



BINGO GROUP HOLDINGS LIMITED

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8220)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 MARCH 2024

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Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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This announcement, for which the directors (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, 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.

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 2024, together with the audited comparative figures for the corresponding year in 2023, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

For the Year ended 31 March 2024

	<i>Notes</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue	3,4	7,848	5,522
Cost of sales and services		(3,525)	(2,306)
Gross profit		4,323	3,216
Other revenue and other net income	5	689	1,518
Selling and marketing expenses		(558)	(222)
Administrative expenses		(13,241)	(13,705)
Impairment of right-of-use assets		(1,082)	–
Gain on lease modification		–	2,718
Share of result of an associate		(3)	(20)
Finance costs		(2,132)	(1,882)
Loss before taxation	6	(12,004)	(8,377)
Taxation	7	(69)	–
Loss for the year		(12,073)	(8,377)
Loss attributable to:			
Owners of the Company		(12,781)	(9,030)
Non-controlling interests		708	653
		(12,073)	(8,377)
		<i>HK cents</i>	<i>HK cents</i>
Loss per share	9		
Basic and diluted		(12.45)	(8.80)

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

For the Year ended 31 March 2024

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss for the year	<u>(12,073)</u>	<u>(8,377)</u>
Other comprehensive income		
<i>Item that may be reclassified subsequently to profit or loss:</i>		
Exchange differences on translating foreign operations		
— Exchange differences arising during the year	<u>280</u>	<u>810</u>
Other comprehensive income for the year, net of tax	<u>280</u>	<u>810</u>
Total comprehensive loss for the year	<u><u>(11,793)</u></u>	<u><u>(7,567)</u></u>
Other comprehensive income attributable to:		
Owners of the Company	184	749
Non-controlling interests	<u>96</u>	<u>61</u>
	<u><u>280</u></u>	<u><u>810</u></u>
Total comprehensive income/(loss) attributable to:		
Owners of the Company	(12,597)	(8,281)
Non-controlling interests	<u>804</u>	<u>714</u>
	<u><u>(11,793)</u></u>	<u><u>(7,567)</u></u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 March 2024

		2024	2023
	<i>Notes</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
NON-CURRENT ASSETS			
Property, plant and equipment		115	126
Right-of-use assets		–	–
Interests in an associate		19	16
Rental deposits		478	343
		<u>612</u>	<u>485</u>
CURRENT ASSETS			
Inventories		17	–
Trade receivables	10	168	135
Other receivables, deposits and prepayments		493	547
Cash and cash equivalents		13,593	22,993
		<u>14,271</u>	<u>23,675</u>
CURRENT LIABILITIES			
Trade payables	11	208	142
Other payables and accruals	12	2,882	3,748
Contract liabilities		8,283	7,423
Lease liabilities		1,329	556
Tax payables		69	–
		<u>12,771</u>	<u>11,869</u>
NET CURRENT ASSETS		<u>1,500</u>	<u>11,806</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,112</u>	<u>12,291</u>

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
NON-CURRENT LIABILITIES		
Convertible bonds	15,031	13,146
Lease liabilities	994	1,265
	<u>16,025</u>	<u>14,411</u>
NET LIABILITIES	<u>(13,913)</u>	<u>(2,120)</u>
CAPITAL AND RESERVES		
Share capital	10,265	10,265
Reserves	(22,531)	(12,745)
	(12,266)	(2,480)
Non-controlling interests	<u>(1,647)</u>	<u>360</u>
TOTAL CAPITAL DEFICIENCY	<u>(13,913)</u>	<u>(2,120)</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2024

1. BASIS OF PREPARATION

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”). For the purpose of preparation of the consolidated financial statements, information is considered material if such information is reasonably expected to influence decisions made by primary users. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) and by the Hong Kong Companies Ordinance (“CO”).

In preparing the consolidated financial statements, the directors of the Company have given careful consideration to the future liquidity of the Group in light of the fact that the Group has incurred losses for a number of years and a net loss of HK\$12,073,000 during the year ended 31 March 2024 and the Group’s capital deficiency as of 31 March 2024 amounted to HK\$13,913,000.

In order to improve the Group’s financial position, to provide liquidity and cashflows and to sustain the Group’s as a going concern, the management has taken and/or will take the following measures:

- (i) The Group is taking measures to tighten cost controls over various operating costs and expenses with the aim to attain profitable and positive cash flow operation;
- (ii) The Group will negotiate with substantial shareholders of the Company to provide additional sources of financing; and
- (iii) The Group will seek for other potential business to generate positive cash flow.

The directors of the Company considered that the Group will have sufficient cash resources to satisfy its future working capital and other financing requirement. Accordingly, the directors of the Company considered that it is appropriate to prepare the consolidated financial statements on a going concern basis.

2. APPLICATION OF AMENDMENTS TO HKFRSs

a) New and amendments to HKFRSs that are mandatorily effective for the current year

In the current year, the Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time, which are mandatorily effective for the annual period beginning on or after 1 April 2023 for the preparation of the consolidated financial statements:

HKFRS 17 (including the October 2020 and February 2022 Amendments to HKFRS 17)	Insurance Contracts
Amendments to HKAS 8	Definition of Accounting Estimates
Amendments to HKAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction
Amendments to HKAS 12	International Tax Reform – Pillar Two model Rules
Amendments to HKAS 1 and HKFRS Practice Statement 2	Disclosure of Accounting Policies

The application of the new and amendments to HKFRSs in the current year has had no material impact on the Group's financial positions and performance for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

Change in accounting policy as a result of application of the HKICPA guidance on the accounting implications of the abolition of the Mandatory Provident Fund (“MPF”) — Long Service Payment (“LSP”) offsetting mechanism in Hong Kong

The Group has several subsidiaries operating in Hong Kong which are obliged to pay LSP to employees under certain circumstances. Meanwhile, the Group makes mandatory MPF contributions to the trustee who administers the assets held in a trust solely for the retirement benefits of each individual employee. Offsetting of LSP against an employee's accrued retirement benefits derived from employers' MPF contributions was allowed under the Employment Ordinance (Cap.57). In June 2022, the Government of the HKSAR gazetted the Employment and Retirement Schemes Legislation (Offsetting Arrangement) (Amendment) Ordinance 2022 (the “Amendment Ordinance”) which abolishes the use of the accrued benefits derived from employers' mandatory MPF contributions to offset severance payment and LSP (the “Abolition”). The Abolition will officially take effect on 1 May 2025 (the “Transition Date”). In addition, under the Amendment Ordinance, the last month's salary immediately preceding the Transition Date (instead of the date of termination of employment) is used to calculate the portion of LSP in respect of the employment period before the Transition Date.

