



**Ahsay Backup Software Development Company Limited**

**亞勢備份軟件開發有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8290)**

**ANNOUNCEMENT OF FIRST QUARTERLY RESULTS  
FOR THE THREE MONTHS ENDED 31 MARCH 2022**

**CHARACTERISTICS OF GEM OF THE STOCK EXCHANGE OF HONG  
KONG LIMITED (THE “STOCK EXCHANGE”)**

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*This announcement, for which the directors (the “**Directors**”) of Ahsay Backup Software Development Company 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 of Hong Kong Limited (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.*

## FINANCIAL HIGHLIGHTS

- The Group's revenue for the three months ended 31 March 2022 was approximately HK\$11.5 million, representing a decrease of approximately 5.0% from approximately HK\$12.1 million for the corresponding period in 2021.
- Loss attributable to owners of the parent for the three months ended 31 March 2022 was approximately HK\$1.1 million as compared to approximately HK\$4.5 million for the corresponding period in 2021.
- Segment losses of approximately HK\$1.6 million and HK\$4.4 million were recorded from online backup software and related services segment for the three months ended 31 March 2022 and 2021 respectively.
- Segment profit of approximately HK\$0.3 million was recorded from information platform segment for the three months ended 31 March 2022 as compared to a segment loss of approximately HK\$0.2 million for the corresponding period in 2021.
- Basic and diluted loss per share were HK\$0.06 cent for the three months ended 31 March 2022.
- The Board did not recommend the payment of any dividend for the three months ended 31 March 2022.

## FIRST QUARTERLY RESULTS FOR THE THREE MONTHS ENDED 31 MARCH 2022

The board of Directors (the “**Board**”) of the Company hereby announce the following unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the “**Group**”) for the three months ended 31 March 2022 together with the unaudited comparative figures for the corresponding period in 2021 as set out below.

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months ended 31 March 2022

	Notes	Three months ended 31 March	
		2022 HK\$'000 (unaudited)	2021 HK\$'000 (unaudited)
Revenue	3	11,472	12,085
Cost of inventories sold		(62)	(143)
Other income	4	59	96
Other gains (losses)		74	(97)
Staff costs and related expenses	5	(9,030)	(12,578)
Other expenses	6	(3,554)	(3,859)
Finance costs	7	(113)	(60)
Loss before tax		(1,154)	(4,556)
Income tax expense	8	(2)	(67)
<b>Loss for the period</b>		<b>(1,156)</b>	<b>(4,623)</b>
Attributable to:			
Owners of the parent		(1,051)	(4,501)
Non-controlling interests		(105)	(122)
		<b>(1,156)</b>	<b>(4,623)</b>
<b>Other comprehensive expense</b>			
<i>Item that may be reclassified to profit or loss in subsequent periods:</i>			
Exchange differences arising on translation of foreign operations		(81)	(65)
Other comprehensive loss for the period		(81)	(65)
<b>Total comprehensive loss for the period</b>		<b>(1,237)</b>	<b>(4,688)</b>
Attributable to:			
Owners of the parent		(1,148)	(4,585)
Non-controlling interests		(89)	(103)
		<b>(1,237)</b>	<b>(4,688)</b>
<b>Loss per share attributable to ordinary equity holders of the parent</b>			
— Basic and diluted (HK cent)	10	<b>(0.06)</b>	<b>(0.23)</b>

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the three months ended 31 March 2022

