BINGO GROUP HOLDINGS LIMITED

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 8220)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2013

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.

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 2013

	Notes	2013 HK$'000	2012 HK$'000
Turnover	3	**198,797**	279,998
Cost of sales		**(135,220)**	(273,916)
Gross profit		**63,577**	6,082
Gain on disposal of subsidiaries		**40**	714
Other revenue and other net income	4	**10,924**	476
Selling expenses		**(208)**	(841)
Administrative expenses		**(25,021)**	(31,610)
Share-based payments		**(32,407)**	(41,907)
Loss on capitalisation on convertible bonds		**–**	(46,516)
Other losses		**(312)**	(7,506)
Finance costs	5	**(1,988)**	(3,473)
Profit/(Loss) before taxation	6	**14,605**	(124,581)
Taxation	8	**(885)**	(803)
Profit/(Loss) for the year		**13,720**	(125,384)
Profit/(Loss) attributable to:			
Owners of the Company		**12,965**	(124,163)
Non-controlling interests		**755**	(1,221)
		13,720	(125,384)
Earnings/(Loss) per share (cents per share)	7		
Basic		**0.43**	(7.70)
Diluted		**0.42**	N/A

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 March 2013

	2013	2012
	HK$'000	*HK$'000*
Profit/(Loss) for the year	**13,720**	(125,384)
Other comprehensive loss		
Exchange differences on translating foreign operations		
— Exchange differences arising during the year	**(239)**	(398)
— Reclassification adjustment relating to foreign operations disposed during the year	**–**	15
Other comprehensive loss for the year, net of tax	**(239)**	(383)
Total comprehensive income/(loss) for the year	**13,481**	(125,767)
Total comprehensive income/(loss) attributable to:		
Owners of the Company	**12,713**	(124,533)
Non-controlling interests	**768**	(1,234)
	13,481	(125,767)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 March 2013

	Notes	As at 31 March 2013 HK$'000	As at 31 March 2012 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment	9	**52,580**	593
Goodwill		**9,245**	8,295
Deposits paid for acquisition of assets in cinema business		**11,662**	11,662
Deposit paid for acquisition of equity interest in cinema business		**–**	6,660
		73,487	27,210
CURRENT ASSETS			
Trade receivables	10	**31,152**	–
Other receivables, deposits and prepayments	11	**7,529**	2,115
Payments to parties for procurement for investment of cinema business	12	**51,058**	34,854
Films in progress and film rights	13	**24,934**	52,762
Bank balances and cash		**108,696**	39,078
		223,369	128,809
CURRENT LIABILITIES			
Trade payables	14	**2,311**	–
Deposits received, other payables and accruals	15	**99,700**	12,614
Tax payables		**2,333**	730
		104,344	13,344
NET CURRENT ASSETS		**119,025**	115,465
TOTAL ASSETS LESS CURRENT LIABILITIES		**192,512**	142,675
NON-CURRENT LIABILITIES			
Convertible bonds		**13,614**	10,916
NET ASSETS		**178,898**	131,759

	As at 31 March 2013 *HK$'000*	As at 31 March 2012 *HK$'000*
CAPITAL AND RESERVES		
Share capital	**122,456**	121,936
Reserves	**56,969**	11,051
	179,425	132,987
Non-controlling interests	**(527)**	(1,228)
TOTAL EQUITY	**178,898**	131,759