In July 2023, the HKICPA published “Accounting implications of the abolition of the MPF-LSP offsetting mechanism in Hong Kong” which provides guidance for the accounting for the offsetting mechanism and the impact arising from abolition of the MPF-LSP offsetting mechanism in Hong Kong. In light of this, the Group has implemented the guidance published by the HKICPA in connection with the LSP obligation retrospectively so as to provide more reliable and more relevant information about the effects of the offsetting mechanism and the Abolition.

The Abolition did not have a material impact on the Group's financial results and financial position.

b) Amendments to HKFRSs in issue but not yet effective

The Group has not early applied the following new and amendments to HKFRSs that have been issued but are not yet effective:

Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture ¹
Amendments to HKFRS 16	Lease Liability in a Sale and Leaseback ²
Amendments to HKAS 1	Classification of Liabilities as Current or Non-current and related amendments to Hong Kong Interpretation 5 (2020) ²
Amendments to HKAS 1	Non-current Liabilities with Covenants ²
Amendments to HKAS 7 and HKFRS 7	Supplier Finance Arrangements ²
Amendments to HKAS 21	Lack of Exchangeability ³

¹ Effective for annual periods beginning on or after a date to be determined.

² Effective for annual periods beginning on or after 1 January 2024.

³ Effective for annual periods beginning on or after 1 January 2025.

The directors of the Company anticipate that the application of all these amendments to HKFRSs will have no material impact on the consolidated financial statements in the foreseeable future.

3. 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 business — 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.

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, share of result of an associate and income tax expense. This is 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 and operating segment.

	Year ended 31 March 2024			Year ended 31 March 2023		
	Cinema investment and management business <i>HK\$'000</i>	Filmed entertainment, new media exploitations and licensing businesses <i>HK\$'000</i>	Total <i>HK\$'000</i>	Cinema investment and management business <i>HK\$'000</i>	Filmed entertainment, new media exploitations and licensing businesses <i>HK\$'000</i>	Total <i>HK\$'000</i>
Segment Revenue	<u>5,743</u>	<u>2,105</u>	<u>7,848</u>	<u>5,522</u>	<u>–</u>	<u>5,522</u>
Segment Results						
Reportable segment result	353	831	1,184	2,351	(1,750)	601
Unallocated corporate income			244			347
Unallocated corporate expenses			(11,297)			(7,423)
Share of result of an associate			(3)			(20)
Finance costs			(2,132)			(1,882)
Loss before taxation			<u>(12,004)</u>			<u>(8,377)</u>
Segment Assets						
Reportable segment assets	2,241	1,926	4,167	2,291	357	2,648
Interests in an associate			19			16
Unallocated corporate assets			<u>10,697</u>			<u>21,496</u>
Consolidated total assets			<u>14,883</u>			<u>24,160</u>
Segment Liabilities						
Reportable segment liabilities	8,971	34	9,005	10,800	–	10,800
Tax payables			69			–
Convertible bonds			15,031			13,146
Unallocated corporate liabilities			<u>4,691</u>			<u>2,334</u>
Consolidated total liabilities			<u>28,796</u>			<u>26,280</u>

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

- all assets are allocated to reportable segments other than interests in an associate and unallocated corporate assets.
- all liabilities are allocated to reportable segments other than convertible bonds, tax payables and unallocated corporate liabilities.

Other segment information:

	Year ended 31 March 2024			
	Cinema investment and management business <i>HK\$'000</i>	Filmed entertainment, new media exploitations and licensing businesses <i>HK\$'000</i>	Corporate level <i>HK\$'000</i>	Total <i>HK\$'000</i>
Additions to property, plant and equipment	5	–	–	5
Additions to right-of-use assets	–	–	1,671	1,671
Interest income	5	9	30	44
Depreciation of property, plant and equipment	12	–	–	12
Depreciation of right-of-use assets	–	–	589	589
Impairment of right-of-use assets	–	–	1,082	1,082
Gain on disposal of property, plant and equipment	224	–	–	224
	<u>224</u>	<u>–</u>	<u>–</u>	<u>224</u>
	Year ended 31 March 2023			
	Cinema investment and management business <i>HK\$'000</i>	Filmed entertainment, new media exploitations and licensing businesses <i>HK\$'000</i>	Corporate level <i>HK\$'000</i>	Total <i>HK\$'000</i>
Additions to property, plant and equipment	130	–	–	130
Interest income	4	1	18	23
Depreciation of property, plant and equipment	8	–	–	8
Gain on lease modification	2,718	–	–	2,718
Rent concession	896	–	–	896
	<u>2,718</u>	<u>–</u>	<u>–</u>	<u>2,718</u>

Geographical information:

The Group mainly operates in Hong Kong and the People's Republic of China (the "PRC"). 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 right-of-use assets, and the location of the operation to which they are allocated in the case of interests in an associate. Revenue from external customers and information about non-current assets by geographical location are detailed below:

	Revenue from external customers		Specified non-current assets	
	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Hong Kong	2,105	–	19	16
PRC	5,743	5,522	115	126
	<u>7,848</u>	<u>5,522</u>	<u>134</u>	<u>142</u>

Revenue from major customers:

There are no major customers contributing over 10% of the Group's revenue for the year ended 31 March 2024 (2023: Nil).

