abcmultiactive

abc Multiactive Limited

(Incorporated in Bermuda with limited liability)

Stock code:8131

2014 ANNUAL REPORT

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.

Hong Kong Exchanges and Clearing Limited and 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 disclaim 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 the Company. The directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief the information contained in this report is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this report misleading.

Contents

Corporate Information

DIRECTORS

Executive Directors

Mr. Joseph Chi Ho HUI
Ms. Clara Hiu Ling LAM

Non-executive Director

Mr. Terence Chi Yan HUI
(resigned on 14 May 2014)

Independent Non-executive Directors

Mr. Kwong Sang LIU
Mr. Edwin Kim Ho WONG
Mr. William Keith JACOBSEN

COMPANY SECRETARY

Mr. Siu Leong CHEUNG

COMPLIANCE OFFICER

Mr. Joseph Chi Ho HUI

AUTHORISED REPRESENTATIVES

Mr. Joseph Chi Ho HUI
Mr. Siu Leong CHEUNG

AUDIT COMMITTEE

Mr. Kwong Sang LIU
Mr. Edwin Kim Ho WONG
Mr. William Keith JACOBSEN

REMUNERATION COMMITTEE

Mr. Kwong Sang LIU
Mr. Edwin Kim Ho WONG
Mr. William Keith JACOBSEN

NOMINATION COMMITTEE

Mr. Joseph Chi Ho HUI
Mr. Kwong Sang LIU
Mr. Edwin Kim Ho WONG
Mr. William Keith JACOBSEN
Mr. Samson Chi Yang HUI

BERMUDA RESIDENT REPRESENTATIVE

Codan Services Limited

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

MUFG Fund Services (Bermuda) Limited
The Belvedere Building
69 Pitts Bay Road
Pembroke HM08
Bermuda

HONG KONG BRANCH SHARE REGISTRAR AND TRANSFER OFFICE

Tricor Abacus Limited
Level 22, Hopewell Centre
183 Queen's Road East
Hong Kong

PRINCIPAL BANKERS

Hang Seng Bank Limited
The Hong Kong and Shanghai
Banking Corporation Limited
Bank of China (Hong Kong) Limited

STOCK CODE

8131

WEBSITE

http://www.abcmultiactive.com

AUDITORS

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

Chairman's Statement

During the year, many changes to the Company were instituted by our team to adjust for the tough economic environment. These changes have improved the Company's financial position and positioned it to face new challenge in the years to come.

In 2014, there were signs of renewed optimism in the Hong Kong capital market together with the new launch of Shanghai-Hong Kong Stock Connect at the fourth quarter of 2014, most of our brokerage customers increased their investment in their equity trading system. However, considering the emerging nature in the local brokerage industry and recent economy challenge in the global equity and derivatives markets, the Group remains cautious to maintain a proactive and prudent approach in its cost control and financial strategy. Relied on its strong customer basis and renowned reputation, the Group strives to enlarge its products base and ensure its competitive position in its core business by introducing different partners' innovative financial solutions to its customers.

On behalf of the Board, I would like to close by thanking our shareholders, customers and business partners for their continued confidence and support, our board of directors, management team and every member of the dedicated staff for their hard work and significant contribution in the past years.

Joseph Chi Ho Hui
Chairman

Hong Kong, 30 January 2015

Management Discussion and Analysis

Financial Review

The Group recorded a turnover of approximately HK$19,733,000 for the year ended 30 November 2014, a 59% increase from approximately HK$12,381,000 for the same period of the previous year. Of the total turnover amount, approximately HK$9,584,000 or 49% was generated from software license sales, approximately HK$3,893,000 or 20% was generated from contract revenue, approximately HK$6,216,000 or 31% was generated from maintenance services, and approximately HK$40,000 was generated from sales of hardware. At 30 November 2014, the Group had approximately HK$789,000 worth of contracts that were in progress. The net profit attributable to shareholders for the year ended 30 November 2014 was HK$2,057,000, whereas the Group recorded a net loss of approximately HK$3,527,000 for the same period of the previous year.

During the year, the operating expenditures amounted to approximately HK$12,833,000 for the year ended 30 November 2014, 2% increase from approximately HK$12,597,000 for the corresponding period of the previous year. The increase was mainly attributed to sales commission increment reflecting increase in sales during the year.

As a result of the most of the property, plant and equipment in the Group was fully depreciated, depreciation expenses decreased from approximately HK$131,000 for the year ended 30 November 2013 to approximately HK$65,000 in the current fiscal year.

The Group did not have any amortisation expenses for the year ended 30 November 2014 due to the write-off of the remaining amounts of goodwill and intellectual property rights at the end of fiscal year 2002.

During the year, the Group invested approximately HK$4,598,000 in developing new modules for its OCTO Straight Through Processing ("STP") system.

During the year of 30 November 2014, the Group has made provision of approximately HK$23,000 for impairment of trade receivables.

Total staff costs (excluding directors' remuneration) are approximately HK$9,311,000 for the year ended 30 November 2014, remains stable when compared to approximately HK$9,233,000 for the same period of the previous year.

On 27 January 2014, the Company has completed rights issue of 80,295,483 ordinary shares of HK$0.10 each on the basis of one rights share for every two shares at the subscription price of HK$0.10 per rights share. Funds raised to approximately HK$8.03 million before expenses by rights issue. Accordingly, the issued share capital of the Company has been increased from HK$16,059,097 to HK$24,088,645. These new shares rank pari passu in all respect with the existing shares.

Management Discussion and Analysis

The Company intended to apply the net proceeds from the rights issue as to approximately HK$6 million for the repayment of loans and the remaining to be used as general working capital to enhance the financial position of the Group. As of 30 November 2014, the actual use of net proceeds of approximately HK$7.7 million are including of approximately HK$5.8 million was used for repayment of loan and the remaining balance of approximately HK$1.9 million is applied for general working capital of the Group to enhance the financial position.