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2013

	Share capital HK$'000	Share premium HK$'000	Contributed surplus HK$'000	Equity component of convertible note HK$'000	Share options reserve HK$'000	Exchange reserve HK$'000	Accumulated losses HK$'000	Attributable to owners of the Company HK$'000	Non-controlling interests HK$'000	Total HK$'000
At 1 April 2011	61,431	250,641	3,930	91,036	34,307	(53)	(362,567)	78,725	–	78,725
Loss for the year	–	–	–	–	–	–	(124,163)	(124,163)	(1,221)	(125,384)
Other comprehensive loss for the year	–	–	–	–	–	(370)	–	(370)	(13)	(383)
Total comprehensive loss for the year	–	–	–	–	–	(370)	(124,163)	(124,533)	(1,234)	(125,767)
Subscription of shares	26,000	13,000	–	–	–	–	–	39,000	–	39,000
Capitalisation of convertible bonds	34,125	63,579	–	–	–	–	–	97,704	–	97,704
Release of equity component of convertible bonds upon capitalisation of convertible bonds	–	–	–	(5,126)	–	–	5,126	–	–	–
Issue of convertible bonds	–	–	–	15,941	–	–	–	15,941	–	15,941
Issue of new shares of HK$0.02 each under share option scheme	380	1,842	–	–	(708)	–	–	1,514	–	1,514
Equity settled share option arrangement	–	–	–	–	24,636	–	–	24,636	–	24,636
Lapse of share option	–	–	–	–	(1,349)	–	1,349	–	–	–
Contribution from non-controlling interests	–	–	–	–	–	–	–	–	6	6
At 31 March 2012	121,936	329,062	3,930	101,851	56,886	(423)	(480,255)	132,987	(1,228)	131,759
Profit for the year	**–**	**–**	**–**	**–**	**–**	**–**	**12,965**	**12,965**	**755**	**13,720**
Other comprehensive loss for the year	**–**	**–**	**–**	**–**	**–**	**(252)**	**–**	**(252)**	**13**	**(239)**
Total comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**(252)**	**12,965**	**12,713**	**768**	**13,481**
Issue of convertible bonds	**–**	**–**	**–**	**8,502**	**–**	**–**	**–**	**8,502**	**–**	**8,502**
Issue of new shares of HK$0.04 each under share option scheme	**520**	**2,518**	**–**	**–**	**(1,011)**	**–**	**–**	**2,027**	**–**	**2,027**
Equity settled share option arrangement	**–**	**–**	**–**	**–**	**23,196**	**–**	**–**	**23,196**	**–**	**23,196**
Lapse of share option	**–**	**–**	**–**	**–**	**(3,187)**	**–**	**3,187**	**–**	**–**	**–**
Contribution from non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**374**	**374**
Non-controlling interest arising on the acquisition of cinema business	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**(441)**	**(441)**
At 31 March 2013	**122,456**	**331,580**	**3,930**	**110,353**	**75,884**	**(675)**	**(464,103)**	**179,425**	**(527)**	**178,898**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2013

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. A summary of the significant accounting policies adopted by the Group is set out in annual report. These financial statements have been prepared under historical cost convention except for certain financial instruments which are measured at fair value, as explained in the accounting policies set out in annual report.

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 2012.

Amendments to HKFRS 7	Disclosures — Transfers of Financial Assets
Amendments to HKAS 12	Deferred Tax — Recovery of Underlying Assets

The adoption of these new and revised HKFRS has no material impact on the Group's consolidated financial statements for the current or prior accounting periods.

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)	Annual Improvements 2009–2011 Cycle[2]
Amendments to HKFRS 7	Disclosures — Offsetting Financial Assets and Financial Liabilities[2]
Amendments to HKAS 1	Presentation of Items of Other Comprehensive Income[1]
Amendments to HKAS 32	Presentation — Offsetting Financial Assets and Financial Liabilities[3]
HKFRS 9	Financial Instruments[4]
HKFRS 10	Consolidated Financial Statements[2]
HKFRS 11	Joint Arrangements[2]
HKFRS 12	Disclosure of Interests in Other Entities[2]
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transition Guidance[2]
HKFRS 10, HKFRS 12 and HKAS 27 (2011) (Amendments)	Investment Entities[3]
HKFRS 13	Fair Value Measurement[2]
HKAS 19 (2011)	Employee Benefits[2]
HKAS 27 (2011)	Separate Financial Statements[2]
HKAS 28 (2011)	Investments in Associates and Joint Ventures[2]
HK(IFRIC)-Interpretation 20	Stripping Costs of the Production Phase of a Surface Mine[2]

1 Effective for annual periods beginning on or after 1 July 2012
2 Effective for annual periods beginning on or after 1 January 2013
3 Effective for annual periods beginning on or after 1 January 2014
4 Effective for annual periods beginning on or after 1 January 2015

HKFRS 9 — Financial Instruments

Under HKFRS 9, financial assets are classified into financial assets measured at fair value or at amortised cost depending on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Fair value gains or losses will be recognised in profit or loss except for those non-trade equity investments, which the entity will have a choice to recognise the gains and losses in other comprehensive income. HKFRS 9 carries forward the recognition, classification and measurement requirements for financial liabilities from HKAS 39, except for financial liabilities that are designated at fair value through profit or loss, where the amount of change in fair value attributable to change in credit risk of that liability is recognised in other comprehensive income unless that would create or enlarge an accounting mismatch. In addition, HKFRS 9 retains the requirements in HKAS 39 for derecognition of financial assets and financial liabilities.

