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BINGO GROUP HOLDINGS LIMITED

比高集團控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 8220)

**SUPPLEMENTAL ANNOUNCEMENT
TO THE PROMOTIONAL SERVICES
FRAMEWORK AGREEMENT**

Reference is made to the announcement (“**Announcement**”) of the Bingo Group Holdings Limited dated 12 February 2025 in relation to the continuing connected transaction contemplated under the Promotional Services Framework Agreement. Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcement.

The Board wishes to clarify (i) the methods and procedures to arrive at the pricing terms of the Promotional Services Framework Agreement; (ii) how and to what extent each of the factors to determine the respective Annual Caps; and (iii) further detail of the Joint Venture. Accordingly:

Basis of pricing

(a) the execution costs to be considered

After the JV Partner proposes procurement requirements, such as video content creation requirements, production and display of marketing materials, the Joint Venture will assess the execution costs to be incurred in the provision of the Promotional Services. The types of such costs have been mentioned in the Announcement.

(b) the margin level to be considered

The margin to be adopted will be varied for each procurement by the JV Partner, which will be made reference to (i) the margin of the similar services completed during the last six months from at least two (2) market practitioners; and/or (ii) the relevant data from the latest available industry report; and/or (iii) no less favourable than the margin of similar services provided to at least two (2) independent third parties by the Joint Venture.

Upon the Joint Venture receives the proposed procurement requirements from the JV Partner, the responsible staff of the business operation and development department will (a) collect the market margin from at least two (2) market practitioners of similar services completed during the last six months; and (b) make reference to the prevailing data from the latest available industry report. At the same time, if there were any similar services as provided to the independent third parties by the Joint Venture during the last six months, such margin level will also be considered to ensure the margin to be adopted for the provision of Promotional Services to the JV Partner and its associates is no less favourable to the Joint Venture than the margins of the similar services to the independent third parties during the last six months.

The quotation to be offered to the JV Partner, on a cost-plus basis with reference to the reasonable margin abovementioned, shall be no more favourable to the quotations provided to at least two (2) independent third parties for similar services by the Joint Venture during the last six months according to the internal control measure of the Joint Venture and the Company.

The margin as calculated by the responsible staff of the business operation and development department, will be submitted to its department head for approval. The approved margin will be submitted to the general manager for final approval. After the quotation is established, the Joint Venture and the JV Partner (and its associates) will execute letter of intent/definitive placing order to confirm the agreed pricing terms of procurement of Promotional Services from the Joint Venture by the JV Partner.

Given (i) the pricing of the Promotional Services on cost-plus basis with a reasonable margin will make reference to the common market practice; and (ii) the quotation offered to the JV Partner was stipulated to be no more favourable to those offered to at least two (2) independent third parties for similar services by the Joint Venture during the last six months when such data available, with the implementation of the internal control measures, the Directors are of the view that the procedure above can ensure that the transactions contemplated under the Promotional Services Framework Agreement will be conducted on normal commercial terms, or on terms no less favourable than those offered to the independent third parties from time to time.

Annual Caps

The Joint Venture has not provided any Promotional Services to the JV Partner and its associates prior to 12 February 2025.

The Annual Caps were determined principally with reference to:

- (1) the status of the influencers in contracts with the Joint Venture and their We-Media content planning during the term of the Promotional Services Framework Agreement, with the availability and the number of such influencers' official accounts;
- (2) the anticipated times of promoting activities of the JV Partner and its associates via the Online Platforms, which was projected as on average, a project for each official account of the main influencers for each month; and
- (3) a reasonable buffer for the anticipated increasing penetration of the Online Platforms among internet users in the PRC, which is able to cater for the growth of the JV Partner and its associates' business needs.

Taking into account (i) the expected contract amount for each official account of the main influencers for each project as discussed between the JV Partner and the Joint Venture; (ii) the number of official accounts for promotion; and (iii) a reasonable buffer, the Annual Caps were arrived at RMB12 million for the respective periods.