	Attributable to owners of the parent						Non-controlling interests HK\$'000	Total equity HK\$'000
	Share capital HK\$'000	Share premium HK\$'000	Capital and other reserves HK\$'000 (note i)	Translation reserve HK\$'000	Accumulated losses HK\$'000	Total HK\$'000		
At 1 January 2021 (audited)	20,000	72,435	3,395	680	(22,904)	73,606	(654)	72,952
Loss for the period	—	—	—	—	(4,501)	(4,501)	(122)	(4,623)
Other comprehensive (loss) income for the period								
Exchange differences arising on translation of foreign operations	—	—	—	(84)	—	(84)	19	(65)
Total comprehensive loss for the period	—	—	—	(84)	(4,501)	(4,585)	(103)	(4,688)
At 31 March 2021 (unaudited)	<u>20,000</u>	<u>72,435</u>	<u>3,395</u>	<u>596</u>	<u>(27,405)</u>	<u>69,021</u>	<u>(757)</u>	<u>68,264</u>
At 1 January 2022 (audited)	20,000	72,435	3,395	74	(38,577)	57,327	(1,061)	56,266
Loss for the period	—	—	—	—	(1,051)	(1,051)	(105)	(1,156)
Other comprehensive (loss) income for the period								
Exchange differences arising on translation of foreign operations	—	—	—	(97)	—	(97)	16	(81)
Total comprehensive loss for the period	—	—	—	(97)	(1,051)	(1,148)	(89)	(1,237)
At 31 March 2022 (unaudited)	<u>20,000</u>	<u>72,435</u>	<u>3,395</u>	<u>(23)</u>	<u>(39,628)</u>	<u>56,179</u>	<u>(1,150)</u>	<u>55,029</u>

Note:

i. Capital and other reserves comprise:

- (a) a debit amount of HK\$5,000 representing the difference between the fair value of the consideration paid in the amount of HK\$205,000 to Mrs. Chong Li Sau Fong, Mr. Chong Siu Pui and Mr. Chong Siu Ning (the “**Controlling Shareholders**”) and the carrying amount of HK\$200,000 of the net assets attributable to the 100% equity interest in CloudBacko Corporation (“**CloudBacko BVI**”) and Ahsay Service Centre Limited (“**ASCL**”), upon transfer of the 100% equity interests in CloudBacko BVI and ASCL from the Controlling Shareholders in April 2015;
- (b) a credit amount of HK\$1,000,000 representing the difference between the par value of the share issued by Alpha Heritage Holdings Limited (“**Alpha Heritage**”), a wholly-owned subsidiary of the Company, and the share capital of Ahsay Systems Corporation Limited (“**Ahsay HK**”), upon transfer of the 100% equity interest in Ahsay HK to Alpha Heritage in May 2015;
- (c) a credit amount of HK\$2,000,000 representing the deemed capital contribution from the Controlling Shareholders with regard to a waiver of amounts due to shareholders in March 2015;
- (d) a credit amount of HK\$1,102,000 representing the deemed capital contribution from the Controlling Shareholders upon disposal of the entire equity interest in Million Victory Investment Management Limited, a subsidiary of the Group, to a related company controlled by the Controlling Shareholders; and
- (e) a debit amount of HK\$702,000 representing the changes in non-controlling interests arising from the additional capital contribution by the Group.

## NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended 31 March 2022

### 1. GENERAL

Ahsay Backup Software Development Company Limited (the “**Company**”) is a publicly listed company incorporated in the Cayman Islands as an exempted company with limited liability under the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands and its shares are listed on GEM of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). Its immediate holding company is All Divine Investments Limited, a private company incorporated in the British Virgin Islands (the “**BVI**”) with limited liability; and its ultimate holding company is Able Future Investments Limited, a private company incorporated in the BVI with limited liability. The address of the registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The address of the principal place of business of the Company is 28th Floor, Ford Glory Plaza, 37 Wing Hong Street, Lai Chi Kok, Hong Kong.

The Company is an investment holding company and its subsidiaries are principally engaged in the provision of online backup software solutions to clients via the internet.

The unaudited condensed consolidated financial statements are presented in Hong Kong dollars (“**HK\$**”), which is the same as the functional currency of the Company.

#### 2.1 BASIS OF PREPARATION

The unaudited condensed consolidated financial statements for the three months ended 31 March 2022 have been prepared in accordance with Chapter 18 of the Rule Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”).

The unaudited condensed consolidated financial statements do not include all the information and disclosures required in the Group’s annual financial statements, and should be read in conjunction with the annual consolidated financial statements for the year ended 31 December 2021.

#### 2.2 CHANGES IN ACCOUNTING POLICIES AND DISCLOSURES

The accounting policies adopted in the preparation of the unaudited condensed consolidated financial statements are consistent with those applied in the preparation of the Group’s annual financial statements for the year ended 31 December 2021, except for the adoption of the following revised Hong Kong Financial Reporting Standards (“**HKFRSs**”) for the first time for the current period’s unaudited condensed consolidated financial statements.

