



Interim Report
中期報告

2013/14



Thiz Technology Group Limited

即時科研集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(於開曼群島註冊成立之有限公司)

(Stock Code 股份代號 : 8119)

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.

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This report, for which the directors (the “Directors”) of Thiz Technology Group Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”) for the purpose of giving information with regard to Thiz Technology Group Limited. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: 1. the information contained in this report 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 report misleading; and 3. all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

** For identification purpose only*

SUMMARY

- The Group recorded a turnover of approximately HK\$376,000 for the six months ended 30 September 2013.
- Loss attributable to shareholders was approximately HK\$4,615,000.
- The directors of the Company (the “Directors”) do not recommend the payment of an interim dividend for the six months ended 30 September 2013.

RESULTS

The board of Directors (the “Board”) of Thiz Technology Group Limited (the “Company”) announces the unaudited condensed consolidated interim results (“interim accounts”) of the Company and its subsidiaries (together the “Group”) for the three months and six months ended 30 September 2013 together with the comparative unaudited figures for the corresponding periods in 2012 as follows:

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		For the three months ended 30 September		For the six months ended 30 September	
		2013	2012	2013	2012
	Notes	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Turnover	3	299	275	376	610
Cost of sales		—	(138)	(1)	(223)
Gross profit		299	137	375	387
Other income	3	2	1	5	3
Selling and distribution expenses		(15)	(25)	(21)	(62)
General and administrative expenses		(2,238)	(1,673)	(4,378)	(3,319)
Finance costs		(327)	(276)	(604)	(556)
Loss before taxation	4	(2,279)	(1,836)	(4,623)	(3,547)
Taxation	5	—	—	—	—
Loss for the period		(2,279)	(1,836)	(4,623)	(3,547)
Currency translation differences		148	(1)	160	1
Total comprehensive income		(2,131)	(1,837)	(4,463)	(3,546)

	<i>Notes</i>	For the three months ended 30 September		For the six months ended 30 September	
		2013 HK\$'000	2012 <i>HK\$'000</i>	2013 HK\$'000	2012 <i>HK\$'000</i>
Loss attributable to:					
Owners of the Company		(2,276)	(1,833)	(4,615)	(3,542)
Non-controlling interests		(3)	(3)	(8)	(5)
		<u>(2,279)</u>	<u>(1,836)</u>	<u>(4,623)</u>	<u>(3,547)</u>
Total comprehensive					
income attributable to:					
Owners of the Company		(2,128)	(1,834)	(4,455)	(3,541)
Non-controlling interests		(3)	(3)	(8)	(5)
		<u>(2,131)</u>	<u>(1,837)</u>	<u>(4,463)</u>	<u>(3,546)</u>
Loss per share:					
– Basic and diluted (in cents)	6	<u>(0.11)</u>	<u>(0.11)</u>	<u>(0.22)</u>	<u>(0.21)</u>

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	At 30 September 2013 <i>HK\$'000</i>	At 31 March 2013 <i>HK\$'000</i>
ASSETS AND LIABILITIES		
Non-current assets		
Equipment	18	24
Property and plant	40,750	—
	<u>40,768</u>	<u>24</u>
Current assets		
Inventories	99	108
Trade receivables, other receivables, deposits and prepayments	502	508
Tax recoverable	—	—
Cash and bank balances	18,695	9,867
	<u>19,296</u>	<u>10,483</u>
Current liabilities		
Trade payables	40	36
Other payables, deposits received and accruals	2,850	1,954
Amount due to director	7,244	—
Amount due to the spouse of a director	1,600	1,880
Loan	7,057	6,891
	<u>18,791</u>	<u>10,761</u>
Net current assets/(liabilities)	<u>505</u>	<u>(278)</u>
Total assets less current liabilities	<u>41,273</u>	<u>(254)</u>
Non-current liabilities		
Shareholder loan	21,000	12,000
Amount due to director	—	7,699
	<u>21,000</u>	<u>19,699</u>
Net assets/(liabilities)	<u><u>20,273</u></u>	<u><u>(19,953)</u></u>
EQUITY		
Capital and reserves		
Share capital	208,274	168,274
Reserves	(187,710)	(187,944)
Equity attributable to owners of the Company	<u>20,564</u>	<u>(19,670)</u>
Non-controlling interests	(291)	(283)
Total equity	<u><u>20,273</u></u>	<u><u>(19,953)</u></u>

