BINGO GROUP HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 8220)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2011

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 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.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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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: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

CONSOLIDATED INCOME STATEMENT
For The Year ended 31 March 2011

	Notes	2011 HK$'000	2010 HK$'000
Continuing operations			
Turnover	3	**557,637**	687,987
Cost of sales		**(546,373)**	(676,631)
Operating cost		**(4,563)**	(7,391)
Gross profit		**6,701**	3,965
Reimbursement from licensor		**–**	3,347
Gain arising on change in fair value of investment properties		**–**	20,000
Gain on disposal of subsidiaries		**15,540**	–
Other revenue and other net income	4	**334**	48
Selling expenses		**(5,608)**	(33)
Administrative expenses		**(50,536)**	(41,986)
Share-based payments		**(124,202)**	(8,950)
Other losses		**(1,368)**	(24,322)
Share of loss of associates		**(13)**	(84)
Finance costs	5	**(7,610)**	(4,820)
Loss before taxation		**(166,762)**	(52,835)
Taxation	8	**9,841**	(2,719)
Loss for the year from continuing operations	6	**(156,921)**	(55,554)
Discontinued operations			
Profit for the year from discontinued operations		**–**	22,042
Loss for the year		**(156,921)**	(33,512)
Loss attributable to:			
Owners of the Company		**(156,921)**	(32,916)
Non-controlling interests		**–**	(596)
		(156,921)	(33,512)
Loss per share (cents per share)	7		
From continuing and discontinued operations			
Basic:		**(5.34)**	(1.50)
Diluted		**N/A**	N/A
From continuing operations			
Basic:		**(5.34)**	(2.51)
Diluted		**N/A**	N/A

Details of dividend payable to owners of the Company are set out in note 14.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For The Year ended 31 March 2011

	Notes	2011 HK$'000	2010 HK$'000
Loss for the year		**(156,921)**	(33,512)
Other comprehensive loss			
Exchange differences on translating foreign operations			
– Exchange differences arising during the year		**(53)**	(290)
– Reclassification adjustment relating to foreign operations disposed during the year		**(58)**	(3,366)
Other comprehensive loss for the year, net of tax		**(111)**	(3,656)
Total comprehensive loss for the year		**(157,032)**	(37,168)
Total comprehensive loss attributable to:			
Owners of the Company		**(157,032)**	(36,572)
Non-controlling interests		**–**	(596)
		(157,032)	(37,168)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2011

	Notes	As at 31 March 2011 HK$'000	As at 31 March 2010 HK$'000 (restated)	As at 1 April 2009 HK$'000 (restated)
NON-CURRENT ASSETS				
Property, plant and equipment		**578**	2,182	3,039
Goodwill		**15,060**	7,556	2,700
Deferred tax assets		**803**	–	–
		16,441	9,738	5,739
CURRENT ASSETS				
Inventories		**24,710**	–	15,050
Trade receivables	*9*	**322**	1,177	5,395
Other receivables, deposits and prepayments	*10*	**4,262**	54,245	5,307
Security deposit to a related company		**–**	–	800
Pledged bank deposit		**–**	–	150
Film in progress		**8,389**	–	–
Bank balances and cash		**116,765**	9,796	15,324
		154,448	65,218	42,026
Assets classified as held for sale		**–**	320,000	578
		154,448	385,218	42,604
CURRENT LIABILITIES				
Trade payables	*11*	**–**	8,236	2,740
Deposits received, other payables and accruals	*12*	**34,090**	61,589	20,899
Promissory note		**–**	–	900
Amount due to an associate		**–**	147	63
Amount due to non-controlling interests		**–**	483	966
Tax payables		**736**	631	313
Obligation under finance lease		**–**	83	–
Bank loans, secured		**–**	155,000	–
Convertible bonds		**49,182**	–	–
		84,008	226,169	25,881
Liabilities associated with assets classified as held for sale		**–**	–	19,185
		84,008	226,169	45,066

	Notes	As at 31 March 2011 HK$'000	As at 31 March 2010 HK$'000 (restated)	As at 1 April 2009 HK$'000 (restated)
NET CURRENT ASSETS/ (LIABILITIES)		**70,440**	159,049	(2,462)
TOTAL ASSETS LESS CURRENT LIABILITIES		**86,881**	168,787	3,277
NON-CURRENT LIABILITIES				
Obligation under finance lease		**–**	111	–
Convertible bonds		**8,156**	72,645	–
Deferred tax liability		**–**	9,061	–
		8,156	81,817	–
NET ASSETS		**78,725**	86,970	3,277
CAPITAL AND RESERVES				
Share capital		**61,431**	54,231	32,590
Reserves		**17,294**	32,981	(29,545)
		78,725	87,212	3,045
Non-controlling interests		**–**	(242)	232
TOTAL EQUITY		**78,725**	86,970	3,277

