BINGO GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8220)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2015

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

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

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.

The board of Directors (the "Board") of the Company is pleased present the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 March 2015, together with the audited comparative figures for the corresponding year in 2014, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
For the year ended 31 March 2015

	Notes	**2015** *HK$'000*	2014 *HK$'000*
Continuing operations			
Turnover	*3*	**76,961**	80,447
Cost of sales		**(32,818)**	(36,085)
Gross profit		**44,143**	44,362
Other revenue and other net income		**4,322**	4,210
Selling expenses		**(1,850)**	(984)
Administrative expenses		**(49,177)**	(47,005)
Share-based payments		**(46,076)**	(10,332)
Impairment losses	*4*	**(8,591)**	(38,269)
Finance costs		**(2,908)**	(2,440)
Loss before taxation	*4*	**(60,137)**	(50,458)
Taxation	*5*	**(2,839)**	(3,376)
Loss for the year from continuing operations		**(62,976)**	(53,834)
Discontinued operation			
Loss for the year from discontinued operation	*6*	**–**	(12)
Loss for the year		**(62,976)**	(53,846)
Loss attributable to:			
Owners of the Company		**(65,947)**	(59,464)
Non-controlling interests		**2,971**	5,618
		(62,976)	(53,846)
		HK cents	*HK cents*
Loss per share	*7*		
From continuing and discontinued operations			
Basic		**(2.06)**	(1.94)
Diluted		**N/A**	N/A
From continuing operations			
Basic		**(2.06)**	(1.94)
Diluted		**N/A**	N/A

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME
For the year ended 31 March 2015

	2015	2014
	HK$'000	*HK$'000*
Loss for the year	**(62,976)**	(53,846)
Other comprehensive income		
Item that may be reclassified subsequently to profit or loss:		
Exchange differences on translating foreign operations		
— Exchange differences arising during the year	**61**	24
Other comprehensive income for the year, net of tax	**61**	24
Total comprehensive loss for the year	**(62,915)**	(53,822)
Total comprehensive loss attributable to:		
Owners of the Company	**(65,896)**	(59,451)
Non-controlling interests	**2,981**	5,629
	(62,915)	(53,822)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
At 31 March 2015

	Notes	2015 HK$'000	2014 HK$'000
NON-CURRENT ASSETS			
Property, plant and equipment		**37,856**	46,484
Goodwill	9	**950**	950
		38,806	47,434
CURRENT ASSETS			
Trade receivables	10	**3,831**	11,435
Other receivables, deposits and prepayments	11	**17,370**	19,187
Payments to parties for procurement for investment of cinema business	12	**47,010**	49,204
Films in progress and film rights	13	**2,473**	5,246
Tax recoverable		**4**	–
Cash and cash equivalents		**128,974**	106,000
		199,662	191,072
CURRENT LIABILITIES			
Trade payables	14	**2,141**	1,730
Deposits received, other payables and accruals	15	**71,700**	79,852
Tax payables		**2,101**	2,220
		75,942	83,802
NET CURRENT ASSETS		**123,720**	107,270
TOTAL ASSETS LESS CURRENT LIABILITIES		**162,526**	154,704

	2015	2014
	HK$'000	*HK$'000*
NON-CURRENT LIABILITIES		
Convertible bonds	**19,331**	16,379
NET ASSETS	**143,195**	138,325
CAPITAL AND RESERVES		
Share capital	**128,518**	123,288
Reserves	**5,237**	9,935
	133,755	133,223
Non-controlling interests	**9,440**	5,102
TOTAL EQUITY	**143,195**	138,325

