,562

(b) Diluted

No diluted loss per share has been presented in the six months ended 30 September 2014 and 2013, as outstanding share options and convertible bonds of the Company are anti-dilutive since their exercise or concession would result in a decrease in loss per share.

12. TRADE RECEIVABLES

The aging of the Group's trade receivables is analysed as follows:

	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Within 30 days	1,176	1,220
31–60 days	52	178
61–90 days	2	13
Over 90 days	20,804	20,867
	22,034	22,278
Allowance	(10,843)	(10,843)
	11,191	11,435

For the cinema business and filmed entertainment, new media exploitations and licensing business segment, the credit terms granted by the Group to its customers normally ranged from COD (cash-on-delivery) to 120 days. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. All trade receivables are expected to be recovered within one year.

Impairment losses in respect of trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly. Before impairment, there was approximately HK\$19.9 million receivable from Huayi Brothers Media Corporation (“Huayi Brothers”) for a Chinese language motion picture titled “Journey to the West: Conquering the Demons” (“JTTW”). The trade receivables have been long outstanding and Huayi Brothers has refused to settle. The Group has taken appropriate legal actions to recover the aforesaid amount and the litigation were still in progress as at 30 September 2014. Although the Group has confidence to recover the outstanding receivables through civil actions, the legal procedure takes time and the risk of litigation is accounted for. Accordingly, 50% of the receivables, representing HK\$9,900,000, which is included in impairment of trade receivables of HK\$10,090,000 made in the year ended 31 March 2014, has been impaired to reflect the possible financial impact to the Group. No further impairment was made during the six months ended 30 September 2014. The total allowance for impairment as at 30 September 2014 and 31 March 2014 was approximately HK\$10,843,000.

The aging analysis of trade receivables that are neither individually nor collectively considered to be impaired are as follows:

	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Neither past due nor impaired	1,176	1,220
Past due but not impaired:		
Less than 1 month past due	52	178
1 to 3 months past due	2	13
More than 3 months past due	9,961	10,024
	11,191	11,435

Receivables at 30 September 2014 and 31 March 2014 that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables at 30 September 2014 and 31 March 2014 that were past due but not impaired related to a number of independent customers that had a good track record with the Group or with appropriate impairment allowance accounted for. Based on past experience, management believes that no (further) impairment allowance was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable. The Group did not hold any collateral over these balances.

13. PAYMENTS TO PARTIES FOR PROCUREMENT FOR INVESTMENT OF CINEMA BUSINESS

Pursuant to the announcement for the joint venture agreement (“JV agreement”) dated 9 June 2011, a subsidiary of the Company entered into a JV agreement with CineChina Limited (“CineChina”) for the investment of cinemas business in the PRC.

The payments were made to a director of a 70% owned subsidiary, who is also a director and shareholder of CineChina, and to CineChina, a 30% shareholder of the abovementioned subsidiary for the purpose of materializing the JV agreement:

	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Amount paid to a director of a subsidiary	19,173	19,173
Amount paid to CineChina	26,786	26,786
Amount paid to an independent third party	3,245	3,245
	49,204	49,204

Under the prevailing legal requirements in the PRC, certain restrictions are imposed on foreign investors for taking up majority stake in cinema business in the PRC. In accordance with legal opinion from PRC lawyer, the approval for engaging in the foregoing business by the subsidiaries of the Company has not been obtained from the respective PRC authorities during the year ended 31 March 2012 and the organising of the above cinema business had not been completed at 31 March 2012. The JV Director, CineChina and an Independent third party (collectively, “these parties”) held the fund for the Group and would settle the cost incurred in procurement of the investment of cinema business in the PRC.

By an internal group reorganization the capital of 比高電影院（上海）有限公司 (“Shanghai Bingo”) was transferred from a domestic enterprise to a sino-foreign joint venture enterprise to comply with the relevant regulatory requirement for foreign investors to operate cinema business in the PRC during the year ended 31 March 2013. The Group legally owned 75% equity interest in Shanghai Bingo to operate the cinema business by mid-February 2013. The results of the cinema projects, including Linan and Hangzhou cinema projects, legally owned by Shanghai Bingo are consolidated into that of the Group after completion of the internal group reorganization. Pursuant to the agreement entered into between the Group and these parties on 6 December 2012, these parties in principle agreed to act as a conduit of payment on behalf of the Group for the development of the cinema business in the PRC. These parties have substantially utilized the funds for the cinema business through their connection (“the Connection”) in the PRC.