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Year ended 31 March 2011

	Share capital	Share premium	Contributed surplus	Equity component of convertible note	Share options reserve	Exchange reserve	Accumulated losses	Attributable to owners of the Company	Non-controlling interests	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 April 2009	32,590	132,897	3,930	–	2,644	3,714	(172,730)	3,045	232	3,277
Loss for the year	–	–	–	–	–	–	(32,916)	(32,916)	(596)	(33,512)
Other comprehensive loss for the year	–	–	–	–	–	(3,656)	–	(3,656)	–	(3,656)
Total comprehensive loss for the year	–	–	–	–	–	(3,656)	(32,916)	(36,572)	(596)	(37,168)
Share consideration of HK$0.02 each for acquisition of subsidiary	15,000	60,000	–	–	–	–	–	75,000	–	75,000
Issue of new shares of HK$0.02 each completed on 14 October 2009	3,000	12,000	–	–	–	–	–	15,000	–	15,000
Issue of ordinary shares under share option scheme	3,641	16,895	–	–	(6,669)	–	–	13,867	–	13,867
Issuing expenses	–	(280)	–	–	–	–	–	(280)	–	(280)
Issue of convertible bonds on 7 October 2009	–	–	–	8,202	–	–	–	8,202	–	8,202
Equity-settled share option arrangement	–	–	–	–	8,950	–	–	8,950	–	8,950
Acquisition of non-controlling interests	–	–	–	–	–	–	–	–	122	122
At 31 March 2010	54,231	221,512	3,930	8,202	4,925	58	(205,646)	87,212	(242)	86,970
Loss for the year	–	–	–	–	–	–	(156,921)	(156,921)	–	(156,921)
Other comprehensive loss for the year	–	–	–	–	–	(111)	–	(111)	–	(111)
Total comprehensive loss for the year	–	–	–	–	–	(111)	(156,921)	(157,032)	–	(157,032)
Issue of convertible bonds on 1 June 2010	–	–	–	85,910	–	–	–	85,910	–	85,910
Issue of ordinary shares under convertible bonds	6,500	24,662	–	(3,076)	–	–	–	28,086	–	28,086
Issue of new shares of HK$0.02 each under share option scheme	700	4,467	–	–	(1,741)	–	–	3,426	–	3,426
Equity settled share option arrangement	–	–	–	–	31,123	–	–	31,123	–	31,123
Disposal of subsidiaries	–	–	–	–	–	–	–	–	242	242
At 31 March 2011	61,431	250,641	3,930	91,036	34,307	(53)	(362,567)	78,725	–	78,725

1. BASIS OF PREPARATION AND IMPACT OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards ("HKFRSs"), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and accounting principles generally accepted in Hong Kong. These financial statements also comply with the applicable disclosure provisions of The Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements have been prepared under historical cost convention except for certain financial instruments and investment properties which are measured at fair value.

In the current year, the Group has applied, for the first time, the following new standards, amendments and interpretations ("new and revised HKFRSs") issued by the HKICPA, which are effective for the company's financial year beginning on 1 April 2010.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009
HKFRSs (Amendments)	Amendments to HKFRS 5 as part of Improvements to HKFRSs issued in 2008
HKAS 27 (as revised in 2008)	Consolidated and Separate Financial Statements
HKAS 32 (Amendments)	Classification of Rights Issues
HKAS 39 (Amendments)	Eligible Hedged Items
HKFRS 2 (Amendments)	Group Cash-settled Share-based Payment Transactions
HKFRS 3 (as revised in 2008)	Business Combinations
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners
HK – Int 5	Presentation of Financial Statements – Classification by the borrower of a Term Loan that Contains a Repayment on Demand Clause

HKAS 27 (as revised in 2008) "Consolidated and Separate Financial Statements" and HKFRS 3 (as revised in 2008) "Business Combinations"

The Group applies HKFRS 3 (as revised in 2008) prospectively to business combinations for which the acquisition date is on or after 1st April, 2010. The requirements in HKAS 27 (as revised in 2008) in relation to accounting for changes in ownership interests in a subsidiary after control is obtained and for loss of control of a subsidiary are also applied prospectively by the Group on or after 1st April, 2010.

The impact of the application of HKFRS 3 (as revised in 2008) is as follows:

- HKFRS 3 (as revised in 2008) allows a choice on a transaction-by-transaction basis for the measurement of non-controlling interests at the date of acquisition either at fair value or at the non-controlling interests' share of recognised identifiable net assets of the acquiree.

- HKFRS 3 (as revised in 2008) changes the recognition and subsequent accounting requirements for contingent consideration. Previously contingent consideration was recognised at the acquisition date only if payment of the contingent consideration was probable and it could be measured reliably; any subsequent adjustments to the contingent consideration were always made against the cost of the acquisition. Under the revised Standard, contingent consideration is measured at fair value at the acquisition date; subsequent adjustments to the consideration are recognised against the cost of acquisition only to the extent that they arise from new information obtained within the measurement period (a maximum of 12 months from the acquisition date) about the fair value at the acquisition date. All other subsequent adjustments to contingent consideration classified as an asset or a liability are recognised in profit or loss.

