

**TTG MOBILE COUPON SERVICES LIMITED**  
**REPORTS AND FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012**

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## **TTG MOBILE COUPON SERVICES LIMITED**

### **REPORT OF THE DIRECTORS**

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Your directors present their report on the consolidated entity consisting of TTG Mobile Coupon Services Limited ("TTG") and the entities it controlled during the half year ended 30 September 2012 (hereinafter referred to as the consolidated entity).

#### **REVIEW OF OPERATIONS**

The consolidated entity has continued to develop and upgrade its software over the last six months. UnionPay has now commenced to make available the ULPOS Platform to UnionPay card holders in selected markets, as outlined in the Company's Replacement Prospectus dated 11 October 2012. Since the end of the half year the Company has commenced to earn transactional revenue from the ULPOS Platform.

The loss of RMB 5,796,704 for the six months to 30 September 2012 was in line with the consolidated entity's expectations at this stage of its development.

#### **DIRECTORS**

The following persons were directors of TTG during the whole of the half year and up to the date of this report, unless otherwise disclosed below:

#### **EXECUTIVE DIRECTORS**

Xiong, Qiang (Chairman & Chief Executive Officer)	
Chow, Ki Shui Louie (Deputy Chairman & Deputy Chief Executive Officer)	
Kwok, Kin Kwong Gary (Chief Financial Officer)	(appointed on 12 September 2012)
Wu, Linyan (Chief Technology Officer)	(appointed on 12 September 2012)

#### **NON-EXECUTIVE DIRECTORS**

Ryan, Christopher John (Co-Chairman)	(appointed on 12 September 2012)
Benson, Ross Kenneth	(appointed on 12 September 2012)
Cai, Wensheng	(appointed on 12 September 2012)
Lan, Jun	
Yang, Yuchuan	
Wang, Ming Hui	(resigned on 12 September 2012)

#### **PRINCIPAL ACTIVITIES**

The consolidated entity operates within the software and information services industry in the People's Republic of China. The main business of the consolidated entity is derived from the exclusive partnership between the controlled entity and UnionPay Financial Network, an entity within the UnionPay Group. This partnership operates and maintains UnionPay's new electronic payment and settlement platform, referred to as the "ULPOS Platform". TTG is entitled to a percentage of spending for all UnionPay card transactions which are made through this ULPOS Platform.

**TTG MOBILE COUPON SERVICES LIMITED**  
**REPORT OF THE DIRECTORS**

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(Continued)

**REVIEW OF OPERATIONS (Continued)**

During the six months TTG raised additional share capital of RMB 22,481,981 (net of costs of capital raised) through a series of share issues, details of which are disclosed in the half-year accounts. Since the end of the half-year, TTG has successfully completed an initial public offering on the Australian Stock Exchange, and raised A\$2,400,000 (approximately RMB 15,500,000) from the issue of 4,000,000 CHESS Depository Interests which were allotted on 19 November 2012.

This report is made in accordance with a resolution of directors.

On behalf of the board

A handwritten signature in black ink, appearing to be 'Xiong Qiang', written over a horizontal line.

---

Xiong, Qiang, Chairman  
Sydney, 29 November 2012

**STATEMENT BY DIRECTORS**  
**TTG MOBILE COUPON SERVICES LIMITED**

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In accordance with a resolution of the Directors of TTG Mobile Coupon Services Limited (the "Company") we state that:

- (1) In the opinion of the Directors:
  - (a) the consolidated statement of financial position is drawn up so as to give a true and fair view of the state of affairs of the Company and its subsidiaries (the "Group") as at 30 September 2012; and
  - (b) at the date of this statement there are reasonable grounds to believe that the Group and the Company will be able to pay its debts as and when they fall due.
- (2) In the opinion of the Directors, the condensed consolidated interim financial statements give a true and fair view of:
  - (a) the loss and cash flows of the Group for the six months ended 30 September 2012; and
  - (b) the state of affairs of the Group at the period end, as at 30 September 2012.