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	For the six months ended	
	30 September	
	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>
Net cash flow from operating activities	2	(4,306)
Net cash flow from investing activities	4,778	—
Net cash flow from financing activities	4,048	5,736
Net flow in cash and cash equivalents	8,828	1,430
Cash and cash equivalents as at 1 April	9,867	12,192
Cash and cash equivalents as at 30 September	18,695	13,622
Analysis of the balances of cash and cash equivalents:		
Cash and bank balances	18,695	13,622

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

	Share Capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Capital redemption reserve <i>HK\$'000</i>	Special reserve <i>HK\$'000</i>	Translation reserve <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>	Total <i>HK\$'000</i>	Non- Controlling interests <i>HK\$'000</i>	Total equity <i>HK\$'000</i>
Balance at 1 April 2012	168,274	28,060	84	360	4,361	(213,061)	(11,922)	(268)	(12,190)
Other comprehensive income	–	–	–	–	1	–	1	–	1
Loss for the period	–	–	–	–	–	(3,542)	(3,542)	(5)	(3,547)
	<u>168,274</u>	<u>28,060</u>	<u>84</u>	<u>360</u>	<u>4,362</u>	<u>(216,603)</u>	<u>(15,463)</u>	<u>(273)</u>	<u>(15,736)</u>
Balance at 30 September 2012	<u>168,274</u>	<u>28,060</u>	<u>84</u>	<u>360</u>	<u>4,362</u>	<u>(216,603)</u>	<u>(15,463)</u>	<u>(273)</u>	<u>(15,736)</u>
Balance at 1 April 2013	168,274	28,060	84	360	4,384	(220,832)	(19,670)	(283)	(19,953)
Other comprehensive income	–	–	–	–	160	–	160	–	160
Loss for the period	–	–	–	–	–	(4,615)	(4,615)	(8)	(4,623)
Issuing new shares	40,000	4,689	–	–	–	–	44,689	–	44,689
	<u>208,274</u>	<u>32,749</u>	<u>84</u>	<u>360</u>	<u>4,544</u>	<u>(225,447)</u>	<u>20,564</u>	<u>(291)</u>	<u>20,273</u>
Balance at 30 September 2013	<u>208,274</u>	<u>32,749</u>	<u>84</u>	<u>360</u>	<u>4,544</u>	<u>(225,447)</u>	<u>20,564</u>	<u>(291)</u>	<u>20,273</u>

Notes to the Accounts:

1. General information

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law (Cap.22 Law 3 of 1961, as consolidated and revised) of the Cayman Islands on 6 December 2000. The Group is a developer and provider of a range of Linux solutions including Linux operating systems, application systems run on Linux and other businesses.

2. Basis of preparation

The unaudited consolidated results of the Group have been prepared in accordance with the new Hong Kong Financial Reporting Standards (“HKFRS”) and Hong Kong Accounting Standards (“HKAS”) (collectively “HKFRSs”) issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the GEM Listing Rules. They have also been prepared under the historical convention, except for property.

The details of adoption of new and revised HKFRSs have been set out in the Company’s annual report for the year ended 31 March 2013.

The accounting policies adopted in preparing the unaudited consolidated results are consistent with those applied in the preparation of the Group’s annual financial statements for the year ended 31 March 2013.

The Group has not early adopted any new standards or interpretations that have been issued but are not yet effective.

3. Turnover and other revenues

Turnover represents the invoiced value of trading income, software development income and rental income, after allowances for returns and discounts and net of value added tax. An analysis of the Group’s turnover and other revenue is as follows:

	For the three months ended 30 September		For the six months ended 30 September	
	2013	2012	2013	2012
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	HK\$’000	HK\$’000	HK\$’000	HK\$’000
Turnover:–				
Software development income	81	–	81	45
Trading income	77	275	154	565
Rental income	141	–	141	–
	299	275	376	610
Other revenues:–				
Interest income	1	1	4	3
Sundry income	1	–	1	–
	2	1	5	3
	301	276	381	613

4. Loss before tax (Unaudited)

	For the three months ended 30 September		For the six months ended 30 September	
	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Loss before tax is arrived at after charging:				
Cost of inventories sold	–	138	1	223
Depreciation	6	14	14	29
Finance costs	327	276	604	556

5. Taxation

Hong Kong profits tax is calculated at 16.5% (2012: 16.5%) of the estimated assessable profit for the period and taxation for other jurisdictions is calculated on the rates prevailing in the relevant jurisdiction. No provision for taxation has been made as the Group incurred a taxation loss for the period.