- HKFRS 3 (as revised in 2008) requires the recognition of a settlement gain or loss when the business combination in effect settles a pre-existing relationship between the Group and the acquiree.

- HKFRS 3 (as revised in 2008) requires acquisition-related costs to be accounted for separately from the business combination, generally leading to those costs being recognised as an expense in profit or loss as incurred, whereas previously they were accounted for as part of the cost of the acquisition.

The application of HKFRS 3 (as revised in 2008) has no material effect on the financial statements of the Group for the current year.

As a result of the amendments to HKAS 27, as from 1st April, 2010, any losses incurred by a non wholly owned subsidiary will be allocated between the controlling and non-controlling interests in proportion to their interests in that entity, even if this results in a deficit balance within consolidated equity being attributed to the non-controlling interests. Previously, if the allocation of losses to the non-controlling interests would have resulted in a deficit balance, the losses were only allocated to the non-controlling interests if the non-controlling interests were under a binding obligation to make good the losses. In accordance with the transitional provisions in HKAS 27, this new accounting policy is being applied prospectively and therefore previous periods have not been restated. The application of this new accounting policy does not have any effect on the allocation of losses to the non-controlling interests in the current period as none of the non controlling interests have a deficit balance.

Hong Kong Interpretation 5 "Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause"

Hong Kong Interpretation 5 "Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause" ("HK Int 5") clarifies that term loans that include a clause that gives the lender the unconditional right to call the loans at any time ("repayment on demand clause") should be classified by the borrower as current liabilities irrespective of the probability that the lender will invoke the clause without cause. The Group has applied HK Int 5 for the first time in the current year. HK Int 5 requires retrospective application.

In order to comply with the requirements set out in HK Int 5, the Group has changed its accounting policy on classification of term loans with a repayment on demand clause. Under the new policy, term loans with a repayment on demand clause are classified as current liabilities in the statement of financial position. Previously, such term loans were classified in accordance with the agreed scheduled repayment dates set out in the loan agreements unless the Group had breached any of the loan covenants set out in the agreements as of the reporting date or otherwise had reason to believe that the lender would invoke its rights under the immediate repayment clause within the foreseeable future.

The new accounting policy has been applied retrospectively by re-presenting the opening balances at 1st April, 2009, with consequential reclassification adjustments to comparatives for the year ended 31st March, 2010. The reclassification has had no effect on reported profit or loss, total comprehensive income or equity for any period presented.

	At 31st March 2011 *HK$'000*	At 31st March 2010 *HK$'000*	At 31st March 2009 *HK$'000*
Increase (decrease) in			
Current liabilities			
Bank loans, secured	**–**	76,800	–
Non-current liabilities			
Bank loans, secured	**–**	(76,800)	–
	–	–	–

Such term loans have been presented in the earliest time band in the maturity analysis for financial liabilities that reflects the remaining contractual maturities.

The company has not early applied the following new and revised standards, amendments and interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2010[1]
HKFRS 1 (Amendments)	Limited Exemption from Comparative HKFRS 7 Disclosures for First–time Adopters[6]
HKFRS 7 (Amendments)	Disclosures – Transfers of Financial Assets[2]
HKFRS 9	Financial Instruments[3]
HKAS 12 (Amendments)	Deferred Tax: Recovery of Underlying Assets[4]
HKAS 24 (as revised in 2009)	Related party Disclosures[5]
HK (IFRIC) – Int 14 (Amendments)	Prepayments of Minimum Funding Requirement[5]
HK (IFRIC) – Int 19	Extinguishing Financial Liabilities with Equity Instruments[6]

1 Effective for annual periods beginning on or after 1 July 2010 or 1 January 2011, as appropriate.
2 Effective for annual periods beginning on or after 1 July 2011.
3 Effective for annual periods beginning on or after 1 January 2013.
4 Effective for annual periods beginning on or after 1 January 2012.
5 Effective for annual periods beginning on or after 1 January 2011.
6 Effective for annual periods beginning on or after 1 July 2010.

HKFRS 9 *Financial Instruments* (as issued in November 2009) introduces new requirements for the classification and measurement of financial assets. HKFRS 9 *Financial Instruments* (as revised in November 2010) adds requirements for financial liabilities and for derecognition.

Under HKFRS 9, all recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* are subsequently measured at either amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods.

In relation to financial liabilities, the significant change relates to financial liabilities that are designated as at fair value through profit or loss. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted. It is required to be applied retrospectively, but if adopted prior to 1 January 2012, an entity will be exempt from the requirement to restate prior period comparative information. The Group is presently studying the implications of applying HKFRS 9. It is impracticable to quantify the impact of HKFRS 9 as at the date of publication of these financial statements.

The Group anticipates that the application of the other new and revised standards, amendments or interpretations will have no material impact on the consolidated financial statements.

2. SEGMENT INFORMATION

Management has determined the operating segments based on the reports reviewed by the executive directors that are used to make strategic decisions. The Group's operating business are structured and managed separately according to the nature of their operations.

