

**BK SYSTEMS PHILIPPINES, INC.**  
**CORPORATE PROFILE**

BK Systems Philippines, Inc. (BKSP) was incorporated on December 16, 1999 as Regal Systems, Inc. mainly for the purpose of distributing bingo materials and other paraphernalia. It subsequently changed its business name to BK Systems Philippines in April 25, 2000.

BKSP is the distributor of Arrow International, Inc formerly BK Entertainment, Video King Gaming Systems, Planet Bingo, Zest Gaming and BG Global products in the Philippines. The company distributes a wide array of bingo products such as Champion papers, Double Action papers, Bonanza/Quickshot papers, ink markers, electronic consoles, electronic flashboards, electronic mobile handsets, pull-tabs or break-open tickets, Electronic Quick shots, Horse Power Racing game and Electronic Bingo machines. (A detailed business description of the products is discussed at the end of this section).

BKSP or popularly known as “Bingo King”, is the largest and dominant supplier of bingo equipment and paraphernalia in the Philippines. Bingo King’s operation started in December 1999 and had its formal launching on July 2000 at Edsa Shangri-la. Prior to its operations, bingo supply was in disarray. Bingo King pioneered the industry by setting a formalized, legitimized and professionalized bingo supply business that will cater to the needs of its clients.

Bingo King’s mission is to make BINGO in the Philippines at par with world class standards through continuous introductions of the latest products, trends and innovations. The company also addressed the concern on the supply of paper, equipment, ink, and other paraphernalia by investing heavily in inventory bought directly from Arrow International, Inc. formerly BK Entertainment and Video King Gaming System. During the first year, while the company was establishing its business operations and reputation, BKSP only had a 30% market share.

Through the years that it has been recognized as a formidable supplier and an established business partner of the client bingo halls, it is now the supplier of choice among the bingo industry. Bingo King has become the dominant force and act as the trend-setter in everything and anything about bingo. It currently supplies more than 90% of the operating bingo halls including the Charity Bingo operations of all the Casino Filipino branches of the Philippine Amusement and Gaming Corporation (PAGCOR).



BK Systems Philippines, Inc. is headed by its Chairman of the Board, Mr. Domingo S. Guevara, Jr., an experienced businessman and industrialist, and President/ C.E.O, Mr. Regino Joel N. Tũaño, an experienced business and gaming professional since 1994. Bingo King is currently composed of 54 experienced personnel who are knowledgeable in all aspects of bingo hall operations. The company has a full-time technical services group that provides 24/7 technical and maintenance support to all clients. All of the technical staff are highly trained and are motorized to quickly respond to any technical situation. BKSP, for all intents and purposes, is a full-service company, with a total manpower complement of 54 employees as of August 2015 that are ready to cater to all bingo-related needs of its clients. Throughout the years, the management and staff of BKSP have strived hard to acquire its current position in the market. Providing the market with good products and quality service, it is now the biggest bingo supplier in the country. By being active in the development of bingo games and products, BKSP is continuously working with its customers in coming up with new ideas and products to make the bingo player's experience exciting and profitable for the bingo operators.

### **Product Description:**

**Champion Bingo Paper.** This is the bread and butter of the bingo hall. Without the Champion paper, the bingo hall will not exist. The Champion bingo paper is the most popular bingo paper of Arrow International. In the US, Arrow sells billions of bingo papers per year. The Champion paper is the most widely used bingo card in the world. It is distributed not only in North America but also in Europe, South America and Asia.

This paper is being used by the bingo hall for the bingo booklets, extra cards, and special games that are played between the regular bingo games. There are total of 63,000 different bingo paper permutations available and is guaranteed to have no duplication – no two cards or faces are the same. In the Philippines, BKSP carries the most number of colors of bingo paper.

**Double Action Bingo Paper.** This is a specialized paper that contains 48 numbers instead of the regular 24 numbers (of the Champion bingo paper). This bingo paper has two card faces in one card. BKSP was the first to introduce this kind of paper into the Philippine bingo industry. Currently, this card is used for special games in most bingo halls around the country.

**Bonanza/Quickshot Bingo Paper.** This is a uniquely formatted paper that is designed to increase revenues and profits. The Bonanza/Quickshot Bingo Paper is a folded and sealed card. It is played differently wherein the bingo balls (24 numbers) are called first and placed on a separate board. Once the numbers have been posted, the bingo players purchase and play their cards and try to complete the predetermined bingo patterns using the numbers that have been called and posted by the bingo hall.

**Bingo Ink Markers.** This is a complimentary product to the paper. Bingo Ink Markers are used by bingo players to mark or daub their bingo cards. Bingo markers are used by players because it gives them the ability to mark or daub their cards faster as compared to using a ballpen, crayon or any other permanent marker. The company's ink markers are exclusively sourced from China. BKSP is the largest supplier of ink markers in the Philippines today.

**Bingo Console.** This electronic product, is sourced from VKGS LLC (Video King) and Arrow International. This is the most expensive investment of a bingo operator. The console is the one that draws the bingo balls, controls the electronic flashboards, controls the ball camera, transmit video signals to the television monitors, and electronically verifies all winning cards. During the game, this product is the center of attraction as all players wait for the drawing of the bingo balls.

