abc multiactive

ANNUAL REPORT 2007

stock code : 8131

abc Multiactive Limited

(Incorporated in Bermuda with limited liability)

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "STOCK EXCHANGE")

GEM has been established as a market designed to accommodate companies to which a high investment risk may be attached. In particular, companies may list on GEM with neither a track record of profitability nor any obligation to forecast future profitability. Furthermore, there may be risks arising out of the emerging nature of companies listed on GEM and the business sectors or countries in which the companies operate. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

The principal means of information dissemination on GEM is publication on the Internet website operated by the Stock Exchange. Listed companies are not generally required to issue paid announcements in gazetted newspapers. Accordingly, prospective investors should note that they need to have access to the GEM website in order to obtain up-to-date information on GEM-listed issuers.

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this report, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this report.

This report, for which the directors of abc Multiactive Limited collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited for the purpose of giving information with regard to abc Multiactive Limited. The directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this report is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this report misleading; and (3) all opinions expressed in this report have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

Contents

	Pages
Corporate Information	2
Chairman's Statement	3
Management Discussion and Analysis	4 to 7
Biographical Details of Directors and Senior Management	8 to 9
Report of the Directors	10 to 17
Corporate Governance Report	18 to 25
Independent Auditors' Report	26 to 27
Consolidated Income Statement	28
Consolidated Balance Sheet	29 to 30
Balance Sheet	31
Consolidated Statement of Changes in Equity	32
Consolidated Cash Flow Statement	33
Notes to Financial Statements	34 to 79
Financial Summary	80

Corporate Information

DIRECTORS

Executive Directors

Mr. Terence Chi Yan HUI
Mr. Joseph Chi Ho HUI

Non-executive Director

Mr. Kau Mo HUI

Independent Non-executive Directors

Mr. Ronald Kwok Fai POON
Mr. Clifford Sau Man NG
Mr. Kwong Sang LIU

QUALIFIED ACCOUNTANT

Mr. Siu Leong CHEUNG

COMPANY SECRETARY

Mr. Siu Leong CHEUNG

COMPLIANCE OFFICER

Mr. Terence Chi Yan HUI

AUTHORISED REPRESENTATIVES

Mr. Terence Chi Yan HUI
Mr. Siu Leong CHEUNG

AUDIT COMMITTEE

Mr. Ronald Kwok Fai POON
Mr. Clifford Sau Man NG
Mr. Kwong Sang LIU

BERMUDA RESIDENT REPRESENTATIVE

Mr. John Charles Ross COLLIS

BERMUDA DEPUTY RESIDENT REPRESENTATIVE

Mr. Anthony Devon WHALEY

AUDITORS

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants
31st Floor, Gloucester Tower
The Landmark
11 Pedder Street
Central, Hong Kong

REGISTERED OFFICE

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

HEAD OFFICE AND PRINCIPAL PLACE OF BUSINESS

17th Floor, Regent Centre
88 Queen's Road Central
Central
Hong Kong

BERMUDA PRINCIPAL SHARE REGISTRAR AND TRANSFER OFFICE

Butterfield Fund Services (Bermuda) Limited
Rosebank Centre
11 Bermudiana Road
Pembroke
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Abacus Share Registrars Limited
26/F Tesbury Centre
28 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Hong Kong and Shanghai
Banking Corporation Limited
Mevas Bank Limited

STOCK CODE

8131

WEBSITE

http://www.abcmultiactive.com

During 2007, the stock market in Hong Kong regained its energy with high volume of transactions. Our core business in brokerage solution benefited from the growth in Hong Kong stock market, has gained much solid success both in market share and brand preference. In this year, our OCTOSTP brokerage solution has successfully expanded our customer's base.

In 2007, we have reinforced our leadership position in the security brokerage solution market by providing our clients with innovative products to stay ahead of the market; also we will be actively looking for new opportunities for promoting our brokerage solution in the Asia region in the future.

Over years, the Group's business horizon has kept on expanding not only in product lines but also in geographical coverage. The well known 'Maximizer' CRM solution, through aggressive marketing campaign and brand building program, has gained recognition in the Asian region. To strengthen our market position in the Greater China Region, we have extended our selling force to Shanghai and Shenzhen to build our reseller network and implemented focused marketing programs for China market.

I would like to thank our board of directors, shareholders, customers, and industry partners for their continued support and our employees for their contribution.

Terence Chi Yan Hui
Chairman

Hong Kong, 15 February 2008

Management Discussion and Analysis

Financial Review

The Group recorded a turnover of approximately HK$18,194,000 for the year ended 30 November 2007, a 12% increase from approximately HK$16,210,000 for the same period of the previous year. Of the total turnover amount, HK$7,846,000 or 43% was generated from software license sales, HK$2,160,000 or 12% was generated from contract revenue, HK$5,013,000 or 28% was generated from maintenance services, and HK$3,175,000 or 17% was generated from sales of hardware. At 30 November 2007, the Group had approximately HK$6,993,000 worth of contracts that were in progress. The net loss attributable to shareholders for the year ended 30 November 2007 was HK$5,395,000, whereas the Group recorded a net loss of approximately HK$1,211,000 for the same period of the previous year. Excluded the effect on unrealised exchange difference arose from the appreciation of the Australian dollar in last year, the Group's overall overhead for the year were increased due to expansion of research and development centre in China, payroll and rental increment.

The operating expenditures (excluded exchange loss) amounted to HK$14,338,000 for the year ended 30 November 2007, a 14% increase from HK$12,624,000 for the corresponding period of the previous year. The increases were mainly attributed to company expansion in China and overall increment in payroll and rental expenditure during the year.

As a result of the Group invested additional computer hardware and office equipment during the year 2007, depreciation expenses increased from approximately HK$170,000 for the year ended 30 November 2006 to approximately HK$285,000 in the current fiscal year.

The Group did not have any amortisation expenses for the year ended 30 November 2007 due to the write-off of the remaining amounts of goodwill and intellectual property rights at the end of fiscal year 2002.

During the current period, the Group invested approximately HK$6,209,000 in developing new modules for its OCTO Straight Through Processing ("STP") system.

At 30 November 2007, a provision for impairment of approximately HK$1,496,000 was carried in the balance sheet for of the long outstanding trade receivables. The directors were uncertain whether the amount would ultimately be collected due to the sluggish economy and considered that it was prudent to make such a provision.

Total staff costs (excluding directors' remuneration) are approximately HK$13,263,000 for the year ended 30 November 2007, a 17% increase from approximately HK$11,359,000 for the same period of the previous year. The increase was mainly due attributed to salary adjustment and increase in headcount in Hong Kong and China during the current year.

Operation Review

For the year ended 30 November 2007, e-Finance turnover is HK$17,314,000, an increase of 14% when compared to HK$15,240,000 for the same period of the previous year.

During the year, the Group continues to promote its OCTOSTP securities trading solutions to local banks and global securities firms in the Asian Pacific region. During the year, the Group was able to sign new contracts (excluding hardware sales) with total contract sum of approximately HK$8,823,000 for acquiring and implementing the Group's e-Finance well known OCTOSTP solutions which were included contracts with a new Taiwan brokerage firm and Hong Kong branch of French bank to implement their OCTO STP solution. Benefited from the increased stock trading in the Asian region and global stock markets, the brokerage firms are willing to increase and upgrade their trading and settlement system and hardware infrastructure to support higher securities trading volume in the markets. As a result, the Group had approximately HK$3,175,000 hardware sales contracts in the year 2007, an increase of 129% when compared to HK$1,389,000 for the same period of previous year.

During the year, e-Business turnover is HK$880,000, a decrease of 9% when compared to HK$970,000 for the same period of previous year. Hong Kong operation continues to focus on development CRM market in Greater China region and other Asian countries, as a result, the Group had signed a new contract with one Hong Kong airway company to expand its usage of Maximizer product for 400 seats and one Germany logistic company in its Hong Kong branch to purchase nearly 60 seats of Maximizer Enterprise 9.5. During the year, the newly version of Maximzier CRM 10 were launched in the market. The Group continues to expand the market coverage of CRM software and focus on built up the stronger reseller channel in Greater China market. The Group's Shanghai subsidiary had successfully established its resellers network throughout China including Shanghai, Nanjing, Guangzhou and Shenzhen to promote Maximizer CRM software.

Capital structure

As at 30 November 2007, the total issued share capital of the Company was HK$16,059,097 divided into 160,590,967 ordinary shares of HK$0.10 each.

Liquidity and Financial Resources

The Group operates a conservative set of treasury policies to ensure that no unnecessary risks are taken with the Group's assets. No investments other than cash and other short-term bank deposits are currently permitted.

At 30 November 2007, the Group had outstanding borrowings of approximately HK$7,847,000 representing a current account with Maximizer Software Inc., the ultimate holding company, which was unsecured and interest bearing at the annual Canadian prime rate as quoted by the Hong Kong and Shanghai Banking Corporation Limited plus 2% compounded monthly (Maximizer Software Inc. has confirmed that it will not demand repayment of the current account within twelve months from 30 November 2007); HK$9,500,000 representing a shareholder's loan from Pacific East Limited which was unsecured, interest bearing at the Hong Kong prime rate and maturing on 22 May 2009; and HK$3,000,000 representing a shareholder's loan from Pacific East Limited which was unsecured, interest bearing at the Hong Kong prime rate and is repayable on 31 May 2009; and approximately HK$4,634,000 representing a loan from Wickham Group Limited, a party connected to a non-executive director of the Company, which was unsecured, interest bearing at the Hong Kong prime rate and maturing on 21 May 2009. The Group expresses its gearing ratio as a percentage of borrowings and long term debts over total assets. As at 30 November 2007, the Group's gearing ratio was 5.4.

Pledge of Assets

The Group did not have any mortgage or charge over its assets at 30 November 2007.

Exposure to fluctuations in exchange rates and related hedges

All the Group's assets, liabilities and transactions are denominated either in Hong Kong dollars, Renminbi, Canadian dollars, or Australian dollars. Except for the current account between the Company and its Australian subsidiaries which is denominated in Hong Kong dollars, it is the Group's policy for each operating entity to borrow in local currencies where necessary in order to minimise currency risk.

As at 30 November 2007, the Group did not have any foreign currency investments which have been hedged by currency borrowings and other hedging instruments.

Treasury policy

Cash and bank deposits of the Group are either in HK dollars, Renminbi or Australian dollars. The Group conducts its core business transaction mainly in HK dollars, such that the Group did not use any derivative instruments to hedge its foreign currency exposure as the Group considered its foreign currency exposure is insignificant.

Contingent Liabilities

The Group and the Company had no material contingent liabilities as at 30 November 2007.

Significant Investments

The Group has not held any significant investment for the year ended 30 November 2007.

Major Events

As at 30 November 2007, the Group had no material capital commitments and no future plans for material investments or capital assets.

Employee and Remuneration Policy

The directors believe that the quality of its employees is the most important factor in sustaining the Group's growth and improving its profitability. The Group's remuneration package is structured with reference to the individual performance, working experience and prevailing salary levels in the market. In addition to basic salaries and mandatory provident fund, staff benefits include medical coverage scheme and share options. As at 30 November 2007, the Group had employed 47 staffs in Hong Kong and 17 staffs in PRC China. Total staff costs for the year under review amounted to approximately HK$13,263,000.

PENSION SCHEME

Effective from 1 December 2000, the Group joined the Mandatory Provident Fund Scheme (the "MPF Scheme") for all of its employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is registered with the Mandatory Provident Fund Authority under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the Group and its employees are each required to make contributions to the MPF Scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$20,000.

The retirement benefit scheme cost charged to the income statement represents contributions payable by the Group to the funds and is expensed as incurred. During the year, the retirement benefit scheme contributions borne by the Group amounted to HK$453,000 (2006: HK$431,000). No forfeited contribution for the Group is available to reduce the contribution payable in the future years. Contributions to the scheme vest immediately.

PROSPECTS

The Group will continue to focus on the Group's fundamentals to achieve profitability. Considering the keen competition in Hong Kong e-Finance market, the Group will more proactive in seeking for overseas opportunities and focus on development of new financial solutions to diversify the Group's e-Finance product coverage in the market. The directors believed that the Group is well equipped to face new challenge from the overseas market.

The Group believes the growth of CRM market in the Asian region especially in Greater China region is prosperous. The Group will continue to focus on development of CRM market in the region by expanding its sales team and recruitment of more resellers.

The directors believe that the Group is well positioned for growth, as the Group's integrated multi-product systems for e-Finance and e-Business will offer customers the tools to expand their operations and services as the economy continues to improve.

Biographical Details of Directors and Senior Management

Executive directors

Mr. Terence Chi Yan HUI, aged 44, is the Chairman and Compliance Officer of the Company and is responsible for the strategic direction of the Group. He received his Bachelor Degree in Physics from the University of California – Berkeley in USA and earned a Master Degree in Electrical Engineering from Santa Clara University in USA. Mr. Hui joined the Group in March 2000.

Mr. Hui is also the chairman of Vancouver-based, Maximizer Software Inc. ("MSI"), the major shareholder of the Company. He is the president and chief executive officer of Concord Pacific Group Inc., a leading real estate development company in Canada.

