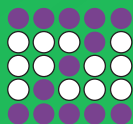




# First 第一季度報告 Quarterly Report 2021/22



**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.*

## SUMMARY

- The Group recorded a turnover of approximately HK\$8,703,000 for the three months ended 30 June 2021.
- Profit attributable to shareholders was approximately HK\$4,559,000.
- The directors of the Company (the “Directors”) do not recommend the payment of dividend for the three months ended 30 June 2021.

## 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 2021 together with the comparative unaudited figures for the corresponding periods in 2020 as follows:

### UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

		<b>For the three months ended 30 June 2021 HK\$'000</b>	<b>2020 HK\$'000</b>
	<i>Notes</i>		
Turnover	3	<b>8,703</b>	11,466
Cost of sales and services		<b>(1,075)</b>	(4,558)
Gross profit		<b>7,628</b>	6,908
Other income	3	<b>98</b>	25
Selling and distribution expenses		<b>(1)</b>	(18)
General and administrative expenses		<b>(2,795)</b>	(1,934)
Finance costs		<b>(355)</b>	(349)
Profit before taxation	4	<b>4,575</b>	4,632
Taxation	5	<b>(16)</b>	–
<b>Profit for the period</b>		<b>4,559</b>	4,632
Currency translation differences		<b>1,483</b>	(55)
<b>Total comprehensive income</b>		<b>6,042</b>	4,577
<b>Profit attributable to:</b>			
Owners of the Company		<b>4,559</b>	4,632
Non-controlling interests		<b>–</b>	–
		<b>4,559</b>	4,632
<b>Total comprehensive income attributable to:</b>			
Owners of the Company		<b>6,042</b>	4,577
Non-controlling interests		<b>–</b>	–
		<b>6,042</b>	4,577
<b>Profit per share:</b>			
– Basic and diluted ( <i>in cents</i> )	6	<b>1.62</b>	1.65

# **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 2020	280,750	16,618	84	360	(3,005)	(222,282)	72,525	(31)	72,494
Other comprehensive income	-	-	-	-	(55)	-	(55)	-	(55)
Profit or loss for the period	-	-	-	-	-	4,632	4,632	-	4,632
Balance at 30 June 2020	<u>280,750</u>	<u>16,618</u>	<u>84</u>	<u>360</u>	<u>(3,060)</u>	<u>(217,650)</u>	<u>77,102</u>	<u>(31)</u>	<u>77,071</u>
Balance at 1 April 2021	<b>280,750</b>	<b>16,618</b>	<b>84</b>	<b>360</b>	<b>2,401</b>	<b>(218,543)</b>	<b>81,670</b>	<b>(31)</b>	<b>81,639</b>
Other comprehensive income	-	-	-	-	1,483	-	1,483	-	1,483
Profit or loss for the period	-	-	-	-	-	4,559	4,559	-	4,559
Balance at 30 June 2021	<u><b>280,750</b></u>	<u><b>16,618</b></u>	<u><b>84</b></u>	<u><b>360</b></u>	<u><b>3,884</b></u>	<u><b>(213,984)</b></u>	<u><b>87,712</b></u>	<u><b>(31)</b></u>	<u><b>87,681</b></u>

## **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 principally engaged in (i) property leasing; (ii) trading business; and (iii) the information technology industry as a developer and provider of a range of solutions pertaining to Linux-based systems and others. The Group has expanded its scope of services to provide Fintech solutions and related post contract support services.

## **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 2021.

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 2021.

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

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions and to assess the performance.

The Group has three reportable segments. Each of the Group’s reportable segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other business segments. Details of the business segments are summarised as follows:

- (a) the trading business segment that engages in the trading of computer accessories and household goods;
- (b) software development segment which comprises (i) development of Fintech related customised software/applications and provision of related services and (ii) provision of technical support and other auxiliary services relating to Linux-based systems and others; and
- (c) the property leasing segment that engages in property leasing in the People’s Republic of China (the “PRC”).

### 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:

	<b>For the three months ended 30 June</b>	
	<b>2021</b>	2020
	<b>(Unaudited)</b>	(Unaudited)
	<b>HK\$'000</b>	HK\$'000
Turnover:		
Software development income	<b>4,982</b>	4,982
Rental income	<b>3,627</b>	1,720
Sales of goods	<b>94</b>	4,764
	<b>8,703</b>	11,466
Other income:		
Fair value gain on investment properties	<b>66</b>	–
Interest income	<b>26</b>	18
Sundry Income	<b>6</b>	7
	<b>98</b>	25
	<b>8,801</b>	11,491

#### 4. Profit before taxation (Unaudited)

For the three months ended 30 June	
2021	2020
(Unaudited)	(Unaudited)
HK\$'000	HK\$'000

Profit before taxation is arrived at after charging:

Fair value change for right-of-use assets	66	–
Cost of sales and services	1	18
Depreciation	10	14
Depreciation for right-of-use assets	277	86
Finance costs	355	349

#### 5. Taxation

Hong Kong profits tax is calculated at 16.5% (2020: 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. Profit/(Loss) per share

The calculation of basic profit or loss per share for the three months ended 30 June 2021 is based on the profit attributable to owners of the Company of HK\$4,559,000 (2020 profit: HK\$4,632,000) and the weighted average of 280,750,261 (2020: 280,750,261) ordinary shares in issue during the period.