4. REVENUE

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue from cinema business	5,743	5,522
Revenue from licensing business	2,105	–
	<u>7,848</u>	<u>5,522</u>

Disaggregation of revenue from contracts with customers

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Revenue from cinema business		
— Sales of movie tickets — at a point in time	4,914	4,766
— Sales of snacks — at a point in time	592	421
— Management services income — over time	59	85
— Others	178	250
Revenue from licensing business		
— Sales of watches — at a point in time	2,105	—
Total	7,848	5,522

The prepaid amounts in membership cards have no expiration and can be redeemed anytime at customers' discretion. The management of the Group expected that the remaining performance obligation as at 31 March 2024 will be materially recognised as income within five to six years after the year end.

5. OTHER REVENUE AND OTHER NET INCOME

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Bad debts recovery	58	—
Income from game live streaming	181	—
Interest income	44	23
Gain on disposal of property, plant and equipment	224	—
Government grants (<i>note 1</i>)	—	596
Rent concession (<i>note 2</i>)	20	896
Others (<i>note 3</i>)	162	3
	689	1,518

notes:

1. For the year ended 31 March 2023, the government grants represent the subsidies amounting to HK\$332,000 received by the Group from the PRC government for the operation of cinemas in the PRC and HK\$264,000 in respect of the Employment Support Scheme provided by Hong Kong Government. There are no unfulfilled conditions or contingencies relating to these grants.
2. It mainly represents rent concession provided and agreed by the landlord for office in Hong Kong for the year ended 31 March 2024 and provided to cinemas in PRC for the closure of business due to 2019 Novel Coronavirus (“COVID-19”) for the year ended 31 March 2023.
3. It mainly represents refund of payment to the court in the PRC for legal case in previous years.

6. LOSS BEFORE TAXATION

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Auditor's remuneration		
— Audit services	900	900
— Other services	250	250
Direct expenses of cinema business (<i>note 1</i>)	2,322	2,306
Cost of inventories sold for watches	1,203	—
Depreciation of property, plant and equipment	12	8
Depreciation of right-of-use assets	589	—
Gain on disposal of property, plant and equipment	(224)	—
Impairment of right-of-use assets	1,082	—
Gain on lease modification	—	(2,718)
Short-term lease expenses	118	137
Staff costs (including directors' remuneration)		
— Salaries and allowances	5,826	5,768
— Retirement scheme contributions	560	806
	<u>5,826</u>	<u>5,768</u>

note:

1. The direct expenses mainly represent the profit sharing paid to film providers.

7. TAXATION

Under the two-tiered profits tax rates regime, the first HK\$2 million of profits of the qualifying group entity will be taxed at 8.25%, and profits above HK\$2 million will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, the Hong Kong Profits Tax of the qualifying group entity is calculated at 8.25% on the first HK\$2 million of the estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million.

No provision of Hong Kong Profits Tax had been made for the prior year as there was no assessable profits for the prior year.

PRC subsidiaries are subject to PRC Enterprise Income Tax at 25% for the years ended 31 March 2024 and 2023.

During the years ended 31 March 2024 and 2023, the tax authority in the PRC has grant concessionary tax rate at 20% to some of the PRC subsidiaries of the Company because the size and assessable profits of those subsidiaries have fulfilled the condition as small and micro corporations defined by the relevant tax authority.

No provision for PRC Enterprise Income Tax has been made as there is no assessable profits for the current year (2023: Nil).

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Current tax		
Hong Kong	<u>69</u>	<u>–</u>

8. DIVIDEND

The Directors do not recommend the payment of a dividend for the year ended 31 March 2024 (2023: Nil).

9. LOSS PER SHARE

Basic and diluted loss per share

	2024 <i>HK cents</i>	2023 <i>HK cents</i>
Total basic and diluted loss per share	<u>(12.45)</u>	<u>(8.80)</u>

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

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Loss for the year attributable to owners of the Company	<u>(12,781)</u>	<u>(9,030)</u>
	2024	2023
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share	<u>102,644,466</u>	<u>102,644,466</u>

The incremental shares from assumed exercise of share options granted by the Company and conversion of the Company's outstanding convertible bonds are excluded in calculating the diluted loss per share during the years ended 31 March 2024 and 2023 because they are antidilutive in calculating the diluted loss per share.

10. TRADE RECEIVABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade receivables		
— For cinema investment and management business	141	135
— For filmed entertainment, new media exploitations and licensing businesses	<u>27</u>	<u>—</u>
	<u>168</u>	<u>135</u>

The aging of the Group's trade receivables for cinema investment and management business based on the invoice date is analysed as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	126	132
Over 90 days	<u>15</u>	<u>3</u>
	<u>141</u>	<u>135</u>
Less: Allowance for expected credit losses	<u>—</u>	<u>—</u>
	<u>141</u>	<u>135</u>

As at 31 March 2024, included in the Group's trade receivables balance for cinema investment and management business are debtors with aggregate carrying amount of HK\$15,000 (2023: HK\$3,000) which are past due for over 90 days as at the reporting date.

For cinema investment and management business, 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.

The aging of the Group's trade receivables for filmed entertainment, new media exploitations and licensing businesses based on the invoice date is analysed as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	27	–
Less: Allowance for expected credit losses	<u>–</u>	<u>–</u>
	<u>27</u>	<u>–</u>

For filmed entertainment, new media exploitations and licensing businesses, the credit terms granted by the Group to its customers normally ranged from COD (cash-on-delivery) to 30 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.

11. TRADE PAYABLES

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Trade payables		
— For cinema investment and management business	173	142
— For filmed entertainment, new media exploitations and licensing businesses	<u>35</u>	<u>–</u>
	<u>208</u>	<u>142</u>

The aging of the Group's trade payables for cinema investment and management business based on the invoice date is analysed as follows:

	2024 <i>HK\$'000</i>	2023 <i>HK\$'000</i>
Within 30 days	86	120
Over 90 days	<u>87</u>	<u>22</u>
	<u>173</u>	<u>142</u>

The aging of the Group's trade payables for filmed entertainment, new media exploitations and licensing businesses based on the invoice date is analysed as follows:

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Within 30 days	<u><u>35</u></u>	<u><u>–</u></u>

Payment terms with suppliers are generally within 30 days.