Amendments to HKFRS 3	<i>Reference to the Conceptual Framework</i>
Amendments to HKAS 16	<i>Property, Plant and Equipment: Proceeds before Intended Use</i>
Amendments to HKAS 37	<i>Onerous Contracts — Cost of Fulfilling a Contract</i>
Annual Improvements to HKFRSs 2018–2020	<i>Amendments to HKFRS 1, HKFRS 9, Illustrative Examples accompanying HKFRS 16, and HKAS 41</i>

The amendments did not have any significant impact on the Group’s unaudited condensed consolidated financial statements.

### 3. REVENUE AND SEGMENT INFORMATION

Information reported to the executive directors of the Company, being the chief operating decision maker (“CODM”), for the purpose of resource allocation and assessment of segment performance, focuses on types of goods or services delivered or provided. No operating segments identified by the CODM have been aggregated in arriving at the reportable segments of the Group.

Specifically, the Group’s reportable and operating segments under HKFRS 8 *Operating Segments* are as follows:

Online backup software and related services segment	— Software license sales and leasing, provision of software upgrades and maintenance services, and provision of other services
Information platform segment	— Provision of information sharing services, an analysis tool and sale of hardware devices

#### Segment revenue and results

Segment results represent the profit (loss) from each segment without allocation of other income and other gains (losses) that are not directly attributable to the segments as disclosed in the table below. This is the measure reported to the CODM for the purposes of resource allocation and performance assessment.

The following is an analysis of the Group’s revenue and results by reportable and operating segment:

	For the three months ended 31 March 2022 (unaudited)			For the three months ended 31 March 2021 (unaudited)		
	Online backup software and related services <i>HK\$’000</i>	Information platform <i>HK\$’000</i>	Total <i>HK\$’000</i>	Online backup software and related services <i>HK\$’000</i>	Information platform <i>HK\$’000</i>	Total <i>HK\$’000</i>
<b>Segment revenue — External</b>						
Software license sales	1,007	—	1,007	1,000	—	1,000
Software license leasing	4,222	—	4,222	4,606	—	4,606
Software upgrades and maintenance services	4,822	—	4,822	5,291	—	5,291
Other services	239	—	239	298	—	298
Sale of hardware devices	—	64	64	—	167	167
Information sharing service income	—	57	57	—	22	22
Subscription fees	—	1,061	1,061	—	701	701
<b>Total revenue</b>	<b>10,290</b>	<b>1,182</b>	<b>11,472</b>	<b>11,195</b>	<b>890</b>	<b>12,085</b>

	For the three months ended 31 March 2022 (unaudited)			For the three months ended 31 March 2021 (unaudited)		
	Online backup software and related services <i>HK\$'000</i>	Information platform <i>HK\$'000</i>	Total <i>HK\$'000</i>	Online backup software and related services <i>HK\$'000</i>	Information platform <i>HK\$'000</i>	Total <i>HK\$'000</i>
<b>Timing of revenue recognition</b>						
At a point in time	1,019	121	1,140	1,025	189	1,214
Over time	9,271	1,061	10,332	10,170	701	10,871
	<u>10,290</u>	<u>1,182</u>	<u>11,472</u>	<u>11,195</u>	<u>890</u>	<u>12,085</u>
<b>Segment (loss) profit</b>	(1,622)	335	(1,287)	(4,360)	(195)	(4,555)
Unallocated incomes and expenses						
Other income			59			96
Other gains (losses)			74			(97)
<b>Loss before tax</b>			<u>(1,154)</u>			<u>(4,556)</u>

#### 4. OTHER INCOME

	Three months ended 31 March	
	2022 <i>HK\$'000</i> (unaudited)	2021 <i>HK\$'000</i> (unaudited)
Bank interest income	23	23
Interest income on refundable rental deposits	5	7
Interest income on financial asset at amortised cost	—	34
Sundry income	31	32
	<u>59</u>	<u>96</u>

