THEME INTERNATIONAL HOLDINGS LIMITED
榮暉國際集團有限公司

(Incorporated in Bermuda with limited liability)

(Stock Code: 990)

ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2015

The board (the "**Board**") of directors (the "**Directors**") of Theme International Holdings Limited (the "**Company**") announces the audited consolidated results of the Company and its subsidiaries (collectively referred to as the "**Group**") for the year ended 31 December 2015 together with the comparative figures for the corresponding period in 2014 as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Notes	**2015** ***HK$'000***	2014 *HK$'000*
Revenue	*3*	**55,044**	77,492
Cost of sales		**(42,418)**	(34,296)
Gross profit		**12,626**	43,196
Other income, gain and loss	*4*	**(473)**	(151)
Selling and distribution expenses		**(17,665)**	(44,040)
Administrative expenses		**(18,215)**	(21,258)
Loss from operations		**(23,727)**	(22,253)
Gain on disposal of subsidiaries	*5*	**444**	–
Loss on disposal of a joint venture		**(93)**	–
Loss before taxation		**(23,376)**	(22,253)
Income tax	*6*	**(7)**	–
Loss for the year attributable to owners of the Company	*7*	**(23,383)**	(22,253)

	Notes	**2015** **HK$'000**	2014 HK$'000
Other comprehensive income/(loss):			
Item that will not be reclassified subsequently to profit or loss:			
Remeasurement of defined benefit retirement plans		**–**	71
Item that has been reclassified to profit or loss:			
Exchange differences reclassified to profit or loss upon disposal of subsidiaries		**115**	–
Item that may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		**(801)**	795
		(686)	866
Total comprehensive loss for the year attributable to owners of the Company		**(24,069)**	(21,387)
Loss per share			
– Basic and diluted (HK cents per share)	*9*	**(0.55)**	(0.61)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2015

	Notes	2015 HK$'000	2014 HK$'000
Non-current assets			
Property, plant and equipment		**771**	4,621
Current assets			
Inventories		**122,083**	9,434
Loans to customers	*10*	**65,000**	–
Trade and interest receivables	*11*	**6,381**	3,205
Prepayments, deposits and other receivables		**1,173**	5,170
Cash and bank balances		**12,272**	25,221
		206,909	43,030
Current liabilities			
Trade payables	*12*	**125,042**	17,377
Accruals and other payables		**1,222**	4,261
Dividend payable		**–**	7
Current tax liabilities		**7**	–
Loans from a shareholder		**–**	35,000
		126,271	56,645
Net current assets/(liabilities)		**80,638**	(13,615)
NET ASSETS/(LIABILITIES)		**81,409**	(8,994)
Capital and reserves			
Share capital		**10,965**	9,140
Reserves		**70,444**	(18,134)
TOTAL EQUITY		**81,409**	(8,994)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2015

1. GENERAL INFORMATION

Theme International Holdings Limited is a limited liability company incorporated in Bermuda. The address of its registered office is Claredon House, 2 Church Street, Hamilton HM11, Bermuda. The address of the Company's principal place of business was 12th Floor, Kwan Chart Tower, 6 Tonnochy Road, Wanchai, Hong Kong. Subsequent to end of the reporting period, on 18 March 2016, the principal place of business has been changed to Suite 3604, 36/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong. The Company's shares are listed on The Main Board of The Stock Exchange of Hong Kong Limited.

The Company is an investment holding company. The principal activities of the Company's subsidiaries are provision of loan financing services, distribution and trading and retailing of garments.

2. ADOPTION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS

In the current year, the Group has adopted all the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants that are relevant to its operations and effective for its accounting year beginning on 1 January 2015. HKFRSs comprise Hong Kong Financial Reporting Standards; Hong Kong Accounting Standards; and Interpretations. The adoption of these new and revised HKFRSs did not result in significant changes to the Group's accounting policies, presentation of the Group's financial statements and amounts reported for the current year and prior years.

The Group has not applied the new and revised HKFRS that have been issued but are not yet effective. The Group has already commenced an assessment of the impact of these new and revised HKFRSs but is not yet in a position to state whether these new and revised HKFRSs would have a material impact on its results of operations and financial position.

3. REVENUE AND SEGMENT INFORMATION

(a) Revenue

An analysis of the Group's revenue for the year is as follows:

	2015	2014
	HK$'000	*HK$'000*
Interest income from loans to customers	**730**	–
Sales from trading of goods	**33,225**	–
Retailing of garments	**21,089**	77,492
	55,044	77,492

(b) Segment information

The Group determines its operating segments and measurement of segment profit based on the internal reports to executive directors, the Group's chief operating decision makers, for the purposes of resource allocation and making strategic decision.

During the year ended 31 December 2015, the Group's reportable and operating segments are as follows:

(i) Loan financing services – provision of funds and financial services to third parties in Hong Kong;

(ii) Distribution and trading – trading of chemical materials, commodities and organic food in Hong Kong; and

(iii) Retailing of garments – operation of retail outlets and department store counters in Taiwan.