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2015

	Share capital *HK$'000*	Share premium *HK$'000*	Contributed surplus *HK$'000*	Equity component of convertible bonds *HK$'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 2013	122,456	331,580	3,930	110,353	75,884	(675)	(464,103)	179,425	(527)	178,898
Loss for the year	–	–	–	–	–	–	(59,464)	(59,464)	5,618	(53,846)
Other comprehensive income for the year	–	–	–	–	–	13	–	13	11	24
Total comprehensive loss for the year	–	–	–	–	–	13	(59,464)	(59,451)	5,629	(53,822)
Issue of convertible bonds	–	–	–	3,896	–	–	–	3,896	–	3,896
Issue of new shares of HK$0.04 each under share option scheme	832	4,027	–	–	(1,616)	–	–	3,243	–	3,243
Equity settled share option arrangement	–	–	–	–	6,110	–	–	6,110	–	6,110
Lapse of share options	–	–	–	–	(51,692)	–	51,692	–	–	–
At 31 March 2014	123,288	335,607	3,930	114,249	28,686	(662)	(471,875)	133,223	5,102	138,325
Loss for the year	**–**	**–**	**–**	**–**	**–**	**–**	**(65,947)**	**(65,947)**	**2,971**	**(62,976)**
Other comprehensive income for the year	**–**	**–**	**–**	**–**	**–**	**51**	**–**	**51**	**10**	**61**
Total comprehensive loss for the year	**–**	**–**	**–**	**–**	**–**	**51**	**(65,947)**	**(65,896)**	**2,981**	**(62,915)**
Issue of convertible bonds	**–**	**–**	**–**	**532**	**–**	**–**	**–**	**532**	**–**	**532**
Issue of new shares of HK$0.04 each under share option scheme	**5,230**	**25,332**	**–**	**–**	**(10,166)**	**–**	**–**	**20,396**	**–**	**20,396**
Equity settled share option arrangement	**–**	**–**	**–**	**–**	**45,500**	**–**	**–**	**45,500**	**–**	**45,500**
Lapse of share options	**–**	**–**	**–**	**–**	**(448)**	**–**	**448**	**–**	**–**	**–**
Contribution from non-controlling interests	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,357**	**1,357**
At 31 March 2015	**128,518**	**360,939**	**3,930**	**114,781**	**63,572**	**(611)**	**(537,374)**	**133,755**	**9,440**	**143,195**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2015

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

These consolidated 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 consolidated 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 below. These consolidated 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 a number of new and revised HKFRSs issued by the HKICPA that are mandatorily effective for an accounting period that begins on or after 1 April 2014:

Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 36	Recoverable Amount Disclosures for Non-Financial Assets
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (as revised in 2011)	Investment Entities
HK (IFRIC)-Interpretation 21	Levies

The application of these new and revised HKFRSs and new interpretation of HK (IFRIC) has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early adopted the following new and revised HKFRSs that have been issued but not yet effective:

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010–2012 Cycle [1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011–2013 Cycle [1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012–2014 Cycle [2]
Amendments to HKAS 1	Disclosure Initiative [2]
Amendments to HKAS 19	Defined Benefit Plans: Employee Contributions [1]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation [2]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants [2]
Amendments to HKAS 27	Equity Method in Separate Financial Statements [2]
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture [2]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28	Investment Entities: Applying the Consolidation Exemption [2]
Amendments HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations [2]
HKFRS 9	Financial Instruments [4]
HKFRS 14	Regulatory Deferral Accounts [2]
HKFRS 15	Revenue from Contracts with Customers [3]

1 Effective for annual periods beginning on or after 1 July 2014
2 Effective for annual periods beginning on or after 1 January 2016
3 Effective for annual periods beginning on or after 1 January 2017
4 Effective for annual periods beginning on or after 1 January 2018

The Directors anticipate that the application of these new and revised HKFRSs will have no material impact on the Group's financial performance and positions and/or on the disclosures set out in these 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 businesses are structured and managed separately according to the nature of their operations.

For management purposes, the Group is organised into two operating segments for the year:

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

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.

Sales and trading of coal and palm oil was regarded as discontinued operation.