**Bingo Flashboard.** This electronic product goes hand-in-hand with the bingo console. It is also manufactured by both VKGS LLC (Video King) and Arrow International. The flashboard's responsibility is to display the bingo numbers that have been called during the game, display the pattern that is currently being played, display the prize payout for the game and inform the players what kind of game is currently being played.

In a bingo hall, there can be more than one electronic bingo flashboard. The number of flashboards to be connected to the bingo console is determined by the size, area, or configuration of the hall. As a rule, there should at least be one (1) electronic flashboards installed inside a bingo hall.

**Tab E and Power Bingo King Electronic Bingo Handsets.** This product is also exclusively supplied by Video King and is considered as a traditional bingo product as it is dependent on the conduct of the traditional bingo game. In the US, Video King has no less than 3,000 units installed. The traditional bingo industry of the US has matured in terms of usage of bingo paper and its continued growth is caused by the introduction of electronic bingo handsets.

The electronic handsets are gadgets that give bingo players the capability to play hundred of cards per game. Bingo cards are electronically and randomly downloaded into the handset via a sales server. Bingo players just enter the number that was called during the game and the handset automatically marks or daubs all the cards that contain the called number. Every time a number is entered into the handset, the handset will automatically display the best card – the bingo card closest to winning the particular bingo game.

As the Philippine bingo industry move towards maturity, the company foresees the electronic handsets are the primary medium for its continued growth. With the proliferation of the electronic products, the electronic bingo handsets are steadily being accepted by the bingo players, not only in Metro Manila but also in the key provincial areas of the country.



**Electronic Quickshot (24 number)** The 24 number is not the same old bingo cards. Players purchase credit up front and then select the number of cards to play and the amount of credit to apply to each card for each game. 24 balls are pre-determined each 24 hours. Players can choose between four denominations and vary the number of cards in play (between 4 and 9). It has the ability to bingo in every card. Any winning are automatically added to the player's balance. This electronic bingo game is being offered by Arrow International, Inc.

**Horse Power Racing.** Horse Power Racing bingo game is a special bingo game. It combines the attractiveness of the Horse Race with that of the exciting traditional bingo game. It is a game wherein bingo players place a bet (buy purchasing a bingo card) on the horse/s that they believe would win in a particular horse race. The game is played like a traditional bingo game inside a bingo hall. The Horse Power Racing game card that is being offered by BKSP is the Super Fecta because it has many number combinations and chances of winning a bigger payout.

In Horse Power Racing, there are a total of 15 horses. Each horse corresponds to 5 unique numbers or balls. Each time a number or ball is called, a particular horse will advance. The horses are graphically represented and are shown on the television monitors inside the bingo hall. The horse that crosses the finish line wins the particular race. The number of horses that are required to cross the finish line will depend on the type of Horse Power Racing game being played.

**Pull Tab Tickets.** Exclusively supplied by Arrow International., this is a gaming product that is similar in look to a US lottery ticket except that they are made from three layers of paper with a black security backing which are glued together. In North America, a minimum of 4 billion tickets are sold annually. These tickets are sold in casinos, bingo halls, convenience stores, bars and restaurants, bowling alleys and other retail outlets.

Pull-Tabs or Break-Open Tickets is similar to any conventional slot machine found in any gaming casino worldwide. The difference is that the tickets are printed on paper. The player simply matches the winning symbol combinations on the front side of the ticket with that of the symbols printed at the back of the ticket. Each ticket has three to five die-cut windows that a player breaks open to reveal the sets of symbols in each window. A pull tab ticket that contains the exact winning combination will win the stated prize.

Prizes for Pull-Tabs are generally smaller than lottery tickets due to its game structure and design. However, Pull-Tabs have a better win-ratio as compared to the lottery. A game of Pull-Tabs is constructed in such a way that in a given game, deal, or box, the number of profits, prize payout percentage and win-ratios are pre-determined. The number of tickets in a game, deal, or box is also pre-determined (usually no more than 4,500 tickets in a box).



**90 Number Bingo.** This type of bingo paper is used in most European and Latin American countries as well as in Australia. The layout of the bingo card is different from the Champion bingo paper as it is comprised of 3 rows by 9 columns or a total of 27 spaces. Each 90 number bingo card contains a total of 15 numbers with 3 numbers per row. The empty spaces in each row or column are considered “free” spaces.

The 90 number bingo game does not use the letters B-I-N-G-O. The game is played faster than a regular Champion bingo game as players only rely on simple patterns such as 1-line, 2-lines or blackout (3-lines). A typical 90 number bingo game lasts between 1 to 2 minutes per game.

**E-Bingo Machines.** This product is composed of several console units (similar to a slot machine) that are either networked to a central server or are operating as stand-alone units. All of the games that are being played in the console units are bingo-based, thus called e-bingo games. In the e-bingo games, the game structure is designed to have higher payouts (average of 80% - 90%) based on a fixed-number of games or cycle.

Throughout the years of operations in the country, BK Systems Philippines, Inc. has worked hard to become the supplier of choice of the majority of bingo halls around the country. The combinations of product quality, personnel integrity and reliance has brought the company to where it is now – the largest and leading supplier of bingo products and paraphernalia in the Philippines.

BK Systems Philippines, Inc. is located in Unit 11, Manjos Industrial Compound, A. Sandoval Avenue, Pinagbuhatan, Pasig City. Contact Numbers are: 63-2-6284782 and 63-2-6435741 (telefax).

