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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)

CONNECTED TRANSACTION — ISSUE OF CONVERTIBLE BONDS UNDER SPECIFIC MANDATE

ISSUE OF CONVERTIBLE BONDS

On 7 December 2021 (after trading hours), the Company entered into the Subscription and Settlement Agreement with the Subscriber, pursuant to which the Company conditionally agrees to issue and the Subscriber conditionally agrees to subscribe for or procure the subscription by its nominee(s) of the Convertible Bonds in the principal amount of HK\$19,000,000 at its face value and pay the Subscription Price at Completion by setting off against the outstanding principal amount of the Existing Bonds.

The Conversion Shares will be issued under the Specific Mandate to be sought from the Independent Shareholders at the EGM. The Subscription is conditional upon the Stock Exchange granting the Company the approval for the listing of, and the permission to deal in, the Conversion Shares and the passing of necessary resolution(s) by the Independent Shareholders at the EGM to approve the Subscription and Settlement Agreement and the transactions contemplated thereunder.

GEM LISTING RULES IMPLICATIONS

The Subscriber, being a controlling Shareholder and an executive Director, is a connected person of the Company under Chapter 20 of the GEM Listing Rules. Accordingly, the Subscription constitutes a connected transaction on the part of the Company and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules. In addition, the Convertible Bonds and the Conversion Shares will be issued under the Specific Mandate which is subject to Independent Shareholders' approval at the EGM. The EGM will be convened and held for the purposes of considering of, and if thought fit, approving, among other things, the Subscription, and the Specific Mandate to issue the Conversion Shares.

GENERAL

An Independent Board Committee comprising all the independent non-executive Directors has been established to consider, and to advise the Independent Shareholders regarding the Subscription and the transactions contemplated thereunder, and as to whether the Subscription is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

An EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, to approve by way of poll, among other matters, the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Conversion Shares).

The Subscriber and its associates, being interested in the transactions contemplated under the Subscription and Settlement Agreement, shall abstain from voting for the resolution to approve the Subscription and Settlement Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among others, (i) further details of the Subscription and Settlement Agreement and the transactions contemplated thereunder, including the issue of the Convertible Bonds and the Conversion Shares under the Specific Mandate; (ii) a letter of recommendations from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from an independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription and Settlement Agreement; and (iv) a notice convening the EGM will be despatched by the Company to the Shareholders on or before 26 January 2022 so as to allow sufficient time for preparation of the relevant information for inclusion in the circular.

The Completion of the Subscription are subject to the fulfillment of the conditions precedent as set out in this announcement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.

ISSUE OF CONVERTIBLE BONDS

Reference is made to (i) the announcement of the Company dated 22 February 2010 and the circular of the Company dated 3 May 2010 in relation to, among other matters, the entering into of the director service agreement (as defined below) with the Subscriber.

On 22 February 2010, the Company entered into the service agreement (the “**Service Agreement**”) with Mr. Chiau pursuant to which the Company agreed to appoint Mr. Chiau as an executive director of the Company and Mr. Chiau accepted the appointment with prescribed duties for an initial term of five years from the commencement date, being 1 June 2010. Upon expiry of the initial term of the Service Agreement, the Company has renewed Mr. Chiau’s appointment and as at the date of this submission. Mr. Chiau remains a controlling shareholder of the Company (as defined under the GEM Listing Rules) and an executive Director.

As part of the remuneration contemplated under the Service Agreement, the Company has pursuant to the terms thereof issued an aggregate principal amount of HK\$45 million of the Existing CBs to Mr. Chiau in batches. As at the date of this submission, the aggregate outstanding principal amount of the Existing CBs is HK\$15 million and the breakdown thereof are as follows:

Principal amount	Maturity Date (Note)	Conversion Price (as adjusted pursuant to the terms thereof) of the Existing CBs
HK\$5 million	1 June 2022	HK\$0.53
HK\$5 million	1 June 2023	HK\$0.53
HK\$5 million	1 June 2024	HK\$0.53

Note: pursuant to the terms of the Existing CBs, the original maturity dates of the 3 tranches of Existing CBs were 1 June 2022, 1 June 2023 and 1 June 2024 respectively. On 31 March 2020, in light of the then financial condition of the Company and as an intention to support the long term operation of the Company, Mr. Chiau has unilaterally given an undertaking in favour of the Company (the “Undertaking”), undertaken to extend the repayment date of such Existing CBs for 1 year from their respective original maturity dates. As such, the deadline for the Company to repay the Existing CBs were considered as 1 June 2023, 1 June 2024 and 1 June 2025 respectively.