Mr. Joseph Chi Ho HUI, aged 37, joined the Group in November 2000. He received his undergraduate degree in Electrical Engineering from the University of British Columbia in Canada and earned a Master's Degree in Electrical Engineering from Stanford University in USA. Mr. Hui is the Vice President of Research and Development in Maximizer Software Inc. where he is responsible for directing the vision and development of the Maximizer line of products. Mr. Hui is the brother of Mr. Terence Chi Yan Hui.

Non-executive director

Mr. Kau Mo HUI, aged 74, joined the Group in March 2000. He is the executive director of Wing Hong (Holdings) Limited. Wing Hong (Holdings) Limited is a company listed on the main board of Stock Exchange and its principally engaged in a broad spectrum of construction works for both public and private sectors in Hong Kong. Mr. Hui is the father of Mr. Terrence Chi Yan Hui and Mr. Joseph Chi Ho Hui.

Independent non-executive directors

Mr. Ronald Kwok Fai POON, aged 58, is a solicitor and notary public practising in Hong Kong since 1980. Mr. Poon became an independent non-executive director of the Company in March 2000.

Mr. Clifford Sau Man NG, aged 41, is a Partner of Kirkpatrick & Lockhart Preston Gates Ellis and serves as the firm's Administrative Partner for their Asia offices. Mr. Ng has practised in Hong Kong since 1995 and is often involved in transactions for corporate and private clients advising on corporate, securities, mergers and acquisitions and tax issues. Mr. Ng was born in Hong Kong and grew up in Canada. He received his B. A. in Economics from the University of British Columbia in Vancouver and his LL.B. from Dalhousie Law School in Halifax. He is qualified as a solicitor in Hong Kong, England and Wales and is also qualified as a barrister and solicitor in British Columbia. Mr. Ng is also an independent non-executive director of Law Debenture Trust (Asia) Limited and The Law Debenture Corporation (H.K.) Limited which are Hong Kong subsidiaries of a London Stock Exchange listed company. Mr. Ng became an independent non-executive director of the Company in March 2000.

Mr. Kwong Sang LIU, aged 46, has been practising as certified public accountant in Hong Kong with more than 17 years of experience. Mr. Liu graduated with honours from Hong Kong Polytechnic University with Bachelor degree in Accountancy and obtained the Master in Business Administration degree from the University of Lincoln, United Kingdom. He is an associate member of the Institute of Chartered Accountants in England and Wales, a fellow member of the Association of Chartered Certified Accountants, a fellow member of the Institute of Financial Accountants and a fellow member of the National Institute of Accountants, Australia. Mr. Liu is also a fellow member of Hong Kong Institute of Certified Public Accountants, a fellow member of the Taxation Institute of Hong Kong, a fellow member of the Society of Registered Financial Planners. Mr. Liu does not hold any other positions in the Company or other members of the Group or its subsidiaries. Mr. Liu is currently the independent non-executive director of Polytec Asset Holdings Limited and Wing Hong (Holdings) Limited, which are companies listed on the main board of the Stock Exchange, he is an independent non-executive director of Pacific CMA, Inc. which is a company listed on the American Stock Exchange. Mr. Liu became an independent non-executive director of the Company in September 2004.

Senior management

Mr. Samson Chi Yang HUI, aged 36, is the chief executive officer of the Group. He is responsible for initiatung and leading negotiations for mergers and acquisitions of the Group, as well as managing the Group's regional sales and marketing activities. He has over 12 years experience in managing real estate, trading, investment and IT businesses. Mr. Hui is the brother of Mr. Terence Chi Yan Hui and Mr. Joseph Chi Ho Hui.

Mr. Siu Leong CHEUNG, aged 35, joined the Company in August 2003. Mr. Cheung is the qualified accountant, company secretary, authorised representative, and authorised representative for the acceptance of process in Hong Kong. Mr. Cheung is an associated member of both the Association of Chartered Certified Accountants and the Hong Kong Institute of Certified Public Accountants. He is responsible for the day-to-day accounting and related matters of the Company. Prior to joining the Company, Mr. Cheung had worked in the auditing, accounting, and financial field for more than 8 years.

Report of the Directors

The directors have pleasure in submitting their report together with the audited financial statements of abc Multiactive Limited (hereinafter referred to as the "Company") and its subsidiaries (hereinafter collectively referred to as the "Group") for the year ended 30 November 2007.

Principal activities

The principal activity of the Company is investment holding. The activities of its subsidiaries are set out in Note 17 to the financial statements. There was no significant change in its activities during the year.

Segment information

An analysis of the Group's performance for the year by business and geographical segments is set out in Note 6 to the financial statements.

Results and appropriation

The results of the Group for the year ended 30 November 2007 and the state of affairs of the Group and the Company at that date are set out in the financial statements on pages 28 to 31.

The directors do not recommend payment of any dividend in respect of the year ended 30 November 2007 (2006:Nil).

Property, plant and equipment

Details of the movements in property, plant and equipment of the Group during the year are set out in Note 16 to the financial statements.

Share capital and share option

Details of the movements in the Company's share capital during the year and details of the Company's share option scheme are set out in Note 21 and Note 15 to the financial statements.

Distributable reserves

As at 30 November 2007, the Company has no distributable reserve calculated under the Companies Act 1981 of Bermuda (as amended) and the Company's bye-laws.

Reserves

Details of movements in the reserves of the Company and the Group during the year are set out in Note 22 to the financial statements and in the consolidated statement of changes in the equity, respectively.

Pre-emptive rights

There are no provisions for pre-emptive rights under the Company's bye-laws and there was no restriction against such rights under the laws of Bermuda.

Purchase, sale or redemption of the Company's listed securities

The Company has not redeemed any of its listed securities during the year. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the year (2006: Nil).

Directors

The directors of the Company during the year and up to the date of this report were:

Executive Directors

Mr. Terence Chi Yan Hui **(Chairman)**
Mr. Joseph Chi Ho Hui

Non-executive Director

Mr. Kau Mo Hui

Independent non-executive Directors

Mr. Ronald Kwok Fai Poon
Mr. Clifford Sau Man Ng
Mr. Kwong Sang Liu

In accordance with Bye-laws 87 of the Company's bye-laws, Messr. Terence Chi Yan Hui and Messr. Joseph Chi Ho Hui retire by rotation and, being eligible, offers themselves for re-election.

Directors' services contracts

None of the directors who are proposed for re-election at the forthcoming annual general meeting has a service contract with the Company which is not determinable by the Company within one year without payment of compensation, other than the statutory compensation.

Directors' interests in contracts

The directors' interests in contracts are set out in Note 27 to the financial statements. Apart from the foregoing, no other contracts of significance in relation to the Group's business to which the Company, its holding companies or its subsidiaries was a party and in which a director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year.

Management contracts

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

Biographical details of directors and senior management

Details of biological details of directors and senior management are set out on pages 8 to 9 of this annual report.

Connected/related party transactions

Details of the connected/related party transactions of the Group are set out in Note 27 to financial statements.

Directors' and chief executives' interests and short positions in the shares, underlying shares and debentures

At 30 November 2007, the interests and short positions of the directors and chief executives in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO") as recorded in the register required to be kept under Section 352 of SFO or as otherwise notified to the Company and The Stock Exchange of Hong Kong Limited (the "Stock Exchange") pursuant to Rule 5.46 to 5.68 of the GEM Listing Rules were as follows:

Long positions in shares

a) The Company:

	Number of ordinary shares				
Name of director	**Personal interests**	**Family interests**	**Corporate interests**	**Total**	**Percentage of issued share capital**
Mr. Kau Mo Hui	–	8,666,710 [1]	–	8,666,710	5.40%

Note:

1. These shares are held by Pacific East Limited, which is wholly owned by The City Place Trust. The City Place Trust is a discretionary trust and its beneficiaries are Mr. Chi Yung Hui and Ms. Yuen Lam Chu. Mr. Chi Yung Hui and Ms. Yuen Lam Chu are, respectively, the son and spouse of Mr. Kau Mo Hui. The interests held by Mr. Chi Yung Hui and Ms. Yuen Lam Chu are deemed to be part of the interest of Mr. Kau Mo Hui.

b) Associated Corporation:

	Number of common shares in Maximizer Software Inc.				
Name of directors	**Personal interests**	**Family interests**	**Corporate interests**	**Total**	**Percentage of issued share capital**
Mr. Terence Chi Yan Hui	2,237,153	–	–	2,237,153	3.57%
Mr. Joseph Chi Ho Hui	17,295	10,000 [1]	–	27,295	0.04%
Mr. Kau Mo Hui	70,000	40,949,625 [2]	–	41,019,625	65.46%

Notes:

1. These shares are held by Mr. Joseph Chi Ho Hui's spouse, Ms. Susanna Chow. The interest held by Ms. Susanna Chow is deemed to be part of the interest of Mr. Joseph Chi Ho Hui.

2. These shares are held by The City Place Trust and Multiactive Technologies Partnership.

   The City Place Trust holds 36,475,319 shares of Maximizer Software Inc., representing approximately 58.20% of the issued share capital of Maximizer Software Inc.. The City Place Trust is a discretionary trust and its beneficiaries are Mr. Chi Yung Hui and Ms. Yuen Lam Chu. Mr. Chi Yung Hui and Ms. Yuen Lam Chu are, respectively, the son and spouse of Mr. Kau Mo Hui. The interests held by Mr. Chi Yung Hui and Ms. Yuen Lam Chu are deemed to be part of the interest of Mr. Kau Mo Hui.

   Multiactive Technologies Partnership holds 4,474,306 shares of Maximizer Software Inc., representing approximately 7.14% of the issued share capital of Maximizer Software Inc.. The interest in Multiactive Technologies Partnership is owned as to 1% by Multiactive Technologies Inc., a company controlled by Mr. Terence Chi Yan Hui and 99% by Adex Enterprises Inc., a company controlled by Ms. Yuen Lam Chu. Mr. Terence Chi Yan Hui and Ms. Yuen Lam Chu are, respectively, the son and spouse of Mr. Kau Mo Hui. The interests held by Ms. Yuen Lam Chu are deemed to be part of the interest of Mr. Kau Mo Hui.

Long positions in underlying shares

a) The Company:

Options in the Company
(Unlisted and physically settled equity derivatives)

				Number of options		
Name	**Date of grant**	**Exercise price**	**Exercisable period**	**Outstanding as at 1 December 2006**	**Lapsed during the year**	**Outstanding as at 30 November 2007**
Director						
Mr. Terence Chi Yan Hui	17 April 2001	HK$3.625	17 April 2002 to 16 April 2011	480,000	–	480,000
	28 May 2001	HK$4.675	28 May 2002 to 27 May 2011	48,000	–	48,000
Chief Executive						
Mr. Samson Chi Yang Hui	17 April 2001	HK$3.625	17 April 2002 to 16 April 2011	172,800	–	172,800
	28 May 2001	HK$4.675	28 May 2002 to 27 May 2011	17,280	–	17,280

These options expire ten years from the date of grant and are exercisable over four years from the date of grant with one quarter of the options granted exercisable on each anniversary date from the date of grant.

No further options can be granted under the Company's share option scheme adopted on 22 January 2001 until the new requirements of Chapter 23 of the GEM Listing Rules are complied with.

b) Associated Corporation:

Options in Maximizer Software Inc.
(Unlisted and physically settled equity derivatives)

				Number of options		
Name of directors	**Date of grant**	**Exercise price**	**Exercisable period**	**At 1 December 2006**	**Lapsed during the year**	**At 30 November 2007**
Mr. Terence Chi Yan Hui	11 December 2002	CAN$0.80	23 June 2000 to 22 June 2007	250,000	(250,000)	–
	31 August 2006	CAN$0.10	31 August 2006 to 30 August 2013	350,000	–	350,000
Mr. Joseph Chi Ho Hui	11 December 2002	CAN$0.14	18 March 2002 to 17 March 2009	25,000	–	25,000
	31 August 2006	CAN$0.10	31 August 2006 to 30 August 2013	100,000	–	100,000

These options expire seven years from the date of grant and are exercisable over four years from the date of grant, with one quarter of the options granted exercisable on the first anniversary date and the balance exercisable in an equal number monthly over the remaining three years.

Long positions in debentures

No long positions of directors and chief executives in the debentures of the Company and its associated corporations were recorded in the register or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

Short positions in shares

No short positions of directors and chief executives in the shares of the Company and its associated corporations were recorded in the register or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

Short positions in underlying shares

No short positions of directors and chief executives in the underlying shares of the equity derivatives of the Company and its associated corporations were recorded in the register or as otherwise notified to the Company and the Stock Exchange pursuant to Rule 5.46 of the GEM Listing Rules.

Short positions in debentures

No short positions of directors and chief executives in the debentures of the Company and its associated corporations were recorded in the register.

Save as disclosed above, as at 30 November 2007, none of the directors nor the chief executive of the Company had any interests or short positions in any shares, underlying shares or debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO), or which were required to be recorded in the register kept by the Company under Section 352 of the SFO, or otherwise notified to the Company and the Stock Exchange pursuant to Rules 5.46 of the GEM Listing Rules.

Interests disclosable under the SFO and substantial shareholder

At 30 November 2007, the following persons (other than the directors and chief executive of the Company) had interests and short positions in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO.