#### DIVIDEND

The Board does not recommend the payment of dividend for the three months ended 30 June 2021 (2020: Nil).

## **BUSINESS REVIEW**

### **Leasing business**

The Group's leasing of office premises in Shanghai, PRC, including the leasing of office premises' management business in Shanghai and Shenzhen was affected by the COVID-19 epidemic and turnover increased significantly in the period under review as compared to the same period of last year.

The Shanghai office market has welcomed new projects to the market, with the new developments already attracting several well-known companies in the financial, manufacturing, information technology, retail and trading sectors. Net absorption of office space doubled from the previous year, releasing a full measure of demand that had previously been put on hold. The city's average vacancy rate fell by 1 percentage point as compared to the same period of last year, despite new projects coming to the market, thanks to a significant rebound in transactions. Excluding new supply, vacancy levels fell to varying degrees in most business districts. Demand for office space from financial companies remained buoyant, accounting for around 30% of leasing transactions in the first half of the year, while the media and entertainment sector saw faster growth, with the city's office rental index rising by 0.8% year-on-year.

Shenzhen's financial sector grew by 9% year-on-year last year, while the information transmission, software and information technology services sector grew by 11% year-on-year, both providing the backbone of the office market's recovery. Net absorption was the highest in the first quarter of the year, as pent-up demand continued to be released into the market. As a result, the city's average vacancy rate rose only marginally year-on-year, while the rental index fell year-on-year, narrowing the rate of rental decline.

### **Software business**

The Group's software business was affected by the COVID-19 epidemic and turnover increased compared to the same period last year.



## **Trading business**

In response to the new supply in the office market in Shanghai, the Group actively expanded the source of income from the office-related decoration trade business, and the turnover of the trade business decreased compared with the corresponding period of last year due to the effect of the COVID-19 epidemic.

## **Prospects**

It is planned that the office market of Shanghai will see additional supply in the second half of the year, of which over 75% will be concentrated in non-core business districts. Although office space in core business districts continue to be favored, non-core business districts are playing an increasingly important role in the city's office market. Non-core business districts, which accounted for approximately 30% of the city's stock in the first half of the year, contributed nearly 60% of the absorption as compared with only 40% five years ago.

Driven by its economic development, plans for a technology and innovation hub and its status as a core city in the Guangdong-Hong Kong-Macao Greater Bay Area, Buyers of office in Shenzhen will continue to look for suitable office space here. Rental yields of office in Shenzhen are lower than those of other Tier 1 cities. Therefore, regarding the investment market in office in Shenzhen, structured transactions consisting of rental guarantees are more attractive and feasible for institutional investors from all parties.

Looking ahead, we will actively respond to the challenging market environment under the epidemic and have full confidence in the future. The Group will adopt a prudent attitude and seek opportunities to expand the income sources of the Group and strengthen its profitability.

## **Financial Performance**

The Group's consolidated turnover for the three months ended 30 June 2021 amounted to approximately HK\$8,703,000 (2020: HK\$11,466,000). During the period under review, profit from operations for the period was HK\$4,559,000 (2020 profit: HK\$4,632,000). Further, profit attributable to owners of the Company for the period was HK\$4,559,000 (2020 profit: HK\$4,632,000).

## **Continued suspension of trading**

Referring to the announcement of the Company on 15 October 2020, trading in the Shares has been suspended with effect from 9:00 a.m. on 15 October 2020 and will continue to be suspended until further notice. The Company will keep the public informed of the latest significant developments by making further announcement(s) as and when appropriate and in accordance with the requirements of the GEM Listing Rules.

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

As at 30 June 2021, 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**

<b>Name of Directors</b>	<b>Total number of shares held</b>	<b>Percentage of shareholding</b>
Mr. Wong Hoi Wong ("Mr. Wong") ( <i>Note</i> )	1,508,600	0.54%

*Note:* These 1,508,600 shares are registered in name of Eaglemax International Investment Limited. As at 30 June 2021, Mr. Wong held the entire issued share capital of Eaglemax International Investment Limited. By virtue of SFO, Mr. 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 2021, 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 2021, 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 2021 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	Number of Shares Held	Approximate percentage of issued share capital
Wang Ying Fang	54,009,090	19.24%
Extra Bright Trading Limited ( <i>note 1</i> )	46,279,750	16.48%

*Note:*

1. Extra Bright Trading Limited is owned by Advanced Enterprises Limited. Advanced Enterprises Limited is wholly owned by Chang Wei Min. Chang Wei Min is deemed to be interested in all the Shares held by Extra Bright Trading Limited under the SFO.

Save as disclosed above, as at 30 June 2021, 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 2021 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 2021.

## **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. Chen Yun Jung, 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 2021 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.

## **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 2021.

By Order of the Board  
**Wong Hoi Wong**  
*Chairman*

Hong Kong, 12 August 2021

*As at the date hereof, the board of directors of the Company comprises an executive director, namely Mr. Wong Hoi Wong, and three independent non-executive directors, namely Ms. Chen Yun Jung, Mr. Chu Meng Chi and Ms. Chan Mei Sze.*