As at 30 September 2014, approximately HK\$46.1 million have been settled by the Connection (“the Connection Payables”) and was included in other payables of the Group. The Group, these parties and the Connection have principally agreed to offset the funds held by these parties with the amount payable to the Connection upon finalization of all the construction and decoration cost incurred and paid. The outstanding balance owed by these parties will deem to be settled upon the execution of the aforementioned offset.

14. TRADE PAYABLES

The aging of the Group’s trade payables is analysed as follows:

	As at 30 September 2014 HK\$’000 (Unaudited)	As at 31 March 2014 HK\$’000 (Audited)
Within 30 days	1,918	1,730

Payment terms with suppliers are generally within 30 days.

15. SHARE CAPITAL

	As at 30 September 2014 (Unaudited)		As at 31 March 2014 (Audited)	
	No of shares '000	Amount HK\$'000	No of shares '000	Amount HK\$'000
Ordinary shares of HK\$0.04 each				
Authorised:				
At the beginning and at the end of the period/year	5,000,000	200,000	5,000,000	200,000
Ordinary shares of HK\$0.04 each				
Issued and fully paid:				
At the beginning of the period/year	3,082,195	123,288	3,061,405	122,456
Share allotment under share option scheme	130,750	5,230	20,790	832
At the end of the period/year	3,212,945	128,518	3,082,195	123,288

16. OPERATING LEASE COMMITMENTS

	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Within one year	4,834	4,080
In the second to fifth year, inclusive	15,786	15,566
More than five years	24,318	26,596
	44,938	46,242

17. CAPITAL COMMITMENTS

	As at 30 September 2014 HK\$'000 (Unaudited)	As at 31 March 2014 HK\$'000 (Audited)
Contracted but not provide for		
— Additional cost to be incurred for animation under production	6,457	4,086
— Acquisition of plant and equipment	—	364
— Additional capital injection in a subsidiary, 比高電影院(上海)有限公司	2,182	2,182
	8,639	6,632

18. RELATED PARTY AND CONNECTED TRANSACTIONS

- (a) In addition to those disclosed in other sections of the financial statements, the Group entered into the following transactions with connected parties during the period:

Name of connected persons	Nature of transactions	Six months ended 30 September	
		2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Entrance Gate Limited <i>(Note 1)</i>	Royalty fee in relation to the royalty income generated from sub-licensing of intellectual property right	13	11
The Star Overseas Limited <i>(Note 2)</i>	Consultancy service fee in relation to the film production	420	420

(b) Outstanding balances with connected parties as at the end of the reporting period:

		30 September 2014 HK\$'000 (Unaudited)	31 March 2014 HK\$'000 (Audited)
CineChina Limited <i>(Note 3)</i>	Payment for procurement for investment of cinema business	26,786	26,786
Mr. Yin Gang <i>(Note 4)</i>	Payment for procurement for investment of cinema business	19,173	19,173
Pacific Finder Limited <i>(Note 5)</i>	Deposit paid for feasibility study on a film project	2,500	2,500

(c) Compensation of key management personnel. The remuneration of directors and other members of key management during the period was as follows:

	Six months ended 30 September 2014 HK\$'000 (Unaudited)	2013 HK\$'000 (Unaudited)
Directors' fee, salaries, allowances and other benefits	495	778
Share-based payments	4,615	2,495
	5,110	3,273

Note 1: As Entrance Gate Limited is a related entity of Mr. Chiau Sing Chi, who in turn is an Executive Director and the controlling Shareholder of the Company, Entrance Gate Limited is considered as a connected person of the Company under the GEM Listing Rules.

Note 2: Ms. Chow Man Ki, Kelly, a director of The Star Overseas Limited, is an executive director of the Company since 6 January 2014. Ms. Chow is also a sister of Mr. Chiau Sing Chi who is a director of the Company. Accordingly, Ms. Chow is considered a connected person under GEM Listing Rules during the six months ended 30 September 2014 and 2013.

Note 3: CineChina Limited holds 30% equity interest in a subsidiary of the Company and it is considered a connected person under the GEM Listing Rules. The details of the connected transaction is listed in note 13.

Note 4: Mr. Yin Gang is a director of a subsidiary of the Company. He is considered a connected person under the GEM Listing Rule. The details of the connected transaction is listed in note 13.