On behalf of the Board



Xiong, Qiang, Chairman  
Sydney, 29 November 2012



**INDEPENDENT REPORT ON REVIEW OF  
INTERIM FINANCIAL INFORMATION  
TO THE BOARD OF DIRECTORS OF  
TTG MOBILE COUPON SERVICES LIMITED**  
(Incorporated in Hong Kong with limited liability)

## INTRODUCTION

We have reviewed the consolidated interim financial information of TTG Mobile Coupon Services Limited (the "Company") and its subsidiary (together the "Group") set out on pages 5 to 21, which comprise the consolidated statement of financial position as of 30 September 2012 and the related consolidated statement of comprehensive income, the consolidated statement of changes in equity and the condensed consolidated statement of cash flows for the six months ended 30 September 2012, and certain explanatory notes. The directors of the Company are responsible for the preparation and presentation of this interim financial information in accordance with International Accounting Standard 34 "Interim Financial Reporting" ("IAS34") issued by the International Accounting Standards Board. Our responsibility is to express a conclusion on this interim financial information based on our review, and to report our conclusion solely to you, as a body, in accordance with our agreed terms of engagement, and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report.

## SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the interim financial information is not prepared, in all material respects, in accordance with IAS34.



Crowe Horwath (HK) CPA Limited  
Certified Public Accountants  
Hong Kong, 29 November 2012

Lam Cheung Shing  
Practising Certificate Number P03552

**TTG MOBILE COUPON SERVICES LIMITED**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012**

		Six months ended 30 September	
		2012 RMB (unaudited)	2011 RMB (unaudited)
	Note		
<b>Revenue</b>	3	733,035	535,423
<b>Cost of services</b>		(586,839)	(144,899)
<b>Gross profit</b>		146,196	390,524
<b>Other revenue</b>	5	541	140
<b>Other income</b>	5	155,666	19,653
		156,207	19,793
Selling expenses		(1,779,048)	(460,584)
Administrative expenses		(4,317,134)	(312,745)
Finance costs		(12)	-
		(6,096,194)	(773,329)
<b>Loss before taxation</b>	6	(5,793,791)	(363,012)
<b>Income tax</b>	7	-	-
<b>Loss for the period attributable to the owners of the Company</b>		(5,793,791)	(363,012)
<b>Other comprehensive income for the period</b>			
Exchange difference on translation of financial statements of group entity outside of the PRC		(2,913)	-
<b>Total comprehensive loss for the period</b>		(5,796,704)	(363,012)
<b>Total comprehensive loss for the period attributable to owners of the Company</b>		(5,796,704)	(363,012)
<b>Loss per share</b>	8		
Basic		(0.0094)	(0.0006)
Diluted		(0.0094)	(0.0006)

The notes on pages 9 to 21 form an integral part of this unaudited interim financial information.

**TTG MOBILE COUPON SERVICES LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2012**

		As at 30 September 2012 RMB <u>(unaudited)</u>	As at 31 March 2012 RMB <u>(audited)</u>	As at 30 September 2011 RMB <u>(unaudited)</u>
	<u>Note</u>			
<b>Non-current assets</b>				
Property, plant and equipment, net	10	1,509,722	1,245,364	86,453
Intangible assets, net	11	-	-	-
		1,509,722	1,245,364	86,453
<b>Current assets</b>				
Trade and other receivables	12	919,054	1,193,924	534,453
Cash and bank balances		19,976,934	3,523,316	209,965
		<u>20,895,988</u>	<u>4,717,240</u>	<u>744,418</u>
<b>Current liabilities</b>				
Other payables	13	1,635,968	1,878,139	387,174
<b>Net current assets</b>		<u>19,260,020</u>	<u>2,839,101</u>	<u>357,244</u>
<b>NET ASSETS</b>		<u>20,769,742</u>	<u>4,084,465</u>	<u>443,697</u>
<b>CAPITAL AND RESERVES</b>				
Share capital	14	1,023,452	888,550	810,860
Reserves		<u>19,746,290</u>	<u>3,195,915</u>	<u>(367,163)</u>
<b>TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY</b>		<u>20,769,742</u>	<u>4,084,465</u>	<u>443,697</u>

Approved and authorised for issue by the directors on 29 November 2012.



Director



Director

The notes on pages 9 to 21 form an integral part of this unaudited interim financial information.



**TTG MOBILE COUPON SERVICES LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY - UNAUDITED**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012**