Moreover, there is a prior batch of Existing CBs in the principal amount of HK\$5 million which became mature on 1 June 2021. Pursuant to the Undertaking, Mr. Chiau has also undertaken to extend the deadline for repayment of such principal amount for 1 year from 1 June 2021 to 1 June 2022 and the conversion rights attached thereto has been expired upon the original maturity date, and hence became Straight Bonds of the Company.

For the reasons as disclosed in the paragraph headed “Reasons for the Subscription” below, the Company and the Subscriber have been negotiating for the settlement of the Existing Bonds.

The Board is pleased to announce that on 7 December 2021 (after trading hours), the Company entered into the Subscription and Settlement Agreement with the Subscriber, pursuant to which the Company conditionally agrees to issue and the Subscriber conditionally agrees to subscribe for or procure the subscription by its nominee(s) of the Convertible Bonds in the principal amount of HK\$19,000,000, the consideration of which shall be set-off against the outstanding principal amount of the Existing Bonds upon completion of the Subscription.

The Subscription and Settlement Agreement

Set out below are the principal terms of the Subscription and Settlement Agreement:

Date: 7 December 2021

Parties: (i) the Company as issuer, and
(ii) the Subscriber.

The Subscriber, being a controlling Shareholder of the Company and an executive Director, is a connected person of the Company under the GEM Listing Rules.

Subscription Price: HK\$20,000,000

The Subscription Price shall be set off against the outstanding principal amount of the Existing Bonds of HK\$20,000,000 in aggregate.

Conditions of the Subscription and Settlement Agreement

The Subscription is conditional upon:

- (a) the GEM Listing Committee of the Stock Exchange having granted the listing of and permission to deal in the Conversion Shares;
- (b) the passing by the independent Shareholders who are entitled to vote and not required to be abstained from voting under the GEM Listing Rules at the EGM of the necessary resolution(s) to approve this Agreement and the transactions contemplated hereunder;
- (c) the warranties remaining true, accurate and complete in all material respects;
- (d) all necessary consents and approvals required to be obtained on the part of the Company in respect of this Agreement and the transactions contemplated hereby having been obtained; and
- (e) all necessary consents and approvals required to be obtained on the part of the Subscriber in respect of this Agreement and the transactions contemplated hereby having been obtained.

The Company shall use its best endeavours to procure the fulfilment of the conditions(a), (b), (c) and (d), and the Subscriber shall use its best endeavours to procure the fulfillment of the condition (e), as soon as practicable and in any event on or before 28 February 2022 or such other date as may be agreed by the Company and the Subscriber in writing (the “**Long Stop Date**”). The Subscriber may at any time by notice in writing to the Company waive the condition (c). All other conditions above are incapable of being waived.

In the event that the conditions of the Subscription and Settlement Agreement are not fulfilled (or waived as the case may be) on or before the Long Stop Date, the Subscription and Settlement Agreement shall lapse and become null and void and the parties thereto shall be released from all obligations thereunder, save for any liability arising out of any antecedent breaches thereof.

Completion

The Subscription and Settlement Agreement shall complete within three (3) Business Days after the day on which the conditions set out above are fulfilled or, as the case may be, waived (or such later date as may be agreed between the Company and the Subscriber in writing). Upon Completion, the outstanding principal amount of the Existing Bonds will be set-off against the Subscription Price in full, and the obligation and liability of the Company under the Existing Bonds will be extinguished.