All amounts are short term and hence the carrying values of trade payables are considered to be a reasonable approximation of fair value.

12. OTHER PAYABLES AND ACCRUALS

	2024	2023
	<i>HK\$'000</i>	<i>HK\$'000</i>
Other payables and accruals (<i>note 1</i>)	<u><u>2,882</u></u>	<u><u>3,748</u></u>

notes:

1. Included in the amount mainly represents auditor's remuneration of approximately HK\$900,000 (2023: HK\$900,000) and accrued rental and utilities expenses of approximately HK\$263,000 (2023: HK\$1,313,000).
2. All of the other payables and accruals are expected to be settled within one year or are repayable on demand.

EXTRACT FROM INDEPENDENT AUDITOR’S REPORT ON THE GROUP’S CONSOLIDATED FINANCIAL STATEMENTS

OPINION

In our opinion, the consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 March 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards (“HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants (“HKICPA”) and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

MATERIAL UNCERTAINTY RELATED TO GOING CONCERN

We draw attention to Note 2* to the consolidated financial statements which indicates that the Group has incurred losses for a number of years. The Group has incurred a net loss of HK\$12,073,000 for the year ended 31 March 2024 and sustained capital deficiency of HK\$13,913,000 at 31 March 2024. These events or conditions, along with other matters as set forth in Note 2*, indicate that a material uncertainty exists that may cast significant doubt on the Group’s ability to continue as a going concern. Our opinion is not modified in respect of this matter.

* As reproduced in note 1 of this announcement.

BUSINESS REVIEW

During the year ended 31 March 2024 (the “Year”), the Group continues to focus on Filmed Entertainment, New Media Exploitations and Licensing Businesses and Cinema Business.

Cinema Business

In view of the on-going development of the Cinema Business, this segment is a significant revenue generator of the Group in the Year. Approximately revenue of HK\$5.7 million and gross profit of HK\$3.4 million were generated during the Year. The Group’s revenue and gross profit from the Cinema Business for the Year increased slightly as compared to revenue of HK\$5.5 million and gross profit of HK\$3.2 million generated in the year ended 31 March 2023 (the “Last Year”). Although our Shanghai cinema was closed in May 2023 due to disagreement with the landlord on the rental charge, the revenue for the Year increased was principally thanks to the recovery of the leisure and entertainment market in the PRC after the COVID-19 era.

Filmed Entertainment Business

In the segment of Filmed Entertainment Business, the Group continued to locate suitable business opportunities. Although, no appropriate target was spotted and no revenue was generated in this sector during the Year, the Group has recently signed a memorandum of understanding with 北京愛奇藝科技有限公司 (Beijing iQIYI Technology Co., Ltd.#) (“Beijing iQIYI”) and 宙靈文化傳媒(上海)有限公司 (Zhouling Culture & Media (Shanghai) Co., Ltd.#) (“Zhouling”) (collectively, the “Potential Partners”) in relation to the potential cooperation in co-producing sequels to original classic movies, anime, TV series, reality shows, and musical theatre (the “Proposed Cooperation”) in April 2024. Further details of the Proposed Cooperation were stated in the Company’s voluntary announcement dated 22 April 2024. The Group is currently engaged with the Potential Partners to negotiate formal contract terms, and target to enter into a formal agreement with them prior to the expiry of the memorandum of understanding on 30 September 2024.

Licensing Business

Movie-themed Tourbillon Watches

In October 2022, High Art Limited (“High Art”), a wholly-owned subsidiary of the Company, entered into a joint venture agreement with Memorigin Watch Company Limited (“Memorigin”) and Topping Mark Limited (“Topping Mark”) in relation to the formation of a joint venture company with an aggregate share capital of HK\$2,000,000. Memorigin is an independent third party to the Group and the first Hong Kong brand which only produces tourbillon. Topping Mark is wholly owned by Ms. CHOW Man Ki Kelly, an executive director of the Company. The Company has been exploring business opportunities leveraging on its movie production, licensing and derivatives, crossover marketing in the past years and considered that such business experience and the intellectual property(ies) (“IP(s)”) of the films would be valuable resources in developing various new business areas which will potentially enhance returns for the Shareholders. The joint venture was established in February 2023 and is called Bingo Group — Memorigin (BGM) Limited (“BGM”). The equity interest of BGM is owned as to 60%, 20% and 20% by High Art, Memorigin and Topping Mark, respectively. BGM sells movie-themed tourbillon watches through physical store and e-commerce. BGM has launched its first series of movie-themed tourbillon watches in around April 2023. Up to the end of this financial year, revenue of approximately HK\$2.1 million and gross profit of approximately HK\$0.9 million were generated from BGM.

Animation Content Advisory Service

Pursuant to the agreement entered into between 萬維仁和(北京)科技有限責任公司 (Wanwei Renhe (Beijing) Technology Company Limited#) (“Wanwei Renhe”) and Brilliant Ace Holdings Limited (“Brilliant Ace”), an indirect wholly-owned subsidiary of the Company, on 4 September 2023, Brilliant Ace would provide Wanwei Renhe with advisory services. No service was performed by Brilliant Ace during the Year yet, but Brilliant Ace has already received non-refundable deposit of RMB1.2 million (equivalent to approximately HK\$1.3 million) from Wanwei Renhe in September 2023. For further details of the cooperation between Brilliant Ace and Wanwei Renhe, please refer to the section of Outlook of this announcement.

IP Accelerator

In September 2022, the Company appointed Data Hash Technology Limited (“Data Hash”) as a project manager for “IP Accelerator”, which involve the concept of providing project management and consultancy services to assist various IP owners to promote their IPs and develop the same into various products, events, digital contents.