For management purposes, the Group is organised into three operating segments:

Trading – Sales and trading of coal and crude oil

Property holding and management – Property holding and provision of property management services

Filmed entertainment, online games and licensing businesses – Movie production, licensing and derivatives, crossover marketing, provision of interactive contents, artist development and last miles engagement

The revenue from external customers reported to the management is measured in a manner consistent with that in the income statement. Revenue between segments are carried out on terms equivalent to those that prevail in arm's length transactions.

Segment result represents the profit or loss by each segment without allocation of central administration costs including directors' salaries, share of loss of associates, investment and other income, finance costs and income tax expense. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

The following is an analysis of the Group's revenue, results, assets and liabilities by reportable segment. Amounts reported for the prior year have been restated to conform to the requirements of HKFRS 8.

	Year ended 31 March 2011				Year ended 31 March 2010		
	Trading	Property Holding and Management	Filmed Entertainment, Online Games and Licensing Businesses	Total	Trading	Property Holding and Management	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment Revenue							
Reportable segment revenue	**547,359**	**8,199**	**2,079**	**557,637**	678,730	9,257	687,987
Inter-segment revenue	**–**	**–**	**–**	**–**	–	–	–
Revenue from external customers (continuing operations)	**547,359**	**8,199**	**2,079**	**557,637**	678,730	9,257	687,987
Segment Result							
Reportable segment result	**986**	**3,790**	**1,925**	**6,701**	(18,181)	(16,937)	(35,118)
Interest income				**152**			4
Gain an disposal of subsidiaries				**15,540**			–
Gain arising on change in fair value of investment properties				**–**			20,000
Unallocated corporate expenses				**(57,330)**			(23,867)
Share of loss of an associate				**(13)**			(84)
Share-based payments				**(124,202)**			(8,950)
Finance cost				**(7,610)**			(4,820)
Loss before taxation (continuing operations)				**(166,762)**			(52,835)
Segment Assets							
Reportable segment assets	**25,563**	**8,083**	**9,344**	**42,990**	8,255	380,161	388,416
Deferred tax assets				**803**			–
Unallocated corporate assets				**127,096**			6,540
Consolidated total assets				**170,889**			394,956
Segment Liabilities							
Reportable segment liabilities	**24,837**	**1,625**	**719**	**27,181**	5,599	60,142	65,741
Amount due to an associate				**–**			147
Amount due to non-controlling interests				**–**			483
Tax payables				**736**			632
Obligation under finance lease				**–**			194
Deferred tax liabilities				**–**			9,061
Convertible bonds				**57,338**			72,645
Bank loan, secured				**–**			155,000
Unallocated corporate liabilities				**6,909**			4,083
Consolidated total liabilities				**92,164**			307,986

For the purposes of monitoring segment information and allocating resources between segment:

- all assets are allocated to reportable segments other than interest in an associate, deferred tax assets and unallocated corporate assets.

- all liabilities are allocated to reportable segments other than current and deferred tax liabilities, amount due to an associate and non-controlling interests, borrowings and unallocated corporate liabilities.

Other segment information:

	Year ended 31 March 2011				Year ended 31 March 2010		
	Trading	**Property Holding and Management**	**Filmed Entertainment, Online Games and Licensing Businesses**	**Total**	Trading	Property Holding and Management	Total
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Additions to non-current assets	**–**	**–**	**–**	**–**	55	698	753
Interest income	**–**	**16**	**–**	**16**	–	1	1
Finance costs	**–**	**2,000**	**–**	**2,000**	–	1,786	1,786
Depreciation and amortisation	**–**	**999**	**77**	**1,076**	288	413	701
Loss on disposal of property, plant and equipment	**–**	**12**	**–**	**12**	778	–	778
Write down of inventory	**–**	**–**	**–**	**–**	14,402	–	14,402
Impairment on goodwill	**–**	**–**	**–**	**–**	–	5,465	5,465

Revenue from major products and services:

The Group's revenue from continuing operations from its major products and services were as follows:

	2011	2010
	HK$'000	*HK$'000*
Sales of palm oil and coal	**547,359**	668,628
Sales of computer hardware and relevant peripherals	**–**	10,102
Property management fee income	**3,673**	2,619
Rental income	**4,526**	6,638
Royalty income	**2,079**	–
	557,637	687,987

Geographical information:

The Group is domiciled in Hong Kong. The geographical location of customers is based on the location of the customers, irrespective of the origin of the goods or services. The geographical location of the non-current assets is based on the physical location of assets in the case of property, plant and equipment, and the location of the operation to which they are allocated in the case of Goodwill. Revenue from continuing operations from external customers and information about non-current assets by geographical location are detailed below:

	Revenue from external customers		Non-current assets	
	2011	2010	**2011**	2010
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
PRC (including Hong Kong)	**10,278**	18,565	**15,638**	9,738
Taiwan	**–**	761	**–**	–
Singapore	**244,429**	387,760	**–**	–
Indonesia	**213,668**	280,901	**–**	–
Others	**89,262**	–	**–**	–
	557,637	687,987	**15,638**	9,738

Information about major customers:

Included in revenues arising from sales of palm oil and coal of HK$547 million (2010: HK$669 million) are revenues of approximately HK$214 million (2010: HK$281 million) which arose from sales to the Group's largest customer.