Principal terms of the Convertible Bonds

- Principal amount: HK\$19,000,000
- Interest rate: The Convertible Bonds bear no interest.
- Maturity date: Unless previously converted or purchased and cancelled as provided herein, the Company shall redeem each Convertible Bond which remains outstanding by 4:00 p.m. on 31 December 2025 (the “**Maturity Date**”) at 100% of the principal amount of such Convertible Bonds.
- Early Redemption: Neither the Company nor the Bondholder shall have the right to request for redemption of the Bonds (whether in whole or in part) at any time prior to the Maturity Date.
- Ranking: The Convertible Bonds constitute direct, unconditional unsubordinated and unsecured obligations of the Company and rank equally among themselves and *pari passu* with all other present and future unsecured and unsubordinated obligations of the Company.
- Conversion and the conversion restrictions: The holder of the Convertible Bonds will have the right to convert the whole or part of the principal amount of the Convertible Bonds into Conversion Shares from the date of the issue of the Convertible Bonds up to 4:00 p.m. (Hong Kong time) on the day immediately prior to the Maturity Date.
- Provided that at the time a conversion notice is issued, (i) any conversion of the Convertible Bonds does not trigger a mandatory offer obligation under Rule 26 of the Takeovers Code or such mandatory offer obligation has been waived on the part of the holder(s) of the Convertible Bonds which exercised the conversion rights, whether or not such mandatory offer obligation is triggered off by the fact that the number of Conversion Shares to be allotted and issued upon the exercise of the conversion rights attaching to the Convertible Bonds (if applicable, including any Shares acquired by the parties acting in concert with the holder(s) of the Convertible Bonds); and (ii) the public float of the Shares shall not be less than 25% (or any given percentage as required by the GEM Listing Rules for the minimum percentage of Shares being held by the public as per Rule 11.23 of the GEM Listing Rules) of the issued Shares of the Company at the time in compliance with the GEM Listing Rules.

- Conversion Price: The Conversion Price is initially HK\$0.0275 per Conversion Share, subject to adjustment as set out below.
- Adjustment events: The Conversion Price shall from time to time be subject to adjustment upon occurrence of certain events:
- (i) consolidation or subdivision of the Shares;
 - (ii) capitalisation of profits or reserves;
 - (iii) capital distribution;
 - (iv) offer of Shares for subscription by way of rights, or a grant of options or warrants to subscribe for Shares, at a price which is less than 93% of the market price per Share to the Shareholders;
 - (v) issue wholly for cash or for reduction of liabilities of securities convertible into or exchangeable for or carrying rights of subscription for Shares, if in any case the total effective consideration per Share receivable (or in the case of reduction in liabilities, the amount of liabilities to be reduced) is less than 93% of the market price, or the conversion, exchange or subscription rights of any such issue are altered so that the said total effective consideration receivable is less than 93% of such market price;
 - (vi) issue of Shares being made wholly for cash or for reduction of liabilities at a price less than 93% of the market price per Share; and
 - (vii) issue of Shares for the acquisition of asset at a total effective consideration per Share which is less than 93% of the market price.
- Voting: The holder(s) of the Convertible Bonds will not be entitled to attend or vote at any general meeting of the Company by reason only it being the holder(s) of the Convertible Bonds.
- Transfer: With the prior notification to the Company, the Convertible Bonds may be transferable, provided that the Convertible Bonds may not be transferred to any connected person of the Company (as defined under the GEM Listing Rules) without prior written consent of the Company.

Based on the initial Conversion Price of HK\$0.0275 per Conversion Share, a maximum number of 690,909,090 Conversion Shares will be allotted and issued upon exercise of the conversion rights attaching to the Convertible Bonds in full, which represent: (i) approximately 67.31% of the issued share capital of the Company as at the date of this announcement; and (ii) approximately 40.23% of the issued share capital of the Company as enlarged by the allotment and issue of the Conversion Shares upon the exercise of the conversion rights attaching to the Convertible Bonds in full. The maximum aggregate nominal value of the Conversion Shares is HK\$17,173,539.59.

The Conversion Shares will rank *pari passu* in all respects with the Shares in issue as at the date of allotment and issue of the Conversion Shares.

Conversion Price

The initial Conversion Price of HK\$0.0275 per Conversion Share represents:

- (i) a premium of approximately 14.58% to the closing price of HK\$0.0240 per Share as quoted on the Stock Exchange on the date of the Subscription and Settlement Agreement; and
- (ii) a discount of approximately 22.32% to the average closing prices of HK\$0.0354 per Share as quoted on the Stock Exchange for the last five consecutive trading days immediately prior to the date of the Subscription and Settlement Agreement.