Data Hash is an integrated business service company empowered by strong expertise in Consultancy, Accelerator and Project Management. It has built sound track records with customer profiles covering listed company, start-ups, blockchain and Web 3 companies. For further details, please refer to the announcement of the Company dated 30 September 2022.

As of the end of the Year, certain of the Company’s subsidiaries are specialized in developing the New Media Business including augmented reality digital live action role-playing game, watches, animation, bullet screen app, apparel and toys, and IP consultancy (see further details in the section of Outlook in this announcement).

FINANCIAL REVIEW

During the Year, the Group recorded a total turnover of approximately HK\$7.8 million, representing an increase of approximately HK\$2.3 million compared with that of approximately HK\$5.5 million in the Last Year. The turnover of the Group for the Last Year principally represented revenue from Cinema Business. In addition to the Cinema Business, new business of sales of movie-themed Tourbillon watches was launched in the Year. Loss for the Year of approximately HK\$12.1 million was recorded. As compared with the loss of HK\$8.4 million for the Last Year, the loss increased by approximately HK\$3.7 million. The increase in loss for the Year is principally due to impairment loss on right-of-use assets of approximately HK\$1.1 million recorded, and no special gain and limited special income

recognised in the Year. In the Last Year, government grant for cinema operation of approximately HK\$0.6 million and rent concession provided to cinemas in the PRC for the closure of business due to 2019 Novel Coronavirus of approximately HK\$0.9 million were received by the Group. In addition, a special gain on modification of lease terms of cinemas of HK\$2.7 million was recorded in the Last Year. Rent concession of only approximately HK\$20,000 was obtained by the Group during the Year.

LIQUIDITY, DEBT RATIO, FINANCIAL RESOURCES AND CAPITAL STRUCTURE

As at 31 March 2024, the Group had total assets of approximately HK\$14.9 million (2023: HK\$24.2 million), including cash and cash equivalents of approximately HK\$13.6 million (2023: HK\$23.0 million). There was no pledged bank deposit as at 31 March 2024 (2023: Nil). As at 31 March 2024, the debt ratio (defined as total liabilities/total assets) was approximately 1.93 (2023: 1.09).

The Group held cash and cash equivalents of approximately HK\$13.6 million as at 31 March 2024. Even though the debt ratio of the Group as at 31 March 2024 is over 1, the Company believes that it can cover the full amount of its current liabilities of approximately HK\$12.8 million as at 31 March 2024. Accordingly, the Board considers that the Group has sufficient resources to satisfy its working capital requirements. During the Year, the Group financed its operations principally with its own working capital. As at 31 March 2024, the Group did not have any bank overdraft (2023: Nil).

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES

There was no material acquisition or disposal of subsidiaries and affiliated companies during the year ended 31 March 2024.

EMPLOYEES

As at 31 March 2024, the Group had 28 (2023: 52) staff in the PRC and Hong Kong. Total staff costs including directors' remuneration were approximately HK\$6.4 million during the Year (2023: HK\$6.6 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, the Company has not granted any awarded shares or share options to the Group's directors or employees. Total staff costs for the Year decreased slightly by approximately HK\$0.2 million while the number of staff decreased from 52 staff as at 31 March 2023 to 28 staff as at 31 March 2024, which is principally resulted from termination of our Shanghai cinema and redundancy expenses of approximately HK\$0.7 million was recorded during the Year.

RETIREMENT BENEFITS

The information of the Group's retirement benefits schemes is as follows:

The employees of the Group's subsidiaries which operate in mainland China are required to participate in a defined contribution pension scheme centrally operated by the local municipal government. These subsidiaries are required to contribute a certain proportion of its payroll costs to the central pension scheme. The only obligation of the Company with respect to the central pension scheme is to make the required contributions. No forfeited contribution under the central pension scheme is available to reduce the contribution payable in future years. The contributions are charged to profit or loss as they become payable in accordance with the rules of the central pension scheme.

The Group also participates in a pension scheme under the rules and regulations of the Mandatory Provident Fund Scheme Ordinance ("MPF scheme") for all employees in Hong Kong, which is defined contribution retirement scheme. The contributions to the MPF scheme are based on minimum statutory contribution requirement of 5% of eligible employees' relevant aggregate income and are charged to profit or loss as they become payable in accordance with the rules of the MPF scheme. No forfeited contribution under the MPF Scheme is available to reduce the contribution payable in future years. The assets of this pension scheme are held separately from those of the Group in independently administered funds.

FOREIGN EXCHANGE EXPOSURE

The Group's exposures to foreign currencies mainly arises from receivables from PRC customers and its investment in foreign subsidiaries which are financed internally in RMB, and payables to PRC suppliers. In order to mitigate the potential impact of currency fluctuations, the Group closely monitors its foreign currency exposures and will use suitable hedging instruments against significant foreign currency exposures, where necessary. No foreign currency hedge contract was entered into by the Group during the Year. As at 31 March 2024, the Group had no outstanding foreign currency hedge contracts (2023: Nil).

CONTINGENT LIABILITIES

As at 31 March 2024, the Group had no significant contingent liabilities (2023: Nil).

OUTLOOK

Cinema Business

In the post Covid-19 era, the overall cinema businesses in China was improving. The revenue of our cinemas increased slightly from HK\$5.5 million in the Last Year to HK\$5.7 million in the Year. Although the cinema in Shanghai was closed in May 2023 due to rental disagreement with the landlord, the Company will maintain its cinema business.

To compensate the closure of the Shanghai cinema and to ride on the recovery of the leisure and entertainment market in the PRC after the COVID-19 era to expand the Cinema Business, Brilliant Insight Limited, a wholly owned subsidiary of the Company, entered into an agreement with 橫店影視股份有限公司 (Hengdian Film and Television Company Limited[#]) ("Hengdian"), a major conglomerate in China that has extensive cinema operations in the PRC during the Year. The agreement with Hengdian allows for Brilliant Insight Limited to lease additional screens from Hengdian's cinemas, and the management of the Group expects the first trial operation to commence sometime in the third quarter of 2024. If the result of the first trial operation is satisfactory, the Group plans to expand this new collaboration to more locations in future.