HKFRS 10 — Consolidated Financial Statements

HKFRS 10 introduces a single control model for consolidation of all investee entities. An investor has control when it has power over the investee (whether or not that power is used in practice), exposure or rights to variable returns from the investee and the ability to use the power over the investee to affect those returns. HKFRS 10 contains extensive guidance on the assessment of control. For example, the standard introduces the concept of "de facto" control where an investor can control an investee while holding less than 50% of the investee's voting rights in circumstances where its voting interest is of sufficiently dominant size relative to the size and dispersion of those of other individual shareholders to give it power over the investee. Potential voting rights are considered in the analysis of control only when these are substantive, i.e. the holder has the practical ability to exercise them. The standard explicitly requires an assessment of whether an investor with decision making rights is acting as principal or agent and also whether other parties with decision making rights are acting as agents of the investor. An agent is engaged to act on behalf of and for the benefit of another party and therefore does not control the investee when it exercises its decision making authority. The implementation of HKFRS 10 may result in changes in those entities which are regarded as being controlled by the Group and are therefore consolidated in the financial statements. The accounting requirements in the existing HKAS 27 on other consolidation related matters are carried forward unchanged. HKFRS 10 is applied retrospectively subject to certain transitional provisions.

HKFRS 11 — Joint Arrangements

Joint arrangements under HKFRS 11 have the same basic characteristics as joint ventures under HKAS 31. Joint arrangements are classified as either joint operations or joint ventures. Where the Group has rights to the assets and obligations for the liabilities of the joint arrangement, it is regarded as a joint operator and will recognise its interests in the assets, liabilities, income and expenses arising from the joint arrangement. Where the Group has rights to the net assets of the joint arrangement as a whole, it is regarded as having an interest in a joint venture and will apply the equity method of accounting. HKFRS 11 does not allow proportionate consolidation. In an arrangement structured through a separate vehicle, all relevant facts and circumstances should be considered to determine whether the parties to the arrangement have rights to the net assets of the arrangement. Previously, the existence of a separate legal entity was the key factor in determining the existence of a jointly controlled entity under HKAS 31. HKFRS 11 will be applied retrospectively with specific restatement requirements for a joint venture which changes from proportionate consolidation to the equity method and a joint operation which changes from equity method to accounting for assets and liabilities.

HKFRS 12 — Disclosure of Interests in Other Entities

HKFRS 12 integrates and makes consistent the disclosures requirements about interests in subsidiaries, associates and joint arrangements. It also introduces new disclosure requirements, including those related to unconsolidated structured entities. The general objective of the standard is to enable users of financial statements to evaluate the nature and risks of a reporting entity's interests in other entities and the effects of those interests on the reporting entity's financial statements.

In June 2012, the HKICPA issued amendments to HKFRS 10, HKFRS 11 and HKFRS 12 which clarify the transition guidance in HKFRS 10, provide further relief from full retrospective application of these standards, and limit the requirement to provide adjusted comparative information to only the preceding comparative period. The amendments clarify that retrospective adjustments are only required if the consolidation conclusion as to which entities are controlled by the Group is different between HKFRS 10 and HKAS 27 or HK (SIC)-Int 12 at the beginning of the annual periods in which HKFRS 10 is applied for the first time. Furthermore, for disclosures related to unconsolidated structured entities, the amendments will remove the requirement to present comparative information for periods before HKFRS 12 is first applied.

The amendments in HKFRS 10 issued in December 2012 include a definition of an investment entity and provide an exception to the consolidation requirement for entities that meet the definition of an investment entity. Investment entities are required to account for subsidiaries at fair value through profit or loss in accordance with HKFRS 9, rather than consolidate them. Consequential amendments were made to HKFRS 12 and HKAS 27 (2011). The amendments to HKFRS 12 also set out the disclosure requirements for investment entities. The Group expects that these amendments will not have any impact on the Group as the Company is not an investment entity as defined in HKFRS 10.

Consequential amendments were made to HKAS 27 and HKAS 28 as a result of the issuance of HKFRS 10, HKFRS 11 and HKFRS 12.

HKFRS 13 — Fair Value Measurement

HKFRS 13 provides a single source of guidance on how to measure fair value when it is required or permitted by other standards. The standard applies to both financial and non-financial items measured at fair value and introduces a fair value measurement hierarchy. The definitions of the three levels in this measurement hierarchy are generally consistent with HKFRS 7 "Financial Instruments: Disclosures". HKFRS 13 defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (i.e. an exit price). The standard removes the requirement to use bid and ask prices for financial assets and liabilities quoted in an active market. Rather the price within the bid-ask spread that is most representative of fair value in the circumstances should be used. It also contains extensive disclosure requirements to allow users of the financial statements to assess the methods and inputs used in measuring fair values and the effects of fair value measurements on the financial statements. HKFRS 13 can be adopted early and is applied prospectively.