	<u>Note</u>	Attributable to owners of the Company				Total <u>equity</u> RMB
		<u>Share capital</u> RMB	<u>Share premium</u> RMB	<u>Exchange reserve</u> RMB	<u>Accumulated losses</u> RMB	
At 1 April 2011		810,860	-	-	(4,151)	806,709
Loss and total comprehensive loss for the period		-	-	-	(363,012)	(363,012)
At 30 September 2011		810,860	-	-	(367,163)	443,697
At 1 April 2012		888,550	4,665,840	-	(1,469,925)	4,084,465
Loss for the period		-	-	-	(5,793,791)	(5,793,791)
Other comprehensive income						
Exchange difference on translation of financial statements of group entity outside of the PRC		-	-	(2,913)	-	(2,913)
Total comprehensive loss for the period		-	-	(2,913)	(5,793,791)	(5,796,704)
Transactions with owners						
Issuance of new shares	14(c)	67,607	3,164,814	-	-	3,232,421
Issuance of new shares	14(d)	16,958	-	-	-	16,958
Placing of new shares	14(e)	40,718	11,075,370	-	-	11,116,088
Issuance of new shares	14(f)	9,619	11,633,585	-	-	11,643,204
Share issue expenses		-	(3,526,690)	-	-	(3,526,690)
At 30 September 2012		1,023,452	27,012,919	(2,913)	(7,263,716)	20,769,742

The notes on pages 9 to 21 form an integral part of this unaudited interim financial information.

**TTG MOBILE COUPON SERVICES LIMITED**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012**

	Six months ended 30 September	
	2012 RMB (unaudited)	2011 RMB (unaudited)
<b>NET CASH USED IN OPERATING ACTIVITIES</b>	(5,450,206)	(585,866)
<b>INVESTING ACTIVITIES</b>		
Interest received	541	140
Payments for purchase of property, plant and equipment	(404,784)	(92,104)
Payments for purchase of intangible assets	(200,000)	-
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	(604,243)	(91,964)
<b>FINANCING ACTIVITIES</b>		
Net proceeds from issuance of new shares	22,481,981	-
Interest paid	(12)	-
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<u>22,481,969</u>	<u>-</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	16,427,520	(677,830)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE REPORTING PERIOD</b>	3,523,316	887,795
<b>EFFECT OF FOREIGN EXCHANGE RATE CHANGES</b>	<u>26,098</u>	<u>-</u>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE REPORTING PERIOD</b>	<u>19,976,934</u>	<u>209,965</u>
Cash and bank balances		

The notes on pages 9 to 21 form an integral part of this unaudited interim financial information.

**TTG MOBILE COUPON SERVICES LIMITED**  
**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012**

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**1. GENERAL INFORMATION**

TTG Mobile Coupon Services Limited (the “Company”) is a limited liability company domiciled and incorporated in Hong Kong. The address of its registered office and principal place of business is Unit 1806, 18/F., Park-In Commercial Centre, 56 Dundas Street, Mongkok, Kowloon, Hong Kong.

The Company is an investment holding company and its shares are listed on Australian Securities Exchange. Its subsidiary is principally engaged in provision of system development and information technology services in the People’s Republic of China (the “PRC”).

The consolidated interim financial information was approved for issue by the Board of Directors on 29 November 2012.

**2. BASIS OF PREPARATION AND ACCOUNTING POLICIES**

The directors are responsible for preparing the interim financial information in accordance with applicable law and regulations. The interim financial information has been prepared in accordance with International Accounting Standards (“IAS”) 34, “Interim Financial Reporting”, issued by the International Accounting Standard Board (“IASB”). The consolidated interim financial information should be read in conjunction with the annual financial statements for the period from 24 December 2010 (date of incorporation) to 31 March 2012, which have been prepared in accordance with International Financial Reporting Standards (“IFRSs”).

The consolidated interim financial information has been prepared under the historical cost convention.

Except as described below, the accounting policies adopted in the preparation of the consolidated interim financial information are consistent with those used in the preparation of the Group’s annual financial statements for the period from 24 December 2010 (date of incorporation) to 31 March 2012.

Intangible assets

The Group classified the acquired trademarks as intangible assets with an indefinite life in accordance with IAS 38 Intangible Assets. Trademarks acquired are stated at cost less any subsequent accumulated impairment losses.

The following new and revised IFRSs are mandatory for the first time for the financial year beginning 1 April 2012, but are not currently relevant or do not have significant impact on the amounts reported in the consolidated interim financial information and/or disclosures set out in the consolidated interim financial information.

IFRS 1 (Amendments)	Severe Hyperinflation and Removal of Fixed Dated for First-time - Adopters
IFRS 7 (Amendments)	Disclosures - Transfers of Financial Assets
IFRS 12 (Amendments)	Deferred Tax - Recovery of Underlying Assets



**TTG MOBILE COUPON SERVICES LIMITED**  
**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012**

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**2. BASIS OF PREPARATION AND ACCOUNTING POLICIES (Continued)**

The Group did not early adopt the following IAS, IFRS and IFRIC interpretation that have been issued up to the date of approval of the consolidated interim financial information.