3. TURNOVER

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

	2011	2010
	HK$'000	*HK$'000*
Revenue from sales of goods	**547,359**	678,730
Revenue from rendering of services	**8,199**	9,257
Royalty income	**2,079**	–
	557,637	687,987

4. OTHER REVENUE AND OTHER NET INCOME

	2011	2010
	HK$'000	*HK$'000*
Interest income	**152**	44
Others	**182**	4
	334	48

5. FINANCE COSTS

	2011	2010
	HK$'000	*HK$'000*
Continuing operations		
Bank loan interest	**1,996**	1,967
Effective interest on convertible bonds	**5,610**	2,847
Finance lease charges	**4**	6
	7,610	4,820

6. LOSS FOR THE YEAR FROM CONTINUING OPERATIONS

Loss for the year from continuing operations is arrived at after charging/(crediting):

	2011	2010
	HK$'000	*HK$'000*
Auditor's remuneration	**366**	479
Cost of inventories sold	**546,373**	676,631
Direct operating expenses from investment properties that generated rental income during the year	**4,409**	7,391
Direct expenses of licensing business	**154**	–
Depreciation	**1,102**	1,225
– Owned assets	**1,057**	1,186
– Assets held under finance leases	**45**	39
Exchange loss	**(98)**	(311)
Other losses	**1,368**	24,322
– Impairment on property, plant and machinery	**–**	1,033
– Write down of inventory	**–**	14,402
– Impairment on goodwill	**–**	5,465
– Loss on acquisition of non-controlling interests	**–**	121
– Impairment on accounts receivables	**344**	–
– Impairment on other receivables, deposits and prepayments	**–**	2,425
– Write off of receivables and deposits	**1,012**	–
– Loss on disposal of property, plant and equipment	**12**	876
Operating lease rental in respect of rented premises	**3,913**	2,622
Research and development costs	**–**	204
Staff costs (including directors' remuneration)		
– Salaries and allowances	**14,046**	10,686
– Equity-settled share based payment	**123,119**	1,088
– Retirement scheme contributions	**350**	306

7. LOSS PER SHARE

(i) Basic loss per share

	2011	2010
	HK Cent	*HK Cent*
Basic loss per share		
From continuing operations	**(5.34)**	(2.51)
From discontinued operations	**–**	1.01
Total basic loss per share	**(5.34)**	(1.50)

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

	2011	2010
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company	**(156,921)**	(32,916)
Less: Profit/(loss) for the year from discontinued operations used in the calculation of basic loss per share from discontinued operation	**–**	22,042
Loss used in the calculation of basic loss per share from continuing operations	**(156,921)**	(54,958)

	2011	2010
Weighted average number of ordinary shares for the purpose of basic loss per share	**2,936,887,893**	2,189,949,797

(ii) Diluted loss per share

Diluted loss per share for the year ended 31 March 2011 and 2010 are not presented as the effect of share option and convertible notes are anti-dilutive and are not included in the calculation of diluted loss per share for the years ended 31 March 2011 and 2010.

8. TAXATION

	2011	2010
	HK$'000	*HK$'000*
The taxation (credit)/charge comprises:		
Current tax		
Hong Kong	**–**	540
Overseas	**23**	–
Deferred tax		
Current year	**(9,864)**	2,179
Tax recognised in profit or loss	**(9,841)**	2,719
Attributable to:		
Continuing operations	**(9,841)**	2,719
Discontinued operations	**–**	–
	(9,841)	2,719

No provision for Hong Kong profits tax has been made in the financial statements for the year ended 31 March 2011 since there is no assessable profit derived for Hong Kong for the year. Hong Kong profits tax was calculated at 16.5% of the estimated assessable profit for year ended 31 March 2010.

Taxes on profits assessable other than in Hong Kong are calculated at the rates of tax prevailing in the places in which the Group operates based on existing legislation, practices and interpretations thereof.