Segment information and results:

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

Year ended 31 December 2015

	Loan financing services *HK$'000*	**Distribution and trading** *HK$'000*	**Retailing of garments** *HK$'000*	**Total** *HK$'000*
Revenue				
Loan financing services	**730**	**–**	**–**	**730**
Distribution and trading	**–**	**33,225**	**–**	**33,225**
Retailing of garments	**–**	**–**	**21,089**	**21,089**
Total segment revenue	**730**	**33,225**	**21,089**	**55,044**
Segment (loss)/profit	**(3,620)**	**75**	**(12,319)**	**(15,864)**
Unallocated other income, gain and loss				**1,455**
Gain on disposal of subsidiaries				**444**
Loss on disposal of a joint venture				**(93)**
Corporate expenses				**(9,318)**
Loss before taxation				**(23,376)**

Year ended 31 December 2014

	Retailing of garments *HK$'000*	Total *HK$'000*
Total segment revenue		
Retailing of garments	77,492	77,492
Segment loss		(8,051)
Unallocated other income, gain and loss		(197)
Corporate expenses		(14,005)
Loss before taxation		(22,253)

The accounting policies of the reportable and operating segment are the same as the Group's accounting policies. Segment result represents the profit earned by each segment without allocation of, certain other income, certain other gains and losses and taxation. This is the measure reporting to the executive directors for the purposes of resource allocation and making strategic decision

Segment assets and liabilities:

The following is an analysis of the Group's assets and liabilities by reportable segment:

As at 31 December 2015

	Loan financing services	**Distribution and trading**	**Retailing of garments**	**Total**
	HK\$'000	*HK\$'000*	*HK\$'000*	*HK\$'000*
Segment assets	**66,805**	**128,002**	**4,251**	**199,058**
Unallocated property, plant and equipment				**6**
Unallocated prepayments, deposits and other receivables				**560**
Unallocated cash and bank balances				**8,056**
Consolidated assets				**207,680**
Segment liabilities	**91**	**121,627**	**3,836**	**125,554**
Unallocated accruals and other payables				**717**
Consolidated liabilities				**126,271**

As at 31 December 2014

	Retailing of garments *HK$'000*	Total *HK$'000*
Segment assets	23,568	23,568
Unallocated property, plant and equipment		1,989
Unallocated inventories		482
Unallocated prepayments, deposits and other receivables		1,193
Unallocated cash and bank balances		20,419
Consolidated assets		47,651
Segment liabilities	21,159	21,159
Unallocated accruals and other payables		479
Dividend payable		7
Loans from a shareholder		35,000
Consolidated liabilities		56,645

Other segment information:

	Loan financing services ***HK$'000***	**Retailing of garments** ***HK$'000***	**Total** ***HK$'000***
Year ended 31 December 2015			
Amounts included in the measure of segment results or segment assets:			
Additions of property, plant and equipment	**802**	**662**	**1,464**
Depreciation of property, plant and equipment	**83**	**1,047**	**1,130**

	Retailing of garments HK$'000	Total HK$'000
Year ended 31 December 2014		
Amounts included in the measure of segment results or segment assets:		
Additions of property, plant and equipment	1,379	1,379
Depreciation of property, plant and equipment	2,262	2,262

Geographical information:

	Revenue		**Non-current assets**	
	2015	2014	**2015**	2014
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*
Hong Kong	**33,955**	–	**725**	183
The Peoples' Republic of China (the "**PRC**")	**–**	–	**–**	1,806
Taiwan	**21,089**	77,492	**46**	2,632
	55,044	77,492	**771**	4,621

In presenting the geographical information, revenue is based on the locations of the customers.

Information about major customers:

Revenue from one (2014: nil) customer from the Group's distribution and trading business segment contributing over 10% of the total revenue of the Group represents approximately HK$27,139,000 (2014: nil) of the Group's total revenue.

4. OTHER INCOME, GAIN AND LOSS

	2015	2014
	HK$'000	*HK$'000*
Interest income	**17**	17
Others	**1,703**	130
Exchange loss, net	**(335)**	(197)
Loss on disposals of property, plant and equipment	**(1,858)**	(101)
	(473)	(151)

5. DISPOSAL OF SUBSIDIARIES

On 9 April 2015, the Group disposed of its entire interests in City Code Investments Limited and its subsidiary, Zhongshan City Hewan Stone Technology Limited* (中山市合萬石材科技有限公司). The principal activity of City Code Investments Limited was investment holding and Zhongshan City Hewan Stone Technology Limited* was previously principally engaged in trial production of environmental building materials.

Net assets at the date of disposal were as follows:

	HK$'000
Property, plant and equipment	2,225
Inventories	482
Prepayment, deposits and other receivables	44
Cash and bank balances	3,759
Accruals and other payables	(243)
Shareholder's loan	(8,411)
Net assets disposed of	(2,144)
Assignment of shareholder's loan	8,411
Release of foreign currency translation reserve	115
Direct cost to the disposal	14
Gain on disposal of subsidiaries	444
Total consideration – satisfied by cash	6,840
Net cash inflow arising on disposal:	
Cash consideration received	6,840
Cash paid for direct cost	(14)
Cash and cash equivalents disposed of	(3,759)
	3,067

* *for identification purpose only*

6. INCOME TAX

	2015	2014
	HK$'000	*HK$'000*
Current tax	**7**	–

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profits in respect of the Group's operating entities in Hong Kong for the year (2014: nil). The profit tax rate prevailing in Taiwan is 17% for both years. No provision for Taiwan profit tax in both years as the Group has no assessable profit arising in Taiwan.