Information about the Parties

Bingo Xingchen

Foreign investment activities in the PRC are mainly governed by the Encouraged Industry Catalogue for Foreign Investment (2022 version) (《鼓勵外商投資產業目錄(2022年版)》) (the “**Catalogue**”), which was promulgated and is amended from time to time jointly by the The Ministry of Commerce (“**MOFCOM**”) and the National Development and Reform Commission (“**NDRC**”) and the Special Administrative Measures on Access of Foreign Investment (Negative List) (《外商投資准入特別管理措施(負面清單)》), the latest amended version of which took effect from 1 November 2024 (the “**Negative List**”). The Catalogue and the Negative List stipulate industries in which foreign investment is restricted and prohibited (“**Restricted Businesses**”).

To commence and develop the businesses including but not limited to, production and operation of radio and television program, audio and video production, Internet cultural operation (excluding music), and network audio-visual program services, which fall into the scope of the Restricted Businesses, on 21 November 2024, Bingo Hanxing Investment (Shenzhen) Company Limited* (比高瀚星投資(深圳)有限公司) (“**Bingo Hanxing**”), a

wholly-owned subsidiary of the Company established in the PRC with limited liability, entered into the VIE arrangement (“**VIE Arrangement**”) with Ms. Li Ye (李曄) (“**Ms. Li**”) to have effective control over the finance and operation of Bingo Xingchen Cultural Media (Shenzhen) Company Limited (比高星辰文化傳媒(深圳)有限公司) (“**Bingo Xingchen**”) and enjoy direct economic interests and benefits generated by Bingo Xingchen.

Ms. Li, an independent third party of the Company and its connected persons immediately before the entering into the VIE Arrangement, has over 15 years of experience in Internet media industry. The reasons that Ms. Li entered into VIE Arrangement with the Company was that the Company and Ms. Li intended to leverage on each other’s relevant industry experience, reputation and connections to develop the Multi-channel network (MCN) business in the PRC.

Upon the entering into the VIE Arrangement, the financial results of Bingo Xingchen will be consolidated into the consolidated financial statements of the Group and Bingo Xingchen became an indirect subsidiary of the Company. The entering into the VIE Arrangement of Bingo Xingchen did not constitute notifiable transaction or connected transaction under Chapter 19 and Chapter 20 of GEM Listing Rules.

The Joint Venture

The Joint Venture, of which 51% of its share capital is held by Bingo Xingchen and 49% of its share capital is held by the JV Partner, was established on 17 December 2024 in the PRC with limited liability. To the best knowledge, information and belief of the Directors having made all reasonable enquiries, the JV Partner and its ultimate beneficial owners, Mr. Ma Li (馬力) and Mr. Xu Dong (徐棟) who were principally engaged in the MCN business in the PRC, were independent third parties of the Company and its connected persons immediately before the formation of the Joint Venture. The formation of the Joint Venture did not constitute notifiable transaction or connected transaction under Chapter 19 and Chapter 20 of GEM Listing Rules.

Further details of the VIE Arrangement and the Joint Venture will be disclosed in the forthcoming annual report of the Company.

Save as mentioned above, all the information in the Announcement remains unchanged.

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

Hong Kong, 10 March 2025

As at the date of this announcement, the Board comprises Mr. CHIAU Sing Chi, Ms. CHOW Man Ki Kelly, Mr. LAU Man Kit, Ms. CHOW Nga Chee Alice, Mr. YIP Yiu Bong and Ms. TSANG Fung Chu as executive Directors; and Ms. CHOI Mei Ping, Mr. TSUI Wing Tak and Ms. CHAN Yuet Ching as independent non-executive Directors.

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

This announcement will remain on the “Latest Listed Company Information” page of the Stock Exchange website at www.hkexnews.hk for at least 7 days from the date of its posting and will also be published on the Company’s website at www.bingogroup.com.hk.

* *For identification purposes only*