Operation Review

For the year ended 30 November 2014, Financial Solutions turnover is approximately HK$19,676,000, an increase of 62% when compared to approximately HK$12,118,000 for the same period of the previous year. During the year under review, the increases of turnover were contributed by successfully concluded and delivered its OCTOSTP software licensed products and providing related professional services to customers resulted from new contract sales and the new launch of Shanghai-Hong Kong Stock Connect in the fourth quarter of 2014. Furthermore, the Group successfully expanded its revenue stream from our channel partner's innovative OTC derivatives solutions and achieved the satisfactory results in 2014.

During the year, the Group put great effort to work with our customers for implementation Orion Central Gateway ("OCG"). Followed the implement works including the batch of end-to-end test and market rehearsal has been completed, the Group successfully implemented OCG products in the market in the fourth quarter of 2014.

The Group's OCTOSTP products have many different add-on modules to enable the Group to meet the changing needs of its extensive customers. In terms of extendibility, the Group has commenced development for new modules and its products improvement. Apart from this, the Group continued to strengthen its business performance in diversified solutions products.

Due to the software maintenance contract expiration of the last CRM customer in March 2014, CRM Solutions turnover is approximately HK$57,000, a decrease of 78% when compared to approximately HK$263,000 for the same period of previous year. Due to market competitiveness and efficient resources utilization, the Group will focus more its core business on Financial Solutions market and take a role of providing professional services to its CRM Solutions customers.

Capital structure

As at 30 November 2014, the total issued share capital of the Company was HK$24,088,645 divided into 240,886,450 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 2014, the Group's borrowings were repayable as follows:

	The Group Bank borrowings and overdrafts		The Group Other loans	
	2014	2013	**2014**	2013
	HK$'000	HK$'000	**HK$'000**	HK$'000
Within 1 year	**–**	–	**264**	284
Between 1 and 2 years	**–**	–	**47,534**	51,609
Between 2 and 5 years	**–**	–	**–**	–
Wholly repayable within 5 years	**–**	–	**47,798**	51,893
Over 5 years	**–**	–	**–**	–
	–	–	**47,798**	51,893

At 30 November 2014, the Group had an outstanding of approximately CAD39,000 (approximately to HK$264,000) due to Maximizer Services Inc ("MSI"), a related company of the Company. The amount due to MSI was mainly payables for purchases of software merchandise, royalty fee and expenses paid on behalf of the Group, which was unsecured and interest free.

Approximately HK$4,635,000 representing a loan from Wickham Group Limited, a party owned by close family member of an executive director of the Company, which was unsecured, interest bearing at the Hong Kong prime rate and maturing on 30 June 2016.

At 30 November 2014, loans of amount CAD1,025,000, (approximately to HK$7,004,000) and HK$25,705,000 are loans from Active Investments Capital Limited, a related company wholly owned by the chief executive officer of the Company, which were unsecured, interest bearing at the Hong Kong prime rate and maturing on 30 June 2016.

Management Discussion and Analysis

The Group expresses its gearing ratio as a percentage of borrowings and long term debts over total assets. As at 30 November 2014, the Group's gearing ratio was 5.96.

Pledge of Assets

The Group did not have any mortgage or charge over its assets at 30 November 2014.

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 and China 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 2014, 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 Hong Kong dollars, Renminbi and Canadian dollars. The Group conducts its core business transaction mainly in Hong Kong 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 2014.

Significant Investments

The Group has not held any significant investment for the year ended 30 November 2014.

Major Events

On 24 November 2014, the Board announced that the Group proposed and resolved that to liquidate and dissolve its Australia subsidiaries of the Company, Multiactive Software Pty Limited and Maximizer Software Pty Limited. A voluntary announcement in relation to the liquidation of overseas subsidiaries was also published on the same date. Except for the above, the Group had no material capital commitments and no future plans for material investments or capital assets as at 30 November 2014.

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. As at 30 November 2014, the Group had employed 25 staffs in Hong Kong and 2 staffs in PRC China. Total staff costs for the year under review amounted to approximately HK$9,311,000.

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 revised rules of the MPF Scheme on 1 June 2014, 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$30,000.

The retirement benefit scheme cost charged to the consolidated statement of profit or loss and other comprehensive 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$341,000 (2013: HK$328,000). No forfeited contribution for the Group is available to reduce the contribution payable in the future years. Contributions to the scheme vest immediately.

The employees of the Group's subsidiaries which operate in PRC are required to participate in a central pension scheme operated by the local municipal government. The contributions are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the central pension scheme.

Prospects

To maintain our competitiveness in the market, the Group will focus more on our core business and technology development to improve product functionality and expand service dimensions to our customers. To channel our resources to new business development in the high growth solutions area will continue to be top priorities for the Group for 2015. The directors believed that the Group has a well diversified product range that is fitted to the market needs and it is well equipped to face challenges from the market.

Moving forward, we aimed at reaching out to a more diversified business line via seeking new opportunities in Hong Kong and Asian market. To achieve this goal, we will engage more actively in seeking collaboration partners to provide more innovative business solutions. We also continue to improve operational effectiveness in order to drive our business for continued growth.

Biographical Details of Directors and Senior Management

Executive Directors

Mr. Joseph Chi Ho HUI, aged 44, joined the Group in November 2000. Mr. Hui was appointed as chairman of the Board, compliance officer and authorised representative of the Company on 28 November 2012. Mr. Hui received his undergraduate degree in Electrical Engineering from the University of British Columbia in Canada and earned a Master of Science Degree in Electrical Engineering from Stanford University in USA. Mr. Hui is currently the MNC business solution provider. He has solid management experience of software development in CRM industry and related business for more than 15 years. Mr. Hui is the brother of Mr. Samson Chi Yang Hui, the chief executive officer of the Company.

Ms. Clara Hiu Ling LAM, aged 42, was appointed as executive director of the Company on 14 July 2011. Ms. Lam was graduated with a Bachelor Degree in Economics from the Faculty of Arts of Simon Fraser University, British Columbia in 1994. She is the legal representative of two subsidiaries of the Company in China. Ms. Lam is currently the director of Anaiss Enterprise Limited, a private company owned by Ms. Lam involved in the wedding garment wholesale and retail industry. Ms. Lam has solid management experience gained from a well known Hong Kong financial systems services provider and related businesses for more than 10 years.