Deductible temporary differences have not been recognised in these financial statements owing to the absence of objective evidence in respect of the availability of sufficient taxable profits that are expected to arise to offset against the deductible temporary differences.

6. Loss per share

The calculation of basic loss per share for the six months ended 30 September 2013 is based on the loss attributable to owners of the Company of HK\$4,615,000 (2012: HK\$3,542,000) and the weighted average of 2,082,737,250 (2012: 1,682,737,250) ordinary shares in issue during the period.

7. Trade receivables

The ageing analysis of the Group's trade receivables net of allowance for doubtful debts, based on the transaction date was as follows:

	30 September 2013 (Unaudited) HK\$'000	31 March 2013 (Audited) HK\$'000
0 – 30 days	27	27
31 – 60 days	–	3
61 – 90 days	–	–
91 – 180 days	–	17
181 – 360 days	3	–
Over 360 days	24	7
	<hr/>	<hr/>
	54	54
	<hr/> <hr/>	<hr/> <hr/>

8. Trade payables

The following is an aged analysis of trade payables at the reporting date:–

	30 September 2013 (Unaudited) HK\$'000	31 March 2013 (Audited) HK\$'000
0 – 30 days	–	–
31 – 60 days	–	–
61 – 90 days	–	–
91 – 180 days	3	–
181 – 360 days	–	–
Over 360 days	36	36
	<hr/>	<hr/>
	39	36
	<hr/> <hr/>	<hr/> <hr/>

9. Amount due to director and amount due to a spouse of a director

The amounts are interest bearing with Hong Kong prime lending rate per annum, unsecured and repayable on demand, which were effective from 1 July 2005.

INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the six months ended 30 September 2013 (2012: Nil).

BUSINESS REVIEW

During the period under review, since the global recovery was still weak, and worries about the exit timing of the U.S. quantitative easing policy and whether the European debt was over, together with the slowdown of economic growth in mainland China, all of which had an adverse effect on the business development of the Group. The software development business and trading business of the Group were affected by decrease in demand of Linux software system and a slump in orders placed by customers, respectively, which resulted in a significant decrease of turnover.

However, the Acquisition was completed on 22 August 2013. The new business mainly relates to the leasing of commercial property in Putuo District, Shanghai, the PRC. The stable income generated from the property will have positive contribution to the Group's profits.

PROSPECTS

Facing uncertainties over the exit timing of the U.S. quantitative easing policy, the global economy will be more vulnerable, which will also bring a lot of challenges and uncertainties to the operation of the Group. Although future competitions will be posed by new commercial properties under construction in other decentralized locations of Shanghai. But under strong GDP growth, high average occupancy rate and stable average rentals in office buildings in Shanghai, such competitions from new commercial properties in the future will not undermine its leasing business as the future prospect in commercial property market in Shanghai remains largely positive. The Properties situated in a favourable geographical location readily accessible to a subway station Zhenbei Road Station on Zhonghuan line. The variety of facilities surrounding the Properties help to attract a high flow of people, the proximity of the subway station and airport are usually capable of attracting business customers from its surrounding areas. The accessibility and business flow in the area is favourable for the leasing of the Properties.

With the gradual recovery of the U.S and European Union economies, it is expected that China's exports will stabilize. The Group is of the view that there are still plenty of business opportunities for the global market. The Group will continue to seize such opportunities, actively expand our business in a diversified way, so that the operation of the Group can turnaround and regain profitability.

MANAGEMENT DISCUSSION AND ANALYSIS

Financial review

The Group's consolidated turnover for the six months ended 30 September 2013 amounted to approximately HK\$376,000 (2012: HK\$610,000). During the period under review, loss from operations for the period was HK\$4,093,000, compared to HK\$2,991,000 in the corresponding period of last year. Further, loss attributable to owners of the Company for the period was HK\$4,615,000 while the corresponding period of last year was HK\$3,542,000.

Gross profit for the Group decreased from HK\$387,000 in 2012 to HK\$375,000 in 2013, while the gross profit margin increased from 63% to 99%, due to the proportion of trading income was reduced.

Total operating costs were approximately HK\$4,399,000 (2012: HK\$3,381,000). Compare to last year, the operating costs have increased by 30%, due to costs of acquisition.

Loss attributable to owners of the Company and loss per share for the period were HK\$4,615,000 (2012: HK\$3,542,000) and HK0.22 cents (2012: HK0.21 cents) respectively.