The Group is in the process of making an assessment of the potential impact of applying HKFRS 9, HKFRS 10, HKFRS 11, HKFRS 12 and HKFRS 13 and have not quantified the extent of their impact as at the date of publication of these financial statements.

HKAS 1 (Amendments) "Presentation of Items of Other Comprehensive Income"

HKAS 1 (Amendments) changes the disclosure of items presented in other comprehensive income in the statement of comprehensive income. The amendment requires entities to separate items presented in other comprehensive income into two groups, based on whether or not they may be reclassified to profit or loss in the future. Items that will not be reclassified to profit or loss will be presented separately from items that may be reclassified in the future. Entities that choose to present other comprehensive income items before tax will be required to show the amount of tax related to the two groups separately. The title used by HKAS 1 for the statement of comprehensive income has changed to 'statement of profit or loss and other comprehensive income'. However HKAS 1 still permits entities to use other titles. The amendments affect presentation only and have no impact on the Group's financial position and performance

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 for the year:

Trading — Sales and trading of coal and crude oil.

Filmed entertainment, New Media Exploitations and licensing businesses — Movie production, licensing and derivatives, crossover marketing, provision of interactive contents, artist development and last miles engagement.

Cinema investment and management — cinema investment and provision of cinema management service.

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, 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.

	Year ended 31 March 2013				Year ended 31 March 2012			
	Trading	Cinema Investment and management	Filmed Entertainment New Media Exploitations and Licensing Businesses	Total	Trading	Cinema Investment and management	Filmed Entertainment New Media Exploitations and Licensing Businesses	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment Revenue								
Reportable segment revenue	109,799	14,522	74,476	198,797	270,819	–	9,179	279,998
Inter-segment revenue	–	–	–	–	–	–	–	–
Revenue from external customers	109,799	14,522	74,476	198,797	270,819	–	9,179	279,998
Segment Result								
Reportable segment result	(830)	2,425	61,571	63,166	618	(1,515)	5,464	4,567
Interest income				52				414
Gain on disposal of subsidiaries				40				714
Unallocated corporate expenses				(14,258)				(38,380)
Share-based payments				(32,407)				(41,907)
Loss on capitalisation of convertible bonds				–				(46,516)
Finance cost				(1,988)				(3,473)
Profit/(Loss) before taxation				14,605				(124,581)
Segment Assets								
Reportable segment assets	188	139,334	151,409	290,931	402	54,906	64,047	119,355
Unallocated corporate assets				5,925				36,664
Consolidated total assets				296,856				156,019
Segment Liabilities								
Reportable segment liabilities	–	67,096	31,127	98,223	–	109	5,760	5,869
Tax payables				2,333				730
Convertible bonds				13,614				10,916
Unallocated corporate liabilities				3,788				6,745
Consolidated total liabilities				117,958				24,260

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

— all assets are allocated to reportable segments other than unallocated corporate assets.

— all liabilities are allocated to reportable segments other than current tax liabilities, convertible bonds and unallocated corporate liabilities.

Other segment information:

	Year ended 31 March 2013				Year ended 31 March 2012			
	Trading	**Cinema Investment and management**	**Filmed Entertainment New Media Exploitations and Licensing Businesses**	**Total**	Trading	Cinema Investment and management	Filmed Entertainment New Media Exploitations and Licensing Businesses	Total
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Additions to non-current assets	**–**	**54,046**	**–**	**54,046**	–	18,426	–	18,426
Interest income	**–**	**4**	**47**	**51**	–	107	154	261
Depreciation and amortisation	**–**	**1,173**	**42**	**1,215**	–	8	120	128
Amortisation of film right	**–**	**–**	**21,495**	**21,495**	–	–	–	–

Revenue from major products and services:

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

	2013	2012
	HK$'000	*HK$'000*
Sales of palm oil and coal	**109,799**	270,819
Cinema business	**14,522**	–
Distribution, royalty and licensing income	**74,476**	9,179
	198,797	279,998

Geographical information:

The Group operates in Hong Kong and the People's Republic of China (excluding 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 external customers and information about non-current assets by geographical location are detailed below:

	Revenue from external customers		**Non-current assets**	
	2013	2012	**2013**	2012
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**27,040**	–	**207**	171
PRC (excluding Hong Kong)	**79,773**	9,179	**73,280**	27,039
Singapore	**75,907**	100,754	**–**	–
Indonesia	**12,308**	85,104	**–**	–
Others	**3,769**	84,961	**–**	–
	198,797	279,998	**73,487**	27,210

Information about major customers:

Included in revenues arising from sales of palm oil and coal of HK$110 million (2012: HK$271 million) are revenues of approximately HK$37 million (2012: HK$85 million) which arose from sales to the Group's largest customer.