The Company considers cinema business in China has enormous potential. Cinema business will remain as one of the revenue-generating business segments of the Group.

Filmed Entertainment, New Media Exploitations and Licensing Businesses

The reason why the filmed entertainment, new media exploitations and licensing business segment did not materialize since 2019 is due to the Company's cautious approach to launch the new media business in view of the negative impact of COVID-19 to domestic discretionary consumption.

During the Year, the Group focuses on the development plan on new media exploitations and licensing business through granting of IP licences for the creation of new media contents and various online platform, which is a natural expansion relying on the film making and IP licensing experience and calibre of the Group.

Since April 2024, there has been a significant improvement in this business segment and the Group expects this business segment will become a major driver of its revenue growth and profit in the future. As mentioned in the section of Financial Review, the Group recently signed a memorandum of understanding with Beijing iQIYI and Zhouling as announced in the Company's announcement dated 22 April 2024. The Group is currently engaged with them to negotiate formal contract terms, and expects to sign a formal agreement prior to the expiry of the memorandum of understanding on 30 September 2024.

Power Alliance Investment Limited ("Power Alliance"), a wholly owned subsidiary of the Company, secured the master license rights of "New King of Comedy" from the licensor — The Star Overseas Limited, the controlling shareholder of which is Ms. CHOW Man Ki Kelly, an executive Director and substantial shareholder of the Company. In May 2024, Power Alliance signed an agreement with an independent third party and has successfully monetized the IP of New King of Comedy. Initial amount of RMB1.2 million (equivalent to approximately HK\$1.3 million) was received by the Group in the second quarter of 2024 and would be recognised as revenue of the Group in this business segment.

Augmented Reality Digital Live Action Role-playing Game

In May 2022, Bingo Entertainment Limited, a wholly owned subsidiary of the Company, and 廣州玖的文化科技有限公司 (Guangzhou Jiu De Cultural and Technology Company Limited#) ("Jiu De") established a joint venture called "廣州高的數字文化科技有限公司" (Guangzhou Gao De Digital Cultural Technology Limited#) ("Gao De"). The target business of Gao De includes the development of augmented reality digital live action role-playing game ("LARP") projects.

The Group has been exploring business opportunities leveraging on its movie production, licensing and derivatives, crossover marketing and provision of interactive contents business experience and knowledge in the past year and considered that such business experience and the IPs of the films would be valuable resources in developing various new forms of entertainments to capture the ever-changing consumer markets for entertainment and games in China. On the other hand, LARP games have been developing rapidly in the recent years and have become one of the most popular entertainments for the consumers in China, particularly the younger generations. Jiu De is an experienced LARP projects developer and/or its associate run the famous LARP platform “玖號房” (Room No. 9#) which is a well-established LARP game system in China. The Group considers the cooperation with Jiu De would bring a synergy of the strengths of the parties and would be an opportunity for the Group to tap into the growing LARP markets as well as the heated augmented reality and virtual reality application business.

Even so, the Group is also exercising caution in the business development. According to the industry report provided by iiMedia Research, (i) the physical LARP market sector has been facing challenges in rising operating costs, peer competitions, demand for higher experience value, low premise utility due to prolonged playtime, health-risk induced lockdown risks; and (ii) the ecosystem for online LARP will still take a while to be mature.

During the Year, no commercial production was launched by Gao De and no revenue was generated accordingly.

Movie-themed Tourbillon Watches

In October 2022, High Art Limited (“High Art”), a wholly-owned subsidiary of the Group, entered into a joint venture agreement with Memorigin Watch Company Limited (“Memorigin”) and Topping Mark Limited (“Topping Mark”) in relation to the formation of a joint venture company with an aggregate share capital of HK\$2,000,000. Memorigin is an independent third party to the Group and the first Hong Kong brand which only produces tourbillon. Topping Mark is wholly owned by Ms. CHOW Man Ki Kelly, an executive director of the Company. The Company has been exploring business opportunities leveraging on its movie production, licensing and derivatives, crossover marketing in the past years and considered that such business experience and the IPs of the films would be valuable resources in developing various new business areas which will potentially enhance returns for the Shareholders. The joint venture was established in February 2023 and is called Bingo Group — Memorigin (BGM) Limited (“BGM”). The equity interest of BGM is owned as to 60%, 20% and 20% by High Art, Memorigin and Topping Mark, respectively. BGM sells movie-themed tourbillon watches through physical store and e-commerce. Memorigin is responsible for all the manufacturing processes and the Group provides the relevant IP that will be used as

the themed tourbillon watches. Mr. SHUM Wai Lam William, one of the directors of BGM and Memorigin who has over 15 years of experience in the watch industry, are in charge of overseeing the design, manufacturing process and sales of the movie-themed tourbillon watches.

BGM has launched its first series of movie-themed tourbillon watches in around April 2023. Up to the end of this financial year, revenue of approximately HK\$2.1 million was generated from from the sale of “The Mermaid” movie-themed tourbillon watches.

Animation Content Advisory Service

Pursuant to the agreement entered into between 萬維仁和(北京)科技有限責任公司 (Wanwei Renhe (Beijing) Technology Company Limited[#]) (a.k.a. Wonder Cat Animation) (“Wanwei Renhe” or “Wonder Cat Animation”) and Brilliant Ace Holdings Limited (“Brilliant Ace”) (an indirect wholly-owned subsidiary of the Company) on 4 September 2023, Wonder Cat Animation will tentatively produce three animated movies based on the following IPs of Mr. CHIAU Sing Chi, namely 《唐伯虎點秋香》 (Flirting Scholar[#]), 《九品芝麻官》 (Hail the Judge[#]) and 《逃學威龍》 (Fight Back to School[#]), with each IP to be released per year from 2025 to 2027. Brilliant Ace would provide Wanwei Renhe with advisory services. A non-refundable deposit of RMB1.2 million was received by the Group from Wonder Cat Animation in September 2023.