9. TRADE RECEIVABLES

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

	2011	2010
	HK$'000	*HK$'000*
Within 30 days	**127**	56
31 – 60 days	**–**	298
61 – 90 days	**147**	25
Over 90 days	**48**	950
	322	1,329
Provision	**–**	(152)
	322	1,177

For property holding and management segment, no credit period was granted to the sub-licensees according to the Group's policies. For trading and licencing segment, the credit terms granted by the Group to its customers normally ranged from COD (cash-on-delivery) to 120 days. For the Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by senior management. All trade receivable 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. As at 31 March 2011, no impairment loss has been made (2010: HK$152,000). The movement in the allowance is as follows:

	2011	2010
	HK$'000	*HK$'000*
Balance at beginning of the year	**152**	–
Impairment loss recognised	**–**	152
Amounts written off as uncollectible	**(152)**	–
	–	152

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

	2011	2010
	HK$'000	*HK$'000*
Neither past due nor impaired	**127**	53
Past due but not impaired:		
Less than 1 month past due	**–**	31
1 to 3 months past due	**147**	306
More than 3 months past due	**48**	787
	322	1,177

Receivables that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables that were past due but not impaired relate to a number of independent customers that have a good track record with the Group. Based on past experience, management believes that no impairment allowance is necessary in respect of these balances as there has not been a significant change in credit quality and the balances are still considered fully recoverable. The Group does not hold any collateral over these balances.

10. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2011	2010
	HK$'000	*HK$'000*
Other receivables	**3,629**	49,472
Deposits and prepayments	**633**	4,773
	4,262	54,245

Included in other receivables at 31 March 2010 were deposits amounted of HK$48 million in respect of disposal of properties of the Group held by legal adviser of the Company. Such deposits have been released to the Group during the year.

11. TRADE PAYABLES

The following is an aged analysis of the Group's trade payables at the end of the reporting period:

	2011	2010
	HK$'000	*HK$'000*
Within 30 days	**–**	2,706
31-60 days	**–**	201
61-90 days	**–**	31
Over 90 days	**–**	5,298
	–	8,236

12. DEPOSITS RECEIVED, OTHER PAYABLES AND ACCRUALS

	2011	2010
	HK$'000	*HK$'000*
Sales deposits received	**25,230**	222
Deposits received in respect of sale of investment properties	**–**	48,000
Security deposits received	**–**	660
Other payables and accruals	**8,860**	12,707
	34,090	61,589

13. CONTINGENT LIABILITIES

At 31 March 2010, the Company had issued a corporate guarantee for an amount of not less than HK$155,000,000 to a bank in respect of banking facilities granted to a wholly owned subsidiary. The directors of the Company did not consider it probable that a claim will be made against the Company under the corporate guarantee. The maximum liability of the Company at the end of the reporting period under the corporate guarantee issued was the outstanding amount of the bank loans of HK$155,000,000. The Company had not recognised any deferred income in respect of the corporate guarantee as its fair value is nominal.

Saved as disclosed above, the Group and the Company did not have any significant contingent liabilities as at 31 March 2010 and 2011.

14. DIVIDEND

The directors do not recommend the payment of a dividend for the year ended 31 March 2011 (2010: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

During the Year, the Group recorded a total turnover of approximately HK$557,637,000, representing decrease of approximately 19% as compared with HK$687,987,000 for 2010.

Loss attributable to shareholders for the Year was approximately HK$156,921,000 compared with a loss of HK$32,916,000 for 2010.

The negative effect on the results of the Group for Year is mainly attributable to recognition of convertible bonds and shares options at fair values under shared-based payments by HK$124,202,000 during the Year. As the share-based payments do not involve any immediate material cash outlay, the expense will not adversely affect the financial position of the Group.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 March 2011, the Group had total assets of approximately HK$170,889,000 (31 March 2010: HK$394,956,000), including cash and cash equivalents of approximately HK$116,765,000 (31 March 2010: HK$9,796,000). There was no pledged bank deposit as at 31 March 2011 (31 March 2010: Nil).

During the Year, the Group financed its operations mainly with its own working capital. As at 31 March 2011, the Group did not have any bank overdraft (31 March 2010: Nil) In addition, the convertible bonds are secured by first charges over the entire issued share capital in Harvest Yield and Power Alliance (At 31 March 2010: the properties with carrying amount of HK$320,000,000 was pledged to a bank for banking facilities and holders of convertible bond.)

As at 31 March 2011, the debt ratio (defined as the ratio between total liabilities over total assets) was approximately 0.54 (31 March 2010: approximately 0.78).

MAJOR EVENTS

(1) Power Alliance Investment Limited ("Vendor"), a wholly-owned subsidiary of the Company, entered into a provisional sale and purchase agreement with Success Build Limited ("Purchaser") on 9 March 2010 and subsequently the Formal Sale and Purchase Agreement on 23 April 2010 ("Agreement"). Pursuant to the Agreement, the Vendor agreed to sell and the Purchaser agreed to acquire the whole of the ground floor, upper ground floor, 1st and 2nd floors, Listing Court, nos.34 & 36 Granville Road, Kowloon ("Property") at a consideration of HK$320,000,000. This transaction constitutes a very substantial disposal and is approval by the shareholders at an extraordinary general meeting held on 16 August 2010, pursuant to Rules 19.06 of the GEM Listing Rules.