The reconciliation between the income tax and loss before taxation is as follows:

	2015	2014
	HK$'000	*HK$'000*
Loss before taxation	**23,376**	22,253
Notional tax on loss before taxation, calculated at the rates applicable in the jurisdiction concerned	**(3,906)**	(3,783)
Tax effect on income that is not taxable	**(245)**	(1)
Tax effect of expenses that are not deductible	**325**	673
Tax losses not recognised	**3,833**	3,136
Others	**–**	(25)
	7	–

At the end of the reporting period, subject to agreement with tax authorities, the Group has unused tax losses of approximately HK$409,049,000 (2014: HK$388,626,000) available for offset against future profits. No deferred tax asset has been recognised due to the unpredictability of future profit streams. Included in unused tax losses are losses of approximately HK$48,705,000 (2014: HK$39,174,000) that will expire on or before 2024 (2014: 2023), other tax losses may be carried forward indefinitely.

7. LOSS FOR THE YEAR

The Group's loss for the year is stated after charging the following

	2015	2014
	HK$'000	*HK$'000*
Cost of inventories recognised as expenses (included net reversal of allowance of approximately HK$1,724,000 (2014: HK$729,000) for obsolete inventories *(note a)*)	**42,418**	34,296
Depreciation of property, plant and equipment	**1,415**	2,582
Auditor's remuneration	**500**	916
Operating lease rentals in respect of rented premises	**7,221**	9,869
Contingent rents *(note b)*	**–**	11,238
Directors' remuneration	**2,800**	2,337
Other staff costs		
– salaries, bonuses and allowances	**12,012**	19,784
– retirement benefits scheme contributions	**472**	963
	12,484	20,747

Notes:

(a) Excess obsolete inventory provisions were reversed when the relevant inventories were sold.

(b) The contingent rents are determined based on a certain percentage of the gross sales of the relevant shops when the sales meet certain specified levels.

8. DIVIDEND

The Directors do not recommend the payment of any dividend in respect of the year ended 31 December 2015 (2014: nil).

9. LOSS PER SHARE

(a) Basic loss per share

The calculation of basic loss per share attributable to owners of the Company was based on the loss for the year attributable to owners of the Company of approximately HK$23,383,000 (2014: HK$22,253,000) and the weighted average number of 4,277,820,000 (2014: 3,655,820,000) ordinary shares in issue during the year.

(b) Diluted loss per share

Diluted loss per share does not assume the exercise of the Company's share options as the exercise of the Company's share options would result in a decrease in loss per share.

10. LOANS TO CUSTOMERS

	2015	2014
	HK$'000	*HK$'000*
Loans to customers	**65,000**	–

The fixed-rate loans receivable of HK$65,000,000 under the Group's loan financing services operation as at 31 December 2015 represent loan advances to two independent third parties which are secured by the pledge of certain shares in a private company and personal guarantees. The average interest rate for the loans receivable was ranging from 10% to 15.6% (2014: nil) per annum.

The loan made available to customers depends on management's assessment of credit risk on the customers by evaluation on background check and repayment abilities. The Group determines the allowance of impaired debts based on the evaluation of collectability and aged analysis of accounts and on the management's judgment, including assessment of change of credit quality and the past collection history of each customer. There are no loans to customers which were past due at the end of reporting period and the Directors consider that no impairment was necessary.

Aging analysis

Aging analysis of loans to customers prepared based on loan commencement or renewal date set out in the relevant contracts is as follows:

	2015	2014
	HK$'000	*HK$'000*
Less than 1 month	**60,000**	–
7 to 12 months	**5,000**	–
	65,000	–

Aging analysis of loans to customer prepared based on contractual due date is as follows:

	2015	2014
	HK$'000	*HK$'000*
Not yet past due	**65,000**	–

Loans to customers that were neither past due nor impaired related to customers for whom there was no recent history of default. Impairment provisions are recognised for financial reporting purposes only for losses that have incurred at the end of reporting period based on objective evidence of impairment.

A summary of the principal of the collateralised and non-collateralised loans to customers at the end of the reporting period is as follows:

	2015	2014
	HK$'000	*HK$'000*
Collateralised	**60,000**	–
Non-collateralised but with guarantee	**5,000**	–
	65,000	–

The fair value of collaterals, as assessed by the management, at loans' inception date is not less than the principal amount of the relevant loans.

11. TRADE AND INTEREST RECEIVABLES

	2015	2014
	HK$'000	*HK$'000*
	6,381	3,205

Trade and interest receivable from third parties mainly represent receivables from department stores in relation to the collection of sales proceeds from concessionaire sales of merchandise to customers and interest receivables from loans to customers. The average credit period granted to the department stores is 90 days (2014: 60 days).