Ms. Lam is the spouse of Mr. Samson Chi Yang Hui, the chief executive officer of the Company and the sister-in-law of Mr. Joseph Chi Ho Hui, the executive director of the Company.

Independent Non-executive Directors

Mr. Kwong Sang LIU, aged 52, joined the Company in September 2004. He has been practising as a certified public accountant in Hong Kong with more than 25 years of experience. Mr. Liu graduated with honours from the Hong Kong Polytechnic University with a bachelor degree in Accountancy and obtained the Master in Business Administration degree from the University of Linclon, the 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, the United Kingdom and a fellow member of the Institute of Public Accountants, Australia. Mr. Liu is also a fellow member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Taxation Institute of Hong Kong, a Certified Tax Adviser, and a fellow member of the Society of Registered Financial Planners.

Mr. Liu currently acts as an independent non-executive director of China National Culture Group Limited with stock code 745, of Polytec Asset Holdings Limited with stock code 208 whose securities are listed on the main board of the Stock Exchange of Hong Kong Limited (the "Stock Exchange"), and of Evershine Group Holdings Limited with stock code 8022, whose securities are listed on the Growth Enterprise Market of the Stock Exchange. Mr. Liu was previously an independent non-executive director of Tack Fiori International Group Limited with stock code 928 and of Dragonite International Limited with stock code 329, whose securities are listed on the main board of the Stock Exchange, and of Pacific CMA, Inc. whose securities were previously listed on the American Stock Exchange.

Biographical Details of Directors and Senior Management

Mr. Edwin Kim Ho WONG, aged 41, graduated in Major of Economics from York University, Toronto. Mr. Wong is currently the founder and the managing director of a regional apparel trading and distributing company. Mr. Wong has solid management experience gained from one of the well known Hong Kong textile companies specialized in OEM export textile industry and related business more than 15 years. Mr. Wong became an independent non-executive director of the Company in August 2008.

Mr. William Keith JACOBSEN, aged 48, was appointed as an independent non-executive director, audit committee member and remuneration committee member of the Company in July 2009. Mr. Jacobsen graduated with a Bachelor of Laws from the University of Hong Kong and holds a Master degree of Business Administration from the University of British Columbia in Canada. Mr. Jacobsen is currently a managing director, corporate finance of VMS Securities Limited. Mr. Jacobsen has more than 20 years experience in corporate finance and business development for various firms and listed companies in Hong Kong.

Mr. Jacobsen is currently a director of Gustavo International Limited and Maini Investments Limited, both are independent private companies acting in concert with VMS Securities Limited. He is also an executive director of Auto Italla Holdings Limited, a company listed on the Stock Exchange of Hong Kong Limited (the "Stock Exchange") with the stock code 720, an independent non-executive director of China Financial Leasing Group Limited, a company listed on the Stock Exchange with stock code 2312 and Sustainable Forest Holdings Limited, a company listed on the Stock Exchange with stock code 723. He was previously an independent non-executive director of King Stone Energy Group Limited, a company listed on the Stock Exchange with stock code 663, of Qingdao Holdings International Limited (former name: Hycomm Wireless Limited), a company listed on the Stock Exchange with stock code 499, and of Perception Digital Holdings Limited, a company listed on the Stock Exchange with stock code 1822.

Senior Management

Mr. Samson Chi Yang HUI, aged 43, is the chief executive officer of the Company. He is responsible for initiating 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 19 years experience in managing real estate, trading, investment and IT businesses. Mr. Hui is the spouse of Ms. Clara Hiu Ling Lam, the executive director of the Company and is also the brothers of Mr. Joseph Chi Ho Hui, the executive director of the Company.

Mr. Siu Leong CHEUNG, aged 42, joined the Company in August 2003. Mr. Cheung is the qualified accountant, company secretary 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. Mr. Cheung had worked in the auditing, accounting, and financial field for more than 18 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 2014.

Principal activities

The principal activity of the Company is investment holding. The activities of its subsidiaries are set out in Note (20) to the consolidated 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 (7) to the consolidated financial statements.

Results and appropriation

The results of the Group for the year ended 30 November 2014 and the state of affairs of the Group and the Company at that date are set out in the financial statements on pages 34 to 37.

The directors do not recommend payment of any dividend in respect of the year ended 30 November 2014 (2013: 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 (19) to the consolidated financial statements.

Share capital

Detail of the movements in the Company's share capital during the year is set out in Note (25) to the financial statements.

Distributable reserves

As at 30 November 2014, 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 (26) to the consolidated 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 (2013: Nil).

Directors

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

Executive Directors
Mr. Joseph Chi Ho Hui *(Chairman)*
Ms. Clara Hiu Ling Lam

Non-executive Director
Mr. Terence Chi Yan Hui (resigned on 14 May 2014)

Independent Non-executive Directors
Mr. Kwong Sang Liu
Mr. Edwin Kim Ho Wong
Mr. William Keith Jacobsen

In accordance with Bye-laws 87 of the Company's bye-laws, Ms. Clara Hiu Ling Lam, Mr. Kwong Sang Liu and Mr. William Keith Jacobsen will retire by rotation at the forthcoming AGM and, being eligible, offer themselves for re-elections.

Mr. Kwong Sang Liu, Mr. Edwin Kim Ho Wong and Mr. William Keith Jacobsen are independent non-executive directors and were appointed for a three years term expiring on 30 June 2015; 28 August 2017 and 9 July 2015 respectively.

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 (31) to the consolidated 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 10 to 11 of this annual report.

Related party transactions

Details of the related party transactions of the Group are set out in Note (31) to consolidated financial statements.

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

At 30 November 2014, 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

No long positions of directors and chief executive 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.

Long positions in underlying shares

a) The Company:
All options of the Company granted were expired on 27 May 2011.

No long positions of directors and chief executives in the underlying shares of the Company 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.

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 30 November 2014, 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 discloseable under the SFO and substantial shareholder

At 30 November 2014, 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.