		Effective for accounting periods beginning on or after
IAS 1 (Amendment)	Presentation of Financial Statements - Amendments to Revise the Way Other Comprehensive Income is Presented	1 July 2012
IAS 19 (Revised)	Employee Benefits – Amended Standard Resulting from the Post-Employment Benefits and Termination Benefits Projects	1 January 2013
IAS 27 (Revised)	Consolidated and Separate Financial Statements - Reissued as IAS 27 Separate Financial Statements	1 January 2013
IAS 28 (Revised)	Investments in Associates - Reissued as IAS 28 Investments in Associate and Joint Ventures	1 January 2013
IAS 32 (Amendment)	Offsetting Financial Assets and Financial Liabilities	1 January 2014
IFRS 1 (Amendment)	Government Loans	1 January 2013
IFRS 7 (Amendment)	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
IFRS 9 and 7 (Amendment)	Mandatory Effective Date of IFRS 9 and Transition Disclosures	1 January 2015
IFRS 9	Financial Instruments	1 January 2015
IFRS 10	Consolidated Financial Statements	1 January 2013
IFRS 11	Joint Arrangements	1 January 2013
IFRS 12	Disclosure of Interests in Other Entities	1 January 2013
IFRS 13	Fair Value Measurement	1 January 2013
IFRS 10, 11, 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
IFRSs (Amendments)	Annual Improvements to IFRSs 2009-2011 Cycle	1 January 2013

The directors of the Company anticipate that the application of the above standards will have no material impact on the results and the financial position of the Group.

The preparation of the consolidated interim financial information in conformity with IAS 34 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses on a year to date basis. The estimates and associated assumptions are based on historical experience and various other factors believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying amounts of assets and liabilities not readily apparent from other sources. Actual results may differ from these estimates.

**TTG MOBILE COUPON SERVICES LIMITED**  
**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012**

**3. REVENUE**

The revenue from provision of system development and information technology services recognised during the period is as follows:

	Six months ended 30 September	
	2012	2011
	RMB	RMB
	(unaudited)	(unaudited)
Revenue from provision of system development services	689,500	437,500
Revenue from provision of information technology services	43,535	97,923
	<u>733,035</u>	<u>535,423</u>

**4. SEGMENT INFORMATION**

The directors consider that the Group has only one single operating segment as the Group is principally engaged in provision of system development and information technology related services. No geographical information is presented as the Group's customers and operations are located in the PRC.

Revenues from customers contributing 10% or more of the revenue of the Group are as follows:

	Six months ended 30 September	
	2012	2011
	RMB	RMB
	(unaudited)	(unaudited)
Customer A	674,500	-
Customer B	-	270,000
Customer C	-	150,000

**5. OTHER REVENUE AND OTHER INCOME**

	Six months ended 30 September	
	2012	2011
	RMB	RMB
	(unaudited)	(unaudited)
Other revenue		
Interest income on bank deposits	<u>541</u>	<u>140</u>
Total interest income on financial assets not at fair value through profit or loss	<u>541</u>	<u>140</u>
Other income		
Waiver of debt by a related company (note 15(b))	153,220	-
Exchange gain	-	19,653
Sundry income	<u>2,446</u>	<u>-</u>
	<u>155,666</u>	<u>19,653</u>



**TTG MOBILE COUPON SERVICES LIMITED**  
**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012**

**6. LOSS BEFORE TAXATION**

Loss before taxation is arrived at after charging:

	Six months ended 30 September	
	2012	2011
	RMB	RMB
	(unaudited)	(unaudited)
Depreciation	140,426	5,651
Impairment loss of intangible assets	200,000	-
Listing expenses	300,583	-
Operating lease charges in respect of properties		
- minimum lease payments	163,650	51,840
Staff costs (including directors' emoluments)		
- Salaries and allowances	2,240,110	249,560
- Contribution to defined contribution retirement plan	91,230	2,155

**7. INCOME TAX EXPENSES**

No Hong Kong Profits Tax has been made as the Group has no estimated assessable profits arising in Hong Kong for the six months ended 30 September 2012 (2011: Nil).

The subsidiary is subject to PRC enterprise income tax at 25%. Pursuant to a notice issued by the tax authority on 5 April 2012, the subsidiary is exempted from PRC enterprise income tax for two years starting from the first year of profitable operations after offsetting prior year losses, followed by a 50% reduction for the next three years. No provision for PRC enterprise income tax has been made in the consolidated interim financial information as the PRC subsidiary sustained a loss during the period.