The revenue from external customers reported to the management is measured in a manner consistent with that in the consolidated statement of profit or loss. 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 2015					Year ended 31 March 2014				
	Cinema Investment and Management	Filmed Entertainment New Media Exploitations and Licensing Businesses	Continuing Operations	Discontinued Operation	Total	Cinema Investment and Management	Filmed Entertainment New Media Exploitations and Licensing Businesses	Continuing Operations	Discontinued Operation	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
Segment Revenue										
Reportable segment revenue	**76,820**	**141**	**76,961**	**–**	**76,961**	77,508	2,939	80,447	–	80,447
Inter-segment revenue	**–**	**–**	**–**	**–**	**–**	–	–	–	–	–
Revenue from external customers	**76,820**	**141**	**76,961**	**–**	**76,961**	77,508	2,939	80,447	–	80,447
Segment Results										
Reportable segment results	**11,469**	**(9,259)**	**2,210**	**–**	**2,210**	14,640	(37,630)	(22,990)	(12)	(23,002)
Interest income	**132**	**73**	**205**	**–**	**205**	11	69	80	–	80
Unallocated corporate expenses			**(13,568)**	**–**	**(13,568)**			(14,776)	–	(14,776)
Share-based payments			**(46,076)**	**–**	**(46,076)**			(10,332)	–	(10,332)
Finance costs			**(2,908)**	**–**	**(2,908)**			(2,440)	–	(2,440)
Loss before taxation			**(60,137)**	**–**	**(60,137)**			(50,458)	(12)	(50,470)
Segment Assets										
Reportable segment assets	**150,813**	**73,594**	**224,407**	**–**	**224,407**	145,708	83,907	229,615	188	229,803
Unallocated corporate assets			**14,061**	**–**	**14,061**			8,703	–	8,703
Consolidated total assets			**238,468**	**–**	**238,468**			238,318	188	238,506
Segment Liabilities										
Reportable segment liabilities	**58,695**	**11,740**	**70,435**	**–**	**70,435**	62,173	15,262	77,435	–	77,435
Tax payables			**2,101**	**–**	**2,101**			1,492	728	2,220
Convertible bonds			**19,331**	**–**	**19,331**			16,379	–	16,379
Unallocated corporate liabilities			**3,406**	**–**	**3,406**			4,147	–	4,147
Consolidated total liabilities			**95,273**	**–**	**95,273**			99,453	728	100,181

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 tax liabilities, convertible bonds and unallocated corporate liabilities.

Other segment information:

	Year ended 31 March 2015					
	Cinema Investment and Management *HK$'000*	**Filmed Entertainment New Media Exploitations and Licensing Businesses** *HK$'000*	**Corporate level** *HK$'000*	**Continuing Operations** *HK$'000*	**Discontinued Operation** *HK$'000*	**Total** *HK$'000*
Additions to non-current assets	**1,559**	**–**	**12**	**1,571**	**–**	**1,571**
Interest income	**132**	**73**	**–**	**205**	**–**	**205**
Depreciation	**9,068**	**23**	**518**	**9,609**	**–**	**9,609**
Impairment losses	**–**	**8,591**	**–**	**8,591**	**–**	**8,591**

	Year ended 31 March 2014					
	Cinema Investment and Management *HK$'000*	Filmed Entertainment New Media Exploitations and Licensing Businesses *HK$'000*	Corporate level *HK$'000*	Continuing Operations *HK$'000*	Discontinued Operation *HK$'000*	Total *HK$'000*
Additions to non-current assets	749	–	1,829	2,578	–	2,578
Interest income	11	69	–	80	–	80
Depreciation	8,925	13	236	9,174	–	9,174
Amortisation of film rights	–	717	–	717	–	717
Impairment losses	–	38,269	–	38,269	–	38,269

Revenue from major products and services:

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

	2015 *HK$'000*	2014 *HK$'000*
Continuing operations		
Cinema business	**76,820**	77,508
Distribution of film rights, royalty and licensing income	**141**	2,939
	76,961	80,447

Geographical information:

The Group mainly operates in Hong Kong and the People's Republic of China ("PRC") (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	
	2015	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Continuing operations				
Hong Kong	**125**	1,104	**1,292**	1,797
PRC (excluding Hong Kong)	**76,820**	78,850	**37,514**	45,637
Others	**16**	493	**–**	–
	76,961	80,447	**38,806**	47,434

Revenue from major customers:

There are no major customers contributing over 10% of the Group's revenue for the year ended 31 March 2015 (2014: Nil).

3. TURNOVER

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

	2015	2014
	HK$'000	*HK$'000*
Continuing operations		
Revenue from cinema business	**76,820**	77,508
Production and distribution of film rights	**–**	2,141
Royalty and licensing income	**141**	798
	76,961	80,447

4. LOSS BEFORE TAXATION

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

	2015	2014
	HK$'000	*HK$'000*
Continuing operations		
Auditor's remuneration	**700**	630
Direct expenses of movie and licensing businesses	**64**	2,315
Direct expenses of cinema business	**32,754**	33,053
Amortisation of film rights	**–**	717
Depreciation	**9,609**	9,174
Exchange gain	**(99)**	(126)
Impairment losses	**8,591**	38,269
— Impairment on trade receivables	**7,489**	10,090
— Impairment on goodwill	**–**	8,295
— Impairment on films in progress	**792**	8,471
— Impairment on film rights	**310**	11,413
Operating lease rental in respect of rented premises	**7,847**	7,499
Staff costs (including directors' remuneration)		
— Salaries and allowances	**13,724**	12,594
— Equity settled share-based payments	**4,615**	10,332
— Retirement scheme contributions	**2,113**	1,285
Equity settled share-based payments paid to advisors	**41,461**	–