The aging analysis of trade and interest receivables, based on the invoice date or interst due date, and net of allowance, is as follows:

	2015	2014
	HK$'000	*HK$'000*
Not yet due or within 90 days	**6,378**	3,205
91 days to 180 days	**3**	–
	6,381	3,205

The Group has policy of providing allowance for bad and doubtful debts which is based on the evaluation of collectability and age of accounts and on management's judgment including credit worthiness and past collection history of each debtor.

In determining the recoverability of the trade receivables, the Group considers any changes in the credit quality of the trade receivable from the date credit was initially granted up to the end of the reporting period. The concentration of credit risk is limited due to the customer base being large and unrelated. Accordingly, the Directors believe that no allowance for bad and doubtful debts is required. No allowance for bad and doubtful debts are provided for trade receivables during the year and at the end of the reporting period.

12. TRADE PAYABLES

	2015	2014
	HK$'000	*HK$'000*
Trade payables	**125,042**	17,377

The aging analysis of trade payables, based on the date of receipt of goods, is as follows:

	2015	2014
	HK$'000	*HK$'000*
Within 90 days	**121,629**	3,160
91 days to 180 days	**–**	346
181 days to 360 days	**–**	6,297
Over 360 days	**3,413**	7,574
	125,042	17,377

MANAGEMENT DISCUSSION AND ANALYSIS

Theme International Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") are principally engaged in (i) retailing garments through the operation of retail outlets and department store counters in Taiwan; (ii) loan financing services in Hong Kong; and (iii) trading of chemical materials, commodities and organic food in Hong Kong.

FINANCIAL REVIEW

Revenue, loss for the year and basic loss per share of the Group for the years ended 31 December 2015 and 2014 are summarised as follows:

	Revenue		**Loss for the year**		**Basic loss per share**	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
	HK\$'000	*HK\$'000*	***HK\$'000***	*HK\$'000*		
From operations	**55,044**	77,492	**(23,383)**	(22,253)	**HK(0.55) cents**	HK(0.61) cents

The Group recorded total revenue of approximately Hong Kong dollars ("**HK\$**") 55,044,000 (2014: approximately HK\$77,492,000) for the year ended 31 December 2015 (the "**Year**") representing a decrease of approximately 28.9% over last corresponding year. Due to the highly competitive business environment in Taiwan's garment retailing business and the close down of loss making shops and counters in Taiwan, the Group recorded a decrease in garment retailing revenue of approximately HK\$56,403,000 in the Year as compared to last corresponding year. The decrease in revenue was partly offset by the increase in revenue generated from new business segments that commenced in the Year – loan financing services business and distribution and trading business, which contributed a revenue of approximately HK\$730,000 and approximately HK\$33,225,000 respectively.

Gross profit margin of the Group decreased to approximately 23% for the Year from approximately 56% in 2014. The new distribution and trading business provides a steady income stream to the Group but at a much lower gross profit ratio as compared to the high gross profit garment retail segment, therefore, lowering the overall gross profit of the Group in the Year.

Loss for the year increased slightly from approximately HK\$22,253,000 for the year ended 31 December 2014 to approximately HK\$23,383,000 for the Year. The increase in loss for the year was due to the decrease in revenue and the drop in gross profit margin. However, as compared to the loss for the six months period in the first half of 2015 of approximately HK\$17,734,000, the Group has successfully reduced the loss in the second half of 2015 to approximately HK\$5,649,000. The improvement is mainly a result of the closure of the loss making shops and counters in Taiwan during the second half of year.

Basic loss per share decreased slightly to HK0.55 cents for the Year from HK0.61 cents for the year ended 31 December 2014.

BUSINESS REVIEW

Prior to 2015, the Group principally engaged only in retailing garments through the operation of retail outlets and department store counters in Taiwan through Taiwan Vision Company Limited ("**TVCL**"), a wholly-owned subsidiary of the Company.

The Group has recorded losses for the last five consecutive financial years. In view of the unsatisfactory performance of the Group and as part of the business plan as stated in the annual report of the Company for the year ended 31 December 2014, the Group has been exploring and evaluating new businesses and investment opportunities which could be of good potential and/or long-term benefits to the Group and the shareholders of the Company ("**Shareholders**"). After evaluating many different options available to the Group, in April and May 2015, the Group commenced its loan financing services business and distribution and trading business respectively.

The performance of the three segments of the Group are as follows:

(i) Retailing of garments

The Group has recorded a segment loss from the garment retailing business of approximately HK$12,319,000 for the Year, an increase of approximately 53% from approximately HK$8,051,000 for the year ended 31 December 2014. The increase in segment loss from garment retailing is mainly due to the decrease in revenue, increased competition in Taiwan's garment retailing business and increase of one-off closure expenses of the loss making shops and counters.

The segment has been recording losses in the last five consecutive financial years. For the two years ended 31 December 2013 and 2014, the Group recorded segment losses for the year from garment retailing segment of approximately HK$7,484,000 and approximately HK$8,051,000 respectively. In November 2015, taking into consideration of the current business performance of TVCL, the continuous increase in operating cost and the highly competitive environment in garments retail business in Taiwan, the board of the Company (the "**Board**") after careful consideration resolved to gradually scale down the relevant garment business in Taiwan with a view to further evaluate the business strategy in Taiwan from time to time.