Long positions in shares

Name	Capacity	Nature of interest	Number of ordinary shares	Percentage of issued share capital
Maximizer International Limited *(note 1)*	Beneficial owner	Corporate	90,534,400	56.38%
Maximizer Software Inc. *(note 1)*	Interest of a controlled corporation	Corporate	90,534,400	56.38%
The City Place Trust *(note 2)*	Trustee	Corporate	99,201,110	61.78%
Pacific East Limited	Beneficial owner	Corporate	8,666,710	5.40%

Notes:

1. Maximizer International Limited is a wholly owned subsidiary of Maximizer Software Inc.

2. The City Place Trust holds 36,475,319 shares of Maximizer Software Inc. representing approximately 58.20% of the issued share capital of Maximizer Software Inc. The City Place Trust also wholly owns Pacific East Limited, which directly holds 8,666,710 shares of the Company.

Long positions in underlying shares

No long positions of other persons and substantial shareholders in the underlying shares of equity derivatives of the Company were recorded in the register.

Short positions in shares

No short positions of other persons and substantial shareholders in the shares of the Company were recorded in the register.

Short positions in underlying shares

No short positions of other persons and substantial shareholders in the underlying shares of equity derivatives of the Company were recorded in the register.

Apart from the foregoing, no other interests required to be recorded in the register kept under Section 336 of the SFO have been notified to the Company.

Major customers and suppliers

The percentages of sales for the year attributable to the Group's major customers are as follows:

Sales	
– the largest customer	12%
– five largest customers combined	40%

The percentages of purchases for the year attributable to the Group's major suppliers are as follows:

Purchases	
– the largest supplier	28%
– five largest suppliers combined	91%

Except for software merchandises purchased from Maximizer Software Inc, the major shareholder of the Company, for resale as disclosed in Note 27 to financial statements, none of the Directors, their respective associates and shareholders of the Company (which to the knowledge of the Directors own more than 5% of the issued capital of the Company) had any interest in any of five largest customers and suppliers of the Group for the financial year ended 30 November 2007.

Independence of independent non-executive directors

The Company confirmed that annual confirmations of independence were received from each of the Company's independent non-executive directors pursuant to Rules 5.09 of the GEM Listing Rules and all independent non-executive directors are considered to be independent.

Directors' interest in competing business

Set out below is information disclosed pursuant to Rule 11.04 of the GEM Listing Rules:

Mr. Terence Chi Yan Hui, the Chairman and an executive director of the Company, is also the chairman of MSI. MSI is engaged in the business of the design and development of e-Business and CRM software, and has operations in North America, Europe, and South America. MSI and the Group share the same product lines including, Maximizer, Maximizer Enterprise, Maximizer CRM, ecBuilder and their respective product lines. The directors believe that the business of MSI and possible future businesses conducted by Maximizer International Limited, which is a wholly owned subsidiary of MSI may compete with the business of the Group.

In addition, Mr. Terence Chi Yan Hui is involved in a range of business and investment activities that include companies involved in technology investments and incubation. The directors believe that these businesses may, in some respects, compete with the business of the Group.

Save as disclosed above, none of the directors or the initial management shareholders is interested in any business that competes with or is likely to compete with the business of the Group.

Auditors

Messrs HLB Hodgson Impey Cheng will retire, and being eligible, offer themselves for re-appointment. A resolution will be submitted to the annual general meeting to re-appoint Messrs HLB Hodgson Impey Cheng as auditors of the Company.

On behalf of the Board
Terence Chi Yan Hui
Executive Director

Hong Kong, 15 February, 2008

Corporate Governance Report

It is the belief of the Board of Directors that corporate governance plays a vital part in maintaining the success of the Company. Various measures have been adopted to ensure that a high level of corporate governance is maintained throughout the operation of the Group.

The Company has complied with all the code provisions set out in Appendix 15 – Code on Corporate Governance Practices ("CG Code") of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") for the financial year ended 30 November 2007.

THE BOARD

During the year ended 30 November 2007, the Board comprised two executive directors, one non-executive director and three independent non-executive directors. The Company has received from each of the independent non-executive directors an annual confirmation of independence pursuant to Rule 5.09 of the GEM Listing Rules and considers that all the independent non-executive directors to be independent.

The Board schedules four meetings a year at approximately quarterly intervals. In addition, special Board meetings are held as necessary. During the financial year ended 30 November 2007, the Board held 5 meetings. Details of the attendance of individual Directors are as follows:

		Attendance
(a)	Executive Directors	
	Mr. Terence Chi Yan HUI	2/5
	Mr. Joseph Chi Ho HUI	4/5
(b)	Non-executive Director	
	Mr. Kau Mo HUI	1/5
(c)	Independent Non-executive Directors	
	Mr. Ronald Kwok Fai POON	0/5
	Mr. Clifford Sau Man NG	2/5
	Mr. Kwong Sang LIU	5/5

Proposed regular Board meeting dates for a year are informed to each director at the beginning of the year. Formal notice of at least 14 days will be given in respect of a regular meeting. For special Board meeting, reasonable notice will be given. Directors participated, either in person or through other electronic means of communication in the Board meetings.

Directors are given opportunity to include matters in the agenda for regular Board meeting. Directors have access to the advice and service of the Company Secretary to ensure that board procedures, and all applicable rules and regulations, are followed.

Details of the meeting and the matters considered by the Board and decisions reached, including any concerns raised by directors or dissenting views expressed are record in the Minutes of Board Meetings. Minutes of Board meeting and Board committees meeting are kept by the Company Secretary. Minutes are open for inspection at any reasonable time on reasonable notice by any director. There is a procedure agreed by the Board to enable directors, upon reasonable request, to seek independent professional advice.

ROLES OF DIRECTORS

The Board assumes responsibility for leadership and control of the Company and is collectively responsible for promoting the success of the Group. The principle roles of the Board are:

- to lay down the Group's objectives, strategies and policies;
- to monitor operating and financial performance; and
- to set appropriate policies to manage risks in pursuit of the Group's strategic objectives.

The Board has delegated the day-to-day operation responsibility to the management under the supervision of the Chief Executive Officer and various Board committees.

BOARD PROCESS

The Board of Directors meets regularly at least 4 times every year. The Directors participated in person or through electronic means of communication. All notices of board meetings were given to all Directors, who were given an opportunity to include matters in the agenda for discussion. The finalised agenda and accompanying board papers were sent to all Directors at least 3 days prior to the meeting.

During regular meetings of the Board, the Directors discuss the overall strategy as well as the operation and financial performance of the Group. The Board has reserved for its decision or consideration matters covering overall Group strategy, major acquisitions and disposals, annual budgets, annual and interim results, approval of major capital transactions and other significant operational and financial matters. All Directors are kept informed on a timely basis of major changes that may affect the Group's businesses, including relevant rules and regulations. Directors can also seek independent professional advice in performing their duties at the Company's expense, if necessary. The Company Secretary records the proceedings of each board meeting in detail by keeping detailed minutes, including all decisions by the Board together with concerns raised and dissenting views expressed (if any). All minutes are open for inspection at any reasonable time on request by any Director.

Directors' Responsibility for the Financial Statements

The following statement, which sets out the responsibility of Directors in relation to the financial statements, should be read in conjunction with, but distinguished from, the Independent Auditor's Report on page 26 which acknowledges the reporting responsibility of the Group's Auditor.

Annual Report and Accounts

The Directors acknowledge their responsibility for the preparation of the Annual Report and financial statements of the Company to ensure that these financial statements give a true and fair presentation in accordance with Hong Kong Companies Ordinance and the applicable accounting standards.

Accounting Policies

The Directors consider that in preparing the financial statements, the Group applies appropriate accounting policies that are consistently adopted and makes judgements and estimates that are reasonable and prudent in accordance with the applicable accounting standards.

Accounting Records

The Directors are responsible for ensuring that the Group keeps accounting records which disclose the financial position of the Group upon which financial statements of the Group could be prepared in accordance with the Group's accounting policies.

Safeguarding Assets

The Directors are responsible for taking all reasonable and necessary steps to safeguard the assets of the Group and to prevent and detect fraud and other irregularities within the Group.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The posts of Chairman and Chief Executive Officer ("CEO") are held separately by Mr. Terence Chi Yan HUI and Mr. Samson Chi Yang HUI respectively. This segregation ensures a clear distinction between the Chairman's responsibility to manage the Board and the CEO's responsibility, with support by the senior management, to manage the Company's business, including the implementation of major strategies and initiatives adopted by the Board.

BOARD COMPOSITION

The composition of the Board is set out on page 2 under the paragraph headed "Directors" with category of executive, non-executive and independent non-executive directors.

Biographies, including relationships among members of the Board are shown on pages 8 to 9 under the section on "Biography of Directors and Senior Management".

NOMINATION OF DIRECTORS

The Board is responsible for the formulation of nomination policies, making recommendations to shareholders on directors standing for re-election, providing sufficient bibliographical details of directors to enable shareholders to make an informed decision on the re-election, and where necessary, nominating appropriate persons to fill causal vacancies or as additions to the Board. The Chairman from time to time reviews the composition of the Board with particular regard to ensuring that there is an appropriate number of directors on the Board independent of management. He also identified and nominates qualified individuals for appointment as new directors of the Company.

New directors of the Company will be appointed by the Board. The Board will take into consideration criteria such as expertise, experience, integrity and commitment when considering new director appointments

APPOINTMENTS AND RE-ELECTION OF DIRECTORS

All Directors, including the chairman are required to retire from office by rotation and are subject to re-election by shareholders at annual general meeting once every 3 years.

Under the Company's Bye-laws, one-third of the Directors, must retire and be eligible for re-election at each annual general meeting. As such, no director has a term of appointment longer than 3 years.

RESPONSIBILITIES OF DIRECTORS

Every newly appointed director, if any, is ensured to have a proper understanding on the operations and business of the Group and fully aware of his responsibilities under the relevant applicable legal and regulatory requirements. The senior management and the Company Secretary will conduct such briefing as is necessary to update the Board with legal and regulatory developments, business and market changes and the strategic development of the Group to facilitate the performance of their duties.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code as set out in rules 5.48 to 5.67 to the GEM Listing Rules as its own code of conduct for dealings in securities of the Company by the Directors (the "Code"). The Company, having made specific enquiry of all Directors, confirms that its Directors have complied with the required standard set out in the Code during the financial year ended 30 November 2007.

SUPPLY OF AND ACCESS TO INFORMATION

In respect of regular board meetings, an agenda of the meeting and the accompanying board papers are sent in full to all Directors at least 3 days before the intended date of a meeting. Board papers are circulated to the Directors to ensure that they have adequate information before the meeting for any ad hoc projects.

The Management has obligation to supply the Board and the committees with adequate information in a timely manner to enable it to make informed decisions. Where any director requires more information than is volunteered by management, each director has separate and independent access to the Company's senior management for inquiry or additional information.

All directors are entitled to have access to board papers and related materials. Such materials are prepared to enable the Board to make informed decisions on matters placed before it.

REMUNERATION COMMITTEE

The Company established a Remuneration Committee which is primarily responsible for making recommendations to the Board regarding the Group's policy and structure for remuneration of Directors and senior management and determine the specific remuneration packages of all executive directors and senior management of the Company.

The Remuneration Committee comprises Mr. Ronald Kwok Fai Poon, Mr. Clifford Sau Man Ng and Mr. Kwong Sang Liu, and is chaired by Mr. Kwong Sang Liu.

During the financial year ended 30 November 2007, one meeting of Remuneration Committee was held with attendance of individual members as set out below to review and consider the specific remuneration packages of the Company's executive directors and senior management.

	Attendance
Mr. Ronald Kwok Fai POON	0/1
Mr. Clifford Sau Man NG	1/1
Mr. Kwong Sang LIU	1/1

FINANCIAL REPORTING

The Management has provided such explanation and information to the Board and will enable the Board to make an informed assessment of the financial and other information put before the Board for approval. The Directors acknowledge their responsibility to prepare the financial statements for each financial year, which give a true and fair view of the state of affairs of the Group and of the results and cash flow for that period.

The Board is aware that their responsibility to present a balanced, clear and understandable assessment extends to annual, interim and quarterly reports, and other financial disclosures required under the GEM Listing Rules, and reports to regulators as well as to information required to be disclosed pursuant to statutory requirements.

A statement by the auditors about their reporting responsibilities is included in the Independent Auditors' Report on pages 26 to 27.

AUDIT COMMITTEE

Pursuant to the GEM Listing Rules, an audit committee, comprising three independent non-executive directors, namely Messrs. Ronald Kwok Fai Poon, Clifford Sau Man Ng and Kwong Sang Liu, was established on 22nd January 2001. Messrs. Ronald Kwok Fai Poon and Clifford Sau Man Ng were the audit committee members when it was established on 22nd January 2001. At 28th September 2004, Kwong Sang Liu was appointed as independent non-executive director and member of audit committee of the Company.

The written terms of reference which describe the authorities and duties of the audit committee were prepared and adopted with reference to "A Guide for the Formation of an Audit Committee" published by the Hong Kong Institute of Certified Public Accountants. The audit committee provides an important link between the board of directors and the Company's auditors in matters coming within the scope of the Group audit. It also reviews the financial reporting process and the adequacy and effectiveness of the Group's internal control system.

During the year ended 30 November 2007, the audit committee held four meeting for the purpose of reviewing the Company's reports and accounts, and providing advice and recommendations to the Board of Directors. The minutes of the audit committee meeting are kept by the Company Secretary.