**8. LOSS PER SHARE**

Basic

The calculation of basic loss per share is calculated by dividing the loss attributable to owners of the Company by the weighted average number of ordinary shares in issue during the period.

	Six months ended 30 September	
	2012	2011
	RMB	RMB
	(unaudited)	(unaudited)
Loss for the period attributable to owners of the Company	(5,793,791)	(363,012)
Weighted average number of ordinary shares in Issue*	617,518,270	600,000,000

\*The number of ordinary shares has been adjusted to take into account the adjustment to the number of shares for the share subdivision.

**TTG MOBILE COUPON SERVICES LIMITED**  
**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012**

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**8. LOSS PER SHARE (Continued)**

Diluted

As there are no dilutive potential ordinary shares, the diluted loss per share is equal to the basic loss per share.

**9. DIVIDEND**

The directors resolved not to pay any interim dividend for the six months ended 30 September 2012 (2011: Nil).

**10. PROPERTY, PLANT AND EQUIPMENT, NET**

The changes in property, plant and equipment during the period are as follows:

	<u>RMB</u>
<b>Carrying amount at 1 April 2012</b>	1,245,364
Additions	404,784
Depreciation charge for the period	<u>(140,426)</u>
<b>Carrying amount at 30 September 2012</b>	<u>1,509,722</u>

**11. INTANGIBLE ASSETS, NET**

	<u>RMB</u>
<b>Carrying amount at 1 April 2012</b>	-
Additions	200,000
Impairment loss	<u>(200,000)</u>
<b>Carrying amount at 30 September 2012</b>	<u>-</u>

For the six months ended 30 September 2012, the directors considered that recoverable amount of the trademarks was insignificant, therefore, the trademarks were fully impaired.

**TTG MOBILE COUPON SERVICES LIMITED**  
**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION**  
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**12. TRADE AND OTHER RECEIVABLES**

		As at 30 September 2012 RMB <u>(unaudited)</u>	As at 31 March 2012 RMB <u>(audited)</u>	As at 30 September 2011 RMB <u>(unaudited)</u>
	<u>Note</u>			
Trade receivables	(a)	199,500	180,000	-
Other receivables	(b)	72,639	258,161	4,368
Amount due from a director	(b)	204,514	-	-
Amount due from a shareholder	(c)	330,069	327,347	-
	and			
	15(c)			
Amount due from a related company	15(c)	-	-	305,085
Loans and receivables		806,722	765,508	309,453
Prepayments and deposits		112,332	428,416	225,000
		<u>919,054</u>	<u>1,193,924</u>	<u>534,453</u>

Note

- a) Trade receivable is due within 150 days from the date of billing. There are no trade receivables impaired for the period. The Group does not hold any collateral over these balances. The ageing analysis of trade receivable presented based on invoice date at the end of the reporting period that are neither nor collectively considered to be impaired are as follows:

	As at 30 September 2012 RMB <u>(unaudited)</u>	As at 31 March 2012 RMB <u>(audited)</u>	As at 30 September 2011 RMB <u>(unaudited)</u>
0-30 days	<u>199,500</u>	<u>180,000</u>	<u>-</u>

- b) As at 31 March 2012, there was an amount of RMB251,521 due from a debtor (the "Debtor") included in other receivables. On 14 May 2012, Mr. Xiong Qiang, a director of the Company, gave a guarantee in respect of the amount of RMB251,521 due from the Debtor. Under the guarantee, if the Debtor was unable to repay the amount of RMB251,521 due by the Debtor to the Company before 30 August 2012, Mr. Xiong Qiang shall repay the same amount on behalf of the Debtor to the Company. Since the Debtor was unable to repay the amount due to the Company on 30 August 2012, Mr. Xiong Qiang agree to repay the same amount on behalf of the Debtor to the Company before 31 December 2012. As at 30 September 2012, an amount of RMB 49,056 has been set off with the amount due to Mr. Xiong Qiang leaving a balance of RMB 204,514 classified as amount due from a director.
- c) The amount due from a shareholder is unsecured, interest-free and repayable on demand.