Note 5: Ms. Chow Man Ki, Kelly, a director of Pacific Finder Limited, is an executive director of the Company since 6 January 2014. Accordingly, Ms. Chow is considered a connected person under GEM Listing Rules as at 30 September 2014 and 31 March 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

GENERAL

During the six months ended 30 September 2014 (the “Period”), 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\$39.9 million and gross profit of HK\$22.7 million with gross margin of approximately 56.9% were generated during the Period. Positive results generated within the first couple of years of the operation of cinemas in the PRC are encouraging. The Group will continue to focus on expanding the audience headcount and improve the financial performance of the Cinema Business accordingly.

In the segment of Filmed Entertainment Business, the Group was locating suitable business opportunities and an appropriate target was spotted in late last fiscal year. In March 2014, the Group entered into an agreement with a company, which is an associate of Mr. Chiau Sing Chi (“Mr. Chiau”), to participate in the development of the feasibility study for a film production. The initial capital investment of the Group was HK\$2.5 million. The feasibility study should be completed by 31 December 2014. Accordingly, no revenue was generated from that film during the Period.

In the area of animation, the Group was working to develop, produce and distribute the animation film(s) and TV cartoon(s) derived from the intellectual property right of CJ7 (長江7號). In relation to the CJ7 animation film(s), the Group has successfully invited Film Development Fund of Hong Kong to invest in one animation film. The production of the corresponding animation film and TV cartoon was still in progress as at 30 September 2014.

FINANCIAL REVIEW

During the Period, the Group recorded a total turnover under continuing operations of approximately HK\$40.1 million, representing a decrease of approximately HK\$4.1 million compared with the six months ended 30 September 2013 (the “Corresponding Period”). The turnover of the Group for the Period and the Corresponding Period principally represented revenue from Cinema Business. Loss for the Period was approximately HK\$51.3 million compared with a loss of HK\$3.6 million for the Corresponding Period.

In addition to the decrease in turnover, the increase in loss for the Period was mainly attributable to recognition of non-cash share-based payments of approximately HK\$46.1 million of which approximately HK\$41.5 million represented expenses for share options granted to advisers of the Company for developing Cinema Business and Filmed Entertainment Business.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 30 September 2014, the Group had total assets of approximately HK\$254.1 million (31 March 2014: HK\$238.5 million), including cash and cash equivalents of approximately HK\$125.5 million (31 March 2014: HK\$106.0 million). There was no pledged bank deposit as at 30 September 2014 and 31 March 2014. During the Period, the Group financed its operations with its own working capital. As at 30 September 2014 and 31 March 2014, the Group did not have any bank overdraft. As at 30 September 2014, the debt ratio (defined as the ratio between total liabilities over total assets) was approximately 0.40 (31 March 2014: approximately 0.42). In view of the strong cash position of the Group and the improvement in the debt ratio, the Board believes that the Group has sufficient resources to satisfy its working capital requirements.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

The Group had no material acquisition or disposal of subsidiaries and affiliated companies during the Period.

FOREIGN EXCHANGE EXPOSURE

The Group’s transactions during the Period were mainly denominated in Renminbi, HK Dollars and US Dollars. Risk on exposure to fluctuation in exchange rates was insignificant to the Group.

EMPLOYEES

As at 30 September 2014, the Group had 166 (31 March 2014: 176) staff in the PRC and Hong Kong. Total staff costs including directors' remuneration were approximately HK\$11.5 million during the Period (Corresponding Period: approximately HK\$9.2 million), in which HK\$4.6 million was related to share-based payments to directors (Corresponding Period: HK\$2.5 million). Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme to its employees. During the Period, total 27 million share options have been granted to certain directors (Corresponding Period: Nil).

CONTINGENT LIABILITIES

As at 30 September 2014, the Group did not have any significant contingent liabilities (31 March 2014: Nil).

COMMITMENTS

Details of the Group's operating lease commitments and capital commitments are set out in notes 16 and 17 to the interim financial statements of the Group for the six months ended 30 September 2014 respectively.