The Group's audited condensed financial statements for the year ended 30 November 2007 have been reviewed by the audit committee, which was of the opinion that the preparation of such results complied with the applicable accounting standard.

	Attendance
Mr. Ronald Kwok Fai POON	1/4
Mr. Clifford Sau Man NG	4/4
Mr. Kwong Sang LIU	4/4

Directors' and auditors' responsibilities for the accounts

The Board is responsible for presenting a balanced, clear and comprehensible assessment of the Group's performance and prospects. The Directors are responsible for the preparation of accounts which give a true and fair view of the state of affairs and of the results and cash flows of the Group on a going concern basis. The Company's accounts are prepared in accordance with all relevant statutory requirements and applicable accounting standards. The Directors are responsible for ensuring that appropriate accounting policies are selected and applied consistently and that judgments and estimates made are prudent and reasonable. The Directors are also responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group. The responsibilities of the auditors for the accounts are set out in the Auditors' Report on pages 26 to 27 of this Annual Report.

INTERNAL CONTROL

The Directors are responsible for the internal control of the Group and for reviewing its effectiveness.

The internal control system of the Group comprises of a comprehensive organisational structure and delegation of authorities assigned to individuals based on experience and business need.

Control procedures have been designed to safeguard assets against unauthorised use and disposition; ensure compliance with relevant laws, rules and regulations; ensure proper maintenance of accounting records for provision of reliable financial information used within the business or for publication; and to provide reasonable assurance against material misstatement, loss or fraud.

The overall risk management functions of the Group are under responsibility of the Internal Control Committee, comprising the Executive Directors, Chief Executive Officer, Chief Financial Officer and Operation Director. There are established control procedures to identify, assess, control and report to each of the four major types of risks consisting of business and market risk, compliance risk, financial and treasury risk and operational risk.

The Group does not have internal audit department, but the Internal Control Review Committee, comprising the Executive Directors and Independent non-executive Directors are responsible to review the effectiveness of the Group's internal control system. In addition, there is regular dialogue with the Group's external auditors so that both are aware of the significant factors which may affect their respective scope of work.

A review of the effectiveness of the Group's system of internal control covering all key controls, including financial, operational and compliance and risk management controls, is conducted annually. For the year ended 30 November 2007, the review based on a framework which assesses the Group's internal control system against control environment, risk management and control and monitoring activities on all major business and operational processes. The examination consisted of enquiry, discussion and validation through observation and inspection (if necessary). The result of the review has been report to the Board of Director and areas of improvement have been identified and appropriate measures have been put in place to manage the risks.

AUDITORS' REMUNERATION

The fees in relation to the audit services provided to the Company and its subsidiaries by external auditors of the Group, amounted approximately to HK$294,000. No non-audit services was provided by external auditors of the Group for the year ended 30 November 2007.

DELEGATION BY THE BOARD

The Board is primarily responsible for overall strategy and direction for the Group and overseeing the Group's businesses and providing leadership in strategic issues. The management is delegated to manage the day-to-day businesses of the Group.

When the Board delegates aspect of its management and administration functions to management, clear directions would be given as to the power of management, in particular, the circumstances where management should report back to the Board before making decisions or entering into any commitments on behalf of the Group.

Principal functions that are specifically delegated by the Board to the management include (i) implementation of corporation strategy and policy initiatives; (ii) provision of management reports to the Board in respect of Group's performance, financial position and prospects; and (iii) day-to-day management of the Group.

BOARD COMMITTEE

The Board established certain Board committees with specific written terms of reference which deal clearly with the committee's authority and duties and require the committees to report back on their decisions or recommendations.

COMMUNICATION WITH SHAREHOLDERS

In respect of each separate issue at the general meeting held during the year ended 30 November 2007, separate resolution has been proposed by the Chairman of that meeting. The Chairman of the Board and member of Audit Committee attended the annual general meeting held on 23 March 2007 to answer questions, if any, at the meeting.

Independent Auditors' Report

HLB 國衛會計師事務所
Hodgson Impey Cheng

Chartered Accountants
Certified Public Accountants

31/F, Gloucester Tower
The Landmark
11 Pedder Street
Central
Hong Kong

INDEPENDENT AUDITORS' REPORT
TO THE SHAREHOLDERS OF abc MULTIACTIVE LIMITED

(incorporated in Bermuda with limited liability)

We have audited the consolidated financial statements of abc Multiactive Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") set out on pages 28 to 79 which comprise the consolidated and company balance sheets as at 30 November 2007, and the consolidated income statement, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Directors' responsibilities for the consolidated financial statements

The directors of the Company are responsible for the preparation and the true and fair presentation of these consolidated financial statements in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants and the disclosure requirements of the Hong Kong Companies Ordinance. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation and the true and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibilities

Our responsibility is to express an opinion on these consolidated financial statements based on our audit and to report our opinion solely to you, as a body, in accordance with Section 90 of the Bermuda Companies Act and for no other purpose. We do not assume responsibility towards or accept liability to any other person for the contents of this report. We conducted our audit in accordance with Hong Kong Standards on Auditing issued by the Hong Kong Institute of Certified Public Accountants. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance as to whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and true and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements give a true and fair view of the state of affairs of the Company and of the Group as at 30 November 2007 and of the loss and cash flows of the Group for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Material uncertainty concerning going concern basis of accounting

Without qualifying our opinion we draw attention to Note 3 (a) in the consolidated financial statements which indicates that the Group incurred a net loss of approximately HK$5,395,000 during the year ended 30 November 2007 and, as of that date, the Group's current liabilities exceeded its total assets by approximately HK$3,954,000. These conditions, along with other matters as set forth in Note 3 (a), indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern.

HLB Hodgson Impey Cheng
Chartered Accountants
Certified Public Accountants

Hong Kong, 15 February 2008

Consolidated Income Statement

For the year ended 30 November 2007

	Notes	2007 HK$'000	2006 HK$'000
Turnover	*7*	**18,194**	16,210
Cost of sales		**(6,345)**	(5,051)
Gross profit		**11,849**	11,159
Other revenue	*7*	**44**	68
Other income	*8*	**–**	2,194
Software research and development expenses		**(6,209)**	(5,325)
Selling and marketing expenses		**(1,906)**	(2,024)
Administrative expenses		**(7,175)**	(5,275)
(Loss)/profit from operating activities	*8*	**(3,397)**	797
Finance costs	*9*	**(1,998)**	(2,008)
Loss before taxation		**(5,395)**	(1,211)
Taxation	*10*	**–**	–
Loss for the year		**(5,395)**	(1,211)
Attributable to equity holders of the Company		**(5,395)**	(1,211)
Loss per share			
Basic and diluted	*12*	**HK (3.36) cents**	HK (0.75) cents
Dividends	*13*	**–**	–

All of the Group's operations are classed as continuing.

The accompanying notes form an integral part of these financial statements.

Consolidated Balance Sheet

At 30 November 2007

	Notes	2007 HK$'000	2006 HK$'000
ASSETS			
Non-current assets			
Property, plant and equipment	16	**802**	710
Current assets			
Work in progress	18	**1,171**	852
Trade and other receivables	19	**1,827**	1,651
Cash and cash equivalents	20	**2,021**	3,084
		5,019	5,587
Total assets		**5,821**	6,297
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	21	**16,059**	16,059
Reserves	22	**(51,395)**	(45,804)
Total equity		**(35,336)**	(29,745)
LIABILITIES			
Non-current liabilities			
Promissory notes and interest payable to a shareholder	23	**17,245**	15,979
Promissory note and interest payable to a related company	23	**6,290**	5,829
Amount due to the ultimate holding company	24	**7,847**	6,077
		31,382	27,885
Current liabilities			
Trade and other payables	25	**6,678**	4,930
Deferred revenue		**1,878**	2,056
Amounts due to customers	18	**1,219**	1,171
		9,775	8,157
Total liabilities		**41,157**	36,042
Total equity and liabilities		**5,821**	6,297

Consolidated Balance Sheet

At 30 November 2007

	Notes	2007 HK$'000	2006 HK$'000
Net current liabilities		**(4,756)**	(2,570)
Total assets less current liabilities		**(3,954)**	(1,860)
Net liabilities		**(35,336)**	(29,745)

Approved by the Board of Directors on 15 February 2008 and signed on its behalf by:

Terence Chi Yan Hui	**Joseph Chi Ho Hui**
Executive Director	*Executive Director*

The accompanying notes form an integral part of these financial statements.

Balance Sheet

At 30 November 2007

	Notes	2007 HK$'000	2006 HK$'000
ASSETS			
Non-current assets			
Investment in subsidiaries	17	**–**	–
Current assets			
Trade and other receivables	19	**23**	9
Cash and cash equivalents	20	**1,056**	2,693
Total assets		**1,079**	2,702
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	21	**16,059**	16,059
Reserves	22	**(38,948)**	(35,691)
Total equity		**(22,889)**	(19,632)
LIABILITIES			
Non-current liabilities			
Promissory notes and interest payable to a shareholder	23	**17,245**	15,979
Promissory note and interest payable to a related company	23	**6,290**	5,829
		23,535	21,808
Current liabilities			
Trade and other payables	25	**433**	440
Amounts due to subsidiaries		**–**	86
		433	526
Total liabilities		**23,968**	22,334
Total equity and liabilities		**1,079**	2,702
Net current assets		**646**	2,176
Total assets less current liabilities		**646**	2,176
Net liabilities		**(22,889)**	(19,632)

Approved by the Board of Directors on 15 February 2008 and signed on its behalf by:

Terence Chi Yan Hui
Executive Director

Joseph Chi Ho Hui
Executive Director

The accompanying notes form an integral part of these financial statements.

Consolidated Statement of Changes in Equity

For the year ended 30 November 2007

		Reserves				
	Issued share capital	Share premium	Contributed surplus	Exchange reserve	Accumulated losses	Total
	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
At 1 December 2005	16,059	106,118	37,600	(11,016)	(174,967)	(26,206)
Exchange difference arising on translation of financial statements of foreign subsidiaries	–	–	–	(2,328)	–	(2,328)
Loss for the year	–	–	–	–	(1,211)	(1,211)
At 30 November 2006 and 1 December 2006	16,059	106,118	37,600	(13,344)	(176,178)	(29,745)
Exchange difference arising on translation of financial statements of foreign subsidiaries	–	–	–	(196)	–	(196)
Loss for the year	–	–	–	–	(5,395)	(5,395)
At 30 November 2007	**16,059**	**106,118**	**37,600**	**(13,540)**	**(181,573)**	**(35,336)**

The accompanying notes form an integral part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 30 November 2007

	2007 HK$'000	2006 HK$'000
Cash flows from operating activities		
Loss before taxation	**(5,395)**	(1,211)
Adjustments for:		
Interest income	**(40)**	(50)
Interest expenses	**1,998**	2,008
Depreciation	**285**	170
Gain on disposals of property, plant and equipment	**–**	(149)
Unrealised exchange difference	**(196)**	(2,328)
Impairment loss recognised in respect of trade and other receivables	**72**	427
Operating loss before working capital changes	**(3,276)**	(1,133)
Decrease in inventories	**–**	131
Increase in work in progress	**(319)**	(339)
(Increase)/decrease in trade and other receivables	**(248)**	1,207
Increase in amount due to the ultimate holding company	**1,499**	264
Increase in amounts due to customers	**48**	505
Increase in other payables	**1,748**	10
Decrease in deferred revenue	**(178)**	(1,014)
Net cash used in operating activities	**(726)**	(369)
Cash flows from investing activities		
Purchase of property, plant and equipment	**(377)**	(571)
Proceeds from disposal of property, plant and equipment	**–**	248
Interest received	**40**	50
Net cash used in investing activities	**(337)**	(273)
Net decrease in cash and cash equivalents	**(1,063)**	(642)
Cash and cash equivalents at the beginning of the year	**3,084**	3,726
Cash and cash equivalents at the end of the year	**2,021**	3,084
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	**2,021**	1,562
Time deposits	**–**	1,522
	2,021	3,084

The accompanying notes form an integral part of these financial statements.

Notes to Financial Statements

For the year ended 30 November 2007

1. CORPORATE INFORMATION

The Company was incorporated in Bermuda on 2 March 2000 as an exempted company with limited liability under the Companies Act 1981 of Bermuda (as amended) and its shares are listed on the Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited (the "Stock Exchange"). The registered office of the Company is located at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda. The principal place of business of the Company is located at 17/F, Regent Centre, 88 Queen's Road Central, Central, Hong Kong.

The principal activity of the Company is investment holding. The principal activities of its subsidiaries are set out in note 17 to the financial statements.

