



2010

First Quarterly Report

abcmultiactive

abc Multiactive Limited

(Incorporated in Bermuda with limited liability)

Stock code:8131

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

GEM has been positioned as a market designed to accommodate companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

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

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This report, for which the directors 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 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.



RESULTS

The board of directors (the "Board") of abc Multiactive Limited (the "Company") presents the unaudited consolidated results of the Company and its subsidiaries (the "Group") for the three months ended 28 February 2010, together with the comparative figures:

		(Unaudited)	
		For the three months ended	
		28 February 2010 HK\$'000	28 February 2009 HK\$'000
	Note		
Turnover	3	4,257	3,360
Cost of sales		(1,001)	(1,106)
		<hr/>	<hr/>
Gross profit		3,256	2,254
Other revenue	3	–	2
Software research and development expenses		(1,572)	(1,555)
Royalty expenses		(12)	(1)
Selling and marketing expenses		(300)	(471)
Administrative expenses		(1,628)	(1,567)
		<hr/>	<hr/>
Operating loss	4	(256)	(1,338)
Finance costs	5	(417)	(395)
		<hr/> <hr/>	<hr/> <hr/>
Loss before taxation		(673)	(1,733)
Taxation	6	–	–
		<hr/>	<hr/>
Loss for the period attributable to equity holders of the Company		(673)	(1,733)
		<hr/> <hr/>	<hr/> <hr/>
		HK cents	HK cents
Loss per share			
– Basic and diluted	7	(0.42)	(1.08)
		<hr/> <hr/>	<hr/> <hr/>

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Unaudited)

For the three months ended

	28 February 2010 HK\$'000	As restated 28 February 2009 HK\$'000
Loss for the period attributable to equity holders of the Company	(673)	(1,733)
Other comprehensive income:		
Exchanges difference arising on translation of financial statements of foreign subsidiaries	55	101
Total comprehensive income for the period attributable to equity holders of the Company	(618)	(1,632)



Notes:

1. Basis of preparation

The unaudited accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and comply with accounting standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). They are prepared under the historical cost convention.

The unaudited consolidated results for the three months ended 28 February 2010 have not been audited by the Company's auditors, but have been reviewed by the Company's audit committee.

The accounting policies and basis of preparation used in the preparation of the unaudited consolidated results are consistent with those used in the Company's annual financial statements for the year ended 30 November 2009, except for the adoption of certain new and revised Hong Kong Financial Reporting Standards ("HKFRS") and Hong Kong Accounting Standards ("HKAS") as disclosed in note 2 below.

2. Impact of new HKFRSs and HKASs

The Hong Kong Institute of Certified Public Accountants ("HKICPA") has issued a number of new and revised HKFRSs and HKASs which are effective for accounting periods commencing on or after 1 January 2009. The Group has adopted, for the first time for the current year's financial statements. Except for in certain cases, giving rise to new and revised accounting policies and additional disclosures, the adoption of these new and revised standards and interpretation has had no material effect on these financial statements.

Changes in accounting policies

HKFRSs that are effective for the three months ended 28 February 2010

These HKFRSs are effective for annual periods beginning on or after 1 January 2009:

HKFRSs (Amendments)	Improvements to HKFRSs ¹
HKFRSs (Amendments)	Improvements to HKFRSs 2009 ²
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate ³
HKFRS 2 (Amendment)	Share-based Payment – Vesting Conditions and Cancellations ³
HKFRS 3 (Revised)	Business Combinations ⁵
HKFRS 7 (Amendment)	Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments ³
HKFRS 8	Operating Segments ³
HKAS 1 (Revised)	Presentation of Financial Statements ³
HKAS 23 (Revised)	Borrowing Costs ³
HKAS 27 (Revised)	Consolidated and Separate Financial Statements ⁵
HKAS 32 & HKAS 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation ³
HKAS 39 (Amendment)	Eligible Hedged Items ⁵
HK(IFRIC) – Int 9 & HKAS 39 (Amendments)	Embedded Derivatives ⁴
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate ³
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners ⁵
HK(IFRIC) – Int 18	Transfers of Assets from Customers ⁶

- ¹ Effective for annual periods beginning on or after 1 January 2009 except for the amendments to HKFRS 5 – effective for annual periods beginning on or after 1 July 2009
- ² Effective for annual periods beginning on or after 1 January 2009, 1 July 2009 or 1 January 2010, as appropriate
- ³ Effective for annual periods beginning on or after 1 January 2009
- ⁴ Effective for annual periods ending on or after 30 June 2009
- ⁵ Effective for annual periods beginning on or after 1 July 2009
- ⁶ Effective for transfers of assets from customers received on or after 1 July 2009