Brilliant Ace’s major role is to act as the service advisor and producer in creative development and animation production. In particular, the cooperation with Wonder Cat Animation will involve 2 stages, being (i) the script-writing stage; and (ii) the production stage.

According to the initial discussion with Wonder Cat Animation, the main goal for the cooperation is to produce the animation in the form of a movie targeting the PRC markets. However, the form of production of the animation will subject to further discussion with Wonder Cat Animation and the reaction of the market towards the animation.

The animation business partner, Wanwei Renhe, is a reputable animation production company based in the PRC, and primarily engages in the transformation of primary novel and movie IPs into animation, comics, drama, game and physical products. To the best knowledge of the directors of the Company, its animations have high views and ratings on Bilibili, Douyin and Tencent video. Wanwei Renhe would like to acquire the services of the Group to provide direct guidance on the script, artistic direction and overall production quality of the animation. In addition, Data Hash, as a project manager for “IP Accelerator” of the Company, will be involved in providing project management and consultancy services to assist various IP owners to promote their IPs and develop the same into various products, events, digital contents.

Bullet-screen App

The Board notes that many multinational corporations have invested in the new media entertainment business engaging digital technologies in recent years. The business objective of the Group’s expansion is to capture the rapid development of the new media entertainment industry through the joint venture — Gao De. The joint venture partner — Jiu De is a company established in the PRC with limited liability and is principally engaged in the provision of SAAS (software as a service) platform, LARP, development of relevant platform tools and digital playscripts, etc. which has successfully established itself as a solid B2B SAAS platform in the Mainland and to the best knowledge of the directors of the Group, Jiu De has close to 300 distributors sign up for their content library.

Gao De has identified a new market marketplace emerging at the end of 2022 in the PRC on social media, known as bullet-screen app (彈幕小玩法), which allow key opinion leaders (the “KOLs”) to have a new engagement experience with their fans by inviting them to be audience for the KOLs’ performance in a gamified app. The first batch of successful apps hit the market were “森林派對” (Forest Party[#]) and “萌寵寵之戰” (War of Lovely Pets[#]) on Douyin (抖音) which reportedly generated monthly sales from RMB50 million to RMB100 million from which the content provider can be entitled to 5–10% of the total sales subject to specific commercial agreement.

The source of revenue of the bullet-screen app are the reward or tip paid to the online broadcast hosts (直播主/主播) by the Douyin users and audiences. This model of generating income has become popular in China in recent years which was first commonly seen in the live board casting of the online broadcast hosts. Such income will be paid through the system of Douyin and therefore Douyin could collect the same and distribute such amount among the stakeholders. Gao De as content creator will receive a certain percentage points of the total revenue generated from the broadcast hosts using the Company's bullet-screen app on a monthly basis.

The Company, being the party with majority control in Gao De, acts as a content provider in the development of the games/bullet screen apps. The Company will be mainly responsible for (i) procurement and exploitation of the IP licenses; (ii) the marketing and promotion of the apps; and (iii) to work with Douyin on the connectivity compliance. Meanwhile, Jiu De, being the JV partner in Gao De, will be responsible for (i) the production of the app; (ii) the maintenance of the running of the app, including but not limited to debugging, on a continuous basis; and (iii) further investigating the market potential of this new business model, including exploring opportunities with other online platform.

In April 2023, the Group has granted the licence of the IPs of “西遊 • 降魔篇” (Journey to the West, (“JTTW”)) and “長江7號” (“CJ7”) to Gao De. Gao De has then developed the first bullet-screen app production for the specific bullet screen app marketplace on Douyin, entitled as “西游降魔” (Demon Conquering in the Journey to the West# (“DCJW”). The DCJW production has gone online for players in October 2023. The market-validation process was completed in October 2023 and the app has been opened to all online broadcast hosts in October 2023. Income from bullet-screen app of approximately HK\$0.2 million was generated during the Year. Once this business becomes more matured and significant amount of income is generated, the income from this business sector will be recognised as revenue.

IP Licensing

Huge Art Limited, a wholly owned subsidiary of the Company, is currently licensed with the IPs of 《美人魚》 (“Mermaid”), “JTTW” and “CJ7” by the IP Rights Owner (or its nominee) free of charge and sub-licensed to the JVs on case-by-case basis.

For “Mermaid”, as mentioned in the section “Movie-themed Tourbillon Watches” above, the Group has been licensed by the licensor and has licensed to BGM solely for tourbillon. In addition, the Group has been licensed by the licensor and has licensed to Gao De (the JV with Jiu De) to adapt the IP of “JTTW” and “CJ7” solely in the bullet-screen app (see the section “Bullet-screen App” above).

There is an understanding between the Company and the owner of the IPs, that the Group can seek for IP exploitations that are commercially viable to the Group. As such, the IP owner agreed to license the IP of “JTTW”) and “CJ7” to joint venture with Gao De to develop and produce bullet-screen app.

There are other commercialization opportunities for the IP, such as merchandising, gamification, production of comics and animations, and licensing for secondary content production. The Company targets to license the usage and production rights of IPs to third parties or form JVs or cross branding with well-recognized brands in Greater China Region and overseas, with products distribution through the Company’s own cinema, third party outlets, e-commerce platforms and video and online content platforms.

IP Consultancy

Bingo Success Limited (“Bingo SS”), a wholly owned subsidiary of the Company, entered into a consultancy service agreement (“New Huo Agreement”) with New Huo Asset Management (Hong Kong) Limited (“New Huo Asset Management”), a wholly owned subsidiary of New Huo Technology Holdings Limited (stock code: 1611.HK), on 18 July 2023, pursuant to which Bingo SS is engaged as an consultant to provide certain intellectual properties technical consultancy services to New Huo Asset Management, which in turn will act as the investment manager of a future investment fund which is in the course of formation (the “Investment Fund”).