Liquidity and financial resources

As at 30 September 2013, the Group had current assets amounted to HK\$19,296,000, of which HK\$18,695,000 were cash and bank deposits. Current liabilities of HK\$18,791,000 mainly comprised of trade payables, other payables, accruals and loan. The current ratio of the Group was approximately 1.0 and gearing ratio of the Group was (1.8) (2012: (1.9)) representing the Group's borrowings divided by total equity. The Group had net current assets of approximately HK\$505,000 as at 30 September 2013.

Investments held and material acquisitions and disposals

Reference is made to the announcement of the Company dated 22 August 2013 regarding a very substantial acquisition in relation to the acquisition of the entire issued share capital of Kingray International Incorporation ("**Target Company**") by Thizbiz Incorporation, a wholly-owned subsidiary of the Company (the "**Purchaser**").

All conditions precedent under the Acquisition Agreement have been fulfilled and the Completion took place on 22 August 2013.

Upon Completion, 400,000,000 Consideration Shares were to be allotted and issued to the Vendor. The Target Company becomes an indirect wholly-owned subsidiary of the Company and the financial results of the Target Group was consolidated to that of the Group.

Segmental information

(a) Business segments

The following table presents revenue and loss information for the Group's business segments for the six months ended 30 September 2013.

	Rental income		Software development		Trading income		Consolidated	
	2013	2012	2013	2012	2013	2012	2013	2012
	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>	<i>HK\$'000</i>
Segment revenue:–								
Sales to external customers	<u>141</u>	<u>–</u>	<u>81</u>	<u>45</u>	<u>154</u>	<u>565</u>	<u>376</u>	<u>610</u>
Segment results	<u>130</u>	<u>–</u>	<u>(55)</u>	<u>(153)</u>	<u>(440)</u>	<u>(295)</u>	<u>(365)</u>	<u>(448)</u>
Interest income							4	3
Unallocated income							–	–
Unallocated expenses							<u>(3,658)</u>	<u>(2,546)</u>
Loss from operations							<u>(4,019)</u>	<u>(2,991)</u>
Finance costs							<u>(604)</u>	<u>(556)</u>
Loss before tax							<u>(4,623)</u>	<u>(3,547)</u>
Tax							–	–
Loss for the period							<u>(4,623)</u>	<u>(3,547)</u>
Attributable to:								
Owners of the Company							<u>(4,615)</u>	<u>(3,542)</u>
Non-controlling interests							<u>(8)</u>	<u>(5)</u>
							<u>(4,623)</u>	<u>(3,547)</u>

(b) *Geographical segments*

The following table presents revenue information for the Group's geographical segments for the six months ended 30 September 2013.

	Taiwan		PRC		Israel		Others		Consolidated	
	2013	2012	2013	2012	2013	2012	2013	2012	2013	2012
	(HK\$'000)									
Segment revenue:-										
Sales to external customers	154	117	222	394	-	99	-	-	376	610

Employee information

As at 30 September 2013, the Group had approximately 26 employees spreading over Hong Kong, PRC and Taiwan.

The staff were remunerated based on their work performance, professional experience and prevailing marketing practices. In addition to the basic salaries and retirement schemes, the Group also offered staff benefits including medical insurance, share options, performance bonus and sales commission.

Capital commitments and contingent liabilities

As at 30 September 2013, the Group had no material capital commitments and contingent liabilities.

Foreign exchange risk

The Group's main operations are in the PRC and Taiwan and its income and expenses are transacted in RMB, USD and NT\$ respectively. Accordingly, it has no significant exposure to foreign exchange risk.

DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS IN SECURITIES OF THE COMPANY

As at 30 September 2013, the interests or short positions of the directors and chief executive in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance ("SFO"), Chapter 571 of the Laws of Hong Kong), which were notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rule 5.61 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange, were as follows:–

(a) Long positions in ordinary shares of HK\$0.1 of the Company

Name of Directors	Type of interest	Total number of shares held	Percentage of shareholding
Mr. Lin Chien Hsin	Personal	52,950,000	2.54%
Mr. Wong Hoi Wong ("Mr. Albert Wong") (<i>Note</i>)	Other	15,086,000	0.72%

Note: These 15,086,000 shares are registered in name of Eaglemax International Investment Limited, a company wholly owned by Intelligent Management Limited as the trustee of Intelligent Management Discretionary Trust, a family discretionary trust, the objects of which include Mr. Albert Wong and his family and any charity in the world. As at 30 September 2013, Mr. Albert Wong held the entire issued share capital of Intelligent Management Limited. By virtue of SFO, Mr. Albert Wong has interest of such shares.