The directors consider the Company's ultimate holding company to be Maximizer Software Inc. ("MSI"), which was incorporated in Canada and listed on the Toronto Stock Exchange.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS")

In the current year, the Group has applied, for the first time, a number of new standards, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA") which are either effective for accounting periods beginning on or after 1 December 2006. The new HKFRSs adopted by the Company in the financial statements are set out as follows:

HKAS 19 (Amendment)	Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures
HKAS 21 (Amendment)	The Effects of changes in Foreign Exchange Rates – Net Investment in a Foreign Operation
HKAS 39 (Amendment)	The Fair Value Option
HKAS 39 (Amendment)	Cash Flow Hedge Accounting of Forecast Intragroup Transactions
HKAS 39 & HKFRS 4 (Amendments)	Financial Guarantee Contracts
HKFRS 6	Exploration for and Evaluation of Mineral Resources
HK(IFRIC) – Int 4	Determining whether an Arrangement contains a Lease
HK(IFRIC) – Int 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
HK(IFRIC) – Int 6	Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment
HK(IFRIC) – Int 7	Applying the Restatement Approach under HKAS 29 Financial Reporting in Hyperinflationary Economies
HK(IFRIC) – Int 8	Scope of HKFRS 2
HK(IFRIC) – Int 9	Reassessment of Embedded Derivatives
HK(IFRIC) – Int 10	Interim Financial Reporting and Impairment

The adoption of the above new and revised standards and interpretation has had no material effect on these financial statements.

2. APPLICATION OF NEW AND REVISED HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRS") (CONTINUED)

The Group has not early adopted the following new HKFRSs that have been issued but are not yet effective. The Group is in the process of making an assessment of what the impact of these amendments, new standards and new interpretations is expected to be in the period of initial application. So far it has concluded that the adoption of them is unlikely to have a significant impact on the Group's results of operations and financial position. These new HKFRSs may result in changes in the future as to how the results and financial position are prepared and presented.

HKAS 1 (Amendment)	Capital Disclosures[1]
HKAS 1 (Revised)	Presentation of Financial Statements[2]
HKAS 23 (Revised)	Borrowing Costs[2]
HKFRS 7	Financial Instruments: Disclosures[1]
HKFRS 8	Operating Segments[2]
HK(IFRIC) – Int 11	HKFRS 2 – Group and Treasury Share Transactions[3]
HK(IFRIC) – Int 12	Service Concession Arrangements[4]
HK(IFRIC) – Int 13	Customer Loyalty Programmes[5]
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[4]

[1] Effective for annual periods beginning on or after 1 January 2007
[2] Effective for annual periods beginning on or after 1 January 2009
[3] Effective for annual periods beginning on or after 1 March 2007
[4] Effective for annual periods beginning on or after 1 January 2008
[5] Effective for annual periods beginning on or after 1 July 2008

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These financial statements have been prepared in accordance with all applicable Hong Kong Financial Reporting Standards (HKFRSs), which collective term includes all applicable individual Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the Hong Kong Institute of Certified Public Accountants ("the HKICPA"), accounting principles generally accepted in Hong Kong and the disclosure requirements of the Hong Kong Companies Ordinance. These financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules"). The consolidated financial statements are presented in Hong Kong dollars and all values are rounded to the nearest thousand (HK$'000) except otherwise indicated.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The preparation of financial statements in conformity with HKFRSs requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of HKFRSs that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in Note 5 to the financial statements.

A summary of the significant accounting policies followed by the Group in the preparation of the financial statements is set out below:

(a) Basis of preparation

The measurement basis used in the preparation of the financial statements is historical cost convention.

The Group incurred losses of approximately HK$5,395,000 and HK$1,211,000 for the year ended 30 November 2007 and 2006 respectively. As at 30 November 2007, the Group's current liabilities exceeded its current assets by approximately HK$4,756,000 and net liabilities of approximately HK$35,336,000. Notwithstanding the above results, the financial statements have been prepared on a going concern basis, the validity of which is dependent upon the success of the Group's future operations, its ability to generate adequate cash flows in order to meet its obligations as and when fall due and its ability to refinance or restructure its borrowings such that the Group can meet its future working capital and financing requirements.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(a) Basis of preparation (Continued)

A shareholder of the Company, Pacific East Limited, has confirmed that it will not demand repayment of its promissory notes and the related promissory notes interests in the amount of approximately HK$12,500,000 and HK$4,745,000 respectively within the next twelve months of the balance sheet date. On 30 November 2007, Pacific East Limited has agreed to extend the maturity dates of the promissory notes amounts of HK$9,500,000 and HK$3,000,000 to 22 May 2009 and 31 May 2009 respectively. The ultimate holding company, MSI, has also confirmed that it will not demand repayment of the amount due of approximately HK$7,847,000 within the next twelve months of the balance sheet date. Furthermore, a party connected to a non-executive director of the Company, Wickham Group Limited, has also agreed that it will not demand repayment of the promissory note and the related promissory notes interests in the amount of approximately HK$4,634,000 and HK$1,656,000 respectively within the next twelve months of the balance sheet. On 30 November 2007, Wickham Group Limited has agreed to extend the maturity date of the promissory note amount of HK$4,634,000 to 21 May 2009. Further details, please refer to Note 23.

The directors are confident that the Group's future operations will be successful and able to generate sufficient cash flows in order to meet its obligations as they fall due over the next twelve months. Accordingly, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

(b) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiaries made up to 30 November 2007.

The results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or disposal, as appropriate.

Intra-group transactions and balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provided evidence of an impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(c) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group, directly or indirectly, has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

In the financial statements of the Company, the investments in subsidiaries are stated at cost less provision for impairment losses. The results of subsidiaries are accounted by the Company on the basis of dividend received and receivable.

(d) Property, plant and equipment

Property, plant and equipment, comprising leasehold improvements, furniture and fixtures and office equipment, are stated at cost less accumulated depreciation and accumulated impairment losses.

Depreciation is calculated on the straight line basis to write-off the cost of items of property, plant and equipment, less their estimated realisable value, if any, over their estimated useful lives. The principal annual rates used for this purpose are 20% to 33.3%.

Major costs incurred in restoring property, plant and equipment to their normal working condition to allow continued use of the overall asset are capitalised and depreciated over their expected useful lives. Improvements are capitalised and depreciated over their expected useful lives to the Group.

The residual values and useful lives of items of property, plant and equipment are reviewed, and adjusted if appropriate, at each balance sheet date.

The gain or loss on disposal or retirement of an item of property, plant and equipment is the difference between the net sale proceeds and the carrying amount of the relevant asset, and is recognised in the consolidated income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(e) Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired subsidiary/associate/jointly controlled entity at the date of acquisition. Goodwill on acquisitions of subsidiaries and jointly controlled entities is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

(f) Software research and development costs

Software research and development costs are expensed as incurred. Costs incurred on development projects relating to the design and testing of new or improved software products are recognised as an intangible asset where the technical feasibility and intention of completing the software product under development has been demonstrated and the resources are available to do so, costs are identifiable and there is an ability to sell or use the asset that will generate probable future economic benefits. Such development costs are recognised as an asset and amortised on a straight-line basis over a period of not more than 5 years to reflect the pattern in which the related economic benefits are recognised. Development costs that do not meet the above criteria are expensed as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. During the year, all software research and development costs have been expensed.

(g) Impairment of assets

Assets that have an indefinite useful life are not subject to amortisation, which are at least tested annually for impairment and are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(h) Work in progress

Work in progress is recorded at the amount of the costs incurred plus recognised profits less the sum of recognised losses and progress billings. Where progress billings exceed contract costs incurred plus recognised profits less recognised losses, the surplus is treated as an amount due to customers.

Where the outcome of a construction contract can be estimated reliably, revenue and costs are recognised by reference to the stage of completion of the contract activity at the balance sheet date, measured based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs, except where this would not be representative of the stage of completion.

(i) Trade and other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade and other receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate. The amount of the provision is recognised in the income statement.

(j) Cash and cash equivalents

Cash equivalents comprise cash at bank and on hand, demand deposits with banks and other financial institutions, and short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value, and have a short maturity of generally within three months when acquired, less bank overdrafts which are repayable on demand and form an integral part of the Group's cash management.

(k) Revenue recognition

(i) Revenue from the sale of computer software licenses and the provision of related services where there are no significant post-delivery obligations is recognised upon the satisfactory completion of installation, which generally coincides with the time when the computer products are delivered to the customers.

(ii) Where the Group enters into contracts with customers which entail the development of customised software with significant post-delivery service support, revenue from the development of customised software is recognised in the consolidated income statement by reference to the stage of completion of customisation work, including post-delivery service support, at the balance sheet date.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(k) Revenue recognition (Continued)

(iii) When the outcome of a construction contract can be estimated reliably, revenue from a fixed price contract is recognised using the percentage of completion method, measured by reference to the percentage of contract costs incurred to date to estimated total contract costs for the contract; and revenue from a cost plus contract is recognised by reference to the recoverable costs incurred during the period plus an appropriate proportion of the total fee, measured by reference to the proportion that costs incurred to date bear to the estimated total costs of the contract.

When the outcome of a construction contract cannot be estimated reliably, revenue is recognised only to the extent of contract costs incurred that it is probable will be recoverable.

(iv) Rental income of computer software licenses and customised software is recognised at the due date of the rental income.

(v) Revenue from the provision of maintenance services is recognised on a straight-line basis over the life of the related agreement.

(vi) Revenue from the sale of computer hardware is recognised on the transfer of risks and rewards of ownership, which generally coincides with the time when the goods are delivered to customers and the title has passed.

(vii) Interest income is recognised on a time proportion basis, taking into account the principal amounts outstanding and interest rates applicable.

(l) Deferred revenue

Deferred revenue represents the proportion of revenue which relates to the unexpired period of the maintenance service agreements as at the year end.

(m) Borrowings costs

Borrowing costs are interests and other costs incurred in connection with the borrowing of funds. All borrowings costs are charged to the income statement in the year in which they are incurred.

(n) Operating leases

Leases in which a significant portion of the risk and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are expensed in the income statement on a straight-line basis over the period of the lease.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(o) Foreign currencies translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in HK dollars, which is the Company's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement, except when deferred in equity as qualifying cash flow hedges or qualifying net investment hedges.

Translation differences on non-monetary items, such as equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation difference on non-monetary items, such as equities classified as available-for-sale financial assets, are included in the fair value reserve in equity.

(iii) Group companies

The results and financial position of all the group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

(i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;

(ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and

(iii) all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is sold, such exchange differences are recognised in the income statement as part of the gain or loss on sale.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(p) Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligations.

(q) Financial instruments

Financial assets in the scope of HKAS 39 are mainly classified as financial assets at fair value through profit or loss, loans and receivables, and available-for-sale financial assets, as appropriate. When financial assets are recognised initially, they are measured at fair value, plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs. The Group considers whether a contract contains an embedded derivative when the Group first becomes a party to it. The embedded derivatives are separated from the host contract which is not measured at fair value through profit or loss when the analysis shows that the economic characteristics and risks of embedded derivatives are not closely related to those of the host contract.

The Group determines the classification of its financial assets after initial recognition and, where allowed and appropriate, re-evaluates this designation at the balance sheet date.

All regular way purchases and sales of financial assets are recognised on the trade date, that is, the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place.

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading. Financial assets are classified as held for trading if they are acquired for the purpose of sale in the near term. Gains or losses on investments held for trading are recognised in the income statement.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are subsequently carried at amortised cost using the effective interest rate method. Amortised cost is calculated taking into account any discount or premium on acquisition and includes fees that are an integral part of the effective interest rate and transaction costs. Gains and losses are recognised in the income statement when the loans and receivables are derecognised or impaired, as well as through the amortisation process.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Financial instruments (Continued)

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets in listed and unlisted equity securities that are designated as available-for-sale or are not classified in any of the other two categories. After initial recognition, available-for-sale financial assets are measured at fair value, with gains or losses recognised as a separate component of equity until the investment is derecognised or until the investment is determined to be impaired, at which time the cumulative gain or loss previously reported in equity is included in the income statement.

When the fair value of unlisted equity securities cannot be reliably measured because (a) the variability in the range of reasonable fair value estimates is significant for that investment or (b) the probabilities of the various estimates within the range cannot be reasonably assessed and used in estimating fair value, such securities are stated at cost less any impairment losses.

Fair value

The fair value of investments that are actively traded in organised financial markets is determined by reference to quoted market bid prices at the close of business at the balance sheet date. For investments where there is no active market, fair value is determined using valuation techniques. Such techniques include using recent arm's length market transactions; reference to the current market value of another instrument which is substantially the same; a discounted cash flow analysis; and other valuation models.

Impairment of financial assets

The Group assesses at each balance sheet date whether there is any objective evidence that a financial asset or a group of financial assets is impaired.

Assets carried at amortised cost

If there is objective evidence that an impairment loss on loans and receivables carried at amortised cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate, being the effective interest rate computed at initial recognition. The carrying amount of the asset is reduced either directly or through the use of an allowance account. The amount of the impairment loss is recognised in the income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Financial instruments (Continued)

Impairment of financial assets (Continued)

Assets carried at amortised cost *(Continued)*

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant, and individually or collectively for financial assets that are not individually significant. If it is determined that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, the asset is included in a group of financial assets with similar credit risk characteristics and that group is collectively assessed for impairment. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. Any subsequent reversal of an impairment loss is recognised in the income statement to the extent that the carrying value of the asset does not exceed its amortised cost at the reversal date.

In relation to trade receivables, a provision for impairment is made when there is objective evidence (such as the probability of insolvency or significant financial difficulties of the debtor) that the Group will not be able to collect all of the amounts due under the original terms of an invoice. The carrying amount of the receivables is reduced through the use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Assets carried at cost

If there is objective evidence that an impairment loss on an unquoted equity instrument that is not carried at fair value because its fair value cannot be reliably measured has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. Impairment losses on these assets are not reversed.