New media exploitations and licensing has been one of the business segments of the Company, and leveraging on the filmed entertainment, new media exploitations and intellectual property licensing and product development experiences and expertise of the Group. Pursuant to New Huo Agreement, Bingo SS will assist the fund to identify commercially viable content based Intellectual Property projects for New Huo Asset Management which in turn will advise the Investment Fund to invest in, as well as serve as an entertainment industry expert. In return for its service, Bingo SS will be entitled to a service fee from New Huo Asset Management in accordance with the terms of New Huo Agreement. The Board considers that the engagement represents an opportunity to develop additional revenue streams and enhance the development of the Group into an integrated entertainment company which will potentially maximize the returns for the shareholders of the Company.

Although New Huo Agreement has been terminated in January 2024, Bingo SS is continuing to liaise with New Huo Asset Management to extend New Huo Agreement, but the extension is yet to be completed as of the date of this announcement. During the Year, the Investment Fund was in the course of formation and no service was performed by Bingo SS and no revenue was generated accordingly.

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.

The English names used in this announcement are transliteration of their Chinese names for illustrative purpose only.

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 Corporate Governance Code (the "Code") contained in Appendix C1 to the GEM Listing Rules for the year ended 31 March 2024, except for the following deviation:

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The Company does not have the Chairman of the Board and the Chief Executive Officer during the year ended 31 March 2024. The Board is in the process of locating appropriate persons to fill the vacancies of the Chairman and Chief Executive Officer. Even so, the Board considers that the existing Board members are able to share the power and responsibilities of Chairman and Chief Executive Officer among themselves, as detailed below.

Based on Code C.2.1, the roles of chairman and chief executive should be separate and should not be performed by the same individual. The division of responsibilities between the chairman and chief executive should be clearly established and set out in writing. The Board's current significant decisions are made in Board meetings. Every Board member has the rights and responsibility to propose Board meetings to discuss significant issues he/she concerns, and has the power to make the decisions among other Board members.

With reference to Code C.2.2, in each Board meeting, the director who proposes that meeting (the "Convenor") would generally be appointed as the chairman of the meeting in accordance with the articles of association of the Company, and he/she has to ensure all directors briefed on issues arising at board meeting.

With reference to Code C.2.3, the Convenor has to provide the meeting agenda and materials (the “Board Papers”) to the company secretary, and the company secretary will then pass the Board Papers to other Board members for their review. Unless urgent matters to be discussed, it is the Board’s practice that the Board Papers have to be given to the Board at least 3 days in advance of the Board meetings. Other Board members should have enough time to read the Board Papers and raise questions and/or request more information before holding the Board meetings. For the urgent Board meetings, the Convenor and/or company secretary have to contact individual Director about the details of the agenda meeting and the reasons of urgency. Every Board member has the right to request additional time to understand the agenda details and delay the Board meeting.

With reference to Code C.2.4, the executive Directors jointly provide leadership of the Board, and ensure the Board works effectively and perform its responsibilities, and that all key and appropriate issues are discussed by it in a timely manner. As mentioned above, all Directors have the rights to propose Board meetings. The company secretary has to summarise all agenda items and circulate the agenda to all Board members.

With reference to Code C.2.5, the Board members share the responsibility to ensure good corporate governance practices and procedures are established. It is the practice of the Board to discuss corporate governance issues in the meetings to approve the interim and annual results.

With reference to Code C.2.6, the executive Directors share the responsibility of encouraging all directors to make a full and active contribution to the Board’s affairs and take the lead to ensure that it acts in the best interest of the Company. The Convenor has the responsibility to encourage other Directors with different views to voice their concerns, allow sufficient time for discussion of issues and ensure the Board decisions fairly reflected Board consensus.

With reference to Code C.2.7, the independent non-executive Directors hold at least a meeting among themselves annually, to consider and discuss any significant issues of the Company and the Board, without influence from the executive Directors.

With reference to Code C.2.8, the executive Directors share the responsibility of ensuring that appropriate steps are taken to provide effective communication with shareholders and that their views are communicated to the Board as a whole. It is a general practice that the executive Directors will discuss the shareholder’s viewpoints with non-executive Directors in the Board meeting following a shareholders’ meeting.

With reference to Code C.2.9, the executive Directors share the responsibility of promoting a culture of openness and debate by facilitating the effective contribution of non-executive Directors in particular and ensuring constructive relations between executive and non-executive Directors. As mentioned above, all directors, including non-executive Directors, have the right to propose a board meeting to discuss the issues they consider important, and enough time is reserved for all Directors to read the Board Papers and raise questions. It is the Board's practice to encourage the non-executive Directors to raise their viewpoints in Board meetings.

With reference to Code E.1.1, the remuneration committee of the Board would consult Ms. CHOW Man Ki Kelly, an executive Director and the major shareholder of the Company about their remuneration proposals for other executive Directors.

With reference to Code F.2.2, the Board appoints as least one executive Director to attend the annual general meeting, due to the chairmanship vacancy. The executive Directors have to invite the chairman of the audit, remuneration and nomination committees of the Board to attend the annual general meeting.

With reference to Code C.6.3, it is the Company's practice that the company secretary report to the executive Directors.

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 2024.

AUDIT COMMITTEE AND REVIEW OF FINANCIAL STATEMENTS

The audit committee ("Audit Committee") of the Company has reviewed with the management about the Group's annual results for the year ended 31 March 2024, the accounting principles and practices adopted by the Group and discussed auditing, risk management and internal controls, and financial reporting matters in connection with the preparation of the consolidated financial statements of the Company and its subsidiaries for the year ended 31 March 2024. As at the date of this announcement, the Audit Committee comprises three independent non-executive Directors, namely Mr. TSUI Wing Tak (chairman), Ms. CHOI Mei Ping and Ms. CHAN Yuet Ching.

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 and the related notes thereto for the year ended 31 March 2024 as set out in this preliminary 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 and consequently no opinion or assurance conclusion has been expressed by Messrs. CHENG & CHENG LIMITED on the preliminary announcement.

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

Hong Kong, 28 June 2024

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

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, 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.