Revenue from major customers:

The group's sales to customers which accounted for 10% or more of its total revenue are as follows:

	2013	2012
	HK$'000	*HK$'000*
Customer A	N/A*	85,104
Customer B	N/A*	57,689
Customer C	N/A*	42,783
Customer D	37,352	33,913
Customer E	N/A*	31,425
	37,352	250,914

The sales to customer A, B, C, D and E are included in the segment of trading.

* The corresponding revenue did not contribute over 10% of the total revenue of the Group.

3. TURNOVER

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

	2013	2012
	HK$'000	*HK$'000*
Revenue from sales of goods	109,799	270,819
Revenue from cinema business	14,522	–
Production and distribution of film right	74,083	–
Royalty and licensing income	393	9,179
	198,797	279,998

4. OTHER REVENUE AND OTHER NET INCOME

	2013	2012
	HK$'000	*HK$'000*
Interest income	52	414
Gain on disposal of equity interest in the film	7,564	–
Others	3,308	62
	10,924	476

5. FINANCE COSTS

	2013	2012
	HK$'000	*HK$'000*
Effective interest on convertible bonds	**1,988**	3,436
Other loan interest	**–**	37
	1,988	3,473

6. PROFIT/(LOSS) BEFORE TAXATION

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

	2013	2012
	HK$'000	*HK$'000*
Auditor's remuneration	**570**	570
Cost of inventories sold	**109,546**	270,202
Direct expenses of licensing business	**39**	3,714
Direct expense of cinema business	**4,140**	–
Amortisation of film right	**21,495**	–
Depreciation	**1,288**	201
Exchange gain	**(1,425)**	(3,167)
Other losses	**312**	7,506
— Impairment on accounts receivables	**312**	441
— Impairment on goodwill	**–**	6,765
— Write off of receivables and deposits	**–**	293
— Loss on disposal of property, plant and equipment	**–**	7
Operating lease rental in respect of rented premises	**3,317**	1,599
Staff costs (including directors' remuneration)		
— Salaries and allowances	**11,117**	14,269
— Equity-settled share based payment	**13,485**	40,912
— Retirement scheme contributions	**334**	274

7. EARNINGS/(LOSS) PER SHARE

(i) Basic earnings/(loss) per share

	2013	2012
	HK Cent	*HK Cent*
Total basic earnings/(loss) per share	**0.43**	(7.70)

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

	2013	2012
	HK$'000	*HK$'000*
Profit/(Loss) for the year attributable to owners of the Company	**12,965**	(124,163)

	2013	2012
Weighted average number of ordinary shares for the purpose of basic loss per share	**3,049,697,713**	1,611,747,118

The weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share for the year ended 31 March 2013 and 2012 have been adjusted for the share consolidation effective from 18 September 2012.

(ii) Diluted earnings/(loss) per share

The earnings/(loss) used in the calculation of diluted earnings/(loss) per share are the same at those for the basic earnings/(loss) per share, as set out above.

The weighted average number of ordinary shares for the purposes of diluted earnings/(loss) per share reconciles to the weighted average number of ordinary shares used in the calculation of basic earnings/(loss) per share as follows:

	2013	2012
Weighted average number of ordinary shares used in the calculation of basic earnings/(loss) per share	**3,049,697,713**	N/A
Effect of dilutive potential ordinary share in respect of:		
— convertible notes	**–**	N/A
— share options	**5,306,077**	N/A
Weighted average number of ordinary shares for the purposes of diluted earnings/(loss) per share	**3,055,003,790**	N/A

The calculation of the diluted earnings per share for the year ended 31 March 2013 did not assume the exercise of the Company's outstanding share options which exercise prices were higher than the average market price of the Company's shares for the year and the conversion of convertible note since its conversion would result in an increase in earnings per share.

Diluted loss per share for the year ended 31 March 2012 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 year ended 31 March 2012.