## 5. STAFF COSTS AND RELATED EXPENSES

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2022</b>	2021
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
Directors' emoluments	<b>1,435</b>	2,548
Other staff costs		
— Salaries, allowances and benefits in kind and performance and other bonuses	<b>7,351</b>	9,730
— Retirement benefit scheme contributions, excluding directors' retirement contributions*	<b>215</b>	278
	<hr/>	<hr/>
Total directors' and staff costs	<b>9,001</b>	12,556
Less: Development costs capitalised	<b>—</b>	—
	<hr/>	<hr/>
Total directors' and staff costs, net of development cost capitalised	<b>9,001</b>	12,556
Staff-related expenses	<b>29</b>	22
	<hr/>	<hr/>
Staff costs and related expenses	<b>9,030</b>	12,578
	<hr/> <hr/>	<hr/> <hr/>
Research and development costs included in staff costs and related expenses	<b>3,860</b>	5,407
	<hr/> <hr/>	<hr/> <hr/>

\* There are no forfeited contributions that may be used by the Group as the employer to reduce the existing level of contributions.

## 6. OTHER EXPENSES

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2022</b>	2021
	<b>HK\$'000</b>	HK\$'000
	<b>(unaudited)</b>	(unaudited)
Auditor's remuneration	<b>200</b>	200
Advertising and marketing expenses	<b>282</b>	605
Amortisation of other intangible assets	<b>—</b>	14
Legal and professional fees	<b>450</b>	325
Depreciation of property, plant and equipment	<b>381</b>	342
Depreciation of right-of-use assets	<b>601</b>	738
Expenses related to short-term leases	<b>64</b>	77
Rates and property management fees	<b>149</b>	156
Merchant credit card charges	<b>297</b>	310
Electricity and water	<b>97</b>	86
Web hosting expenses	<b>199</b>	217
Others	<b>834</b>	789
	<hr/>	<hr/>
	<b>3,554</b>	3,859
	<hr/> <hr/>	<hr/> <hr/>

## 7. FINANCE COSTS

	Three months ended 31 March	
	2022	2021
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Interest expenses on:		
Lease liabilities	93	39
Other borrowings	20	21
	<u>113</u>	<u>60</u>

## 8. INCOME TAX EXPENSE

	Three months ended 31 March	
	2022	2021
	HK\$'000	HK\$'000
	(unaudited)	(unaudited)
Current tax:		
Hong Kong Profits Tax	58	31
Deferred tax	(56)	36
	<u>2</u>	<u>67</u>

The Group is not subject to any income tax in the Cayman Islands and the BVI pursuant to the rules and regulations in the respective jurisdictions.

Under the two-tiered profits tax rates regime, one of the subsidiaries of the Company is subject to Hong Kong Profits Tax at the rate of 8.25% for the first HK\$2 million of estimated assessable profits and at 16.5% on the estimated assessable profits above HK\$2 million. Other subsidiaries of the Company are subject to Hong Kong Profits Tax at the rate of 16.5% for the three months ended 31 March 2022 and 2021, respectively.

Under the Enterprise Income Tax Law (the “EIT Law”) of the People’s Republic of China (the “PRC”) and the Implementation Regulation of the EIT Law, the tax rate of the Group’s PRC subsidiary is 25% for both periods. No provision for taxation in the PRC has been made for both periods as the Group has no assessable profits in the PRC.

Taxation arising in other jurisdictions is calculated at the rates prevailing in the relevant jurisdictions.

## 9. DIVIDENDS

No dividend was paid or proposed for ordinary shareholders of the Company for both periods.

## 10. LOSS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE PARENT

The calculation of the basic and diluted loss per share attributable to ordinary equity holders of the parent is based on the following data:

	Three months ended 31 March	
	2022	2021
	<i>HK\$'000</i>	<i>HK\$'000</i>
	(unaudited)	(unaudited)
Loss attributable to ordinary equity holders of the parent	<u>(1,051)</u>	<u>(4,501)</u>

	Three months ended 31 March	
	2022	2021
	<i>'000</i>	<i>'000</i>
<b>Number of shares</b>		
Weighted average number of ordinary shares for the purpose of basic and diluted loss per share calculation	<u>2,000,000</u>	<u>2,000,000</u>

The Group had no potentially dilutive ordinary shares in issue during the three months ended 31 March 2022 and 2021.