In March 2016, in view of the continuous need of capital and recurring losses in last five financial years, the Board has further resolved to cease the garment retailing business after the remaining inventory was sold. The Board believes this is to the best interest to the Group and its shareholders as to prevent incurring further loss from the garment retailing segment.

(ii) Loan financing services

As disclosed in the annual report of the Company for the year ended 31 December 2014, the Group initiated the application process for the money lenders licence and filed an application on 24 February 2015. The Licencing Court (as defined under Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong)) has granted a money lenders licence to Asia Develop Limited, a wholly-owned subsidiary of the Company on 4 June 2015 for a period of 12 months.

During the Year, the Group has granted out loans of an aggregate principal amount of HK$65,000,000. The loans carries a fixed interest rate of 10% to 15.6% and provides a steady income stream to the Group. Loan interest income of approximately HK$730,000 was recorded by the wholly-owned subsidiary of the Company, Asia Develop Limited, which holds a Money Lenders Licence, during the Year. Details of the HK$60,000,000 loan granted to Golden Empires Limited, the largest loan granted by the Group, is included in "Advance to an Entity" section below.

(iii) Distribution and trading

The Group has also tapped into distribution and trading business since May 2015. The new distribution and trading business generated additional revenue of approximately HK$33,225,000 during the Year and the segment has recorded a profit of approximately HK$75,000 for the Year. The Company is planning to further develop into the distribution and trading business in 2016.

FUTURE PROSPECTS

In view of the highly competitive business environment in retailing garments and with reference to the past poor financial performance of the Group, the Group has decided to cease its operations in garment retailing segment and to focus its resources in the loan financing services business and distribution and trading business in 2016.

(i) Loan financing services

As at 31 December 2015, the Group has granted out a total of HK$65,000,000 loan to customers, in which HK$5,000,000 will be due in April 2016 and HK$60,000,000 will be due in December 2016. The Group will seek to renew the existing contracts with the customers upon maturity. Meanwhile, the Group plans to utilise its existing resources to continue to develop its loan financing business and the Group will continue to carry out its loan review and further develop loan financing operation.

The Group's target customers are corporate customers in Hong Kong, with target loans denominated in Hong Kong dollars and are made for a period of one year in general but could be extended on mutual agreement, and carried interest at fixed rates ranging from 10% to 16% per annum. The loans are either secured or guaranteed.

(ii) Distribution and trading

The Group has tapped into trading business since May 2015 and has recorded a trading volume of approximately HK$33,225,000 during the Year. The Group is planning to further develop into the distribution and trading business by entering the iron ore market.

In December 2015, the Group entered into two iron ore purchase contracts with the total purchase amount of the contracts approximately US$15.69 million, equivalent to approximately HK$122.40 million, which payment was due and settled in January 2016. After year end, the Group has further entered into two sales contract with one of the largest iron ore trader in the PRC, whose ultimate beneficial owners are independent third parties. The total sales amount of the contracts is approximately US$15.76 million, equivalent to approximately HK$122.90 million.

The Group has further concluded a few iron ore contracts in 2016 and the Group is in ongoing negotiation with the current supplier for the purchase of further iron ores. It is expected that further iron ore contracts may be entered into with that supplier or other major miners or international traders in the next twelve months.

The management of the Company considers this is a proper timing to enter into the commodity market as the prices of most of the actively traded commodities have been declining in past few years and the prices of these commodities have shown a strong rebound from the lowest trading prices in the last few months. The management considers that the downside risk of further commodity prices fall is relatively low under the current circumstances.

Notwithstanding the annual economic growth rate in the People's Republic of China (the "**PRC**") has been gradually slowing down in recent years, it is expected that it will remain growing at a more steady pace, hence, the long term commodity demand from the PRC is expected to continue to rise and the management is in the view that the steady growth in commodity trading will bring a positive impact to the Group.

Seizing historic opportunities presented by the PRC's national economic initiatives and industrial transformation, such as "One Belt, One Road", the Group will continue its expansion in the distribution and trading segment in 2016 with a view to achieving the best interests of the Company and the Shareholders as a whole.

The Group will also continuously evaluate the performance of every single business unit of the Group and adjust its overall business strategy. The Board aims at further reducing the operating losses of every loss making business units in order to improve the overall financial performance of the Group.

SIGNIFICANT EVENTS

During the Year, the Group disposed of its entire indirect equity interest in Zhongshan City Hewan Stone Technology Limited* (中山市合萬石材科技有限公司), an environmental building material company in the southern part of the PRC and its 50% indirect interest in Beijing Zhufeng Tiangong Jade Technology Development Limited* (北京珠峰天宮玉石科技發展有限公司) to Mr. Wong Lik Ping, former chairman, former executive director and a shareholder of the Company at an aggregate consideration of HK$6,850,000. The environmental building material company is relatively new in the market and considering the non-satisfactory financial performance in the past, the Group considers that it would be in the best interest of the Shareholders to prevent further losses. A gain on disposal of approximately HK$351,000 was recorded during the Year. Details of the disposal are set out in the Company's announcement on 9 April 2015.