5. TAXATION

	2015	2014
	HK$'000	*HK$'000*
Continuing operations		
The taxation charge comprises:		
Current tax		
Hong Kong	**–**	224
The PRC	**2,839**	3,152
Tax recognised in profit or loss	**2,839**	3,376

Hong Kong profit tax is calculated at 16.5% of the estimated assessable profit for the years ended 31 March 2015 and 2014.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for the years ended 31 March 2015 and 2014.

The taxation for the year can be reconciled to the loss before taxation per the consolidated statement of profit or loss as follows:

	2015	2014
	HK$'000	*HK$'000*
Continuing operations		
Loss before taxation	**(60,137)**	(50,458)
Tax at the statutory tax rate	**(9,923)**	(8,325)
Income not subject to taxation	**(527)**	(492)
Expenses not deductible for tax purpose	**12,533**	11,306
Effect of different tax rates of subsidiaries operating in other jurisdictions	**753**	969
Tax effect of unrecognised tax loss	**3**	4
Tax effect of prior year's tax loss utilized in this year	**–**	(250)
Under provision in prior year	**–**	164
Taxation charge for the year	**2,839**	3,376
Discontinued operation		
Loss before taxation	**–**	(12)
Tax at the statutory tax rate	**–**	(2)
Tax effect of unrecognised tax loss	**–**	2
Taxation charge for the year	**–**	–

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

		2015			2014	
	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	**61**	**–**	**61**	24	–	24
	61	**–**	**61**	24	–	24

6. DISCONTINUED OPERATION

On 6 August 2013, the board of directors of Sinotrans Resources Limited, a subsidiary of the Company, confirmed and ratified that the business of trading of coal and palm oil be terminated in February 2013. Accordingly, for the year ended 31 March 2014, the trading of coal and palm oil business was classified as a discontinued operation.

The results of the discontinued operation included in the consolidated financial statements are set out below:

	2015	2014
	HK$'000	*HK$'000*
Revenue	**–**	–
Expenses	**–**	(12)
Loss before tax	**–**	(12)
Income tax expenses	**–**	–
Loss for the year from discontinued operation	**–**	(12)
Loss attributable to:		
Owners of the Company	**–**	(12)
Cash flows from discontinued operation		
Net cash used in operating activities	**–**	–
Net cash used in investing activities	**–**	–
Net cash used in financing activities	**–**	–
Net cash flows	**–**	–

7. LOSS PER SHARE

(i) Basic loss per share

(a) For continuing and discontinued operations

	2015	2014
	HK cents	*HK cents*
Total basic loss per share	**(2.06)**	(1.94)

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

	2015	2014
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company	**(65,947)**	(59,464)

	2015	2014
Weighted average number of ordinary shares for the purpose of basic loss per share	**3,202,308,809**	3,064,965,686

(b) *For continuing operations*

	2015	2014
	HK cents	*HK cents*
Total basic loss per share	**(2.06)**	(1.94)

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

	2015	2014
	HK$'000	*HK$'000*
Loss for the year attributable to owners of the Company	**(65,947)**	(59,464)
Less: Loss for the year attributable to owners of the Company from discontinued operation	**–**	(12)
Loss for the year attributable to the owners of the Company from continuing operation	**(65,947)**	(59,452)

	2015	2014
Weighted average number of ordinary shares for the purpose of basic loss per share	**3,202,308,809**	3,064,965,686

(c) *For discontinued operation*

There is no basic loss per share for the year ended 31 March 2015.

Basic loss per share for the year ended 31 March 2014 is HK0.0004 cent per share based on the loss attributable to owners of the Company from the discontinued operation of approximately HK$12,000.

(ii) Diluted loss per share

No diluted loss per share has been presented for the years ended 31 March 2015 and 2014. The computation of diluted loss per share for the year did not assume the conversion of the Company's outstanding convertible bonds and the exercise of share options as their assumed conversion and exercise would decrease the loss per share in the year.

8. DIVIDEND

The Directors do not recommend the payment of a dividend for the year ended 31 March 2015 (2014: Nil).