OUTLOOK

Owing to the booming development of the film industry in the PRC, the Group will continue to grasp other business opportunities in investments in cinemas in the PRC and attractive movies. While the Group continued its existing businesses, the Group will put more focus onto locating other business opportunities with enormous potentials, including online games developing and operating businesses, and investments in China cultural industry. 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 September 2014, the following 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

Name of Directors	Nature of interest	Number of Shares held	Approximate percentage of issued share capital of the company
Mr. Chan Cheong Yee	Beneficial owner	5,000	0.00%
Mr. Chong Lee Chang (<i>Note 1</i>)	Beneficial owner Corporate interests	8,065,976 37,250,023	0.25% 1.16%
Mr. Chiau Sing Chi (<i>Note 2</i>)	Held by trust	1,608,484,963	50.06%
Ms. Chow Man Ki Kelly (<i>Note 2</i>)	Held by trust	1,608,484,963	50.06%

Notes:

1. Mr. Chong Lee Chang, an executive Director, had personally owned 8,065,976 Shares and had been deemed to be interested in 37,250,023 Shares through his beneficial interest in the entire issued share capital of Shieldman Limited.
2. These shares are registered in the name of Beglobal Investments Limited and Golden Treasure Investments Limited. Beglobal Investments Limited and Golden Treasure Investments Limited are companies indirectly owned by the trust, the discretionary objects of which are Mr. Chiau, Ms. Chow and their family.
3. The total number of the issued share capital of the Company as at 30 September 2014 was 3,212,944,562.

Long positions in the underlying Shares

The Company adopted a share options scheme on 15 August 2012 which the Board may, at their discretion, offer employees, non-executive Directors, independent non-executive 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 share options granted to the Directors as at 30 September 2014 were as follows:

Name of Directors	Option type (Note 1)	Number of options held as at 1 April 2014	Number of options granted during the Period	Number of options exercised during the Period	Number of options cancelled/lapsed during the Period	Number of options held as at 30 September 2014
Mr. Chiau Sing Chi	2012A	3,000,000	-	-	-	3,000,000
	2013B	125,000,000	-	-	-	125,000,000
	2014A	-	3,000,000	-	-	3,000,000
Ms. Chow Man Ki Kelly	2014A	-	3,000,000	-	-	3,000,000
Mr. Chan Cheong Yee	2012A	15,000,000	-	-	-	15,000,000
	2014A	-	3,000,000	-	-	3,000,000
Mr. Chong Lee Chang	2012A	3,000,000	-	-	-	3,000,000
	2013A	2,000,000	-	-	-	2,000,000
	2014A	-	3,000,000	-	-	3,000,000
Mr. Lau Man Kit	2014A	-	3,000,000	-	-	3,000,000
Mrs. Chin Chow Chung Hang Roberta	2012A	3,000,000	-	-	-	3,000,000
	2014A	-	3,000,000	-	-	3,000,000
Mrs. Chen Chou Mei Mei Vivien (Note 2)	2012A	250,000	-	(250,000)	-	-
	2014A	-	3,000,000	-	(3,000,000)	-
Mr. Chum Kwan Yue Desmond	2012A	3,000,000	-	-	-	3,000,000
	2014A	-	3,000,000	-	-	3,000,000
Mr. Wong Chak Keung	2012A	3,000,000	-	-	-	3,000,000
	2014A	-	3,000,000	-	-	3,000,000

Note 1: Details of specific categories of share options are disclosed in note 5 to the interim financial statements.

Note 2: Retired on 15 August 2014.

In addition to 131,000,000 number of Shares which would be allotted and issued upon the exercise in full of the options offered to Mr. Chiau Sing Chi under the share option scheme of the Company above, 330,882,352 number of Shares which would be allotted and issued upon the exercise in full of the convertible bonds held by Mr. Chiau Sing Chi.

Save as disclosed above, as at 30 September 2014, 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 of 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 September 2014, the following person (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 positions in the Shares and underlying Shares

Name of Shareholders	Number of Shares held	Approximate percentage of issued share capital of the Company	Number of underlying Shares held
SMP Trustees (Hong Kong) Limited <i>(Note 1)</i>	1,608,484,963	50.06%	–
Treasure Offshore Holdings (PTC) Limited <i>(Note 1)</i>	1,608,484,963	50.06%	–
Beglobal Investments Limited <i>(Note 2)</i>	1,608,484,963	50.06%	–
Golden Treasure Global Investment Limited <i>(Note 2)</i>	290,000,000	9.03%	–

Note:

- Mr. Chiau Sing Chi, Ms. Chow Man Ki, Kelly and their family are the beneficiaries of a discretionary trust of which SMP Trustees (Hong Kong) Limited ("SMP") is the trustee. SMP as the trustee of the discretionary trust is the sole shareholder of Treasure Offshore Holdings (PTC) Limited, which is the sole shareholder of Beglobal Investments Limited.
- Beglobal Investments Limited directly holds 1,318,484,963 shares of the Company (representing approximately 41.03% of the issued share capital of the Company) and indirectly holds 290,000,000 shares of the Company (representing approximately 9.03% of the issued share capital of the Company) through Golden Treasure Global Investment Limited as at 30 September 2014.