Report of the Directors

Long positions in shares

Name	Capacity	Nature of interest	Number of ordinary shares	Percentage of issued share capital
Maximizer International Limited	Beneficial owner	Corporate	140,992,968	58.53%
Pacific East Limited	Beneficial owner	Corporate	13,160,673	5.46%
Royal Bank of Canada Financial Corporation *(Note)*	Trustee	Corporate	154,153,641	63.99%

Note:

Royal Bank of Canada Financial Corporation is the trustee of The City Place Trust which owns Maximizer International Limited, which holds 58.53% interest in the Company and wholly owns Pacific East Limited, which holds 5.46% interest in the Company. The City Place Trust is a discretionary trust and its beneficiaries include direct family members of Mr. Kau Mo Hui, but does not include Mr. Joseph Chi Ho Hui and Ms. Clara Hiu Ling Lam or any of their respective spouse or minor child. Mr. Kau Mo Hui is the father of Mr. Joseph Chi Ho Hui, an executive director of the Company and Mr. Samson Chi Yang Hui, the chief executive officer of the Company. Mr. Kau Mo Hui is also the father-in-law of Ms. Clara Hiu Ling Lam, an executive director 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	39.52%
– five largest customers combined	63.10%

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

Purchases	
– the largest supplier	50.20%
– five largest suppliers combined	100%

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 2014.

Sufficiency of public float

As at the date of this report, based on information that is publicly available to the Company and within the knowledge of the directors, the directors confirm that the Company maintained the amount of public float as required under the GEM Listing rules.

Interest capitalized

The Group has not capitalized any interest during the year.

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.

Report of the Directors

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 former non-executive director of the Company (resigned on 14 May 2014). He is also the brother of Mr. Joseph Chi Ho Hui, the chairman and executive director of the Company and Mr. Samson Chi Yang Hui, the chief executive officer of the Company. He is also the brother-in-law of Ms. Clara Hiu Ling Lam, the executive director of the Company is also the chairman of Maximizer Services Inc., a related company of the Company. Maximizer Services Inc. is held as to 58.2% by the City Place Trust, which is a discretionary trust and its beneficiaries include the direct family members of Mr. Kau Mo Hui. Mr. Kau Mo Hui is the father of Mr. Terence Chi Yan Hui, whereas the remaining 41.8% is indirectly held by Mr. Kau Mo Hui. Maximizer Services Inc. is engaged in the business of the design and development of CRM Solutions, and has operations in North America, Europe, Pacific Region and South America. Maximizer Services Inc. and the Group share the same product lines including, Maximizer, Maximizer Enterprise, Maximizer CRM, Maximizer CRM Live, ecBuilder and their respective product lines. The directors believe that the business of Maximizer Services Inc. and possible future businesses conducted by Maximizer Services Inc. may complete 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

The accounts for the year ended 30 November 2014 were audited by HLB Hodgson Impey Cheng Limited whose term of office will expire upon the forthcoming annual general meeting. A resolution for the re-appointment of HLB Hodgson Impey Cheng Limited as the auditors of the Company for the subsequent year is to be proposed at the forthcoming annual general meeting.

On behalf of the Board
Joseph Chi Ho Hui
Executive Director

Hong Kong, 30 January 2015

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 Stock Exchange has issued the amendments on Corporate Governance Code and Corporate Governance Report (the "CG Code and Report") contained in Appendix 15 of the GEM Listing Rules effective on 1 April 2012 which set out the principles and the code provisions which the Company is expected to apply and comply.

To comply with all the new code provisions set out in the CG Code and Report contained in Appendix 15 of the GEM Listing Rules, relevant amendments and adoptions has been adopted by the Company, except for the deviations from code provision A.4.3 and C.1.2 as explained below, none of the directors is aware of information that would reasonable indicate that the Company is not, or was not, for any parts of the accounting period for the year ended 30 November 2014, in compliance with the CG Code and Report set out by the Stock Exchange in Appendix 15 to the GEM Listing Rules. The board will continue to review regularly and take appropriate actions to comply with the Code.

Appointments, Re-election and Removal Director

Code provision A.4.3 of the CG Code and Report, became effective on 1 April 2012, an independent non-executive director serves more than nine (9) years, his further appointment should be subject to a separate resolution to be approved by shareholders.

Mr. Kwong Sang LIU has served as an independent non-executive director of the Company for more than 9 years. Mr. Liu has demonstrated his ability to provide an independent view to the Company's matters. Notwithstanding his years of service as an independent non-executive director of the Company, the Board is of the view that Mr. Liu is able to continue to fulfill his role as required and thus recommends him for re-election of the annual general meeting. Further, the Company is of the view of Mr. Liu meets the independence guidelines set out in Rule 5.09 of the GEM Listing Rules and is independent in accordance with the terms and guidelines. This deviated from the requirements of code provision A.4.3.

To comply with code provision A.4.3, Mr. Liu's further appointment has been proposed and approved by the shareholders at the annual general meeting of the Company held on 28 March 2014, and is subject to a separate resolution to be approved by shareholders in 2015.

Financial Reporting

Code provision C.1.2 of the CG Code and Report, became effective on 1 April 2012, stipulates that management should provide all members of the Board with monthly updates giving balanced and understandable assessment of the Company's performance, position and prospects in sufficient details.

Corporate Governance Report

During the year ended 30 November 2014, rather than provide monthly updates, the management of the Company has provided to the Board quarterly updates with quarterly consolidated financial statement of the Company's performance, position and prospects in sufficient details during the regular Board meetings of the Company. In addition, the management has provided all members of the Board, in a timely manner, updates on any material changes to the performance, position and prospects of the Company and sufficient information for matters brought before the Board. The management discussion and analysis prepared by management and reviewed by the Board of the directors are included in page 5 to 9 of this annual report.

THE BOARD

During the year ended 30 November 2014, the Board comprised two executive directors 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 discharges the following responsibilities through delegation to the audit committee, nomination committee and remuneration committee:

(a) to develop and review the Company's policies and practices on corporate governance;

(b) to review and monitor the training and continuous professional development of directors and senior management;

(c) review and monitor the Company's policies and practices on compliance with legal and regulatory requirements;

(d) to develop, review and monitor the code of conduct and compliance manual applicable to employees;

(e) to review the Company's compliance with the Code on Corporate Governance and disclosure in the Corporate Governance Report; and

(f) review and approve the quarterly, interim, annual results and other business matters.