(b) Short positions in the shares and underlying shares of the Company

Save as disclosed herein, as at 30 September 2013, none of the directors has short positions in the shares or underlying shares of equity derivatives of the Company.

Save as disclosed herein, as at 30 September 2013, none of the directors had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they are taken or deemed to have taken under such provisions of the SFO), or which were required pursuant to Section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rule 5.61 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at 30 September 2013, the following persons (not being the directors and chief executives of the Company) had interests or short positions in the shares, underlying shares or debentures of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO as follows:–

Name of Shareholder	Nature of interests	Number of Shares Held	Approximate percentage of issued share capital
Ms. Wang Ying Fang	Beneficial	400,000,000	19.21%

Save as disclosed above, as at 30 September 2013, there was no person (not being the directors and chief executives of the Company) who had any interests or short positions in the shares, underlying shares and debentures of the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO, or which were recorded in the register required to be kept under Section 336 of the SFO.

DIRECTORS' RIGHTS TO ACQUIRE SHARES OR DEBENTURES

Save as disclosed under the heading “Directors’ and Chief Executives’ Interests in Securities of the Company”, at no time during the six months ended 30 September 2013 was the Company or any of its subsidiaries a party to any arrangements to enable any director or their respective spouse or children under 18 years of age to acquire benefits by means of acquisition of shares in or debentures of the Company or any other body corporate.

COMPETING INTERESTS

None of the directors or the management shareholders (as defined in the GEM Listing Rules) of the Company or their respective associates had any interest in a business which competed or might compete with business of the Group.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company, nor any of its subsidiaries has purchased, sold or redeemed any of the Company's shares during the six months ended 30 September 2013.

AUDIT COMMITTEE

The Company has established an Audit Committee with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules. The Audit Committee comprises three independent non-executive directors, namely Ms. Lin Yan Jenny, Mr. Chu Meng Chi and Ms. Chan Mei Sze. The Audit Committee is chaired by Mr. Chu Meng Chi. The primary duties of the Audit Committee are to supervise the financial reporting process and internal control of the Company. The Audit Committee has reviewed the unaudited results of the Group for the six months ended 30 September 2013 and has provided advice and comment thereon.

CODE ON CORPORATE GOVERNANCE PRACTICES

The Company applied the principles and complied with all the code provisions as set out in the Code on Corporate Governance Practices (the Code) contained in Appendix 15 of the GEM Listing Rules throughout the Period, save for the deviations discussed below.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

Under the code provision A.2.1 stipulates that the roles of Chairman and Chief Executive Officer should be separate and should not be performed by the same individual. The division of responsibilities between the Chairman and Chief Executive Officer should be clearly established and set out in writing.

Mr. Wong Hoi Wong is both the Chairman and Chief Executive Officer of the Company who is responsible for managing the Board and the Group business. The Board considers that, with the present board structure and scope of business of the Group, there is no imminent need to separate the roles into two individuals as Mr. Wong is perfectly capable of distinguishing the priority of these roles in which he has been acting. However, the Board will continue to review the effectiveness of the Group corporate governance structure to assess whether the separation of the positions of Chairman and Chief Executive Officer is necessary.

NON-EXECUTIVE DIRECTORS

Under the Code Provision A.4.1, all the non-executive directors should be appointed for a specific term, subject to re-election. At present, the non-executive Directors are not appointed for a specific term, but are subject to retirement by rotation and re-election in accordance with the Company's Articles of Association.

CODE OF CONDUCT FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the code for securities transactions by the Directors set out in Rules 5.48 to 5.67 of the GEM Listing Rules as its own code of conduct regarding securities transactions by Directors. The Company confirmed that, having made specific enquiry from all Directors, the Directors have complied with the required standard of dealings and its code of conduct regarding securities transactions by the Directors for the six months ended 30 September 2013.

By Order of the Board

Wong Hoi Wong

Chairman

Hong Kong, 13 November 2013

As at the date hereof, the board of directors of the Company comprises two executive directors, namely Mr. Wong Hoi Wong and Mr. Lin En Fu, three non-executive directors, namely Mr. Lin Chien Hsin, Ms. Hsieh Yi Chen and Ms. Wu Chiao Ru and three independent non-executive directors, namely Ms. Lin Yan Jenny, Mr. Chu Meng Chi and Ms. Chan Mei Sze.