## 11. RESERVES

Movement in the reserves of the Group during the periods are set out in the condensed consolidated statement of changes in equity on page 4 to this announcement.

## **FINANCIAL REVIEW**

### **Overview**

During the three months ended 31 March 2022 and 2021, the Group recorded revenues of approximately HK\$11.5 million and HK\$12.1 million respectively, representing a decrease of approximately 5.0%. The Group recorded a loss attributable to owners of the parent of approximately HK\$1.1 million for the three months ended 31 March 2022 as compared to a loss of approximately HK\$4.5 million for the corresponding period in 2021.

The decrease in loss for the three months ended 31 March 2022 was mainly attributable to the decrease in staff cost resulting from the cost control measures imposed, which included team restructuring and salary reduction for the senior management of the Group.

### **Revenue**

The Group's revenue was principally derived from income from software license sales and leasing, software upgrades and maintenance services and other services. Revenue of approximately HK\$11.5 million and HK\$12.1 million were recognised for the three months ended 31 March 2022 and 2021 respectively, representing a decrease of approximately 5.0%.

The decrease in revenue for the three months ended 31 March 2022 was mainly due to the decrease in revenue derived from the Group's online backup business as affected by the continuing of weak recovery of demand since the novel coronavirus ("COVID-19") pandemic starting from previous years and keen competition in the global online backup software market; and was partially offset by the increase in revenue derived from subscription of the Group's information platform compared with the corresponding period in 2021.

### **Other Income**

Other income decreased by approximately HK\$37,000, to approximately HK\$59,000 for the three months ended 31 March 2022 from approximately HK\$96,000 for the three months ended 31 March 2021. The decrease in other income for the three months ended 31 March 2022 was mainly due to the decrease in interest income on financial asset at amortised cost as a result of no funds being placed in debt securities during the period as compared with the corresponding period in 2021.

## **Staff Costs and Related Expenses**

Staff costs and related expenses primarily comprised of salaries, performance bonuses, directors' fee, Mandatory Provident Fund contributions, other staff welfare and other related expenses. Staff costs and related expenses decreased by approximately HK\$3.6 million or 28.6%, to approximately HK\$9.0 million for the three months ended 31 March 2022 from approximately HK\$12.6 million for the three months ended 31 March 2021.

The decrease in staff costs and related expenses for the three months ended 31 March 2022 was mainly due to the cost control measures imposed during the period, including team restructuring and salary reduction of the senior management of the Group as compared with the corresponding period in 2021.

## **Other Expenses**

Other expenses primarily comprised of depreciation, advertising and marketing expenses, merchant credit card charges, legal and professional fees and other regular office expenses such as utilities. Other expenses decreased by approximately HK\$0.3 million or 7.7%, to approximately HK\$3.6 million for the three months ended 31 March 2022 from approximately HK\$3.9 million for the three months ended 31 March 2021.

The decrease in other expenses was mainly due to the decrease in advertising and marketing expenses resulting from restructuring of marketing campaign as compared with the corresponding period in 2021.

## **Income Tax Expense**

The Group recorded income tax expense of approximately HK\$2,000 for the three months ended 31 March 2022. The decrease in income tax expense was mainly due to the recognition of deferred tax assets for deductible temporary differences.

## **Loss for the Period**

The Group recorded a loss of approximately HK\$1.2 million for the three months ended 31 March 2022 as compared to a loss of approximately HK\$4.6 million for the corresponding period in 2021. The loss for the period consisted of an approximately HK\$1.6 million segment loss from the Group's online backup software and related services segment, and a segment profit of approximately HK\$0.3 million generated by information platform segment.

## **Financial Position, Liquidity and Financial Resources**

The Group adopts a prudent cash and financial management policy. In order to achieve better cost control and minimise the costs of funds, the Group's treasury activities are centralised and substantial amount of cash denominated mainly in Hong Kong dollars ("HK\$") is generally deposited with licensed banks in Hong Kong and Singapore. As the Group's cash and bank balances are substantially denominated in Hong Kong dollars, risk in exchange rate fluctuation would not be material.