The Board is provided with the Group quarterly management reports which contain year-to-date financials with summaries of key events and outlook of the Group. The management report gives a balanced and understandable assessment of the Company's performance, position and prospects in sufficient detail.

The Board schedules four regular meetings a year at approximately quarterly intervals. In addition, special Board meetings are held as necessary. During the reporting year 2014, the Board held six meetings. Details of the attendance of individual directors are as follows:

		Attendance
(a)	**Executive Directors**	
	Mr. Joseph Chi Ho HUI	6/6
	Ms. Clara Hiu Ling LAM	4/6
(b)	**Non-executive Director**	
	Mr. Terence Chi Yan HUI (resigned on 14 May 2014)	0/6
(c)	**Independent Non-executive Directors**	
	Mr. Kwong Sang LIU	5/6
	Mr. Edwin Kim Ho WONG	6/6
	Mr. William Keith JACOBSEN	6/6

Ms. Clara Hiu Ling Lam, the executive director of the Company, is the spouse of Mr. Samson Chi Yang Hui, the chief executive officer of the Company and the sister-in-law of Mr. Joseph Chi Ho Hui, the executive director of the Company. Save as disclosed above, there is no family or other material relationship among members of the Board.

Biographies, including relationships among members of the Board are shown on pages 10 to 11 under the section on "Biographical Details of Directors and Senior Management".

Pursuant to the code provision A.1.8 of the CG Code and Report, the Company should arrange appropriate insurance to cover potential legal actions against its directors. To comply with code provision, the Company is arranged for appropriate liability insurance for the directors for indemnifying their liabilities arising from corporate activities for the financial year ended 30 November 2014.

BOARD DIVERSITY POLICY

Pursuant to the code provision A.5.6 became effective on 1 September 2013, the nomination committee (or the Board) should have a policy concerning diversity of board members, and should disclose the policy or a summary of the policy in the corporate governance report.

Corporate Governance Report

To comply with the new code provision A.5.6, the nomination committee adopted a board diversity policy in committee meeting during the reporting year 2014. In the meeting, nomination committee members had reviewed the board diversity policy of the Company and the progress of attainment when appropriate to ensure its effectiveness and discussed any revisions that may be required to be considered and make disclosure of its review results of the Company's corporate governance report. A summary of this policy, together with the measureable objectives set for implementing the policy, and the progress made towards achieving those objectives are disclosed as below.

Summary of the Board Diversity Policy

The Company recognized and embraced the benefits of having a diverse Board to the quality of its performance. The Board Diversity Policy aimed to set out the approach to achieve diversity on the Board. In designing the Board's composition, Board diversity has been considered from a numbers of measurable aspects including gender, age, length of services, knowledge and professional industry background. All Board appointments will be based on meritocracy, and candidates will be considered against objective criteria, having due regards for the benefits of diversity on the Board.

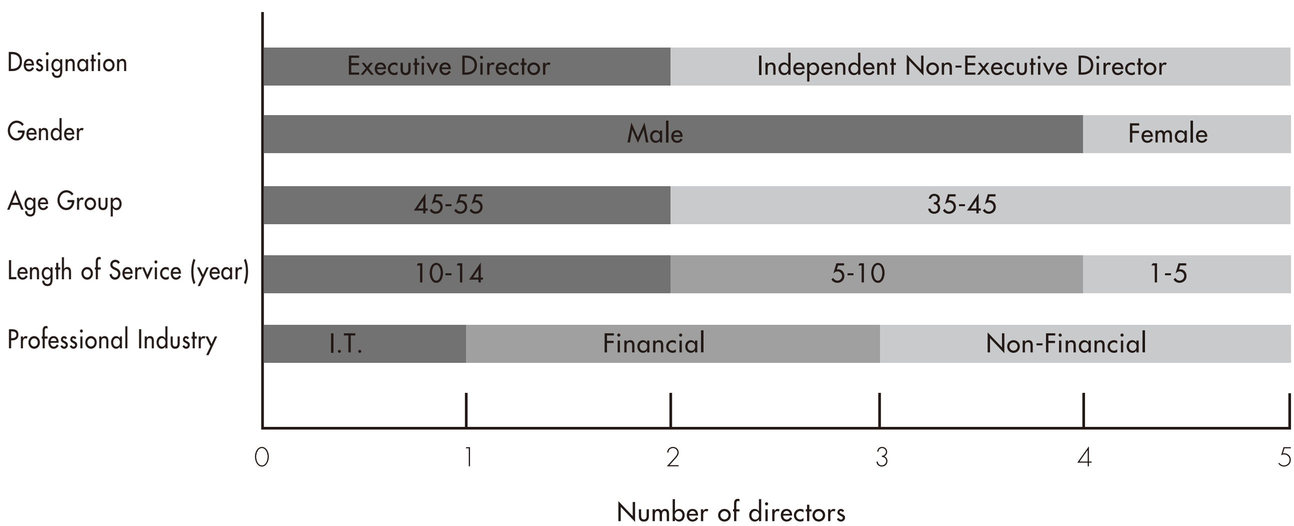
Measurable Objectives

Selection of candidates will be based on a range of diversity perspectives, including but not limited to gender, age, cultural and education background, professional experience, skill, knowledge and length of services. The ultimate decision will be based on merit and contribution that the selected candidates will bring to the Board.

Implementation and Monitoring

The Nomination Committee reviewed the Board's composition under diversified perspectives, and monitored the implementation of the Board Diversity Policy annually.

As at the date of this report, the Board's composition under major diversified perspectives was summarized as follows:



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.

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.

BOARD PROCESS

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.

The Board of directors meets regularly at least four 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.

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.

CHAIRMAN AND CHIEF EXECUTIVE OFFICER

The posts of chairman and chief executive officer ("CEO") are held separately by Mr. Joseph Chi Ho 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. The responsibilities of the chairman is to ensure the Board works effectively and performs its responsibilities, and all key and appropriate issues are discussed by the Board, draw up and approve the agenda for each board meeting and take into account, any matters proposed by the other directors for inclusion in the agenda.