8. TAXATION

	2013	2012
	HK$'000	*HK$'000*
The taxation charge comprises:		
Current tax		
Hong Kong	**587**	–
The PRC	**298**	–
	885	–
Deferred tax charge		
Current year	**–**	803
Tax recognised in profit or loss	**885**	803

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profit for the year ended 31 March 2013.

No provision for Hong Kong profits tax had been made in the financial statements for the year ended 31 March 2012 since there was no assessable profit derived from Hong Kong for that year.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25%.

The taxation for the year can be reconciled to the profit/(loss) before taxation per the consolidated income statement as follows:

	2013	2012
	HK$'000	*HK$'000*
Profit/(loss) before taxation	**14,605**	(124,581)
Tax at the statutory tax rate	**3,132**	(20,784)
Income not subject to taxation	**(12,505)**	(1,212)
Expenses not deductible for tax purpose	**9,869**	21,782
Effect of different tax rates of subsidiaries operating in other jurisdictions	**252**	–
Tax effect of unrecognised tax loss	**137**	1,017
Taxation charge for the year	**885**	803

The tax charge relating to components of other comprehensive loss is as follows:

		2013			2012	
	Before tax	**Tax charge**	**After tax**	Before tax	Tax charge	After tax
	HK$'000	***HK$'000***	***HK$'000***	*HK$'000*	*HK$'000*	*HK$'000*
Exchange difference on translating foreign operations:						
— Exchange differences arising during the year	**239**	**–**	**239**	398	–	398
— Reclassification adjustments relating to foreign operations disposed during the year	**–**	**–**	**–**	(15)	–	(15)
	239	**–**	**239**	383	–	383

9. PROPERTY, PLANT AND EQUIPMENT

	Leasehold improvement *HK$'000*	Plant and machinery *HK$'000*	Computers *HK$'000*	Furniture, fixtures and equipment *HK$'000*	Total *HK$'000*
Cost					
At 1 April 2011	–	–	732	638	1,370
Additions	–	–	372	24	396
Disposal	–	–	–	(622)	(622)
Disposal of subsidiaries	–	–	(207)	–	(207)
At 31 March 2012 and 1 April 2012	–	–	897	40	937
Additions	–	–	104	73	177
Acquired on acquisition of subsidiaries	27,441	19,543	–	6,110	53,094
Currency realignment	–	–	11	–	11
At 31 March 2013	27,441	19,543	1,012	6,223	54,219
Accumulated depreciation and impairment					
At 1 April 2011	–	–	154	638	792
Charge for the year	–	–	186	15	201
Eliminated upon disposal	–	–	–	(615)	(615)
Disposal of subsidiaries	–	–	(34)	–	(34)
At 31 March 2012 and 1 April 2012	–	–	306	38	344
Charge for the year	650	232	241	165	1,288
Currency realignment	1	–	6	–	7
At 31 March 2013	651	232	553	203	1,639
Net book value					
At 31 March 2013	26,790	19,311	459	6,020	52,580
At 31 March 2012	–	–	591	2	593

10. TRADE RECEIVABLES

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

	2013 HK$'000	2012 HK$'000
Within 30 days	**30,841**	20
31–60 days	**46**	20
61–90 days	**143**	20
Over 90 days	**875**	381
	31,905	441
Provision	**(753)**	(441)
	31,152	–

For 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. As at 31 March 2013, an impairment loss of HK$312,000 has been made (2012: HK$441,000). The movement in the allowance is as follows:

	2013 HK$'000	2012 HK$'000
Balance at beginning of the year	**441**	–
Impairment loss recognised	**312**	441
	753	441

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

	2013 HK$'000	2012 HK$'000
Neither past due nor impaired	**30,810**	–
Past due but not impaired:		
Less than 1 month past due	**15**	–
1 to 3 months past due	**113**	–
More than 3 months past due	**214**	–
	31,152	–

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 at 31 March 2013 that were past due but not impaired related to a number of independent customers that had a good track record with the Group. Based on past experience, management believes that no 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.

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2013	2012
	HK$'000	*HK$'000*
Other receivables	**4,805**	1,478
Deposits and prepayments	**2,724**	637
	7,529	2,115

12. 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:

	2013	2012
	HK$'000	*HK$'000*
Amount paid to a director of a subsidiary	**19,173**	12,513
Amount paid to CineChina	**28,640**	22,341
Amount paid to an independent third party	**3,245**	–
	51,058	34,854

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 had 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 director of a subsidiary, 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 a foreign investor 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 31 March 2013, HK$38,779,000 have been settled by the Connection and is included in other payables of the Group. Subsequent to year end date, the Connection has further settled payment for 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.