(2) On 22 February 2010, the Company entered into the Service Agreement with Mr. Chiau Sing Chi whereby the Company appointed Mr. Chiau as an executive director of the Company and Mr. Chiau accepted the appointment with prescribed duties for an initial term of five year from 1 June 2010. ("Commencement Date")

Pursuant to the Service Agreement, Mr. Chiau shall:

(a) serve the Company in the capacity of an executive director of the Company;

(b) take executive and management responsibilities and duties with regard to the Filmed Entertainment Business;

(c) devote a sufficient and reasonable part of his time to administer, supervise and manage the Filmed Entertainment Business of the Group;

(d) faithfully and diligently perform all such duties as shall be reasonably required by the Board and carry out all lawful and reasonable instructions of the Board according to the best of his skill and ability and in compliance with all resolutions and regulations from time to time passed or made by the Board; and

(e) at all times keep the Board promptly and fully informed of all matters relating to or in connection with the performance and exercise of his duties and powers under the Service Agreement.

In consideration of the performance by Mr. Chiau of his duties for the Company, the Company shall, as a remuneration package:

(a) issue the Convertible Bonds to Mr. Chiau with an aggregate principal amount of HK$45 million, in which the issuance will be divided into five tranches as follows:

(i) HK$25 million on the Commencement Date; and

(ii) HK$5 million annually on the anniversary of the Commencement Date in the next four years during the term of the Service Agreement.

(b) grant the Options to Mr. Chiau on the Commencement Date with the Subscription Right to subscribe up to 250,000,000 Shares at the initial Exercise Price of HK$0.10 per Share.

CHANGE OF COMPANY NAME

The Board passed a special resolution by the shareholders by way of poll at the annual general meeting held on 6 August 2010 to change its name from " Emcom International Limited" to "Bingo Group Holdings Limited" and to adopt a new Chinese name "比高集團控股有限公司" to replace the Chinese name "帝通國際有限公司" with effect from 6 August 2010. The Certificate of Incorporation on change of name has been issued by the Registrar of Companies in the Cayman Islands. Following the change of name becoming effective, the stock short name for trading in the Shares on the Stock Exchange will be changed from "EMCOM INT'L" to "BINGO GROUP" in English and from "帝通國際" to "比高集團" in Chinese with effect from 8 September 2010.

EVENTS AFTER REPORTING PERIOD

(i) On 13 April 2011, the Company entered into the Memorandum of Understanding ("MOU") with CineChina Limited ("CineChina") in relation to formation of the Joint Venture ("JV") for investment in and management of high- end digital cinemas in the PRC. CineChina undertakes to the Company that it shall introduce not less than 36 cinemas with not less than 260 screens and 30,000 seats in aggregate within 3 years after the formation of the JV.

(ii) On 17 May 2011, pursuant to the MOU dated 13 April 2011, Shine Wisdom Limited ("Shine Wisdom"), a wholly-owned subsidiary of the Company, entered into (i) the First Acquisition Agreement with 重慶越界影院投資有限公司 (transliterated as Chongqing Yuejie Media Investment Company Limited) ("the First Vendor") for the proposed acquisition of 51% interest in the tangible assets of Cinema Project A1 at a cash consideration of RMB6,611,000 (equivalent to approximately HK$7,900,000) and the proposed acquisition of 51% interest in the tangible assets of Cinema Project A2 at a cash consideration of RMB6,316,000 (equivalent to approximately HK$7,548,000), (ii) the Second Acquisition Agreement with 重慶嘉裕影院管理有限公司 (transliterated as Chongqing Jiayu Cinema Management Company Limited) ("the Second Vendor") for the proposed acquisition of 51% interest in the tangible assets of Cinema Project B at a cash consideration of RMB6,093,000 (equivalent to approximately HK$7,281,000); and (iii) the Third Acquisition Agreement with Mr. Yingang ("the Third Vendor") for the proposed acquisition of 75% equity interest in a Target Company at a cash consideration of RMB10,903,000 (equivalent to approximately HK$13,029,000).

(iii) On 9 June 2011, Lofty Shine Limited, a wholly-owned subsidiary of the Company, entered into the JV Agreement with CineChina in connection with the cooperation between the Group and CineChina pursuant to the MOU dated 13 April 2011.

(iv) On 9 June 2011, Shine Wisdom and 上海龍影投資諮詢服務有限公司 ("Shanghai Longying") entered into the Transfer Agreement for the transfer of the Leasing Agreements at nil consideration in relation to the leasing of premises for development into 4 cinemas with an initial planning of 29 screens with 4,719 seats in total in Linan, Hangzhou, Zhongshan and Tianjin respectively in the PRC.

(v) Mr. Fok Wai Ming Jackie has been appointed as a Executive Director with effect from 9 May 2011.

OPERATION REVIEW

During the Year under review, the Group had generated its income mainly by Trading business. Also, the Group disposed of the Property Located in Kowloon at consideration of HK$320,000,000, which provided a sufficient cash inflow to the Group for operations and future expansion. The Group had recorded a total turnover of approximately HK$557,637,000 for the Year (31 March 2010: HK$687,987,000). Loss attributable to shareholders for the Year was approximately HK$156,921,000 (31 March 2010: HK$32,916,000).