NOMINATION COMMITTEE

The Company established a Nomination Committee on 9 March 2012. During the reporting year 2014, the Nomination Committee comprises a total of five members, namely Mr. Kwong Sang Liu, Mr. Edwin Kim Ho Wong and Mr. William Keith Jacobsen, all are independent non-executive directors, and Mr. Joseph Chi Ho Hui, the executive director and Mr. Samson Chi Yang Hui, the chief executive officer of the Company. Mr. Joseph Chi Ho Hui is the chairman of the Nomination Committee.

The responsibilities and authorities of the Nomination Committee are mainly to review the structure, size and composition of the Board at least annually and make recommendations on any proposed changes to the Board on the selection of individuals nominated for directorships; identify individuals suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships; assess the independence of independent of non-executive directors; and make recommendations to the Board on the appointment or re-appointment of directors; and succession planning for directors and review the board diversity policy of the Company.

The Nomination Committee shall be provided with sufficient resources to perform its duties and shall have access to independent professional advice if necessary, at the Company's expense. All members of the Nomination Committee shall have access to the advice and services of the company secretary, and separate and independent access to the Company's senior management for obtaining necessary information.

During the reporting year 2014, one meeting of Nomination Committee was held with attendance of individual member is as follows:

	Attendance
Mr. Joseph Chi Ho HUI	1/1
Mr. Kwong Sang LIU	1/1
Mr. Edwin Kim Ho WONG	1/1
Mr. William Keith JACOBSEN	1/1
Mr. Samson Chi Yang HUI	1/1

NOMINATION OF DIRECTORS

The Nomination Committee 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 Nomination Committee 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 Nomination Committee will take into consideration criteria such as expertise, experience, integrity and commitment when considering new director appointments.

APPOINTMENTS, RE-ELECTION AND REMOVAL

All independent non-executive directors are appointed for a specific term of not more than 3 years. 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 at least 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.

DIRECTORS' TRAINING

As part of an ongoing process of directors' training, the directors are updated with the latest developments regarding the Listing Rules and other applicable regulatory requirements from time to time to ensure compliance of the same by all directors. All directors are encouraged to attend external forum or training courses on relevant topics which may count towards continuous professional development training.

Pursuant to code provision A.6.5 of CG Code and Report, which has come into effect from 1 April 2012, all directors should participate in continuous professional development to develop and refresh their knowledge and skills. This is to ensure that their contribution to the Board remains informed and relevant. Up to the date of this report, all directors have participated in appropriate continuous professional development activities by attending training course on the topics related to corporate governance and regulations or by reading materials relevant to the Company's business or to their duties and responsibilities.

As part of the continuous professional development programme, directors participated in the various briefings and visits to local management and the Company's facilities, as arranged and funded by the Company with appropriate emphasis on the roles, functions and duties of the directors. This is in addition to directors' attendance at meetings and review of papers and circulars sent by management. The participation by individual directors in the programme in 2014 is recorded in the table below.

	Reading regulatory updates	**Visit/interview key management**
Executive Directors		
Mr. Joseph Chi Ho Hui	√	√
Ms. Clara Hiu Ling Lam	√	√
Non-executive Director		
Mr. Terence Chi Yan HUI (resigned on 14 May 2014)	√	√
Independent Non-executive Directors		
Mr. Kwong Sang LIU	√	√
Mr. Edwin Kim Ho WONG	√	√
Mr. William Keith JACOBSEN	√	√

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted the Model Code of conduct regarding directors' securities transactions on terms no less exacting than the required standard of dealings as set out in rules 5.48 to 5.67 to the GEM Listing Rules. 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 2014.

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. Kwong Sang Liu, Mr. Edwin Kim Ho Wong and Mr. William Keith Jacobsen, and is chaired by Mr. Edwin Kim Ho Wong.

During the financial year ended 30 November 2014, 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. Kwong Sang LIU	1/1
Mr. Edwin Kim Ho WONG	1/1
Mr. William Keith JACOBSEN	1/1

The details of remuneration payable to directors and senior managements of the Company is set out in Note (16) to the financial statements.

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. Kwong Sang Liu is the chairman of the audit committee for the year ended 30 November 2014.

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 terms of reference of the audit committee should also require it to review arrangement employees of the Company can use to raise concerns about possible improprieties in financial reporting, internal control or other matters. The audit committee should ensure that proper arrangements are in place for fair and independent investigation of these matters and for appropriate follow-up action and to act as the key representative body for overseeing the Company's relations with the external auditor. 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 reporting year 2014, the audit committee held four meetings 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 results for the year ended 30 November 2014 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. Kwong Sang LIU	4/4
Mr. Edwin Kim Ho WONG	4/4
Mr. William Keith JACOBSEN	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 Independent Auditors' Report on Page 32 to 33 of this Annual Report.

The independent auditors' report of the Group's consolidated financial statements for the year ended 30 November 2014 contains a modified auditors' opinion as follow:

"Without qualifying our opinion, we draw attention to Note 3 in the consolidated financial statements which indicates that the Group's total liabilities exceeded its total assets by approximately HK$49,311,000. These conditions, along with other matters as set forth in Note 3 to the consolidated financial statements, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern."

AUDITORS' REMUNERATION

The fees in relation to the audit and other services provided to the Company and its subsidiaries by external auditors of the Group, amounted approximately to HK$250,000. No non-audit service was provided by external auditors of the Group for the year ended 30 November 2014.

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 organizational 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 and chief financial officer. 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 Company does not have internal audit department, but the Internal Control Review Committee, comprising the executive directors and independent non-executive directors of the Company 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 2014, the review based on a framework which assesses the Group's internal control system into payment cycle 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 reported to the Board and areas of improvement, if any, have been identified and appropriate measures have been put in place to manage the risks.

Corporate Governance Report

COMPANY SECRETARY

The company secretary is an employee of the Company and is appointed by the Board. He supports the chairman, Board and board committees by ensuring good information flow and reports to the Board and assists the Board in functioning effectively and efficiently. The company secretary also advices the Board on governance matters and facilitates the induction and professional development of directors. All directors of the Company may call upon him for advice and assistance at any time in respect to their duties and the effective operation of the Board and board committee.