13. FILMS IN PROGRESS AND FILM RIGHTS

(a) Films in progress

	2013	2012
	HK$'000	*HK$'000*
At the beginning of year	**52,762**	8,389
Additions	**19,521**	44,373
Disposal	**(27,157)**	–
Exchange adjustments	**1,303**	–
Recognised as film rights	**(35,825)**	–
At the end of year	**10,604**	52,762

The films in progress was measured at cost less any identifiable impairment loss.

(b) Film rights

	2013	2012
	HK$'000	*HK$'000*
Transfer from films in progress	**35,825**	–
Amortisation recognised in the year	**(21,495)**	–
At the end of year	**14,330**	–

The film rights are amortised and recognised as an expense in the consolidated income statement based on the proportion of actual income earned during the year to the total estimated income from the distribution of film rights.

14. TRADE PAYABLES

The trade payables aged between 0–30 days.

15. DEPOSITS RECEIVED, OTHER PAYABLES AND ACCRUALS

	2013	2012
	HK$'000	*HK$'000*
Sales deposits received	**5,953**	86
Other payables and accruals	**93,747**	12,528
	99,700	12,614

16. ACQUISITION OF SUBSIDIARIES

Pursuant to the announcements for the joint venture agreement ("JV agreement") dated on 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. Under the JV agreement, the Group shall be responsible for the development and funding of the Hangzhou and Linan Cinema Projects ("PRC Cinema Projects") which are wholly owned by 比高電影院(上海)有限公司 which has a registered capital of RMB500,000. Pursuant to the relevant PRC regulatory requirement, cinema operations under Sino-foreign equity joint venture in the PRC required the minimum registered capital of RMB6,000,000. The Group had conducted an internal group reorganization involving (i) the increase of the registered capital of 比高電影院(上海)有限公司 from RMB500,000 to RMB6,000,000 and (ii) another wholly owned subsidiary of the Group in Hong Kong to act as the 75% shareholder of 比高電影院(上海)有限公司.

On 17 February 2013, the transfer of 75% equity interest in 比高電影院(上海)有限公司 to another subsidiary of the Group and the increase of registered capital of 比高電影院(上海)有限公司 from RMB500,000 to RMB6,000,000 were approved by the PRC authority. The Group acquired the 比高電影院(上海)有限公司 together with the PRC Cinemas Project ("Cinemas Business") on the same date.

The fair value of net assets acquired in the transactions approximate to their carrying amounts at the date of acquisition and the goodwill arising are as follows:

	Cinema Group
	HK$'000
Net liabilities acquired:	
Property, plant and equipment	53,094
Bank balance and cash	10,397
Trade and other receivables	5,474
Trade and other liabilities	(69,177)
Tax payables	(718)
	(930)
Non-controlling interests	441
Goodwill	950
Total consideration satisfied by:	
Cash	461
Net cash inflow arising on acquisition:	
Bank balance and cash acquired	10,397
Cash consideration paid	(461)
	9,936

The goodwill arising on the acquisition was attributable to the anticipated profitability of 比高電影院(上海)有限公司 and its subsidiaries ("Cinema Group").

The Cinema Group contributed profit of HK$922,000 to the Group's profit for period between the date of acquisition and 31 March 2013.

Had the acquisition been completed on 1 April 2012, total group revenue and profit for the year ended 31 March 2013 would have been HK$257,159,000 and HK$16,931,000 respectively. The proforma information is for illustrative purposed only and is not necessarily an indication of revenue and results of the Group that actually would have been achieved had the acquisition been completed on 1 April 2012, nor is it intended to be a projection of future results.

17. CONTINGENT LIABILITIES

The Group and the Company did not have any significant contingent liabilities as at 31 March 2012 and 2013.

18. DIVIDEND

The directors do not recommend the payment of a dividend for the year ended 31 March 2013 (2012: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

FINANCIAL REVIEW

During the Year, the Group recorded a total turnover of approximately HK$198,797,000, representing decrease of approximately 29% as compared with HK$279,998,000 for 2012. In 2012, the group is shifting business more focus onto the Filmed Entertainment, New Media Exploitations and Licensing Business and Cinema Business, so the Group started to put less focus on trading business, which generated 97% of turnover for the year ended 31 March 2012.

Profit for the Year was approximately HK$13,720,000 when compared with a loss of HK$125,384,000 for 2012.