The Group is in a sound financial position. As at 31 March 2022, the Group's current assets were approximately HK\$62.5 million (31 December 2021: approximately HK\$65.8 million). The Group remained at a net cash position as at 31 March 2022 and 31 December 2021, respectively. Based on the amount of liquid assets on hand, the management is of the view that the Group has sufficient financial resources to meet its ongoing operational requirements.

### **Charges on Assets of the Group**

As at 31 March 2022, there was no charge on assets of the Group (31 December 2021: nil).

### **Capital Structure**

The capital structure of the Company comprised of ordinary shares only. As at 31 March 2022, the Company's issued share capital was HK\$20.0 million with 2,000,000,000 issued shares of HK\$0.01 each.

### **Gearing Ratio**

As at 31 March 2022, the Group's gearing ratio, calculated as interest-bearing liabilities divided by the total equity, was approximately 3.2% (31 December 2021: 3.1%).

## **CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES**

The Group had no significant capital commitments and contingent liabilities as at both 31 March 2022 and 2021.

## **MATERIAL ACQUISITIONS AND DISPOSALS**

There was no material acquisition or disposal of subsidiaries, associates or joint ventures during the three months ended 31 March 2022 and 2021, respectively.

## **BUSINESS REVIEW**

Demand has been slow to recover as COVID-19 has persisted longer than previously anticipated and continually affected the profitability of our online backup business. The Group also faced a fierce competition in the global online backup software market. As a result, revenue from the Group's online backup software and its related services decreased by approximately HK\$0.9 million or 8.0% from approximately HK\$11.2 million for the three months ended 31 March 2021 to approximately HK\$10.3 million for the three months ended 31 March 2022.

On the other side, the revenue derived from the Group's information platform increased by approximately HK\$0.3 million or 33.3% from approximately HK\$0.9 million for the three months ended 31 March 2021 to approximately HK\$1.2 million for the three months ended 31 March 2022.

Total revenue of the Group decreased by approximately HK\$0.6 million or 5.0% from approximately HK\$12.1 million for the three months ended 31 March 2021 to approximately HK\$11.5 million for the three months ended 31 March 2022.

In response to the uncertainties posed by the persistent pandemic, we would continue to take several mitigating actions to control operating costs. With the effective cost control during the period, the loss attributable to owners of parent for the three months ended 31 March 2022 was approximately HK\$1.1 million, representing a decrease of approximately 75.6% from approximately HK\$4.5 million for the corresponding period in 2021.

## **OUTLOOK**

### **Core Backup Business**

Our current version of Ahsay™ Backup Software — Version 9 (“**Version 9**”) launched in January 2022 is an advanced client-server based on-premises and cloud backup software solution for businesses and managed service providers (“**MSPs**”).

For the major enhancement of Version 9, the In-File Data feature is replaced with the new feature — Deduplication which is part of the backup process that identifies and eliminates duplicate copies of repeating data, storing it once, in order to save storage space. Deduplication plays a major role in managing storage space, particularly when performed over large volumes of data. The whole solution can be deployed within a company to back up all virtual machines or physical servers. MSPs can also use it for offering secure managed backup service to their clients.

Version 9 comes with a web based central management console for system administrator to easily manage the whole backup system through any web browser. It supports various features such as Microsoft 365 Backup including SharePoint Online, Outlook, OneDrive and etc.

With the enhancement of functionalities, we believe Version 9 has improved user experience for our customers. We will continue to pay attention to the market changes and future development direction.

### **Information Platform**

The Group has developed information platforms, named KINBOY (堅仔) which is an information analysis tool and KINTIPS (堅料) for information sharing. Those platforms are mainly deployed on mobile-application.

KINBOY is an all-in-one platform for horse racing information to provide users an alternative way to access information electronically. The subscription service is tiered and structured such that free members can access the latest race cards, results and dividends, entries lists, chance table of horse racing and other detailed information such as finesse of horses, sharp moves, odds trend and forecast of first two races for catch-up viewing; while paid members can access detailed information for full day races.

Apart from KINBOY, minimal revenue contributions are derived from information sharing platform via KINTIPS; which is designed for information providers and subscribers to share information via its website and mobile application.