* *for identification purpose only*

The Company entered into a non-legally binding Memorandum of Understanding (the "**MOU**") with Liberty International Industrial Limited ("**Liberty International**") on 22 April 2015 in relation to the possible acquisition by the Company in pharmaceutical business of Liberty International. As mentioned in the announcement of the Company dated 23 October 2015, as the Company and Liberty International have not concluded or entered into any definitive agreement before the expiry of the MOU, the MOU expired on 22 October 2015.

FUND RAISING ACTIVITIES

In order to increase our capital to capture the business opportunities, the Company has recently completed February 2015 Placement and January 2016 Subscription (as defined below). The major part of the net proceeds from the two fund raising activities are used in developing the Group's loan financing business and distribution and trading business respectively.

February 2015 Placement

On 24 February 2015, the Company completed the placing of 730,000,000 new shares of the Company ("**Shares**") pursuant to the general mandate granted to the directors of the Company at the annual general meeting held on 16 May 2014 at a placing price of HK$0.161 each ("**February 2015 Placement**"). The Company intended to apply a majority of the net proceeds from the placing to develop the loan financing services business that the Group is developing and fund the general working capital of the Group. Details of the February 2015 Placement are disclosed in the Company's announcements dated 6 and 24 February 2015 and in the "Use of Proceeds" section below.

June 2015 Placement

Reference is made to the announcements of the Company dated 28 August 2015, 12 October 2015 and 3 November 2015. Unless defined otherwise, capitalised terms used herein in connection with the transactions contemplated under the the Subscription Agreement shall have the same meanings as defined in the announcement of the Company dated 28 August 2015.

On 2 June 2015, the Company entered into the Subscription Agreement (as supplemented by the Supplemental Subscription Document) with Asia Pacific Resources Development Investment Limited (the "**Investor**"), pursuant to which the Investor has conditionally agreed to subscribe for and the Company has conditionally agreed to (1) allot and issue of 6,000,000,000 new Shares at the Subscription Price of HK$0.1 per New Share; and (2) issue the Convertible Bonds in the aggregate principal amount of HK$1,000,000,000, which entitle the holder(s) thereof to subscribe for up to 10,000,000,000 Conversion Shares at the Conversion Price of HK$0.1 per Conversion Share (subject to adjustments) ("**June 2015 Placement**"). The estimated net proceeds of the June 2015 Placement is approximately HK$1,574 million.

The Company was informed by the Stock Exchange that the Company's assets may consist substantially of cash upon completion of the Subscription Agreement (as supplemented by the Supplemental Subscription Document), and under Rule 14.82 of the Listing Rules, the Company may not be regarded as suitable for listing and trading in its securities may be suspended. After further negotiation between the Company and the Investor, the parties have mutually agreed that it would not be commercially practicable for the Subscription Agreement (as supplemented by the Supplemental Subscription Document) to proceed. As a result, on 3 November 2015 (after trading hours), the Company and the Investor have mutually agreed to enter into a deed of termination (the "Deed of Termination of Subscription") to terminate the Subscription Agreement (as supplemented by the Supplemental Subscription Document) and hence the Proposed Subscription shall not proceed.

January 2016 Subscription

On 15 January 2016, the Company entered into a subscription agreement with Hua Lang Limited to allot and issue 877,000,000 new Shares pursuant to the general mandate granted to the directors of the Company at the annual general meeting held on 17 April 2015 at a subscription price of HK$0.14 each ("**January 2016 Subscription**"). The subscription agreement has been fulfilled and the completion of the January 2016 Subscription took place on 27 January 2016. The Company has applied the entire net proceeds from the subscription to further develop the distribution and trading business that the Group is developing. Details of the January 2016 Subscription are disclosed in the Company's announcements dated 15 and 27 January 2016 and in the "Use of Proceeds" section below.

Depending on the performance of the distribution and trading business, market conditions, volume of customer's orders and the management's ability to secure further contracts, the Company will continue to review its funding needs. The Board may raise further fund if opportunities arise and it considers appropriate, and any further proceeds are expected to be used in the further development of the distribution and trading business.

CHARGES ON ASSETS

As at 31 December 2015, none of the Group's assets was charged or subject to any encumbrance.

CONTINGENT LIABILITIES

As at 31 December 2015, the Group had no material contingent liabilities.

EXPOSURE TO FLUCTUATIONS IN EXCHANGE RATES

The Group conducts most of its distribution and trading business in US dollars. Foreign currency exposure to US dollars is minimal, as the Hong Kong dollar is pegged to the US dollar.

As at 31 December 2015, the Group's major assets and liabilities were denominated in the functional currencies of the respective group entities. The Group had no material exposure to foreign exchange fluctuation.

LIQUIDITY AND FINANCIAL RESOURCES

Following February 2015 Placement, the Group has a strong financial position with net current assets of approximately HK$80,638,000 (2014: net current liabilities of approximately HK$13,615,000), and net assets of approximately HK$81,409,000 (2014: net liabilities of approximately HK$8,994,000) at 31 December 2015 respectively. As at 31 December 2015, there was no bank borrowings outstanding (2014: nil).