3. 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. All significant intra-group transactions have been eliminated on consolidation. An analysis of the Group's turnover and other revenue is as follows:

	(Unaudited)	
	For the three months ended	
	28 February 2010 HK\$'000	28 February 2009 HK\$'000
Turnover		
Sales of computer software licences, software rental and provision of related services	2,373	1,722
Provision of maintenance services	1,790	1,505
Sales of computer hardware	94	133
	<u>4,257</u>	<u>3,360</u>
Other revenue		
Interest income on bank deposits	–	2
	<u>–</u>	<u>2</u>

4. Operating loss

	(Unaudited)	
	For the three months ended	
	28 February 2010 HK\$'000	28 February 2009 HK\$'000
Operating loss is stated after charging the following:		
Depreciation on owned property, plant and equipment	71	79
Operating leases payment in respect of		
– land and buildings	398	417
– plant and equipment	8	8
Staff costs (excluding directors' remuneration)		
– salaries and allowances	3,050	3,203
– retirement benefit costs	103	113
Cost of computer hardware sold	58	100
Unrealised exchange loss	119	49
	—	—
and after crediting:		
Unrealised exchange gain	–	29
	—	—

5. Finance costs

	(Unaudited)	
	For the three months ended	
	28 February 2010 HK\$'000	28 February 2009 HK\$'000
Interest on promissory notes		
– wholly repayable within five years	370	345
Interest on amount due to the ultimate holding company		
– wholly repayable within five years	47	50
	—	—
	417	395

6. Taxation

No provision for Hong Kong and China 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 period (2009: Nil).

No provision for the PRC income taxes has been made during the period as the subsidiaries operated in the PRC had no assessable profits for the period (2009: Nil).

No Australian income tax has been provided by the Australian subsidiaries of the Group as they had estimated tax losses brought forward to set off the estimated assessable profit for the period (2009: Nil).

The potential unaudited deferred tax asset of HK\$13,021,000 (As at 28 February 2009: HK\$12,806,000) relating to tax losses available for carry forward and other timing differences as at 28 February 2010 has not been recognized due to the unpredictability of the future profit streams.

7. Basic loss per share

The calculation of basic loss per share for the three months ended 28 February 2010 was based on the unaudited net loss for the period of approximately HK\$673,000 (For the three months ended 28 February 2009 unaudited net loss: HK\$1,733,000) and the weighted average of 160,590,967 (2009: 160,590,967) ordinary shares of HK\$0.10 each in issue during the period.

Diluted loss per share equal basic loss per share because there were no potential dilutive shares outstanding during the periods.

8. Movements of reserves

	(Unaudited) Share premium HK\$'000	(Unaudited) Contributed surplus HK\$'000	Group (Unaudited) Exchange reserve HK\$'000	(Unaudited) Accumulated losses HK\$'000	(Unaudited) Total HK\$'000
Balance as at 1 December 2008	106,118	37,600	(12,525)	(183,787)	(52,594)
Exchange difference arising on translation of financial statements of foreign subsidiaries	-	-	101	-	101
Loss for the period	-	-	-	(1,733)	(1,733)
As at 28 February 2009	<u>106,118</u>	<u>37,600</u>	<u>(12,424)</u>	<u>(185,520)</u>	<u>(54,226)</u>
Balance as at 1 December 2009	106,118	37,600	(13,869)	(188,451)	(58,602)
Exchange difference arising on translation of financial statements of foreign subsidiaries	-	-	55	-	55
Loss for the period	-	-	-	(673)	(673)
As at 28 February 2010	<u>106,118</u>	<u>37,600</u>	<u>(13,814)</u>	<u>(189,124)</u>	<u>(59,220)</u>



INTERIM DIVIDEND

The Board does not recommend the payment of an interim dividend for the three months ended 28 February 2010 (2009: Nil).

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Review

The Group recorded an unaudited turnover of approximately HK\$4,257,000 for the three months ended 28 February 2010, a 27% increase from approximately HK\$3,360,000 for the corresponding period of the previous year. Of the total unaudited turnover amount, HK\$2,373,000 or 56% was generated from software license sales and professional service, HK\$1,790,000 or 42% was generated from maintenance services and HK\$94,000 or 2% was generated from sales of hardware. As at 28 February 2010, the Group had approximately HK\$7.5 million worth of contracts that were in progress. The unaudited net loss attributable to shareholders for the three months ended 28 February 2010 was HK\$673,000 whereas the Group recorded an unaudited net loss of approximately HK\$1,733,000 for the same period of the previous year.

The unaudited operating expenditures amounted to HK\$3,381,000 for the three months ended 28 February 2010, a 5% decrease from approximately HK\$3,573,000 for the corresponding period of the previous year. During the period, the Group continued to exercise cost control measures by implementing tight expenses measures in its regional operations.