The net Conversion Price, after deduction of relevant expenses, is approximately HK\$0.0257 per Conversion Share.

The Conversion Price was arrived at after arm's length negotiations between the Company and the Subscriber, taking into account of, among others, the recent trading performance of the Shares and the financial position of the Group. The Directors (excluding the members of the Independent Board Committee whose views are to be included in the circular to be despatched by the Company, after being advised by an independent financial adviser) consider that the Conversion Price and the terms and conditions of the Subscription and Settlement Agreement and the Convertible Bonds are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Mandate to issue the Conversion Shares

The Conversion Shares will be allotted and issued pursuant to the Specific Mandate to be sought from the Shareholders at the EGM.

Application for listing

Application will be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Conversion Shares. No application will be made for listing of, or permission to deal in, the Convertible Bonds on the Stock Exchange or any other stock exchange.

The Company notes that pursuant to Rule 17.76 of the GEM Listing Rules, where the market price of the securities of an issuer approaches the extremities of HK\$0.01 or HK\$9,995.00, the issuer may be required either to change the trading method or to proceed with a consolidation or splitting of its securities. The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 and updated on 30 August 2019 has further stated that (i) market price of the Shares at a level less than HK\$0.1 will be considered as approaching the extremities of HK\$0.01 as referred to Rule 17.76 of the GEM Listing Rules; and (ii) taking into account the minimum transaction costs for a securities trade, the expected board lot value should be greater than HK\$2,000. The Company is therefore monitoring the performance of the Shares and will conduct such capital reorganization exercise as and when necessary to facility the allotment and issue of the Conversion Shares.

In the event that a capital reorganization is conducted prior to the issue of the Convertible Bonds, the parties may enter into supplemental agreement to make necessary adjustment to the terms of the Convertible Bonds and further announcement(s) will be made as and when necessary.

EFFECT ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company (i) as at the date of this announcement; and (ii) immediately upon full conversion of the Convertible Bonds at the initial Conversion Price (assuming that there are no other changes to the shareholding structure of the Company from the date of this announcement up to the full conversion of the Convertible Bonds) are as follows:

Shareholders	As at the date of this announcement		Immediately upon full conversion of the Convertible Bonds at the initial Conversion Price	
	<i>Number of Shares</i>	<i>Approx. %</i>	<i>Number of Shares</i>	<i>Approx. %</i>
Mr. Chiau (<i>Note 1</i>)	429,694,769	41.86%	1,120,603,859	65.25% (<i>Note 2</i>)
Public Shareholders	<u>596,749,900</u>	<u>58.14%</u>	<u>596,749,900</u>	<u>34.75%</u>
Total	<u><u>1,026,444,669</u></u>	<u><u>100%</u></u>	<u><u>1,717,353,759</u></u>	<u><u>100%</u></u>

Notes:

1. *Among these Shares, 27,573,529 Shares are beneficially held by Mr. Chiau, and 402,121,240 Shares are registered in the name of Beglobal Investments Limited and Golden Treasure Global Investment Limited, each of them being a company incorporated in the British Virgin Islands with limited liability. Beglobal Investments Limited and Golden Treasure Global Investment Limited are companies indirectly owned by the trust, the discretionary objects of which are Mr. Chiau, Ms. CHOW Man Ki Kelly (each an executive Director) and their family.*
2. *Pursuant to the terms and conditions of the Convertible Bonds, conversion of the Convertible Bonds is subject to the conversion restrictions as set out in the paragraph headed “Principal terms of the Convertible Bonds” above, as such, this scenario is for illustrative purpose only.*

FUND RAISING DURING THE PAST TWELVE MONTHS

The Company has conducted the following equity fund raising exercises in the past twelve months immediately preceding the date of this announcement:

Date of initial announcement	Description	Net proceeds	Intended use of proceeds	Actual use of net proceeds
27 September 2021	Placing of 171,060,000 new Shares under general mandate granted to the Directors at the annual general meeting of the Company held on 24 September 2020	Approximately HK\$5.5 million	For cinema investment and/or supporting the existing cinema operation of the Group	Approximately HK\$1.2 million were used for supporting the existing cinema operation of the Group as intended

Saved as disclosed above, the Company has not conducted any fund raising activities in the past 12 months immediately preceding the date of this announcement.