During the 5<sup>th</sup> wave of COVID-19 pandemic in Hong Kong, people have gravitated more towards entertainment to ease boredom and realise the vital need for digital solutions. Mobile applications have become popular and all people are accustomed to use mobile devices as new normal. With up-to-date information on horse racing, more and more people downloaded KINBOY as a way to replace newspaper to access horse racing information. For the three months ended 31 March 2022, the revenue contribution of the information platform to the Group increased notably as compared with the corresponding period in 2021.

## DISCLOSURE OF INTERESTS AND OTHER INFORMATION

### Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 March 2022, the interests and short positions of the Directors and chief executive in the Shares, underlying Shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of Laws of Hong Kong) (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 he/she is taken or deemed to have under such provisions of the SFO); or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, required to be notified to the Company and the Stock Exchange, were as follows:

#### Long Positions in Shares

Name of Director	Capacity/nature of interest	Note	Number of Shares	Approximate percentage of total number of Shares (Note 1)
Mr. Chong King Fan	Interest of spouse	2	1,500,000,000	75.0%
Mr. Chong Siu Pui	Interest in a controlled corporation	2	1,500,000,000	75.0%
Mr. Chong Siu Ning	Interest in a controlled corporation	2	1,500,000,000	75.0%

*Notes:*

1. As at 31 March 2022, the Company had 2,000,000,000 Shares in issue.
2. As at 31 March 2022, All Divine Investments Limited (“**All Divine**”) held a long position of 1,500,000,000 Shares, representing 75% of the issued Shares. All Divine is wholly owned by Able Future Investments Limited (“**Able Future**”) which is owned by Mrs. Chong Li Sau Fong, Mr. Chong Siu Pui and Mr. Chong Siu Ning as to 40%, 30% and 30%, respectively. By virtue of the SFO, Mr. Chong King Fan, who is the spouse of Mrs. Chong Li Sau Fong, Mr. Chong Siu Pui and Mr. Chong Siu Ning are deemed to be interested in the Shares held by All Divine.

Save as disclosed above, as at 31 March 2022, none of the Directors and chief executive of the Company had an interest or short position in the Shares, underlying Shares and debentures of the Company or any of its associated corporations that was notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO, or was recorded in the register required to be kept by the Company pursuant to Section 352 of the SFO, or as otherwise required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

## Substantial Shareholders' and Other Persons' Interests and Short Positions in Shares, Underlying Shares and Debentures

As at 31 March 2022, the following persons (other than the Directors or chief executive of the Company) had interests or short positions in the shares and underlying shares of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or as required to be recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows:

### Long Positions in Shares

Name of Shareholder	Capacity/nature of interest	Notes	Number of Shares	Approximate percentage of total number of Shares (Note 1)
All Divine	Beneficial owner	2	1,500,000,000	75.0%
Able Future	Interest in a controlled corporation	2	1,500,000,000	75.0%
Mrs. Chong Li Sau Fong	Interest in a controlled corporation	2	1,500,000,000	75.0%
Ms. Wu Jui-fang	Interest of spouse	3	1,500,000,000	75.0%
Ms. Li Yin Heung	Interest of spouse	4	1,500,000,000	75.0%

#### Notes:

1. As at 31 March 2022, the Company had 2,000,000,000 Shares in issue.
2. All Divine held a long position of 1,500,000,000 Shares, representing 75% of the issued Shares. All Divine is wholly owned by Able Future, which is owned by Mrs. Chong Li Sau Fong, Mr. Chong Siu Pui and Mr. Chong Siu Ning as to 40%, 30% and 30%, respectively. By virtue of the SFO, Mrs. Chong Li Sau Fong, Mr. Chong Siu Pui and Mr. Chong Siu Ning are deemed to be interested in the Shares held by All Divine.
3. Ms. Wu Jui-fang is the spouse of Mr. Chong Siu Pui. By virtue of the SFO, Ms. Wu Jui-fang is deemed to be interested in the Shares in which Mr. Chong Siu Pui is interested.
4. Ms. Li Yin Heung is the spouse of Mr. Chong Siu Ning. By virtue of the SFO, Ms. Li Yin Heung is deemed to be interested in the Shares in which Mr. Chong Siu Ning is interested.