OUTLOOK

While the Group has continued its existing businesses, the Group will put more focus onto the newly developing cinema business in future.

The cinema industry in the PRC offers highly promising prospects. In 2010, the total box office revenue in the PRC is RMB10 billion, increased by 64% when compared to RMB6 billion recorded in 2009; however the screen ratio is relatively low as of 8.2 screens to every 1 million audience.

With CineChina's extensive knowledge and experience in development of cinemas in PRC, we believe that the setting up a joint venture create a synergy effect to the Group which allows the Group to expand its operation and businesses in the areas of operating cinemas and cinemas related businesses in the PRC and to become the one of top-3 cinema operators in the PRC within three years. We are also of the view that this new business complements our existing business of Filmed Entertainment, Online Games and Licensing Businesses in future, and is expected to improve the Group's profit in the long run and is beneficial to the shareholders and the Company as a whole.

The year ahead will still be a year full of challenges. Nevertheless the management is confident to move forward to a new era and is optimistic about the prospects of the Group's business in 2012 and beyond.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company endeavors in maintaining high standard of corporate governance for the enhancement of shareholders' value. The Company has complied with the required code provisions set out in the Code on Corporate Governance Practices contained in Appendix 15 to the GEM Listing Rules for the year ended 31 March 2011, except for the following deviation:

Code Provision A.2.1

This code stipulates that the role of chairman and chief executive officer should be separated and should not be performed by the same individual. The Board is in the process of locating an appropriate person to fill the vacancy of the chairman and chief executive officer of the Company as soon as practicable.

Recommended Best Practices A.4.4

The Company has not established a nomination committee. Instead, the full Board is involved in the appointment of new directors. The Board will take into consideration criteria such as expertise, experience, integrity and commitment when considering new director appointment. The Board will conduct in-depth assessment on the independence of candidates for post of independent directors.

AUDIT COMMITTEE

The Company has established an audit 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 audit committee are to review the Company's annual report and accounts, interim reports and quarterly reports and to provide advices and comments thereon to the Board. The audit committee will also be responsible for reviewing and supervising the Company's financial reporting and internal control system.

The audit committee comprises three independent non-executive Directors, namely Mr. Wong Chak Keung (Chairman), Mrs. Chen Chou Mei Mei Vivien, and Mr. Chum Kwan Yue Desmond. The Committee convened four meetings during the financial year ended 31 March 2011. During these meetings, the committee reviewed the annual, interim and quarterly results of the Company and made recommendations to the Board and the management in respect of the Company's financial reporting and internal control system. Details of the attendance of the audit committee meetings are as follows:

Name	Number of meetings held during the term of office	Number of meetings attended
Mr. Wong Chak Keung	2	2
Mrs. Chen Chou Mei Mei Vivien	2	1
Mr. Chum Kwan Yue Desmond	2	2
Mrs. Tsang Fung Chu	2	1
Mr. Wong Chi Keung Patrick	2	1
Mr. Leung Ka Kui Johnny	2	1

Accountability and Audit

The directors acknowledge their responsibility for preparing the accounts of the Company. As at 31 March 2011, the directors are not aware of any material uncertainties relating to events or conditions which may cast significant doubt upon the Company's ability to continue as a going concern. Accordingly, the directors have prepared the financial statements of the Company on a going concern basis.

The responsibilities of the external auditor on financial reporting are set out in the Independent Auditor's Report attached to the Company's Financial Statements for the year ended 31 March 2011.

The Board has regularly reviewed the effectiveness of the Company's internal control system with an aim to safeguard the shareholders' interests and the Company's assets. The purpose is to provide reasonable, but not absolute, assurance against material misstatements, errors, losses or fraud, and to manage rather than eliminate risks of failure in achieving the Company's business objectives.

Scope of works of Messrs. Graham H.Y. Chan & Co

The figures in respect of the Group's consolidated income statement, consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and the related notes thereto for the year ended 31 March 2011 as set out in this announcement have been agreed by the Group's auditors, Messrs. Graham H.Y. Chan & Co. to the amounts set out in the Group's audited consolidated financial statements for the year. The work performed by Messrs. Graham H.Y. Chan & Co. in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by Messrs. Graham H.Y. Chan & Co. in this announcement.

PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY

Neither the Company, nor any of its subsidiaries purchased, redeemed or sold any of the Company's listed securities during the year.

For and on behalf of the board of
BINGO GROUP HOLDINGS LIMITED
Chan Cheong Yee
Executive Director

Hong Kong, 28 June 2011

As at the date of this announcement, the Company's executive Directors are Mr. Chiau Sing Chi, Mr. Chan Cheong Yee, Mr. Yik Chok Man and Mr. Fok Wai Ming Jackie, the Company's non-executive Directors are Mr. Chong Lee Chang and Mrs. Chin Chow Chung Hang, Roberta, and the Company's independent non-executive Directors are Mrs. Chen Chou Mei Mei, Vivien, Mr. Chum Kwan Yue, Desmond and Mr. Wong Chak Keung.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

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