As at 31 December 2014, there was an advance of unsecured nature in the amount of HK$35,000,000 provided by a shareholder to the Company on an interest free basis and repayable on demand. The advance by a shareholder was fully settled in 2015 and the Group had no other borrowings as at 31 December 2015.

As at 31 December 2015, the current ratio (as defined as current assets divided by current liabilities) was 1.64 (2014: 0.76) and the gearing ratio (as defined as loans from a shareholder divided by net assets) was nil (2014: -3.89).

The Group has further completed the January 2016 Subscription after year end as detailed in "Event after the reporting period" section below, which further enhanced the Group's financial position.

CAPITAL EXPENDITURE

The total capital expenditure of the Group for 2015 was approximately HK$2.0 million for addition of furniture, fixtures and other equipment (2014: HK$3.3 million for the addition of furniture, fixtures and other equipment).

As at 31 December 2015, the Group has no material capital expenditure commitments.

HUMAN RESOURCES

As at 31 December 2015, the Group had 11 employees in Hong Kong and 7 employees in Taiwan. Other than the competitive remuneration package offered to the employees, share options may also be granted to the selected employees based on the Group's performance.

ADVANCE TO AN ENTITY

Pursuant to Rule 13.13 of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the "**Listing Rules**"), a general disclosure obligations arises where an advance to an entity from the Group exceeds 8% of the total assets of the Group. Pursuant to Rule 13.13 of the Listing Rules, details of advance as defined under Rule 13.15 of the Listing Rules which remained outstanding as at 31 December 2015 was as follow:

– **Loan to Golden Empires Limited**

On 6 November 2015, Asia Develop Limited, a wholly-owned subsidiary of the Company, as lender (the "**Lender**"), entered into the Loan Agreement (the "**Loan Agreement**") with Golden Empires Limited, as borrower (the "**Borrower**") and Putian City Jin Di Huang Trading Company Limited* (莆田市金帝皇貿易有限公司) as mortgagor (the "**Mortgagor**"). Pursuant to the Loan Agreement, the Lender agreed to grant to the Borrower a loan of HK$60 million for a term of 1 year from the date of the drawdown of the Loan.

The principal terms of the Loan Agreement are as follows:

Principal amount:	HK$60 million
Interest rate:	10% per annum, to be paid monthly
Loan period:	As mentioned above
Repayment:	The Borrower shall repay the interests on a monthly basis and the principal amount at the end of the loan period
Early repayment:	Subject to the Lender's written consent, the Borrower may, with at least three (3) business days' prior written notice to the Lender, make early repayment of the balance of the loan that remains outstanding together with all interests accrued thereon
Security and guarantees:	The loan is secured by the share mortgage executed by the Mortgagor in favour of the Lender by way of a share pledge over 20% issued share capital of Putian Di Yuan Properties Development Company Limited* (莆田帝源房地產開發有限公司), a company incorpoated in the PRC with limited liability.

* *for identification purpose only*

USE OF PROCEEDS

The Company has conducted the following equity fund raising activities during the Year and subsequently after 31 December 2015:

Date of announcement	Fund raising activity	Net proceeds raised *(approximately)*	Proposed use of the net proceeds	Actual use of the net proceeds
6 and 24 February 2015	Placing of new shares under a general mandate	HK$114 million	Intended to be used as to approximately: a. HK$25 million to repay part of the shareholder's loan to the Company; b. HK$15 million to repay a trade payable to a subsidiary's supplier; c. HK$60 million to finance the money lending business of the Group; and d. any remaining proceeds for general working capital of the Group. *(Note 1)*	a. approximately HK$28 million was utilised in repayment of the shareholder's loan; b. approximately HK$12 million was used to repay a trade payable to a subsidiary's supplier; c. approximately HK$60 million was utilised for the money lending business; d. approximately HK$13 million was utilised for the trading business of the Group; and e. remaining approximately HK$1 million was utilised as the Group's working capital.

Date of announcement	Fund raising activity	Net proceeds raised *(approximately)*	Proposed use of the net proceeds	Actual use of the net proceeds
28 August 2015, 12 October 2015 and 3 November 2015	Proposed placing, subscription and whitewash waiver	HK$1,574 million	a. HK$345 million for money lending business; b. HK$880 million for development and establishment of the internet banking platform; c. HK$180 million for development of mobile payment terminals; d. HK$100 million for building a mobile internet bank; and e. HK$69 million for general working capital.	Not applicable as the proposed placing and subscription was terminated on 3 November 2015.
15 and 27 January 2016	Subscription of new shares under a general mandate	HK$122 million	Intended to be used for settlement of the payment for iron ore shipment contracts.	Proceeds utilised as intended.

Note:

1. The breakdown of the intended use of proceeds was set out in the completion of placing announcement of the Company dated 24 February 2015.

Save as disclosed above, the Company had not conducted any other equity fund raising activities in the year ended 31 December 2015 and the period immediately prior to the date of this announcement.