As a result of the most of the property, plant and equipment in the Group was fully depreciated, depreciation expenses decreased from approximately HK\$79,000 for the three months ended 28 February 2009 to approximately HK\$71,000 in the current period.

During the current period, the Group invested approximately HK\$1,572,000 in developing new modules for its OCTO Straight Through Processing ("STP") system.

For the three months ended 28 February 2010, the Group has no provision was made for impairment of trade receivables.

Total unaudited staff costs (excluding directors' remuneration) are approximately HK\$3,153,000 for the three months ended 28 February 2010, a 5% decrease from approximately HK\$3,316,000 for the previous period. The decrease was mainly attributed to decrease in headcount in Hong Kong during the period.

Operation Review

For the three months ended 28 February 2010, e-Finance unaudited turnover is HK\$4,085,000, an increase of 29% when compared to HK\$3,164,000 for the corresponding period of the previous year. Benefit from economic growth in China and local economy recovery, the Group was able to sign a new contract for implementing its OCTOSTP equity and futures solutions with a well known China brokerage firm that has expand a new local operation in Hong Kong during the period. The Group continued to enhance the features of its brokerage trading solutions and focused on new sales and marketing schemes to generate more sales and pay close attention to opportunities in the China market.

For the three months ended 28 February 2010, e-Business unaudited turnover is HK\$172,000, a decrease of 12% when compared to HK\$196,000 for the same period of previous year. The decrease was attributed to decrease in sales of Maximizer CRM products as some of its customer is stilling holdup the expansion budget as effect by the worldwide economy declined during last year 2009. During the period, the Group continues its focus on marketing activities in the region and re-enforce our existing resellers channel in Greater China market.

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 to promote its financial solutions to overseas customer especially in Greater China region. The directors believed that the Group has well diversified product range that is fitted to the global market needs and it 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 still under its development stage. The Group will continue to promote Maximizer CRM brand name in the region by attending regional exhibitions and effective marketing campaign.

While the global economic downturn has shaken the confidence of market and put the financial industry on alert over the slowdown in demand and decline in business volume, the Company will continue to provide our clients with cost effective brokerage solution and CRM products to enhance their competitiveness in this market.



DIRECTORS' AND CHIEF EXECUTIVES' INTERESTS AND SHORT POSITIONS IN THE SHARES, UNDERLYING SHARES AND DEBENTURES

At 28 February 2010, 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:*

Name of director	Number of ordinary shares				Percentage of issued share capital
	Personal interests	Family interests	Other interests	Total	
Mr. Kau Mo Hui	–	8,666,710 ⁽¹⁾	90,534,400 ⁽²⁾	99,201,110	61.78%

Note:

1. 8,666,710 shares are held by Pacific East Limited, which is wholly owned by The City Place Trust. Royal Bank of Canada Financial Corporation is the trustee of The City Place Trust. The City Place Trust is a discretionary trust and its beneficiaries include direct family members of Mr. Kau Mo Hui. The interests held by The City Place Trust are deemed to be part of the interest of Mr. Kau Mo Hui.
2. 90,534,400 shares are held by Maximizer International Limited, which is a wholly owned subsidiary of Maximizer Software Inc. Maximizer Software Inc. is held as to 58.2% by The City Place Trust and 41.8% by MSI Acquisition Corp. MSI Acquisition Corp. is a company wholly, beneficially and indirectly owned by Mr. Kau Mo Hui in the following manner:
 - (a) MSI Acquisition Corp. is a company wholly owned by Maximizer (Barbados) Management Inc.;
 - (b) Maximizer (Barbados) Management Inc. is a company wholly owned by Maximizer (Barbados) Holdings Inc.;
 - (c) Maximizer (Barbados) Holdings Inc. is a company wholly owned by Heroic Dragon Limited; and
 - (d) Heroic Dragon Limited is a company wholly owned by Mr. Kau Mo Hui.

b) *Associated Corporation:*

Name of director	Number of common shares in Maximizer Software Inc.				Percentage of issued share capital
	Personal interests	Family interests	Corporate interests	Total	
Mr. Kau Mo Hui	–	36,475,319 ⁽¹⁾	26,191,804 ⁽²⁾	62,667,123	100%

Notes:

1. Maximizer Software Inc. is held as to 58.2% by The City Place Trust.
2. Maximizer Software Inc. is held as to 41.8% by MSI Acquisition Corp. MSI Acquisition Corp. is a company wholly, beneficially and indirectly owned by Mr. Kau Mo Hui in the following manner:
 - (a) MSI Acquisition Corp. is a company wholly owned by Maximizer (Barbados) Management Inc.;
 - (b) Maximizer (Barbados) Management Inc. is a company wholly owned by Maximizer (Barbados) Holdings Inc.;
 - (c) Maximizer (Barbados) Holdings Inc. is a company wholly owned by Heroic Dragon Limited; and
 - (d) Heroic Dragon Limited is a company wholly owned by 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	Lapsed during the period	Outstanding as at 28 February 2010
				as at 1 December 2009		
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:*

No long position of directors and chief executives in the underlying shares of the Associated Corporation 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.