9. GOODWILL

	2015	2014
	HK$'000	*HK$'000*
Cost		
At the beginning and at the end of the year	**20,718**	20,718
Accumulated impairment losses		
At the beginning of the year	**(19,768)**	(11,473)
Impairment	**–**	(8,295)
At the end of the year	**(19,768)**	(19,768)
Carrying amount		
At the end of the year	**950**	950

The carrying amount of goodwill (net of accumulated impairment losses) was allocated to cash-generating units as follows:

	2015	2014
	HK$'000	*HK$'000*
Cinema business — Cinema Group	**950**	950

The goodwill arose from the acquisition of Raxco Assets Corp. ("Raxco") during the year ended 31 March 2011, which was engaged in new media exploitations business. For Raxco, the management considers that it is difficult to set a concrete time-line for the development in this segment, and future revenue cannot be reliably projected, full impairment of the goodwill was made in the year ended 31 March 2014.

The goodwill arose from the acquisition of 比高電影院(上海)有限公司 ("Shanghai Bingo") together with its subsidiaries ("Cinema Group") during the year ended 31 March 2013, which was engaged in cinema business.

For the purpose of impairment testing, goodwill has been allocated to one cash generating unit. During the year, the Group assessed the recoverable amount of goodwill associated with the Raxco and Cinema Group by reference to value in use. The calculations use post-tax cash flow projections based on financial budgets. For the Cinema Group, management believes that the recoverable amount would exceed its carrying amount and therefore, no impairment is necessary.

10. TRADE RECEIVABLES

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

	2015 *HK$'000*	2014 *HK$'000*
Within 30 days	**1,828**	1,220
31–60 days	**81**	178
61–90 days	**–**	13
Over 90 days	**20,254**	20,867
	22,163	22,278
Provision	**(18,332)**	(10,843)
	3,831	11,435

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 on trade receivables are recorded using an allowance account unless the Group is satisfied that recovery of the amount is remote, in which case the impairment loss is written off against trade receivables directly. Before impairment, there was approximately HK$19,900,000 receivable from Huayi Brothers Media Corporation ("Huayi Brothers") for a Chinese language motion picture titled "Journey to the West: Conquering the Demons" ("JTTW"). Included in the aforesaid HK$19,900,000 receivable was approximately HK$18,332,000 recorded in the Group's books for the year ended 31 March 2013 and carried forward over the two years ended 31 March 2015. In preparation of the consolidated financial statements of the Group for the year ended 31 March 2014, the Group considered not to record the shortfall of approximately HK$1,568,000 as revenue in its financial statements, on the ground of recognition of the dispute with Huayi Brothers and the immateriality of the shortfall amount. Since the trade receivable balance was long outstanding and the Group has requested Huayi Brothers to settle the receivables but no positive feedback was obtained, the Group has taken legal actions to recover the receivable during the Year. Although 北京市第三中級人民法院 (Beijing No.3 Intermediate People's Court, ("the PRC Court")) rejected all of the petitions by Lofty Gain Investments Limited ("Lofty Gain"), a wholly-owned subsidiary of the Company, on 15 April 2015, the Company is of the opinion that, Huayi Brothers objectively failed to perform its commitment to sign the agreement and to perform a supplemental agreement thereto. After seeking legal opinions on the judgment, Lofty Gain determined to lodge an appeal against the judgment made by the PRC Court and the notice of appeal has been lodged already. Although the Group has confidence to recover the outstanding balance through civil actions, in view of the fact that the petition was rejected by the PRC Court before, the Group made an impairment for the outstanding receivable in dispute, i.e. approximately HK$7,489,000 to reflect the possible financial impact to the Group. The movement in the allowance is as follows:

	2015 *HK$'000*	2014 *HK$'000*
At the beginning of the year	**10,843**	753
Impairment	**7,489**	10,090
At the end of the year	**18,332**	10,843

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

	2015	2014
	HK$'000	*HK$'000*
Neither past due nor impaired	**1,828**	1,220
Past due but not impaired:		
Less than 1 month past due	**81**	178
1 to 3 months past due	**–**	13
More than 3 months past due	**1,922**	10,024
	3,831	11,435

Receivables at 31 March 2015 and 2014 that were neither past due nor impaired relate to a wide range of customers for whom there was no recent history of default.