Save as disclosed above, as at 31 March 2022, the Company has not been notified by any persons (other than the Directors or Chief executive of the Company) who had an interest or short positions in the shares or underlying shares of the Company which would fall to be disclosed to the Company and the Stock Exchange 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 by the Company under Section 336 of the SFO.

## **Directors' Rights to Acquire Shares or Debentures**

Save as disclosed in the sections headed “Share Option Scheme” and “Directors’ and Chief Executive’s Interests and Short Positions in Shares, Underlying Shares and Debentures” in this announcement, at no time during the three months ended 31 March 2022 and up to the date of this announcement, have the Directors and the chief executive of the Company and their respective close associates (as defined under the GEM Listing Rules) had any interest in, or had been granted, or exercised any rights to subscribe for shares or underlying shares of the Company and/or its associated corporations (within the meaning of the SFO).

## **Directors’ and Controlling Shareholders’ Interest in Competing Business**

For the three months ended 31 March 2022, the Directors were not aware of any business or interest of the Directors, the Controlling Shareholders and their respective close associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflicts of interests which any such person has or may have with the Group.

## **Compliance with the Code of Conduct for Directors’ Securities Transactions**

The Group has adopted a code of conduct regarding securities transactions by the Directors on terms no less exacting than the required standard of dealings as set out in Rules 5.48 to 5.67 of the GEM Listing Rules. In response to specific enquiry made by the Company, each of the Directors gave confirmation that he/she has complied with the required standard of dealings and the code of conduct regarding securities transactions by the Directors for the three months ended 31 March 2022.

## **Compliance with the Code on Corporate Governance**

The Company is committed to achieve high standards of corporate governance with a view to safeguarding the interests of its shareholders. The Company has complied with all the code provisions set out in the Corporate Governance Code and Corporate Governance Report (the “**CG Code**”) as contained in Appendix 15 to the GEM Listing Rules during the three months ended 31 March 2022.

## **Share Option Scheme**

A share option scheme was adopted and approved by the shareholders of the Company on 4 September 2015 (the “**Share Option Scheme**”). No share options have been granted pursuant to the Share Option Scheme since its adoption.

## **PURCHASE, REDEMPTION OR SALE OF LISTED SECURITIES OF THE COMPANY**

During the three months ended 31 March 2022 and up to the date of this announcement, neither the Company, nor any of its subsidiaries has purchased, redeemed or sold any of the Company's listed securities.

### **Review by the Audit Committee**

The Company has established an audit committee of the Board (the “**Audit Committee**”) with written terms of reference in compliance with the GEM Listing Rules and aligned with the provision of the code provisions set out in the CG Code. The Audit Committee's principal duties are, among other things, to review and supervise the Company's financial reporting process and internal control systems and to provide advice and comments to the Board. Members of the Audit Committee are Mr. Wong Yau Sing (chairman of the Audit Committee), Mr. Wong Cho Kei Bonnie and Ms. Wong Pui Man, all of them being independent non-executive Directors.

The financial information of the Group for the three months ended 31 March 2022 has not been audited. The Audit Committee has reviewed with management on the financial information of the Group for the three months ended 31 March 2022, the first quarterly report, the accounting principles and practices adopted by the Group, and other financial reporting matters. The Audit Committee was satisfied that such results complied with the applicable accounting standards, the requirements under the GEM Listing Rules and other applicable legal requirements, and that adequate disclosures have been made.

By Order of the Board  
**Ahsay Backup Software Development Company Limited**  
**Chong Siu Ning**  
*Chairman and Executive Director*

Hong Kong, 6 May 2022

*As at the date of this announcement, the executive Directors are Mr. CHONG Siu Ning, Mr. CHONG Siu Pui and Mr. CHONG King Fan; the non-executive Director is Ms. CHONG Siu Fan; and the independent non-executive Directors are Mr. WONG Cho Kei Bonnie, Ms. WONG Pui Man and Mr. WONG Yau Sing.*

*This announcement will remain on the “Latest Listed Company Information” page on the GEM website at [www.hkgem.com](http://www.hkgem.com) for at least 7 days from the date of its posting and will also be published on the Company's website at <http://www.ahsay.com.hk>.*