REASONS FOR THE SUBSCRIPTION AND USE OF PROCEEDS

The Company is an investment holding company. The principal activities of its subsidiaries are movie production, licensing and derivatives, crossover marketing and provision of interactive contents and cinema investment and management.

The Existing Bonds comprises the Straight Bonds in the outstanding amount of HK\$5 million and the Existing CB in the aggregate outstanding principal amount of HK\$15 million. The Straight Bond have fallen due on 1 June 2021, and the Existing CBs are divided into three batches of HK\$5 million each, which shall fall due on 1 June 2022, 1 June 2023 and 1 June 2024 respectively. Pursuant to the Undertaking dated 30 March 2020 given by the Subscriber, he undertook to delay the deadline for the Company to repay the outstanding amount under the Existing Bonds for one year from their original maturity dates. As such, the Straight Bonds shall be repaid by the Company by 1 June 2022, and the three batches of Existing CBs shall be repaid by the Company on 1 June 2023, 1 June 2024 and 1 June 2025 respectively.

Despite such undertaking by the Subscriber to delay the repayment dates of the Existing Bonds in favour of the Company, taking into account the existing cash position of the Company, and the expected business development and operation plan of the Company for the coming few years which is expected to require much capital to support, the Company considered that it would be in the interest of the Company and the Shareholders if more cash would be kept by the Company for its business operation and development, and therefore there may not be sufficient idle cash to repay the Subscriber for the Existing Bonds. On the other hand, given the conversion price under the Existing CBs is substantially higher than the prevailing market prices of the Shares, upon arm's length negotiation between the Company and the Subscriber, the Subscriber is willing to support the Company in the long run and therefore agrees to subscribe for the Convertible Bonds with a new and unified maturity date, giving the Company more flexibility in its capital management, and with a new Conversion Price which better reflect the prevailing market price level of the Shares.

No net proceeds will be received by the Company from the issue of the Convertible Bonds. The issuance of the Convertibles Bonds would settle the Existing Bonds. The right of conversion given under the Convertible Bonds may also help to ease the cashflow pressure of the Company in case the Subscriber or any holders thereof are willing to exercise its conversion right. As an incentive to support the Company, the Subscriber is also willing to subscribe the Convertible Bonds at a discounted principal amount compared to the principal outstanding amount of the Existing Bonds to be set-off against the subscription price. As such, it provides more flexibility to the Company in its future cash management, and may be able to strengthen the capital base and reduce the short term liability of the Company, and thus improve the financial position of the Company.

The Directors (excluding the members of the Independent Board Committee whose views are to be included in the circular to be despatched by the Company, after being advised by an independent financial adviser) consider that the terms and conditions of the Subscription and Settlement Agreement and the Convertible Bonds are fair and reasonable based on the current market conditions and are on normal commercial terms and in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

The Subscription will be subject to Independent Shareholders' approval. The EGM will be convened and held for the purposes of considering of, and if thought fit, approving, among other things, the Subscription and the Specific Mandate to issue the Conversion Shares.

The Subscriber, being a substantial Shareholder of the Company, is a connected person of the Company under Chapter 20 of the GEM Listing Rules. Accordingly, the Subscription constitutes a connected transaction on the part of the Company and is subject to the reporting, announcement, circular and Independent Shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

GENERAL

An Independent Board Committee comprising all the independent non-executive Directors has been established to consider, and to advise the Independent Shareholders regarding the Subscription and the transactions contemplated thereunder, and as to whether the Subscription is on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole. An independent financial adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

An EGM will be convened and held for the Independent Shareholders to consider and, if thought fit, to approve by way of poll, among other matters, the Subscription and Settlement Agreement and the transactions contemplated thereunder (including the grant of the Specific Mandate for the allotment and issue of the Conversion Shares).

The Subscriber and its associates, being interested in the transactions contemplated under the Subscription and Settlement Agreement, shall abstain from voting for the resolution to approve the Subscription and Settlement Agreement and the transactions contemplated thereunder at the EGM.