Receivables at 31 March 2015 and 2014 that were past due but not impaired related to a number of independent customers that had a good track record with the Group or with appropriate impairment allowance accounted for. Based on past experience, management believes that no further impairment allowance was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable. The Group did not hold any collateral over these balances.

11. OTHER RECEIVABLES, DEPOSITS AND PREPAYMENTS

	2015	2014
	HK$'000	*HK$'000*
Other receivables *(Note)*	**12,902**	15,124
Deposits and prepayments	**4,468**	4,063
	17,370	19,187

Note:

The amount include the deposit paid for acquisition of assets in cinema business in Chengdu and Chongqing of approximately HK$10,180,000 (2014: HK$11,662,000) which the Group has terminated the acquisition plan and the vendor agreed for the repayment of the deposit.

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 cinema 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 above-mentioned subsidiary for the purpose of materializing the JV agreement:

	2015	2014
	HK$'000	*HK$'000*
Amount paid to a director of a subsidiary	**16,979**	19,173
Amount paid to CineChina	**26,786**	26,786
Amount paid to an independent third party	**3,245**	3,245
	47,010	49,204

Under the prevailing legal requirements in the PRC, certain restrictions are imposed on foreign investors for taking up majority stake in cinema business in the PRC. In accordance with legal opinion from PRC lawyer, the approval for engaging in the foregoing business by the subsidiaries of the Company has not been obtained from the respective PRC authorities during the year ended 31 March 2012 and the organising of the above cinema business had not been completed at 31 March 2012. The 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 Shanghai Bingo was transferred from a domestic enterprise to a sino-foreign joint venture enterprise to comply with the relevant regulatory requirement for foreign investors to operate cinema business in the PRC during the year ended 31 March 2013. The Group legally owned 75% equity interests 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 2015, HK$42,132,000 (2014: HK$46,086,000) have been settled by the Connection and is included in other payables of the Group. The Group, these parties and the Connection have principally agreed to offset the funds held by these parties with the amount payable to the Connection upon finalization of all the construction and decoration cost incurred and paid. The outstanding balances 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

	2015	2014
	HK$'000	*HK$'000*
At the beginning of the year	**3,046**	10,604
Addition	**3,575**	913
Disposal	**(5,246)**	–
Impairment	**(792)**	(8,471)
At the end of the year	**583**	3,046

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

Included in films in progress was approximately HK$792,000 (2014: HK$8,471,000) related to CJ7 cartoon drama and games invested in prior years. The management considers that it is difficult to set a solid time schedule to distribute and the expected income would be minimal. Therefore, the amount was impaired during the year.

(b) Film rights

	2015	2014
	HK$'000	*HK$'000*
At the beginning of the year	**2,200**	14,330
Amortisation recognised in the year	**–**	(717)
Impairment	**(310)**	(11,413)
At the end of the year	**1,890**	2,200

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

The film rights were related to the Group's rights in JTTW. As JTTW was first released in the Spring Festival in 2013 which is over two years from the year ended 31 March 2015. The Group has reassessed the economic value of JTTW on a prudent basis and made an impairment of approximately HK$310,000 (2014: HK$11,413,000).

14. TRADE PAYABLES

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

	2015	2014
	HK$'000	*HK$'000*
Within 30 days	**2,141**	1,730

Payment terms with suppliers are generally within 30 days.

15. DEPOSITS RECEIVED, OTHER PAYABLES AND ACCRUALS

	2015	2014
	HK$'000	*HK$'000*
Customers' deposits and receipts in advance	**18,925**	20,836
Other payables and accruals *(Note)*	**52,775**	59,016
	71,700	79,852

Note:

The amount include payable to the Connection of approximately HK$42,132,000 (2014: HK$46,086,000) which is stated in note 12 for details.

16. EVENT AFTER THE REPORTING PERIOD

Lofty Gain has taken legal actions to recover the receivable from Huayi Brothers of approximately HK$19,900,000 during the year ended 31 March 2015 (see note 10 for details). Subsequently on 15 April 2015, the PRC Court rejected all of the petitions by Lofty Gain. It then determined to lodge an appeal against the judgement made by the PRC Court, after seeking legal opinions on the judgement, and the notice of appeal has been lodged already.

BUSINESS REVIEW

During the year ended 31 March 2015 (the "Year"), the Group continues to focus on movie production, licensing and derivatives, crossover marketing and provision of interactive contents ("Filmed Entertainment, New Media Exploitations and Licensing Businesses") and cinema investment and management ("Cinema Business"). Trading business has been considered a discontinued business and no revenue was generated in this sector since last year.