DIVIDEND

No dividend was proposed during the year ended 31 December 2015, nor has any dividend been proposed subsequent to the end of the reporting period (2014: nil).

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from 5 May 2016 to 9 May 2016 (both days inclusive), during such period which no transfer of shares in the Company will be effected. In order to qualify for entitlement to attend and vote at the forthcoming annual general meeting, all transfer documents, accompanied by the relevant share certificates, must be lodged with Company's branch share registrars in Hong Kong, Computershare Hong Kong Investor Services Limited at Rooms 1712-16, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, not later than 4:30 p.m. on 4 May 2016.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2015.

COMPLIANCE WITH CODE ON CORPORATE GOVERNANCE PRACTICES

Save and except for Code Provisions A.6.7, E.1.2, A.2.1 and A.4.2 as detailed below, the Company has complied with all the Code Provisions and to a certain extent of the recommended best practices set out in the Corporate Governance Code contained in Appendix 14 (the "**CG Code**") of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") throughout the year ended 31 December 2015.

Under Code Provision A.6.7 of the CG Code, the independent non-executive directors and non-executive directors should attend general meetings of the Company. Mr. Kee Wah Sze (former independent non-executive director resigned on 31 May 2015), Mr. Goh Choo Hwee (former independent non-executive director resigned on 4 November 2015), Mr. To Yan Ming Edmond (former independent non-executive director resigned on 31 May 2015) and Mr. Huang Bin (former non-executive director resigned on 4 November 2015) were absent from the annual general meeting held on 17 April 2015 ("**2015 AGM**") due to their other business commitments.

Under Code Provision E.1.2 of the CG Code, the Chairman of the Board should attend the annual general meeting. Mr. Wong Lik Ping, the former Chairman of the Board was unable to attend the 2015 AGM due to his other business commitments.

Under Code Provision A.2.1 of the CG Code, the roles of chairman and chief executive officer (the "**CEO**") should be separated and should not be performed by the same individual. Since the resignation of CEO of the Company in 2013, the role of chief executive officer is temporarily acted by the Chairman to fill the casual vacancy of the position of CEO. Given the current corporate structure, the role of CEO is temporarily acted by the Chairman as the Board has not identified a suitable candidate to be appointed as CEO. However, the Board considers that it is appropriate and in the best interests of the Company at the present stage as all major decisions are made in consultation with the Board members and the senior management of the Company.

The Board believes that Ms. Wong Fung Chi is able to maintain the continuity of the Company's policies and the stability of the Company's operations. The effectiveness of the corporate planning and implementation of corporate strategies and decisions will not be affected. The Board would segregate the roles of the Chairman and CEO when a qualified candidate is appointed as CEO.

Under Code provision A.4.2 stipulates that all directors appointed to fill a casual vacancy should be subject to election by shareholders at the first general meeting after appointment. Ms. Wong Fung Chi, executive director of the Company, Mr. Chan Chi Ming, Tony, Mr. Wu Shiming and Mr. Chan Wah, independent non-executive directors of the Company, were appointed to fill the casual vacancies in May and November 2015 respectively and should retire and be re-elected at the general meeting of the Company held on 17 December 2015. However, they will retire and be available for re-election at the forthcoming annual general meeting of the Company pursuant to the Articles of Association.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 of the Listing Rules as its own code of conduct regarding securities transactions by directors of the Company. The Company has made specific enquiry with all directors of the Company and each of them confirmed that they have complied with the Model Code throughout the year ended 31 December 2015.

AUDIT COMMITTEE

As at 31 December 2015, the audit committee of the Company comprises of three independent non-executive directors of the Company, namely Mr. Chan Chi Ming, Tony (Chairman of the audit committee), Mr. Wu Shiming and Mr. Chan Wah. The Audit Committee has adopted terms of reference which are in line with the CG Code. The audit committee has reviewed the Group's annual results for the year ended 31 December 2015.

EVENT AFTER THE REPORTING PERIOD

The January 2016 Subscription to allot and issue 877,000,000 new shares of the Company at a subscription price of HK$0.14 per subscription share was completed on 27 January 2016. The net proceeds from January 2016 Subscription is approximately HK$122 million.

In March 2016, in view of the continuous need of capital and remaining losses in last five financial years, the Board has further resolved to cease the garment retailing business after the remaining inventory was sold. The Board believes this is to the best interest to the Group and its shareholders as to prevent incurring further loss from the garment retailing segment.

PUBLICATION OF RESULTS ANNOUNCEMENT AND ANNUAL REPORT

This announcement is published on the website of the Company (www.990.com.hk) and the designated issuer website of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk).

The 2015 annual report of the Company will be despatched to the shareholders of the Company and available on the above websites in due course.

By Order of the Board
Theme International Holdings Limited
Wong Fung Chi
Chairman & Executive Director

Hong Kong, 18 March 2016

As at the date of this announcement, there are (i) two Executive Directors of the Company, namely Ms. Wong Fung Chi (Chairman) and Mr. Wong Hok Bun Mario, and (ii) three Independent Non-executive Directors of the Company, namely Mr. Chan Wah, Mr. Chan Chi Ming, Tony and Mr. Wu Shiming.