Available-for-sale financial assets

If an available-for-sale asset is impaired, an amount comprising the difference between its cost (net of any principal payment and amortisation) and its current fair value, less any impairment loss previously recognised in the income statement, is transferred from equity to the income statement. Impairment losses on equity instruments classified as available-for-sale are not reversed through the income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Financial instruments (Continued)

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired;
- the Group retains the rights to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Group has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognised to the extent of the Group's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Where continuing involvement takes the form of a written and/or purchased option (including a cash-settled option or similar provision) on the transferred asset, the extent of the Group's continuing involvement is the amount of the transferred asset that the Group may repurchase, except in the case of a written put option (including a cash-settled option or similar provision) on an asset measured at fair value, the extent of the Group's continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Financial liabilities and equity

Financial liabilities and equity instruments issued by the Group are classified accordingly to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

An equity instrument is a contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. The Group's financial liabilities are generally classified into financial liabilities at fair value through profit or loss and financial liabilities at amortised costs.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(q) Financial instruments (Continued)

Financial liabilities and equity (Continued)

Financial liabilities at fair value through profit or loss (Continued)

- It forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at fair value through profit or loss.

At each balance sheet date subsequent to initial recognition, financial liabilities at fair value through profit or loss are measured at fair value, with changes in fair value recognised directly in the income statement in the period in which they arise.

Financial liabilities at amortised cost

Financial liabilities including trade and other payables and interest-bearings loans advanced from shareholders are initially stated at fair value less directly attributable transaction costs and are subsequently measured at amortised cost, using the effective interest method unless the effect of discounting would be immaterial, in which case they are stated at cost.

Gains and losses are recognised in the income statement when the liabilities are derecognised as well as through the amortisation process.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. The difference between the carrying value of the financial liability derecognised and the consideration paid is recognised in the income statement.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and a recognition of a new liability, and the difference between the respective carrying amounts is recognised in the income statement.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(r) Related party transaction

A party is considered to be related to the Group if:

(i) the party, directly or indirectly through one or more intermediaries, (a) controls, is controlled by, or is under common control with, the Group; (b) has an interest in the Group that gives it significant influence over the Group; or (c) has joint control over the Group;

(ii) the party is an associate;

(iii) the party is a jointly-controlled entity;

(iv) the party is a member of the key management personnel of the Group or its parent;

(v) the party is a close member of the family of any individual referred to in (i) or (iv);

(vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or

(vii) the party is a post-employment benefit plan for the benefit of the employees of the Group, or of any entity that is a related party of the Group.

(s) Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years, and it further excludes income statement items that are never taxable or deductible.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(s) Income tax (Continued)

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary difference can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill (or negative goodwill) or from the initial recognition (other than a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investment in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the liability is settled or the asset realised. Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

(t) Contingent liabilities and assets

A contingent liability is a possible obligation that arises from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group. It can also be a present obligation arising from past events that is not recognised because it is not probable that outflow of economic resources will be required or the amount of obligation cannot be measured reliably. A contingent liability is not recognised but is disclosed in the notes to the financial statements. When a change in the probability of an outflow occurs so that outflow is probable, they will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain events not wholly within the control of the Group. Contingent assets are not recognised but are disclosed in the notes to the financial statements when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(u) Retirement benefits scheme

(i) Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of non-monetary benefits are accrued in the year in which the associated services are rendered by employees of the Group. Where payment or settlement is deferred and the effect would be material, these amounts are stated at their present values.

(ii) The Group operates a defined contribution Mandatory Provident Fund retirement benefits scheme (the "MPF Scheme") under the Mandatory Provident Fund Schemes Ordinance for those employees who are eligible to participate in the MPF Scheme. The MPF Scheme has operated since 1 December 2000. Contributions are made based on a percentage of the employees' basic salaries and are charged to the consolidated income statement as they become payable in accordance with the rules of the MPF Scheme. The assets of the MPF Scheme are held separately from those of the Group in an independently administered fund.

(iii) Termination benefits are recognised when, and only when, the Group demonstrably commits itself to terminate employment or to provide benefits as a result of voluntary redundancy by having a detailed formal plan which is without realistic possibility of withdrawal.

(iv) The Company and its ultimate holding company, MSI, each operates a share option scheme for the purpose of providing incentives and rewards to eligible participants who contribute to the success of group's operation comprising the companies and their respective subsidiaries. The fair value of the employee services received in exchange for the grant of the options is recognised as expense. The total amount to be expensed over the vesting period is determined by reference to the fair value of the options granted. At each balance sheet date, the Company revises its estimates of the number of share options that are expected to become exercisable. It recognises the impact of the revision of original estimates, if any, in the income statement, and a corresponding adjustment to equity in the balance sheet will be made over the remaining vesting periods.

The proceeds received, net of any directly attributable transaction costs, are credited to share capital and share premium accounts when the share options are exercised and when the restricted share awards are vested.

Share options granted under the Company's share option scheme are not expensed as the options were all vested and not subject to requirements of HKFRS 2. Further details of the new policy are set out in Note 15.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

(v) Segment reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. A geographical segment is engaged in providing products or services within a particular economic environment that are subject to risks and return that are different from those of segments operating in other economic environments.

In accordance with the Group's internal financial reporting, the Group has determined that business segments be presented as the primary reporting format and geographical segments as the secondary reporting format.

Segment revenue, expenses, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis to that segment. Segment revenue, expenses, assets, and liabilities are determined before intra-group balances and intra-group transactions are eliminated as part of the consolidation process, except to the extent that such intra-group balances and transactions are between group enterprises within a single segment. Inter-segment pricing is based on similar terms as those available to other external parties.

Segment assets consist primarily of property, plant and equipment, intangible assets, inventories, work in progress, receivables and operating cash. Segment capital expenditure is the total cost incurred during the period to acquire segment assets (both tangible and intangible) that are expected to be used for more than one year.

Unallocated items mainly comprise financial and corporate assets, interest-bearing loans, borrowings, tax balances, corporate and financing expenses.

Sales are based on the country in which the customer is located. Total assets and capital expenditure are based on where the assets are located.

4. FINANCIAL RISK MANAGEMENT

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk), credit risk, liquidity risk and cash flow and fair value interest rate risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance.

(a) Market risk

Foreign exchange risk

The Group operates mainly in Hong Kong, primarily with respect to the Hong Kong dollars. The Group is exposed to foreign currency risk arising from translating the intercompany balance with its foreign subsidiary, which are denominated in Australian dollars other than the functional currency of the Group. The Group currently does not have a foreign currency hedging policy. However, the management monitors foreign exchange exposure and will consider hedging significant foreign currency exposure should the need arise.

(b) Credit risk

The carrying amounts of trade receivables and other current assets except for other receivables, time deposits and cash and bank balances, represent the Group's maximum exposure to credit risk in relation to financial assets. The Group has policies that limit the amount of credit exposure to any customers. The Group also has policies in place to ensure that sales of products and maintaining services are made to customers with an appropriate credit history. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

The Group has no significant concentration of credit risk, with exposure spread over a number of counterparties and customers. The Company has no significant credit risk as at 30 November 2007.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities. Internally generated cash flow and advances from shareholder and related company are the general source of funds to finance the operation of the Group. The Group had net liabilities of approximately $35,336,000 as at 30 November 2007. The Group regularly reviews its major funding positions to ensure it has adequate financial resources in meeting its financial obligations. The Group also obtained financial support from its shareholder and ultimate holding company.

(d) Cash flow and fair value interest rate risk

Long term borrowings at variable interest rates expose the Group to cash flow interest rate risk and those at fixed rate expose the Group to fair value interest rate risk.

The Group monitors the interest rate risk exposure on a continuous basis and adjusts the portfolio of borrowings where necessary.

4. FINANCIAL RISK MANAGEMENT (CONTINUED)

Fair value estimation

The carrying amounts of the Group's financial assets, including cash and bank balances, trade and other receivables, and financial liabilities, including trade and other payables, approximate their fair values due to their short maturities. The face values less any credit adjustments for financial assets and liabilities with maturity of less than one year are assumed to approximate their fair values.

The nominal value less estimated credit adjustments of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Group for similar financial instruments.

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) *Impairment of assets*

The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a cash generating unit is determined based on value-in-use calculations which require the use of assumptions and estimates.

(ii) *Estimated useful lives of property, plant and equipment*

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment that to determine the amount of depreciation expenses to be recorded. The useful lives are estimated at the time the asset is acquired based on historical experience, the expected usage, wear and tear of the assets, and technical obsolescence arising from changes in the market demands or service output of the assets. The Group also performs annual reviews on whether the assumptions made on useful lives continue to be valid.

Notes to Financial Statements

For the year ended 30 November 2007

5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

Critical accounting estimates and assumptions (Continued)

(iii) Trade receivables

The aging profile of trade receivables is reviewed on a regular basis to ensure that the trade debtor balances are collectible and follow up actions are promptly carried out if the agreed credit periods have been exceeded. However, from time to time, the Group may experience delays in collection. Where recoverability of trade receivables balances are called into doubts, specific provisions for bad and doubtful debts are made based on credit status of the customers, the aged analysis of the trade receivable balances and write-off history. Certain receivables may be initially identified as collectible, yet subsequently become uncollectible and result in a subsequent write-off of the related receivable to the income statement. Changes in the collectibles of trade receivables for which provisions are not made could affect the results of operations.

6. SEGMENT INFORMATION

Segment information is presented by way of two segment formats: (i) on a primary segment reporting basis, by business segment; and (ii) on a secondary segment reporting basis, by geographical segment.

The Group's operating businesses are structured and managed separately, according to the nature of their operations and the products and services they provide. Each of the Group's business segments represents a strategic business unit that offers products and services which are subject to risks and returns that are different from those of other business segments. Summary details of the business segments are as follows:

(a) eFinance; and
(b) eBusiness.

In determining the Group's geographical segments, turnover and results are attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

6. SEGMENT INFORMATION (CONTINUED)

(a) Business segments

	eFinance		eBusiness		Consolidated	
	2007	2006	**2007**	2006	**2007**	2006
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Turnover	**17,314**	15,240	**880**	970	**18,194**	16,210
Segment result	**4,482**	4,618	**(749)**	(1,102)	**3,733**	3,516
Other revenue					**44**	68
Exchange (loss)/gain					**(952)**	2,045
Unallocated expenses					**(6,222)**	(4,832)
(Loss)/profit from operating activities					**(3,397)**	797
Finance costs					**(1,998)**	(2,008)
Loss before taxation					**(5,395)**	(1,211)
Taxation					**-**	–
Loss for the year					**(5,395)**	(1,211)

Notes to Financial Statements

For the year ended 30 November 2007

6. SEGMENT INFORMATION (CONTINUED)

(a) Business segments (continued)

	eFinance		eBusiness		Consolidated	
	2007	2006	**2007**	2006	**2007**	2006
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Segment assets	**3,750**	2,969	**803**	627	**4,553**	3,596
Unallocated assets					**1,268**	2,701
Total assets					**5,821**	6,297
Segment liabilities	**11,789**	6,323	**5,384**	7,471	**17,173**	13,794
Unallocated liabilities					**23,984**	22,248
Total liabilities					**41,157**	36,042
Other segment information:						
Depreciation	**268**	159	**17**	11	**285**	170
Gain on disposal of property, plant and equipment	**-**	–	**-**	149	**-**	149
Capital expenditure	**359**	549	**18**	22	**377**	571

6. SEGMENT INFORMATION (CONTINUED)

(b) Geographical segments

The Group's segment turnover, segment result, segment assets, segment liabilities and capital expenditure for the year, analysed by geographical market, are as follows:

	2007				
	Segment turnover HK$'000	**Segment loss HK$'000**	**Segment assets HK$'000**	**Segment liabilities HK$'000**	**Capital expenditure HK$'000**
Hong Kong and other Asian counties	**18,194**	**(4,921)**	**5,524**	**37,374**	**377**
Australia and New Zealand	**-**	**(474)**	**297**	**3,783**	**-**
	18,194	**(5,395)**	**5,821**	**41,157**	**377**

	2006				
	Segment turnover HK$'000	Segment profit/(loss) HK$'000	Segment assets HK$'000	Segment liabilities HK$'000	Capital expenditure HK$'000
Hong Kong and other Asian counties	16,211	(3,418)	5,863	32,792	571
Australia and New Zealand	(1)	2,207	434	3,250	–
	16,210	(1,211)	6,297	36,042	571

7. TURNOVER AND OTHER REVENUE

The Group is principally engaged in the designing and sale of computer software and the provision of professional and maintenance services for such products. An analysis of the Group's turnover and other revenue is as follows:

	2007 **HK$'000**	2006 HK$'000
Turnover:		
Sales of computer software licences, software rental and provision of related services	**7,846**	7,960
Provision of maintenance services	**5,013**	4,599
Contract revenue	**2,160**	2,262
Sales of computer hardware	**3,175**	1,389
	18,194	16,210
Other revenue:		
Bank interest income	**40**	50
Sundry income	**4**	18
	44	68
	18,238	16,278

8. (LOSS)/PROFIT FROM OPERATING ACTIVITIES

	2007 HK$'000	2006 HK$'000
(Loss)/profit from operating activities is stated after charging:		
Auditors' remuneration	**294**	258
Impairment loss recognised in respect of trade and other receivables	**72**	427
Depreciation on owned property, plant and equipment	**285**	170
Operating lease payments in respect of		
– land and buildings	**974**	595
– plant and equipment	**-**	30
Staff costs (excluding directors' remuneration)		
– salaries and allowances	**12,810**	10,928
– retirement benefit costs	**453**	431
Cost of computer hardware sold	**2,334**	1,075
Exchange loss	**952**	–
and after crediting:		
Other income:		
Exchange gain	**-**	2,045
Gain on disposal of property, plant and equipment	**-**	149
	-	2,194

9. FINANCE COSTS

	2007 HK$'000	2006 HK$'000
Interest on promissory notes		
– wholly repayable within five years	**1,727**	1,655
Interest on amount due to the ultimate holding company		
– wholly repayable within five years	**271**	353
	1,998	2,008

10. TAXATION

No provision for Hong Kong profits tax has been made as the Group had either no estimated assessable profits or had estimated tax losses brought forward to set off the estimated assessable profit for the year (2006: Nil).

