



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)



First Quarterly Report
2015/16 第一季度報告

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.

SUMMARY

- The Group recorded a turnover of approximately HK\$437,000 for the three months ended 30 June 2015.
- Loss attributable to shareholders was approximately HK\$1,285,000.
- The directors of the Company (the “Directors”) do not recommend the payment of dividend for the three months ended 30 June 2015.

RESULTS

The board of Directors (the “Board”) of Thiz Technology Group Limited (the “Company”) herein announce the unaudited condensed consolidated results of the Company and its subsidiaries (together the “Group”) for the three months ended 30 June 2015 together with the comparative unaudited figures for the corresponding periods in 2014 as follows:

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		For the three months ended	
		30 June	
	<i>Notes</i>	2015	2014
		HK\$'000	HK\$'000
Turnover	3	437	420
Cost of sales and services		(8)	(8)
Gross profit		429	412
Other income	3	17	6
Selling and distribution expenses		(2)	(3)
General and administrative expenses		(1,493)	(1,632)
Finance costs		(236)	(316)
Loss before taxation	4	(1,285)	(1,533)
Taxation	5	—	—
Loss for the period		(1,285)	(1,533)
Currency translation differences		7	(155)
Total comprehensive income		(1,278)	(1,688)
Loss attributable to:			
Owners of the Company		(1,283)	(1,531)
Non-controlling interests		(2)	(2)
		(1,285)	(1,533)
Total comprehensive income attributable to:			
Owners of the Company		(1,276)	(1,686)
Non-controlling interests		(2)	(2)
		(1,278)	(1,688)
			<i>(restated)</i>
Loss per share:			
– Basic and diluted (in cents)	6	(0.6)	(0.8)

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 interest <i>HK\$'000</i>	Total equity <i>HK\$'000</i>
Balance at 1 April 2014	208,274	34,018	84	360	4,388	(228,192)	18,932	(296)	18,636
Other comprehensive income	–	–	–	–	(155)	–	(155)	–	(155)
Profit or loss for the period	–	–	–	–	–	(1,531)	(1,531)	(2)	(1,533)
	<u>208,274</u>	<u>34,018</u>	<u>84</u>	<u>360</u>	<u>4,233</u>	<u>(229,723)</u>	<u>17,246</u>	<u>(298)</u>	<u>16,948</u>
Balance at 30 June 2014	<u>208,274</u>	<u>34,018</u>	<u>84</u>	<u>360</u>	<u>4,233</u>	<u>(229,723)</u>	<u>17,246</u>	<u>(298)</u>	<u>16,948</u>
Balance at 1 April 2015	225,570	27,272	84	360	4,403	(227,537)	30,152	(306)	29,846
Other comprehensive income	–	–	–	–	(7)	–	(7)	–	(7)
Profit or loss for the period	–	–	–	–	–	(1,283)	(1,283)	(2)	(1,285)
	<u>225,570</u>	<u>27,272</u>	<u>84</u>	<u>360</u>	<u>4,396</u>	<u>(228,820)</u>	<u>28,862</u>	<u>(308)</u>	<u>28,554</u>
Balance at 30 June 2015	<u>225,570</u>	<u>27,272</u>	<u>84</u>	<u>360</u>	<u>4,396</u>	<u>(228,820)</u>	<u>28,862</u>	<u>(308)</u>	<u>28,554</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 engages in (i) property leasing; (ii) trading business; and (iii) an information technology industry. In which, it is a developer and provider of a range of Linux solutions including Linux operating systems, application systems run on Linux.

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.

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 2015.

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 2015.

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

3. Turnover and other revenue

Turnover represents the invoiced value of the Group’s 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 June	
	2015	2014
	(Unaudited)	(Unaudited)
	HK\$’000	HK\$’000
Turnover:		
Software development income	77	77
Rental income	360	343
	<u>437</u>	<u>420</u>
Other income:		
Interest income	5	6
Sundry income	12	—
	<u>454</u>	<u>426</u>

4. Loss before taxation (Unaudited)

For the three months ended 30 June	
2015	2014
(Unaudited)	(Unaudited)
<i>HK\$'000</i>	<i>HK\$'000</i>

Loss before taxation is arrived at after charging:

Cost of sales and services	8	8
Depreciation	2	2
Finance costs	236	316

5. Taxation

Hong Kong profits tax is calculated at 16.5% (2014: 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 three months ended 30 June 2015 is based on the loss attributable to owners of the Company of HK\$1,283,000 (2014: HK\$1,531,000) and the weighted average of 225,570,261 (2014: 208,273,725 (restated)) ordinary shares in issue during the period.

DIVIDEND

The Board does not recommend the payment of dividend for the three months ended 30 June 2015 (2014: Nil).

BUSINESS REVIEW

Since this year (2015), the recovery of the global economy was weak. The growth of the Chinese economy has also slowed down. However, the overall performance of the global real estate market remained stable, including major cities such as Beijing, Shanghai and Guangzhou in mainland China, where the demand for real estate property still has not decreased. With the injection of stable rental income from commercial property leasing in Shanghai, the Group's turnover in the first quarter of the year (April to June 2015) still increased as compared with the same period last year.

PROSPECTS

The global economy is slowly recovering currently and certain signs of recovery are positive, of which it is especially apparent for the US. Although the Chinese government sees the slowdown in economic growth as the new norm, maintaining economic stability and development, under the keynote of seeking progress in stability, is still one of the essential goals in the 13th five-year plan of the Chinese government.

In the process of China's gradual transition from the world factory to the world market, the development of the service sector in Shanghai is expected to remain a consistent growth. The demand for office will also increase steadily. However, it is predictable that the supply of office in Shanghai region will increase by year. The pressure of competition in the real estate market cannot be neglected as well. But given the location and quality of the commercial property of the Group, the revenue from the leasing business of the Group is expected to increase consistently.

Financial Performance

The Group's consolidated turnover for the three months ended 30 June 2015 amounted to approximately HK\$437,000 (2014: HK\$420,000). During the period under review, loss from operations for the period was HK\$1,050,000, compared to HK\$1,217,000 in the corresponding period of last year. Further, loss attributable to owners of the Company for the period was HK\$1,283,000 while the corresponding period of last year was HK\$1,531,000.

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

As at 30 June 2015, 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\$1.0 of the Company

Name of Directors	Type of interest	Total number of shares held	Percentage of shareholding
Mr. Lin Chien Hsin	Personal	5,295,000	2.35%
Mr. Wong Hoi Wong ("Mr. Albert Wong") (<i>Note</i>)	Other	1,508,600	0.67%

Note: These 1,508,600 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 June 2015, 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 June 2015, 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 June 2015, 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 June 2015 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	40,000,000	17.73%

Save as disclosed above, as at 30 June 2015, 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 three months ended 30 June 2015 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 three months ended 30 June 2015.

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 three months ended 30 June 2014 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 three months ended 30 June 2015.

By Order of the Board

Wong Hoi Wong

Chairman

Hong Kong, 13 August 2015

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.