Save as disclosed above, as at 30 September 2014, the Directors are not aware of any other person (other than the Directors and the chief executive of the Company) who had, or was deemed to have, interests or short positions in the Shares or underlying Shares (including any interests in options in respect of such capital), 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 who was directly or 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.

SHARE OPTIONS 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.

The following share options were outstanding under the Scheme and any other schemes during the Period:

Category	Option type	Number of options held as at 1 April 2014 '000	Number of options granted during the Period '000	Number of options exercised during the Period '000	Number of options cancelled/lapsed during the Period '000	Number of options held as at 30 September 2014 '000
Directors	2012A	30,250	-	(250)	-	30,000
	2013A	2,000	-	-	-	2,000
	2013B	125,000	-	-	-	125,000
	2014A	-	27,000	-	(3,000)	24,000
Employees	2012A	10,000	-	-	-	10,000
	2011B	9,000	-	-	-	9,000
Advisors	2012A	220,800	-	(130,500)	-	90,300
	2014A	-	277,140	-	-	277,140
Total		397,050	304,140	(130,750)	(3,000)	567,440

Note: Details of specific categories of share options are disclosed in note 5 to the interim financial statements.

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 OPTIONS 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 September 2014.

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.

CONNECTED TRANSACTIONS

Saved as disclosed in note 18 to the interim financial statements, no other connected transactions were entered into by the Group under the GEM Listing Rules.

PURCHASE, SALE OR REDEMPTION OF SHARES

For the six months ended 30 September 2014, 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 and supervise the financial reporting process and internal control system of the Group. The Committee comprises two independent non-executive Directors, namely Mr. Wong Chak Keung (Chairman) and Mr. Chum Kwan Yue Desmond. The Group's unaudited results for the six months ended 30 September 2014 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 six months ended 30 September 2014.

CORPORATE GOVERNANCE

The Board considers that the Company has complied with the code provisions of Code on Corporate Governance Practices and Corporate Governance Report (the "CG Code") set out in Appendix 15 to the GEM Listing Rules throughout the six months ended 30 September 2014, except for the following deviations:

(a) Chairman and Chief Executive Officer

Pursuant to Provision A.2.1 of the CG Code, the roles of the Chairman and the Chief Executive Officer should be separated and should not be performed by the same individual. The division of responsibilities between the Chairman and the Chief Executive Officer should be clearly established and set out in writing. The Board is in the process of locating appropriate persons to fill the vacancies of the Chairman and Chief Executive Officer of the Company as soon as practicable.

(b) Appointment and Re-Election of the Directors

Pursuant to Provision A.4.1 of the CG Code, the non-executive directors should be appointed for a specific term, subject to re-election.

The non-executive Director and all independent non-executive Directors are not appointed for a specific term, but they are subject to re-election at the annual general meeting of the Company in accordance with the Articles.

In accordance with the Article 87 of the Articles of the Company, one-third of the Directors for the time being (or, if their number is not a multiple of three, the number nearest to but not less than one-third) shall retire from office by rotation provided that every Director shall be subject to retirement at least once every three years.

(c) Chairman of Nomination Committee

Pursuant to Provision A.5.1 of the CG Code, the nomination committee should be chaired by the chairman of the board or an independent non-executive director. The Chairman of the Company's nomination committee is Mr. Chong Lee Chang, who is an executive Director but not the Chairman of the Board.

As mentioned in point (a) above, the Board is in the process of locating appropriate persons to fill the vacancies of the Chairman of the Company as soon as practicable.

(d) Attendance in General Meetings

Pursuant to Provision A.6.7 of the Code, independent non-executive directors and other non-executive directors should attend general meetings. Certain independent non-executive Directors could not attend the annual general meeting held on 15 August 2014 due to other business commitments.

By order of the Board
Bingo Group Holdings Limited
Chan Cheong Yee
Executive Director

Hong Kong, 13 November 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 Mr. Chum Kwan Yue, Desmond and Mr. Wong Chak Keung as independent non-executive Directors.

This announcement will remain on the "Latest Company Announcements" page of the GEM website (www.hkgem.com) for at least 7 days from its date of publication and on the website of the Company (www.bingogroup.com.hk).