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 28 February 2010, 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 Rule 5.46 of the GEM Listing Rules.

INTERESTS DISCLOSEABLE UNDER THE SFO AND SUBSTANTIAL SHAREHOLDER

At 28 February 2010, 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 <i>(note 1)</i>	Beneficial owner	Corporate	90,534,400	56.38%
Maximizer Software Inc. <i>(note 1)</i>	Interest of a controlled corporation	Corporate	90,534,400	56.38%
MSI Acquisition Corp. <i>(note 1)</i>	Interest of a controlled corporation	Corporate	90,534,400	56.38%
Maximizer (Barbados) Holdings Inc. <i>(note 1)</i>	Interest of a controlled corporation	Corporate	90,534,400	56.38%
Maximizer (Barbados) Management Inc. <i>(note 1)</i>	Interest of a controlled corporation	Corporate	90,534,400	56.38%
Heroic Dragon Limited <i>(note 1)</i>	Interest of a controlled corporation	Corporate	90,534,400	56.38%
Mr. Kau Mo Hui <i>(notes 1 & 2)</i>	Interest of a controlled corporation	Corporate	90,534,400	56.38%
Pacific East Limited	Beneficial owner	Corporate	8,666,710	5.40%
Royal Bank of Canada Financial Corporation <i>(note 2)</i>	Trustee	Corporate	99,201,110	61.78%

Notes:

1. Maximizer International Limited is a wholly owned subsidiary of Maximizer Software Inc. Maximizer Software Inc. is held as to 58.2% by The City Place Trust and 41.8% by MSI Acquisition Corp. MSI Acquisition Corp. is a company wholly, beneficially and indirectly owned by Mr. Kau Mo Hui in the following manner:
 - (a) MSI Acquisition Corp. is a company wholly owned by Maximizer (Barbados) Management Inc.;
 - (b) Maximizer (Barbados) Management Inc. is a company wholly owned by Maximizer (Barbados) Holdings Inc.;
 - (c) Maximizer (Barbados) Holdings Inc. is a company wholly owned by Heroic Dragon Limited; and
 - (d) Heroic Dragon Limited is a company wholly owned by Mr. Kau Mo Hui.

2. Royal Bank of Canada Financial Corporation is the trustee of The City Place Trust. The City Place Trust holds 36,475,319 shares of Maximzier Software Inc., representing approximately 58.2% of the issued share capital of Maximizer Software Inc.. The City Place Trust also wholly owns Pacific East Limited, which holds a 5.4% interest in the company. The City Place Trust is a discretionary trust and its beneficiaries include direct family members of Mr. Kau Mo Hui.

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.



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, Pacific Region 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.

AUDIT COMMITTEE

Pursuant to the GEM Listing Rules, an audit committee was established on 22 January 2001, comprising three independent non-executive directors, namely Messrs. Kwong Sang Liu, Edwin Kim Ho Wong and William Keith Jacobsen. On 28 September 2004, Mr. Kwong Sang Liu was appointed as independent non-executive director and member of audit committee of the Company. On 29 August 2008, Mr. Edwin Kim Ho Wong was appointed as independent non-executive director and member of audit committee of the Company. Mr. William Keith Jacobsen was appointed as independent non-executive director and member of audit committee of the Company on 10 July 2009. Mr. Edwin Kim Ho Wong is the chairman of the audit committee.

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 three months ended 28 February 2010, the audit committee held a 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 unaudited consolidated results for the three months ended 28 February 2010 have been reviewed by the audit committee, which was of the opinion that the preparation of such results complied with the applicable accounting standard.

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

During the three months ended 28 February 2010, the Company has not redeemed any of its listed securities. Neither the Company nor any of its subsidiaries has purchased or sold any of the Company's listed securities during the period.

By order of the Board

Terence Chi Yan Hui

Chairman

As at the date of this report, the Board comprises the following directors:

Mr. Terence Chi Yan HUI	<i>(Executive Director)</i>
Mr. Joseph Chi Ho HUI	<i>(Executive Director)</i>
Mr. Kau Mo HUI	<i>(Non-executive Director)</i>
Mr. Kwong Sang LIU	<i>(Independent Non-executive Director)</i>
Mr. Edwin Kim Ho WONG	<i>(Independent Non-executive Director)</i>
Mr. William Keith JACOBSEN	<i>(Independent Non-executive Director)</i>

Hong Kong, 26 March 2010