A circular containing, among others, (i) further details of the Subscription and Settlement Agreement and the transactions contemplated thereunder, including the issue of the Convertible Bonds and the Conversion Shares under the Specific Mandate; (ii) a letter of recommendations from the Independent Board Committee to the Independent Shareholders; (iii) a letter of advice from an independent financial adviser to the Independent Board Committee and the Independent Shareholders in respect of the Subscription and Settlement Agreement; and (iv) a notice convening the EGM will be despatched by the Company to the Shareholders on or before 26 January 2022 so as to allow sufficient time for preparation of the relevant information for inclusion in the circular.

The Completion of the Subscription are subject to the fulfillment of the conditions precedent as set out in this announcement. As the Subscription may or may not proceed, Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company. If they are in any doubt, they should consult their professional advisers.

DEFINITION

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“acting in concert”	has the meaning ascribed to this term under the Takeovers Code
“associate(s)”	has the meaning ascribed to this term under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	any day (other than a Saturday or Sunday or public holiday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted in Hong Kong between 9:00 a.m. and 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Specific Mandate”	the special mandate to be granted by the Independent Shareholders to the Board at the EGM for the allotment and issue of the Conversion Shares
“Company”	Bingo Group Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to this term under the GEM Listing Rules
“controlling Shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Conversion Price”	the conversion price per Conversion Share and initially at HK\$0.0275 per Conversion Share (subject to adjustments)

“Conversion Shares”	the new Shares to be allotted and issued upon conversion of the Convertible Bonds
“Convertible Bonds”	the zero coupon unsecured unlisted convertible bonds due 2025 in principal amount of HK\$19,000,000 million to be issued by the Company in accordance with the terms of the Subscription and Settlement Agreement
“Director(s)”	director(s) of the Company for the time being
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and approve the Subscription and Settlement Agreement and the transactions respectively contemplated thereunder including the grant of the Specific Mandate for the allotment and issue of the Conversion Shares
“Existing Bonds”	collectively, the Existing CBs and the Straight Bonds
“Existing CBs”	the existing convertible bonds of the Company in the aggregate principal amount of HK\$15,000,000 held by Mr. Chiau
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	has the meaning as defined in the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Board Committee”	the independent committee of the Board comprising Ms. CHOI Mei Ping, Mr. ONG King Keung and Mr. TSUI Wing Tak, established to give recommendations to the Independent Shareholders on the Subscription and Settlement Agreement and the transactions contemplated thereunder including the allotment and issue of the Conversion Shares

“Independent Shareholders”	Shareholders other than Mr. Chiau, Golden Treasure Global Investment Ltd (being the company held by Beglobal Investments Limited, which in turn is held by a family trust of which Mr. Chiau, Ms. CHOW Man Ki Kelly and their family are the beneficiaries) and their associates (as defined under the GEM Listing Rules) and all other Shareholders (if any) who are involved or interested in the Subscription and Settlement Agreement and the transactions contemplated thereunder
“Independent Third Parties”	third parties independent of and not connected with the Company and its connected persons
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Law of Hong Kong)
“Shares”	ordinary shares of par value HK\$0.01 each of the Company or shares of any class or classes resulting from any cancellation of paid-up capital, sub-division, consolidation or re-classification of such shares
“Shareholder(s)”	holder(s) of the Share(s)
“Specific Mandate”	the specific mandate to be approved and granted by the Independent Shareholders at the EGM for the allotment and issue of the Conversion Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Straight Bonds”	the straight bonds in the outstanding principal amount of HK\$5,000,000 held by Mr. Chiau
“Subscriber” or “Mr. Chiau”	Mr. CHIAU Sing Chi, a controlling Shareholder, an executive Director and a brother of Ms. CHOW Man Ki Kelly, who is also a controlling Shareholder and an executive Director
“Subscription”	the subscription of the Convertible Bonds in the principal amount of HK\$19,000,000 by the Subscriber pursuant to the terms of the Subscription and Settlement Agreement

“Subscription and Settlement Agreement”	the conditional subscription and settlement agreement dated 7 December 2021 and entered into between the Company and the Subscriber in relation to the Subscription
“Takeovers Code”	the Code on Takeovers and Mergers issued by the SFC as amended from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board of
Bingo Group Holdings Limited
LAU Man Kit
Executive Director

Hong Kong, 7 December 2021

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.

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).

In the case of any inconsistency, the English text of this announcement shall prevail over the Chinese.