No Australian income tax has been provided by an Australian subsidiary of the Group as it had estimated tax losses brought forward to set off the estimated assessable profit for the year (2006: Nil).

The Group has tax losses arising in Hong Kong of approximately HK$70,121,000 (2006: HK$66,572,000) that are available indefinitely for offsetting against future taxable profits of the companies in which the losses arose. Deferred tax assets have not been recognised due to the unpredictability of the future profit streams.

The charge for the year can be reconciled to the profit/(loss) per consolidated income statement as follows:

	2007							
	Hong Kong		Australia		The PRC		Total	
	HK$'000	%	HK$'000	%	HK$'000	%	HK$'000	%
Profit/(loss) before taxation	(35,495)		30,907		(807)		(5,395)	
Tax at applicable tax rate in the respective jurisdictions	(6,212)	(17.5)	9,272	30	(266)	(33)	2,794	51.7
Estimated tax effect of income and expenses not taxable or deductible in determining profits tax	5,576	15.7	726	2.3	(5)	(0.6)	6,297	116
Estimated tax effect of unrecognised temporary differences	5	0.01	(27)	(0.1)	4	0.5	(18)	(0.3)
Estimated tax effect of unrecognised tax losses	684	1.93	-	-	267	33.1	951	17.6
Estimated tax effect of utilisation of unrecognised tax losses from prior periods	(53)	(0.14)	(9,971)	(32.2)	-	-	(10,024)	(185)
Tax charge at the Group's effective rate for the year	-	-	-	-	-	-	-	-

10. TAXATION (CONTINUED)

	2006					
	Hong Kong		Australia		Total	
	HK$'000	%	HK$'000	%	HK$'000	%
Profit/(loss) before taxation	(3,418)		2,207		(1,211)	
Tax at applicable tax rate in the respective jurisdictions	(598)	(17.5)	662	30	64	5.3
Estimated tax effect of income and expenses not taxable or deductible in determining profits tax	249	7.3	(665)	(30.1)	(416)	(34.3)
Estimated tax effect of unrecognised temporary differences	(78)	(2.3)	(99)	(4.5)	(177)	(14.6)
Estimated tax effect of unrecognised tax losses	549	16.1	102	4.6	651	53.7
Estimated tax effect of utilisation of unrecognised tax losses from prior periods	(122)	(3.6)	–	–	(122)	(10.1)
Tax charge at the Group's effective rate for the year	–	–	–	–	–	–

11. NET LOSS FOR THE YEAR ATTRIBUTABLE TO SHAREHOLDERS

The net loss for the year attributable to shareholders includes a loss of HK$3,257,000 (2006: loss of HK$1,943,000) which has been dealt with in the financial statements of the Company.

Notes to Financial Statements

For the year ended 30 November 2007

12. LOSS PER SHARE

The calculation of basic loss per share is based on the following data:

	2007	2006
Loss for the year for the purpose of basic loss per share (in HK$'000)	**(5,395)**	(1,211)
Weighted average of ordinary shares for the purpose of basic loss per share	**160,590,967**	160,590,967
Basic loss per share	**HK (3.36) cents**	HK (0.75) cents

13. DIVIDENDS

The directors do not recommend the payment of any dividend in respect of the year ended 30 November 2007 (2006: Nil).

14. DIRECTORS' AND SENIOR MANAGEMENT EMOLUMENTS

(a) Directors' emoluments

The aggregate amounts of emoluments paid or payable to the directors of the Company during the year are as follow:

	2007 HK$'000	2006 HK$'000
Directors' fees		
Independent non-executive directors	**60**	60
Executive directors:		
– Basic salaries, allowances and benefits in kind	**–**	–
– Contribution to provident fund	**–**	–
	60	60

No executive directors received individual emolument for the year ended 30 November 2007 (2006: No executive director received individual emoluments).

14. DIRECTORS' AND SENIOR MANAGEMENT EMOLUMENTS (CONTINUED)

(a) Directors' emoluments (Continued)

The emoluments, pension and compensation arrangements paid/payable to the directors and past directors for their services on the Company were as follows:

Name of Director	Fees	Salaries and allowances	Contribution to pension scheme	Total
	HK$'000	HK$'000	HK$'000	HK$'000
2007:				
Executive directors				
Mr. Terence Chi Yan Hui	–	–	–	–
Mr. Joseph Chi Ho Hui	–	–	–	–
Non-executive director				
Mr. Kau Mo Hui	–	–	–	–
Independent non-executive directors				
Mr. Ronald Kwok Fai Poon	**20**	–	–	**20**
Mr. Clifford Sau Man Ng	**20**	–	–	**20**
Mr. Kwong Sang Liu	**20**	–	–	**20**
	60	–	–	**60**
2006:				
Executive directors				
Mr. Terence Chi Yan Hui	–	–	–	–
Mr. Joseph Chi Ho Hui	–	–	–	–
Non-executive director				
Mr. Kau Mo Hui	–	–	–	–
Independent non-executive directors				
Mr. Ronald Kwok Fai Poon	20	–	–	20
Mr. Clifford Sau Man Ng	20	–	–	20
Mr. Kwong Sang Liu	20	–	–	20
	60	–	–	60

14. DIRECTORS' AND SENIOR MANAGEMENT EMOLUMENTS (CONTINUED)

(a) Directors' emoluments (Continued)

No directors of the Company waived any emoluments during the years ended 30 November 2007 and 2006.

During the years ended 30 November 2007 and 2006, no emoluments were paid by the Group to the directors as inducement to join or upon joining the Group, or as compensation for loss of office.

During the year, no options were granted to the executive directors under the share option scheme approved by the shareholders of the Company on 22 January 2001. Details of the share option scheme were set out in Note 15 to the financial statements.

(b) Five highest paid individuals

No directors of the Company were included in the five highest paid individuals in the Group for the year (2006: Nil) director of the Company. The emoluments payable to the five (2006: five) individuals (the "Employees") during the year are as follows:

	2007	2006
	HK$'000	HK$'000
Basic salaries and allowances	**3,070**	2,771
Contribution to provident fund	**60**	60
	3,130	2,831

During the years ended 30 November 2007 and 2006, no emoluments were paid by the Group to any of the Employees as inducement to join or upon joining the Group.

The number of the Employees whose emoluments fell within the following bands is as follows:

	Number of employees	
	2007	2006
Nil to HK$1,000,000	**5**	5
HK$1,000,001 to HK$1,500,000	**–**	–
	5	5

15. EMPLOYEE BENEFITS

Retirement Benefit Scheme

Effective from 1 December 2000, the Group joined the Mandatory Provident Fund Scheme (the "MPF Scheme") for all of its employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF Scheme is registered with the Mandatory Provident Fund Authority under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong) in Hong Kong. The assets of the MPF Scheme are held separately from those of the Group in funds under the control of an independent trustee. Under the rules of the MPF Scheme, the Group and its employees are each required to make contributions to the MPF Scheme at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$20,000. No forfeited contribution is available to reduce the contribution payable in the future years. Contributions to the scheme vest immediately. Contributions totalling HK$34,000 (2006: HK$37,000) were payable to the funds at year end and are included in other payables.

Equity compensation benefits

Share Option

On 22 January 2001, the shareholders of the Company approved a share option scheme (the "Scheme") under which its board of directors may, at its discretion, invite full-time employees of the Company or any of its subsidiaries, including directors, who spend not less than twenty-five hours per week in providing services to the Group, to take up options to subscribe for ordinary shares in the Company. The maximum number of shares in respect of which options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company from time to time. No employee can be granted an option under the Scheme which, if exercised in full, would result in such an employee becoming entitled to subscribe for such number of shares that would exceed 25% of the aggregate number of shares for the time being issued and issuable under the Scheme. The subscription price will be determined by the Company's board of directors and will be the highest of (i) the nominal value of the shares, (ii) the quoted closing price of the Company's shares on the trade day immediately preceding the date of offer of the options, and (iii) the average of the quoted closing price of the Company's shares on the five trading days immediately preceding the date of offer of the options. The Scheme was adopted on 22 January 2001 (the "Adoption Date") and is valid and effective for a period of ten years commencing on the Adoption Date. Any options granted under the Scheme expire ten years from the date of grant ad are exercisable over four years with one quarter exercisable on each anniversary date from the date of grant. A nominal value of HK$1.00 is payable on acceptance of each grant of options.

15. EMPLOYEE BENEFITS (CONTINUED)

Equity compensation benefits (Continued)

Share Option (Continued)

No further options can be granted under the Scheme until the new requirements of Chapter 23 of the GEM Listing Rules are complied with.

Details of the share options granted by the Company pursuant to the Scheme and the options outstanding as at 30 November 2007 were as follows:

	Date of grant	Exercise price	Exercisable period	Options held as at 1 December 2006	Lapsed during the year	Options held as at 30 November 2007
Executive directors	17 April 2001	HK$3.625	17 April 2002 to 16 April 2011	480,000	–	480,000
	28 May 2001	HK$4.675	28 May 2002 to 27 May 2011	48,000	–	48,000
Continuous contracts employees	17 April 2001	HK$3.625	17 April 2002 to 16 April 2011	1,310,940	(391,680)	919,260
	28 May 2001	HK$4.625	28 May 2002 to 27 May 2011	116,980	(37,824)	79,156

These options expire ten years from the date of grant and are exercisable over four years from the date of grant, with one quarter of the options granted exercisable on each anniversary date from the date of grant.

No further options can be granted under the Company's share option scheme adopted on 22 January 2001 until the new requirements of Chapter 23 of the GEM Listing Rules are complied with.

The exercise in full of the above options outstanding as at 30 November 2007 would, under the present capital structure of the Company, result in the issue of 1,526,416 additional ordinary shares of HK$0.10 each.

According to the transitional provision of HKFRS 2, Share-based Payment, the Group applies HKFRS 2 to share options granted after 7 November 2002 and had not yet vested on 1 December 2006. The adoption of this standard did not result in any significant changes to the amounts of disclosures in the financial statements as the share options outstanding on 30 November 2007 were granted before 7 November 2002 and vested in ten years from the date of granted and before the annual periods beginning on 1 December 2006.

16. PROPERTY, PLANT AND EQUIPMENT

The Group

	Leasehold Improvements HK$'000	Furniture and fixtures HK$'000	Office equipment HK$'000	Total HK$'000
Cost:				
At 1 December 2005	206	896	6,646	7,748
Additions	–	12	559	571
Disposals	(72)	(562)	(1,294)	(1,928)
At 30 November 2006 and 1 December 2006	134	346	5,911	6,391
Additions	–	19	358	377
At 30 November 2007	134	365	6,269	6,768
Accumulated depreciation:				
At 1 December 2005	70	875	6,395	7,340
Charge for the year	34	2	134	170
On disposal written back	(25)	(544)	(1,260)	(1,829)
At 30 November 2006	79	333	5,269	5,681
Charge for the year	33	5	247	285
At 30 November 2007	112	338	5,516	5,966
Net book value:				
At 30 November 2007	**22**	**27**	**753**	**802**
At 30 November 2006	55	13	642	710

17. INVESTMENTS IN SUBSIDIARIES

	Company	
	2007	2006
	HK$'000	HK$'000
Unlisted shares, at cost	**61,686**	61,686
Less: Impairment loss recognised in respect of the investments costs	**(61,686)**	(61,686)
	–	–
Amounts due from subsidiaries	**67,682**	98,150
Less: Impairment loss recognised in respect of amounts due from subsidiaries (Note b)	**(67,682)**	(98,150)
	–	–
	–	–

Notes:

(a) The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment. The directors of the Company considered that the carrying amounts of amounts due from subsidiaries approximate to their fair value.

(b) The movements in provision for impairment loss in respect of amounts due from subsidiaries are as follows:

	Company	
	2007	2006
	HK$'000	HK$'000
At 1 December 2006/2005	**98,150**	98,892
Impairment loss recognised *(Note)*	**2,758**	92
Reversal of impairment loss	**(33,226)**	(834)
At 30 November 2007/2006	**67,682**	98,150

Note: In view of the accumulated losses and net liabilities position of the Company's subsidiaries for the year ended 30 November 2007, the directors of the company consider that the carrying amount of investment in subsidiaries exceeds its recoverable amount, and thus, they concluded that it is appropriate to make an provision for impairment in values in respect of the investments cost and the amount due from Subsidiaries. The recoverable amount of the investments in Subsidiaries based upon which impairment loss is arrived at its value in use of discounted rate of 5% (2006: 5%).

17. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Particulars of subsidiaries as at 30 November 2007 are as follows:

Name of subsidiary	Place of incorporation/ operation	Particulars of issued share capital	Proportion of nominal value of issued shares held by the Company		Principal activities
			Directly	Indirectly	
abc Multiactive (Hong Kong) Limited	Hong Kong	300,000 ordinary shares of HK$1.00 each	100%	–	Design and sales of computer software and provision of maintenance services
ABC Enterprise Limited	Hong Kong	1 ordinary share of HK$1.00 each	100%	–	Dormant
Maximizer Asia Limited	Hong Kong	10,000 ordinary share of HK$1.00 each	100%	–	Sale of computer software products and provision of maintenance services
Multiactive Software Pty. Limited ("abc Australia")	Australia	100,000 ordinary shares of A$1.00 each	99.99%	0.01%	Investment holding
Maximizer Software Pty. Limited	Australia	1 ordinary share of A$1.00 each	–	100%	Sales of computer software products and provision of professional and maintenance services
abc Multiactive (Shenzhen) Limited *(Note a)*	The People's Republic of China	Registered capital HK$100,000	–	100%	Design and sales of computer software and provision of maintenance services
Maximizer Asia (Shanghai) Limited *(Note a)*	The People's Republic of China	Registered capital RMB100,000	–	100%	Sales of computer software products and provision of maintenance services

Note (a): abc Multiactive (Shenzhen) Limited and Maximizer Asia (Shanghai) Limited are formed as a wholly-owned foreign enterprise in the People's Republic of China.

18. CONSTRUCTION CONTRACTS

	Group	
	2007	2006
	HK$'000	HK$'000
Amount due from customers for contract work	**1,171**	852
Amount due to customers for contract work	**(1,219)**	(1,171)
	(48)	(319)

	Group	
	2007	2006
	HK$'000	HK$'000
Contract costs incurred plus recognised profits less recognised losses to date	**2,005**	2,102
Less: Progress billings	**(2,053)**	(2,421)
	(48)	(319)

19. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2007	2006	**2007**	2006
	HK$'000	HK$'000	**HK$'000**	HK$'000
Trade receivables *(Note a)*	**1,376**	993	**–**	–
Prepayments, deposits and other receivables *(Note c)*	**451**	658	**23**	9
	1,827	1,651	**23**	9

19. TRADE AND OTHER RECEIVABLES (CONTINUED)

The analysis of trade receivables were as follow:

	Group	
	2007	2006
	HK$'000	HK$'000
Trade receivables as at 30 November 2007/2006	**2,872**	2,513
Less: Impairment loss recognised in respect of trade receivables *(Note b)*	**(1,496)**	(1,520)
At 30 November 2007/2006	**1,376**	993

The following is an aging analysis of the trade receivables at the balance sheet dates:

	Group	
	2007	2006
	HK$'000	HK$'000
Current	**156**	69
31 – 60 days	**640**	431
61 – 90 days	**42**	109
Over 90 days	**538**	384
	1,376	993

Notes:

(a) The directors of the Company considered that the carrying amounts of trade and other receivables approximate to their fair value.

Notes to Financial Statements

For the year ended 30 November 2007

19. TRADE AND OTHER RECEIVABLES (CONTINUED)

Notes:

(b) The movements in provision for impairment loss on trade receivables are as follows:

	Group	
	2007	2006
	HK$'000	HK$'000
At 1 December 2006/2005	**1,520**	1,498
Exchange realignment	**–**	5
Reversal of impairment loss	**(96)**	(5)
Impairment loss recognised in respect of trade receivables *(Note d)*	**72**	22
At 30 November 2007/2006	**1,496**	1,520

(c) The analysis of prepayment, deposit and other receivables are as follows:

	Group	
	2007	2006
	HK$'000	HK$'000
At 30 November 2007/2006	**861**	1,068
Impairment loss recognised in respect of prepayment, deposits and other receivables *(Note d)*	**(410)**	(410)
At 30 November 2007/2006	**451**	658

(d) The directors of the Group had assessed the recoverability of trade and other receivables for the year ended 30 November 2007 and considered provision for impairment in values be made in respect of trade and other receivables to their recoverable values.

20. CASH AND CASH EQUIVALENTS

	Group		Company	
	2007	2006	**2007**	2006
	HK$'000	HK$'000	**HK$'000**	HK$'000
Cash and bank balances	**2,021**	1,562	**1,056**	1,171
Time deposits	**–**	1,522	**–**	1,522
	2,021	3,084	**1,056**	2,693

Cash at banks earns interest at floating rates based on daily bank deposit rates. The directors of the Company considered that the carrying amounts of the cash and cash equivalents approximate to their fair values.

21. SHARE CAPITAL

	2007		2006	
	Number of shares	**Amount HK$'000**	Number of shares	Amount HK$'000
Authorised:				
Ordinary shares of HK$0.10 each	**10,000,000,000**	**1,000,000**	10,000,000,000	1,000,000
Issued and fully paid:				
Ordinary shares of HK$0.10 each	**160,590,967**	**16,059**	160,590,967	16,059

Note:

The Company operates a share option scheme, further details of which are set out under the heading "Equity compensation benefits" in Note 15 to the financial statements.

22. RESERVES

Group

The amounts of the Group's reserves and the movements therein for the current and prior years are presented in the consolidated statement of changes in equity on page 32 of the financial statements.

The contributed surplus arises from a share for share exchange in acquiring a subsidiary. The amount represents the difference between the nominal value of the Company's shares issued and the fair value of net assets of the subsidiary. Under the Companies Act 1981 of Bermuda (as amended), the contributed surplus shall not be distributed to the shareholders if there are reasonable grounds for believing that:

(i) the Company is, or would after the payment be, unable to pay its liabilities as they become due; or

(ii) the realisable value of the Company's assets would thereby be less than the aggregate of its liabilities and its issued share capital and share premium account.

Company

	Share premium	**Contributed surplus**	**Accumulated losses**	**Total**
	HK$'000	HK$'000	HK$'000	HK$'000
At 1 December 2005	106,118	37,600	(177,466)	(33,748)
Loss for the year	–	–	(1,943)	(1,943)
At 30 November 2006 and 1 December 2006	106,118	37,600	(179,409)	(35,691)
Loss for the year	–	–	(3,257)	(3,257)
At 30 November 2007	**106,118**	**37,600**	**(182,666)**	**(38,948)**

23. PROMISSORY NOTE AND INTEREST PAYABLE TO A SHAREHOLDER/RELATED COMPANY

As at 30 November 2007, the promissory notes of HK$12,500,000 payable to the shareholder and the promissory note of HK$4,634,000 payable to the related company are interest bearing at Hong Kong prime rate (2006: Hong Kong prime rate).

A shareholder of the Company, Pacific East Limited, has confirmed that it will not demand repayment of its promissory notes and the interests related to the promissory notes in the amount of approximately HK$17,245,000 within the next twelve months of the balance sheet date. On 30 November 2007, Pacific East Limited has agreed to extend the maturity date of the promissory notes in the amounts of HK$9,500,000 and HK$3,000,000 to 22 May 2009 and 31 May 2009 respectively.

Furthermore, a party connected to the non-executive director of the Company, Wickham Group Limited, has also agreed that it will not demand repayment of the promissory note and the interests related to the promissory notes in the amount of approximately HK$6,290,000 within the next twelve months of the balance sheet. On 30 November 2007, Wickham Group Limited has agreed to extend the maturity date of the promissory note in the amount of HK$4,634,000 to 21 May 2009.

The carrying amounts of the non-current borrowings are as follows:

	The Group and the Company	
	2007	2006
	HK$'000	HK$'000
Promissory notes and interest payable to a shareholder	**17,245**	15,979
Promissory note and interest payable to a related company	**6,290**	5,829
	23,535	21,808

The directors of the Company considered that the carrying amounts of long-term borrowings approximate to their fair value.

24. AMOUNT DUE TO THE ULTIMATE HOLDING COMPANY

The amount due to the ultimate holding company represents mainly payables for development costs, purchases of software merchandise, royalty fee and expenses paid on behalf of the Group. The balance is unsecured and HK$3,654,000 of which carries interest at the annual Canadian prime rate as quoted by the Hong Kong and Shanghai Banking Corporation Limited plus 2% compounded monthly (2006: Annual Canadian prime rate as quoted by the Hong Kong and Shanghai Banking Corporation Limited plus 2% compounded monthly). The ultimate holding company has confirmed that it will not demand repayment within the next twelve months of the balance sheet date.

Notes to Financial Statements

For the year ended 30 November 2007

25. TRADE AND OTHER PAYABLES

	Group		Company	
	2007	2006	**2007**	2006
	HK$'000	HK$'000	**HK$'000**	HK$'000
Trade payables	**1**	12	**–**	–
Accruals	**3,092**	2,221	**308**	440
Receipt in advance	**2,412**	1,712	**–**	–
Other payables	**1,173**	985	**125**	–
	6,678	4,930	**433**	440

As at 30 November 2007, the aging analysis of the trade payables was as follows:

	Group	
	2007	2006
	HK$'000	HK$'000
Current	**–**	–
31 – 60 days	**–**	12
61 – 90 days	**–**	–
Over 90 days	**1**	–
	1	12

26. OPERATING LEASES COMMITMENTS

The Group

The Group leases its office under operating leases arrangements for its office and certain office equipment. Leases and rentals for its office were negotiated and fixed for a term of two to three years.

As at 30 November 2007, the Group had total future aggregate minimum lease payments under non-cancellable operating leases in respect of land and buildings and office equipment as follows:

	2007	2006
	HK$'000	HK$'000
Within one year	**705**	1,306
In the second to fifth years, inclusive	**125**	821
	830	2,127

The Company

The Company did not have significant operating lease commitment as at 30 November 2007.

27. MATERIAL RELATED PARTY TRANSACTIONS

In additions to the transactions and balances detailed elsewhere in the financial statements, during the year ended 30 November 2007, the Group had entered into the following significant related party transactions which, in the opinion of the directors, were carried out on normal commercial terms and in the normal course of the Group's business:

(a) Key management personnel remuneration

Remuneration for key management personnel, including amounts paid to the Group's directors as disclosed in Note 14 is as follows:

	2007	2006
	HK$'000	HK$'000
Directors' emoluments	**60**	60
	60	60

27. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b)

	2007	2006
	HK$'000	HK$'000
Disposal of several assets to Maximizer Software Solutions Pty Limited	**-**	248
Software merchandises purchased from MSI for resale *(Note a)*	**182**	140
Interest payable to a shareholder on promissory note payable *(Note 23)*	**1,266**	1,213
Interest payable to a related company on promissory note payable *(Note 23)*	**462**	442
Interest payable to MSI *(Note 24)*	**270**	353
Management fee payable to a related company	**36**	–
Consultancy fee payable to a related party	**48**	–

Note:

(a) The Group purchased software, in the normal course of business, from MSI for re-sale in accordance with a Products Sales Agreement and a Supplemental Products Sales Agreement entered into between the Company and MSI on 5 February 2004 and 28 June 2004 respectively. The Supplemental Products Sales Agreement was expired on 31 May 2006. Subsequent to the expire date, MSI has confirmed that the pricing of the product cost remains at 25% of the gross license revenue, that is in accordance with the terms and conditions specified in the 5 February 2004 Product Cost Agreement and the subsequent 28 June 2004 Amendment (the "Product Cost Agreements") entered into between the Company and MSI.

Mr. Terence Chi Yan Hui had interests in the transactions with MSI to the extent that he is the chairman of MSI and that approximately 70% of the issued shares of MSI are indirectly owned by his family through a trust agreement, partnership interest and personal holdings.

28. CONTINGENT LIABILITIES

The Group and the Company had no material contingent liabilities as at 30 November 2007 (2006: Nil).

29. CAPITAL COMMITMENT

At 30 November 2007, the Company had the following commitment which was not provided for in the financial statements:–

	2007	2006
	HK$'000	HK$'000
Capital contributions contracted for payable within one year for the establishment of subsidiaries	**–**	200

30. AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the Board of Directors on 15 February 2008.

Financial Summary

Five Year Financial Summary

The following table summarised the audited results, assets and liabilities of the Group for the five years ended 30 November 2007, 2006, 2005, 2004 and 2003.

Results

	Year ended 30 November				
	2003 HK$'000 (Audited)	2004 HK$'000 (Audited)	2005 HK$'000 (Audited)	2006 HK$'000 (Audited)	**2007** **HK$'000** **(Audited)**
Turnover	22,567	23,050	22,094	16,210	**18,194**
Net (loss)/profit for the year	7,788	564	(3,820)	(1,211)	**(5,395)**

Assets and Liabilities

	As at 30 November				
	2003 HK$'000 (Audited)	2004 HK$'000 (Audited)	2005 HK$'000 (Audited)	2006 HK$'000 (Audited)	**2007** **HK$'000** **(Audited)**
Total assets	8,372	5,844	8,063	6,297	**5,821**
Total liabilities	(30,813)	(30,493)	(34,269)	(36,042)	**(41,157)**
Shareholders' deficits	(22,441)	(24,649)	(26,206)	(29,745)	**(35,336)**