**TTG MOBILE COUPON SERVICES LIMITED**  
**NOTES TO THE CONSOLIDATED INTERIM FINANCIAL INFORMATION**  
**FOR THE SIX MONTHS ENDED 30 SEPTEMBER 2012**

**13. OTHER PAYABLES**

		As at 30 September 2012 RMB	As at 31 March 2012 RMB	As at 30 September 2011 RMB
	<u>Note</u>	<u>(unaudited)</u>	<u>(audited)</u>	<u>(unaudited)</u>
Other payables and accruals		975,715	940,290	212,514
Amounts due to directors	15(c)	124,810	81,131	81,086
Amount due to a related party	15(c)	10,255	56,700	28,350
Amount due to a related company	15(c)	-	169,420	59,305
Amounts due to shareholders	(a)	293,787	-	-
Payable for purchase of computer equipment		-	600,000	-
Financial liabilities measured at amortised cost		1,404,567	1,847,541	381,255
Advance from a customer		204,400	-	-
Business tax and other levies payables		27,001	30,598	5,919
		<u>1,635,968</u>	<u>1,878,139</u>	<u>387,174</u>

Note

a) The amounts due to shareholders are unsecured, interest-free and have no fixed terms of repayment.

**14. SHARE CAPITAL**

	<u>Note</u>	Number of ordinary shares of HK\$0.01 per share	Number of ordinary shares of HK\$0.002 per share	<u>HK\$</u>	<u>RMB equivalent</u>
<b>Authorised:</b>					
At 1 April 2011 and 30 September 2011		125,000,000	-	1,250,000	1,013,575
At 1 April 2012		125,000,000	-	1,250,000	1,013,575
Share subdivision	(a)	(125,000,000)	625,000,000	-	-
Increase in authorised share capital	(b)	-	375,000,000	750,000	612,295
At 30 September 2012		-	1,000,000,000	2,000,000	1,625,870
<b>Issued and fully paid up:</b>					
At 1 April 2011 and 30 September 2011		100,000,000	-	1,000,000	810,860
At 1 April 2012		117,912,500	-	1,095,813	888,550
Issuance of new shares	(c)	-	-	83,312	67,607
Issuance of new shares	(d)	2,087,500	-	20,875	16,958
Placing of new shares	(e)	5,000,000	-	50,000	40,718
Share subdivision	(a)	(125,000,000)	625,000,000	-	-
Issuance of new shares	(f)	-	5,911,400	11,823	9,619
At 30 September 2012		-	630,911,400	1,261,823	1,023,452

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**14. SHARE CAPITAL (Continued)**

Note:

- a) Pursuant to a written resolution passed by all the shareholders of the Company on 28 May 2012, the authorised share capital comprising 125,000,000 ordinary shares of HK\$0.01 each be subdivided into 625,000,000 ordinary shares of HK\$0.002 each.
- b) Pursuant to a written resolution passed by all the shareholders of the Company on 12 September 2012, the authorised share capital of the Company was increased from HK\$1,250,000 to HK\$2,000,000 by the creation of 375,000,000 ordinary shares of HK\$0.002 each.
- c) Pursuant to a written resolution passed by all the directors of the Company on 15 December 2011, the Company allotted and issued 16,662,500 ordinary shares with par value of HK\$0.01 each at US\$0.06 per share for a total cash consideration of US\$1,000,000 (equivalent to RMB6,324,708) of which US\$500,000 (equivalent to RMB3,162,353) were paid up as at 31 March 2012 and US\$489,319 (equivalent to RMB3,094,798) has been credited to share premium account. The remaining balance of US\$500,000 was paid up on 11 April 2012.
- d) Pursuant to a written resolution passed by all the directors of the Company on 23 April 2012, the Company allotted and issued 2,087,500 ordinary shares at par value of HK\$0.01 for a total cash consideration of HK\$20,875 (equivalent to RMB16,958) as additional capital of the Company. All the 2,087,500 ordinary shares were fully paid up upon allotment.
- e) On 17 July 2011, the Company entered into a placing agreement with Investorlink China Limited for placing of 1,250,000 ordinary shares at US\$0.2 per share and 5,000,000 ordinary shares at US\$0.35 per share for a total cash consideration of US\$2,000,000 (equivalent to RMB12,649,416) as additional capital of the Company. Placement of the 1,250,000 ordinary shares for US\$250,000 (equivalent to RMB1,581,177) was completed on 1 February 2012. On 18 May 2012, the Company allotted and issued remaining 5,000,000 ordinary shares of HK\$0.01 each for a cash consideration of US\$1,750,000 (equivalent to RMB11,116,088) out of which US\$1,743,590 (equivalent to RMB11,075,370) has been credited to share premium account. All the ordinary shares were fully paid up upon allotment.
- f) Pursuant to a written resolution passed by all the directors of the Company on 25 September 2012, the Company allotted and issued 5,911,400 ordinary shares of HK\$0.002 each for a total cash consideration of HK\$14,310,081 (equivalent to RMB11,643,204) as additional capital of the Company. The premium of RMB11,633,585 upon issuance of the ordinary shares was credited to the share premium account. All the 5,911,400 ordinary shares were fully paid up upon allotment.