In view of the on-going development of the Cinema Business, this segment has become the prime revenue generator of the Group in the Year. Approximately revenue of HK$76.8 million and gross profit of HK$44.0 million were generated during the Year. The Group maintained steady revenue and gross profit in this sector as compared to revenue of HK$77.5 million and gross profit of HK$44.5 million generated in last year. The Group will continue to focus on expanding the audience headcount and improve the financial performance of the Cinema Business accordingly.

In the segment of Filmed Entertainment Business, the Group was locating suitable business opportunities during the Year. No appropriate target was, however, spotted until in March 2014, the Group entered into an agreement with a company, which is an associate of Mr. Chiau Sing Chi ("Mr. Chiau"), to participate in the development of the feasibility study for a film production. The initial capital investment of the Group was HK$2.5 million. The feasibility study should be completed by 30 September 2015. Accordingly, no revenue was generated from that film during the Year. In the last year, the revenue from a Chinese language motion picture titled "Journey to the West: Conquering the Demons" ("JTTW") of approximately HK$2.1 million was recorded.

In the area of animation, the Group was working to develop, produce and distribute the animation film(s) and TV cartoon(s) derived from the intellectual property right of CJ7 (長江7號). In relation to the CJ7 animation film(s), the Group has successfully invited Film Development Fund of Hong Kong to invest in one animation film. The production of the corresponding animation film and TV cartoon was still in progress as at 31 March 2015.

FINANCIAL REVIEW

During the Year, the Group recorded a total turnover of approximately HK$77.0 million, representing a decrease of approximately 4.2% as compared with HK$80.4 million for 2014. Mild decrease in the Group's turnover was recorded during the Year. The HK$77.0 million turnover for the Year (2014: HK$80.4 million) mainly consisted of the gross revenue of the Cinema Business of HK$76.8 million (2014: HK$77.5 million).

Loss for the Year of approximately HK$63.0 million was recorded, which represented approximately 17.1% increase as compared to the loss of HK$53.8 million for the last year. The increase in the loss was principally attributable to the net effect of (i) recognition of non-cash share-based payments of approximately HK$46.1 million of which approximately HK$41.5 million represented expenses for share options granted to advisors of the Company for developing Cinema Business and Filmed Entertainment Business, while only share-based payments of approximately HK$10.3 million was recognised in the last year; (ii) impairment of goodwill for New Media Exploitation Business of HK$8.3 million and impairment of films in progress for a cartoon TV series of HK$8.5 million in the fiscal year 2013/14, while only approximately HK$0.8 million impairment on films in progress was made during the Year; and (iii) impairment on film rights of JTTW of approximately HK$11.4 million in the fiscal year 2013/14 while the corresponding impairment for the Year amounted to approximately HK$0.3 million.

As at 31 March 2015, the Group has held trade receivable from Huayi Brothers in relation to JTTW of approximately HK$19.9 million, which is in dispute, and film rights of JTTW of HK$35.8 million (before amortization of approximately HK$22.2 million and impairment of HK$11.7 million in aggregate) (Note: Total trade receivable in dispute between Huayi Brothers and JTTW's equity investors including Lofty Gain, a wholly-owned subsidiary of the Company, amounted to approximately RMB89.0 million as at 31 March 2015). Since the trade receivable balance was long outstanding and the Group has requested Huayi Brothers to settle the receivables but no positive feedback was obtained, the Group has taken legal actions to recover the receivable during the Year. Although 北京市第三中級人民法院 (Beijing No.3 Intermediate People's Court, ("the PRC Court")) rejected all of the petitions by Lofty Gain on 15 April 2015, the Company is of the opinion that, Huayi Brothers objectively failed to perform its commitment to sign the agreement and to perform a supplemental agreement thereto. After seeking legal opinions on the judgment, Lofty Gain determined to lodge an appeal against the judgment made by the PRC Court and the notice of appeal has been lodged already. Although the Group has confidence to recover the outstanding balance through civil actions, in view of the fact that the petition was rejected by the PRC Court before, the Group made further impairment for the outstanding receivable in dispute, i.e. HK$7.5 million for the year. As JTTW was first released in the Spring Festival in 2013, which is over two years from the year-end date of fiscal year 2014/15, the Group has reassessed the economic value of JTTW expected to be brought to the Group on a prudent basis, and made an impairment of approximately HK$0.3 million for the Year.