The profit of the Group is mainly attributable to (i) the recognition of revenue from a Chinese language motion picture titled "Journey to the West: Conquering the Demons" and theatre operation and management in the amount of approximately HK$74,083,000 and approximately HK$14,522,000 respectively during the Year; (ii) the decrease in share-based payments during the Year. During the Year, the share-based payment was HK$32,407,000, representing an decrease of approximately 23% as compared with HK$41,907,000 for the year ended 31 March 2012; and (iii) the loss on capitalisation on convertible bonds incurred during the year ended 31 March 2012.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 March 2013, the Group had total assets of approximately HK$296,856,000 (31 March 2012: HK$156,019,000), including cash and cash equivalents of approximately HK$108,696,000 (31 March 2012: HK$39,078,000). There was no pledged bank deposit as at 31 March 2013 (31 March 2012: Nil).

During the Year, the Group financed its operations with its own working capital. As at 31 March 2013, the Group did not have any bank overdraft (31 March 2012: Nil).

As at 31 March 2013, the debt ratio (defined as the ratio between total liabilities over total assets) was approximately 0.40 (31 March 2012: approximately 0.16).

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

On 17 February 2013, the transfer of 75% equity interest in 比高電影院(上海)有限公司 to another subsidiary of the Group and the increase of registered capital of 比高電影院(上海)有限公司 from RMB500,000 to RMB6,000,000 were approved by the PRC authority. The Group acquired the 比高電影院(上海)有限公司 together with Linan and Hangzhou cinema projects on the same date.

Save as disclosed above, there was no material acquisition or disposal of subsidiaries during the year ended 31 March 2013.

EVENT AFTER THE REPORTING PERIOD

Pursuant to a series of cooperation agreements on the picture titled “Journey to the West: Conquering the Demons (the “Picture”) between Lofty Gain Investments Limited, a subsidiary of the Company, and other investors (collectively as the “Investors”) as one party and Huayi Brothers Media Corporation (“Huayi Brothers”) as the other party, Huayi Brothers is in charge of operation and distribution of the Picture in Mainland China.

According to the agreed terms, the Investors are entitled to a guaranteed income, box-office dividends and the share of 10% to 30% of the net income from the distribution of the Picture in Mainland China.

Subsequent to the reporting period, Lofty Gain Investments Limited together with the other investors instruct it’s PRC legal advisor to demand the box-office dividends for the distribution of the Picture in Mainland China as originally scheduled between the Investors and Huayi Brothers. Further announcement(s) will be made by the Company regarding the settlement of the box-office dividends for the distribution of the Picture in Mainland China, where appropriate.

FOREIGN EXCHANGE EXPOSURE

The Group’s transactions during the Year 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 31 March 2013, the Group had 168 (31 March 2012: 41) staff in the PRC and Hong Kong. Total staff costs including directors’ remuneration were approximately HK$24,936,000 during the Year (31 March 2012: HK$55,455,000), in which HK$11,796,000 was share-based payments to director (31 March 2012: HK$40,246,000).

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 year, total 294,840,000 share options (after share consolidation) have been granted to certain directors, employees and advisors.

CONTINGENT LIABILITIES

As at 31 March 2013, the Group had no significant contingent liabilities (31 March 2012: Nil).

CAPITAL COMMITMENTS

As at 31 March 2013, the Group had capital commitments of approximately HK$18,571,000 (31 March 2012: approximately HK$23,426,000).

OUTLOOK

While the Group has continued its existing businesses, the Group will put more focus onto the newly developing Filmed Entertainment, Online Games and Licensing business and Cinema Business in sustaining its core competitiveness through intensive execution of the following strategies:

- The Board is cooperating with various experts in filmed entertainment and cinema operation and development creates a synergistic effect to the Group which allows the Group to expand its operation and businesses in the areas of cinema related businesses in the PRC.

- The Board is commencing a series of reorganization exercises in relation to a series of arrangement of Cinema Business. Subject to the completion of reorganization, the Group will own beneficially the equity interest in the existing operating cinemas in Chengdu and Chongqing in PRC.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company endeavors to maintain a 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 2013, 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.

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 2013. 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.

The Audit Committee has reviewed the audited consolidated financial statements for the year ended 31 March 2013.

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 2013 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.

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

Hong Kong, 28 June 2013

As at the date of this announcement, the Company's executive Directors are Mr. Chiau Sing Chi, Mr. Chan Cheong Yee and Mr. Chong Lee Chang, the Company's non-executive Director is 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 of the Company 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 of the Company, 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.