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**15. MATERIAL RELATED PARTY TRANSACTIONS**

The Group has entered into the following material related party transactions during the period.

a) Transactions with key management personnel

All members of key management personnel are the directors of the Company. The remuneration of key management during the period was as follows:

	Six months ended 30 September	
	2012	2011
	RMB	RMB
	(unaudited)	(unaudited)
Directors' emoluments	187,810	-

b) Transactions with other related parties

During the period, the Group entered into the following material related party transactions:

			Six months ended	
			30 September	
<u>Name of related party</u>	<u>Nature of transaction</u>	<u>Note</u>	2012	2011
			RMB	RMB
			(unaudited)	(unaudited)
Shenzhen Bozhong Communication Technology Company Limited *	Provision of information technology services and service income received	i	-	150,000
(深圳市伯仲通信技術有限公司)				
	Provision of office premises		-	-
Shenzhen Matrix Cube Network Technology Company Limited *	Provision of information technology services and service income received	ii	-	270,000
(深圳市矩陣魔方網絡科技有限公司)				

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**15. MATERIAL RELATED PARTY TRANSACTIONS (Continued)**

b) Transactions with other related parties (Continued)

<u>Name of related party</u>	<u>Nature of transaction</u>	<u>Note</u>	Six months ended 30 September	
			2012 RMB	2011 RMB
			<u>(unaudited)</u>	<u>(unaudited)</u>
Shenzhen Bobo Information Technology Company Limited * (深圳市播播信息技術有限公司)	Waiver of debt by a related company	iii	153,220	-
	Purchase of trade marks from a related company	iv	200,000	-
Investorlink Corporate Limited	Legal and professional fees	v	194,810	-
Investorlink Securities Limited	Commission expenses	v	8,668	-

\*The English translation of the companies name are for reference only. The official name of these companies are in Chinese.

Note:

- i) Ms. Ling Fong, an ex-director of the subsidiary and the wife of Mr. Xiong Qiang, a director and a shareholder of the Company is the director and major shareholder of Shenzhen Bozhong Communication Technology Company Limited.
- ii) Mr. Xiong Qiang, a director and a shareholder of the Company, and Ms. Ling Fong, the wife of Mr. Xiong Qiang and an ex-director of the subsidiary, are the directors and shareholders of Shenzhen Matrix Cube Network Technology Company Limited.
- iii) On 29 April 2012, Shenzhen Bobo Information Technology Company Limited entered into an agreement with the subsidiary, pursuant to which Shenzhen Bobo Information Technology Company Limited waived the amount of RMB153,220 due by the subsidiary. Mr. Xiong Qiang, a director and a shareholder of the Company, is a director and major shareholder of Shenzhen Bobo Information Technology Company Limited.
- iv) On 26 April 2012, the subsidiary entered into an agreement to acquire trademarks from Shenzhen Bobo Information Technology Company Limited for a consideration of RMB200,000.
- v) Mr. Benson Ross and Mr. Ryan Christopher, the directors of the Company, are also the directors of Investorlink Corporate Limited and Investorlink Securities Limited.

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**15. MATERIAL RELATED PARTY TRANSACTIONS (Continued)**

c) The Group had the following material balances with related parties as follows:

<u>Name of related party</u>	<u>Note</u>	As at 30 September 2012 RMB (unaudited)	As at 31 March 2012 RMB (audited)	As at 30 September 2011 RMB (unaudited)
Amount due from a director				
- Mr. Xiong Qiang	(i)	204,514	-	-
Amount due to a related party				
- Ms. Ling Fang	(i)	(10,255)	(56,700)	(28,350)
Amounts due to directors				
- Mr. Chow Ki Shui Louie	(i)	(122,685)	(81,131)	(81,086)
- Ms. Wu Lin Yan	(i)	(2,125)	-	-
Amount due from/(to) a related company				
- Shenzhen Bobo Information Technology Company Limited	(ii)	-	(169,420)	305,085
- Shenzhen Matrix Cube Network Technology Company Limited	(iii)	-	-	(59,305)

Note:

- i) The balances with Ms. Ling Fang, the wife of Mr. Xiong Qiang and an ex-director of the subsidiary, Mr. Xiong Qiang, Mr. Chow Ki Shui Louie and Ms. Wu Lin Yan were unsecured, interest free and repayable on demand.
- ii) The amount was unsecured, interest free and repayable on demand. On 29 April 2012, the related company waived an amount of RMB153,220 due by the Company. Therefore, the amount of RMB153,220 was credited to the consolidated statement of comprehensive income.
- iii) The amount was unsecured, interest free and repayable on demand.