LIQUIDITY, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 March 2015, the Group had total assets of approximately HK$238.5 million (2014: HK$238.5 million), including cash and cash equivalents of approximately HK$129.0 million (2014: HK$106.0 million). There was no pledged bank deposit as at 31 March 2015 (2014: Nil). As at 31 March 2015, the debt ratio (defined as total liabilities/total assets) was approximately 0.40 (2014: 0.42).

There is no material change of the Group's total assets and liabilities positions over the Year. The Group continued to hold strong cash and cash equivalents as at 31 March 2015 and the Board believes that the Group has sufficient resources to satisfy its working capital requirements. During the Year, the Group financed its operations with its own working capital. As at 31 March 2015, the Group did not have any bank overdraft (2014: Nil).

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

There was no material acquisition or disposal of subsidiaries during the year ended 31 March 2015.

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 2015, the Group had 168 (2014: 176) staff in the PRC and Hong Kong. Total staff costs including directors' remuneration were approximately HK$20.5 million during the Year (2014: HK$24.2 million), in which approximately HK$4.6 million was share-based payments to Directors (2014: HK$10.3 million).

Remuneration is determined with reference to market terms and the performance, qualification and experience of individual employee. Year-end bonus based on individual performance will be paid to employees as recognition of and reward for their contributions. Other benefits include contributions to statutory mandatory provident fund scheme to its employees. During the Year, total 27.0 million share options have been granted to certain Directors (2014: 127.0 million).

CONTINGENT LIABILITIES

As at 31 March 2015, the Group had no significant contingent liabilities (2014: Nil).

OUTLOOK

Owing to the booming development of the film industry in the PRC, the Group will continue to grasp other business opportunities in investments in this industry in the PRC. Meanwhile, the Group will put more focus onto locating other business opportunities with enormous potentials, including online games developing and operating businesses, and investments in China cultural industry. The Board believes that the Group's existing businesses can create a synergistic effect with the above-mentioned new businesses and will benefit the Group in the future.

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 2015, except for the following deviation:

Chairman and Chief Executive Officer

Pursuant to the Provision A.2.1 of the Code, the roles of the chairman and the chief executive officer should be separated and should not be performed by the same individual. The division of responsibilities between the chairman and the chief executive officer should be clearly established and set out in writing. The Board is in the process of locating an appropriate person to fill the vacancy of the chairman and chief executive officer of the Company as soon as practicable.

Appointment and Re-election of the Directors

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

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

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

Chairman of Nomination Committee

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

As mentioned in the section "Chairman and Chief Executive Officer" above, the Board is in the process of locating appropriate persons to fill the vacancies of the chairman and chief executive officer of the Company as soon as practicable.

Attendance in General Meetings

Pursuant to Provision A.6.7 of the Code, independent non-executive directors and other non-executive directors should attend general meetings. Certain independent non-executive Directors could not attend the annual general meeting held in the year ended 31 March 2015 due to other business commitments.

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 ended 31 March 2015.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The audit committee has reviewed with the management about the Group's annual results for the year ended 31 March 2015, the accounting principles and practices adopted by the Group and discussed auditing, internal controls and financial reporting matters in connection with the preparation of the audited consolidated financial statements of the Company and its subsidiaries for the year ended 31 March 2015.

SCOPE OF WORKS OF MESSRS. CHENG & CHENG LIMITED

The figures in respect of the Group's consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and the related notes thereto for the year ended 31 March 2015 as set out in this announcement have been agreed by the Group's auditors, Messrs. Cheng & Cheng Limited to the amounts set out in the Group's audited consolidated financial statements for the Year. The work performed by Messrs. Cheng & Cheng Limited 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. Cheng & Cheng Limited in this announcement.

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

Hong Kong, 19 June 2015

As at the date of this announcement, the Board comprises Mr. Chiau Sing Chi, Ms. Chow Man Ki Kelly, Mr. Chan Cheong Yee, Mr. Chong Lee Chang and Mr. Lau Man Kit as executive Directors; Mrs. Chin Chow Chung Hang, Roberta as non-executive Director; and Mr. Chum Kwan Yue, Desmond, Mr. Wong Chak Keung and Ms. Choi Mei Ping as independent non-executive Directors.

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