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**16. OPERATING LEASE COMMITMENT**

At 30 September 2012, the Company had commitments for future minimum lease payments under operating leases in respect of properties which fall due as follows:

	As at 30 September 2012 RMB (unaudited)	As at 31 March 2012 RMB (audited)	As at 30 September 2011 RMB (unaudited)
Within 1 year	<u>158,650</u>	<u>145,268</u>	<u>-</u>

The lease typically run for an initial period of 1 year, with an option to renew the lease when all terms are renegotiated. None of the leases includes contingent rentals.

**17. CAPITAL COMMITMENT**

At 30 September 2012, the Company had capital commitments not provided for in the financial statements were as follows:

	As at 30 September 2012 RMB (unaudited)	As at 31 March 2012 RMB (audited)	As at 30 September 2011 RMB (unaudited)
Contracted but not provided for - Capital contribution to the subsidiary	<u>5,069,120</u>	<u>7,297,740</u>	<u>-</u>

**18. EVENTS AFTER THE END OF THE REPORTING PERIOD**

On 11 October 2012, the Company issued a prospectus to make an initial public offering of 2,000,000 CHES Depositary Interests ("CDI") (equivalent to 2,000,000 shares) to the public to raise A\$1,200,000 with up to a further A\$1,200,000 of oversubscriptions. The offer was fully over subscribed and the Company issued and allotted 4,000,000 CDIs at A\$0.6 each, raising a capital of A\$2,400,000. The Company applied to the Australian Stock Exchange (the "ASX") for admission to the official list of the ASX and quotation of the CDIs. The trading of CDIs commenced on 27 November 2012.

**19. CONTINGENT LIABILITIES**

As mentioned in note 14(c) to the consolidated interim financial information, the Company allotted and issued 16,662,500 ordinary shares on 15 December 2011. On the same date, the Company submitted a Return of Allotments ("Form SC1") to the Hong Kong Companies Registry (the "HKCR") in relation to the allotment. In April 2012, the directors discovered that the share premium was omitted and the issued shares were mistakenly stated as fully paid up as at 15 December 2011 in the Form SC1. Therefore, the Company submitted an amended return of allotments ("First Amended Form") to the HKCR on 25 April 2012.

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**19. CONTINGENT LIABILITIES (Continued)**

However, the directors discovered that the issued shares were also mistakenly stated as fully paid up as at 15 December 2011 in the First Amended Form. In fact only HK\$38,452 (equivalent to RMB) out of the total consideration of HK\$166,625 (equivalent to RMB135,110) was paid up during the period from 15 December 2011 to 20 December 2011. Consequently, the Company filed another amended return of allotments to correct this error on 28 May 2012.

According to the legal opinion from the Company's legal adviser, Section 45(1)(a) of the Hong Kong Companies Ordinance ("Companies Ordinance") provides that, whenever a company limited by shares or a company limited by guarantee and having a share capital makes any allotment of its shares, the company shall within 1 month thereafter deliver to the HKCR for registration a return of the allotments in the specified form, in English or Chinese, stating the number and nominal amount of the shares comprised in the allotment, the names and addresses of the allottees, and the amount, if any, paid or due and payable on each share whether on account of the nominal value of the share or by way of premium. Section 45(3) of the Companies Ordinance provides that, if default is made in complying with this section (i.e. Section 45 of the Companies Ordinance), the company and every officer of the company who is in default shall be liable to a default fine and, for continued default, to a daily default fine. Since certain of the information contained in the First Amended Form and Second Amended Form were incorrect, such errors could be regarded as non-compliance with Section 45(1)(a) of the Companies Ordinance and if that is the case, the Company and every officer of the Company who is in default may be liable to a default fine of HK\$50,000 (equivalent to RMB40,543) and, for continued default, to a daily default fine of HK\$700 (equivalent RMB568) under Section 45(3) of the Companies Ordinance. Having taken into account the legal opinion, the directors estimate that the total fine calculated up to 31 March 2012 is approximately HK\$103,000 (equivalent to RMB83,519) and the directors considered that the possibility for the Company to pay the aforesaid default fine and daily default fine is remote and therefore no provision is made in the interim financial information. During the period, the Company has communicated and resolved the matter with the HKCR. Therefore, the directors considered that the Company has fulfilled the requirements under Section 45(1)(a) of the Hong Kong Companies Ordinance.