Mr. Siu Leong Cheung has been the company secretary of the Company since August 2003. He is also the authorised representative and the chief financial officer of the Company. The biographical detail of Mr. Cheung is set out in the section of Directors and Senior Management Profiles on page 11 of this report. During the year, Mr. Cheung undertook not less than 20 hours of relevant professional training.

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 2014, separate resolution has been proposed by the chairman of that meeting. The chairman of the Board, member of audit committee and external auditor attended the annual general meeting held on 28 March 2014 to answer questions, if any, at the meeting.

SHAREHOLDERS' RIGHTS

Annual report, interim report and quarterly reports offer comprehensive information to the Shareholders on operational and financial performance whereas annual general meetings provide a forum for the Shareholders to exchange views directly with the Board. The general meetings of the Company provide an opportunity for communication between the Shareholders and the Board. The chairman and a member of the Audit Committee attended the 2014 annual general meeting to answer questions at the meeting.

According to the Bye-Laws, any one or more Shareholders holding at the date of deposit of the requisition not less than one-tenth of the paid up capital of the Company carrying the right of voting at general meeting of the Company shall at all times have the right, by written requisition to the Board or the company secretary of the Company, to require an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. The requisition must be lodged with the Company's principal place of business of Hong Kong.

As regards proposing a person for election as a director, please refer to the procedures as set out in the Bye-Laws on the website of the Company at www.hklistco.com and the Stock Exchange.

Shareholders may at any time send their enquiries and concerns to the Board in writing to the company secretary at the Company's office in Hong Kong at 17th Floor, Regent Centre, 88 Queen's Road Central, Central, Hong Kong.

INVESTOR RELATIONS

The Company considers that effective communication with Shareholders is essential for enhancing investor relations and investor understanding of the Group's business performance and strategies. The Company has established a range of communication channels between itself, its shareholders and investors which including answering questions through the annual general meeting, the publications of annual, interim and quarterly reports, notices, announcements and circulars, the website of the Company at www.hklistco.com and the Stock Exchange. Saved to changes published in the announcements during the year, the Board do not aware of any significant changes in the Company's constitutional documents during the year.

Independent Auditors' Report

HLB 國衛會計師事務所有限公司
Hodgson Impey Cheng Limited

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 34 to 107, which comprise the consolidated and company statements of financial position as at 30 November 2014, and the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

DIRECTORS' RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The directors of the Company are responsible for the preparation of consolidated financial statements that give a true and fair view 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, and for such internal control as the directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

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 about 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 auditors' judgement, including the assessment of the risks of material misstatement of 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 of the consolidated financial statements that give a true and fair view 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 2014, and of the Group's profit and cash flows 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 in the consolidated financial statements which indicates that the Group's total liabilities exceeded its total assets by approximately HK$49,311,000. This condition, along with other matters as set forth in Note 3 to the consolidated financial statements, 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 Limited
Certified Public Accountants

Hon Koon Fai, Alex
Practising Certificate Number: P05029

Hong Kong, 30 January 2015

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 November 2014

	Notes	2014 HK$'000	2013 HK$'000
Turnover	8	**19,733**	12,381
Cost of sales		**(2,723)**	(2,043)
Gross profit		**17,010**	10,338
Other revenue	8	**88**	429
Other gains and losses	9	**257**	711
Software research and development expenses		**(4,598)**	(4,673)
Selling and marketing expenses		**(1,366)**	(809)
Administrative expenses		**(6,869)**	(7,115)
Profit/(loss) from operating activities	10	**4,522**	(1,119)
Finance costs	11	**(2,465)**	(2,408)
Profit/(loss) before taxation		**2,057**	(3,527)
Taxation	12	**–**	–
Profit/(loss) for the year		**2,057**	(3,527)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		**528**	179
Other comprehensive income for the year, net of tax		**528**	179
Total comprehensive profit/(loss) for the year		**2,585**	(3,348)

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 30 November 2014

	Notes	**2014** **HK$'000**	2013 HK$'000
Profit/(loss) for the year attributable to owners of the Company		**2,057**	(3,527)
Total comprehensive profit/(loss) for the year attributable to owners of the Company		**2,585**	(3,348)
			(Restated)
Earnings/(loss) per share			
– Basic and diluted	*14*	**HK0.86 cents**	HK(1.68) cents

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 November 2014

	Notes	2014 HK$'000	2013 HK$'000
Assets			
Non-current asset			
Property, plant and equipment	19	**93**	145
Current assets			
Trade and other receivables	22	**1,352**	942
Amount due from a related party	23	**–**	144
Cash and cash equivalents	24	**6,536**	2,296
		7,888	3,382
Total assets		**7,981**	3,527
Capital and reserves			
Share capital	25	**24,089**	16,059
Reserves	26(a)	**(73,400)**	(75,688)
Equity attributable to owners of the Company		**(49,311)**	(59,629)
Liabilities			
Non-current liabilities			
Promissory notes and interest payable to the related companies	27	**47,534**	45,705
Amount due to a shareholder	28	**–**	5,904
		47,534	51,609
Current liabilities			
Other payables and accruals	29	**5,305**	6,575
Deferred revenue		**3,570**	3,699
Amount due to a related company	28	**264**	284
Amounts due to customers	21	**619**	989
		9,758	11,547
Total liabilities		**57,292**	63,156
Total equity and liabilities		**7,981**	3,527

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 November 2014

	2014 HK$'000	2013 HK$'000
Net current liabilities	**(1,870)**	(8,165)
Total assets less current liabilities	**(1,777)**	(8,020)
Net liabilities	**(49,311)**	(59,629)

Approved and authorised for issue by the Board of Directors on 30 January 2015 and signed on its behalf by:

Joseph Chi Ho Hui	**Clara Hiu Ling Lam**
Executive Director	*Executive Director*

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

STATEMENT OF FINANCIAL POSITION

As at 30 November 2014

	Notes	2014 HK$'000	2013 HK$'000
Assets			
Non-current asset			
Investments in subsidiaries	20	**-**	–
Current assets			
Prepayment	22	**176**	30
Cash and cash equivalents	24	**2,622**	1,482
		2,798	1,512
Total assets		**2,798**	1,512
Capital and reserves			
Share capital	25	**24,089**	16,059
Reserves	26(b)	**(69,638)**	(61,035)
Equity attributable to owners of the Company		**(45,549)**	(44,976)
Liabilities			
Non-current liability			
Promissory notes and interest payable to the related companies	27	**47,534**	45,705
Current liability			
Other payables and accruals	29	**813**	783
Total liabilities		**48,347**	46,488
Total equity and liabilities		**2,798**	1,512

STATEMENT OF FINANCIAL POSITION

As at 30 November 2014

	2014 HK$'000	2013 HK$'000
Net current assets	**1,985**	729
Total assets less current liabilities	**1,985**	729
Net liabilities	**(45,549)**	(44,976)

Approved and authorised for issue by the Board of Directors on 30 January 2015 and signed on its behalf by:

Joseph Chi Ho Hui	**Clara Hiu Ling Lam**
Executive Director	*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 2014

	Attributable to owners of the Company					
	Share capital HK$'000	**Share premium** HK$'000	**Contributed surplus** HK$'000	**Exchange reserve** HK$'000	**Accumulated losses** HK$'000	**Total equity** HK$'000
At 1 December 2012	16,059	106,118	37,600	(14,416)	(201,642)	(56,281)
Loss for the year	–	–	–	–	(3,527)	(3,527)
Other comprehensive income for the year	–	–	–	179	–	179
Total comprehensive income/(loss) for the year	–	–	–	179	(3,527)	(3,348)
At 30 November 2013 and 1 December 2013	16,059	106,118	37,600	(14,237)	(205,169)	(59,629)
Profit for the year	–	–	–	–	2,057	2,057
Other comprehensive income for the year	–	–	–	528	–	528
Total comprehensive income for the year	–	–	–	528	2,057	2,585
Issue of ordinary shares upon rights issue	8,030	–	–	–	–	8,030
Expenses attributable to rights issue	–	(297)	–	–	–	(297)
At 30 November 2014	**24,089**	**105,821**	**37,600**	**(13,709)**	**(203,112)**	**(49,311)**

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

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 November 2014

	2014 HK$'000	2013 HK$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	**2,057**	(3,527)
Adjustments for:		
Interest income	**(1)**	–
Interest expenses	**2,465**	2,408
Exchange gain	**(268)**	(779)
Loss on disposal of property, plant and equipment	**–**	91
Depreciation	**65**	131
Impairment loss recognised on trade receivables	**23**	–
Reversal of impairment loss on trade receivables	**(12)**	(23)
Operating profit/(loss) before working capital changes	**4,329**	(1,699)
Decrease in work in progress	**–**	20
(Increase)/decrease in trade and other receivables	**(421)**	130
Decrease/(increase) in amount due from a related party	**144**	(131)
Decrease in amount due to a shareholder	**(5,904)**	(148)
Decrease in amount due to a related party	**–**	(4,217)
Decrease in amount due to a related company	**(20)**	(92)
Decrease in amounts due to customers	**(370)**	(615)
(Decrease)/increase in other payables and accruals	**(1,270)**	551
(Decrease)/increase in deferred revenue	**(129)**	161
Net cash used in operating activities	**(3,641)**	(6,040)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(13)**	(94)
Interest received	**1**	–
Net cash used in investing activities	**(12)**	(94)
CASH FLOWS FROM FINANCING ACTIVITIES		
Advance from a related party through issue of a promissory note	**–**	2,500
Repayment of principal and interest of promissory note	**–**	(2,438)
Proceeds from issue of ordinary shares upon rights issue	**8,030**	–
Expenses attributable to rights issue	**(297)**	–
Net cash generated from financing activities	**7,733**	62

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 November 2014

	2014 HK$'000	2013 HK$'000
Net increase/(decrease) in cash and cash equivalents	**4,080**	(6,072)
Cash and cash equivalents at the beginning of the year	**2,296**	8,167
Effects of exchange rate changes on the balance of cash held in foreign currencies	**160**	201
Cash and cash equivalents at the end of the year	**6,536**	2,296
Analysis of the balances of cash and cash equivalents		
Cash and bank balances	**6,536**	2,296

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

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 HM11 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 20 to the consolidated financial statements.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Company. All values are rounded to the nearest thousand ("HK$'000") except when otherwise indicated.

The directors of the Company consider the Company's ultimate shareholder to be The City Place Trust ("CPT"), a trust incorporated in Bermuda.

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

In the current year, the Group has applied for the first time, the following amendments and new interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"), which are effective for the Group's financial year beginning on 1 December 2013.

HKFRSs (Amendments)	Annual Improvements to HKFRSs 2009 to 2011 Cycle
HKFRS 1 (Amendments)	Government Loans
HKFRS 7 (Amendments)	Disclosure – Offsetting Financial Assets and Financial Liabilities
HKFRS 10	Consolidated Financial Statements
HKFRS 11	Joint Arrangements
HKFRS 12	Disclosure of Interests in Other Entities
HKFRS 13	Fair Value Measurement
HKFRS 10, HKFRS 11 and HKFRS 12 (Amendments)	Consolidated Financial Statements, Joint Arrangements and Disclosures of Interests in Other Entities: Transition Guidance
HKAS 19 (as revised in 2011)	Employee Benefits
HKAS 27 (as revised in 2011)	Separate Financial Statements
HKAS 28 (as revised in 2011)	Investments in Associates and Joint Ventures
HK(IFRIC) – Int 20	Stripping Costs in the Production Phase of a Surface Mine

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

Amendments to HKFRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities*

The Group has applied the amendments to HKFRS 7 *Disclosures – Offsetting Financial Assets and Financial Liabilities* for the first time in the current year. The amendments to HKFRS 7 require entities to disclose information about:

(a) recognised financial instruments that are set off in accordance with HKAS 32 *Financial Instruments: Presentation*; and

(b) recognised financial instruments that are subject to an enforceable master netting agreement or similar agreement, irrespective of whether the financial instruments are set off in accordance with HKAS 32.

As the Group does not have any offsetting arrangements or any master netting agreements in place, the application of the amendments has no material impact on the disclosures or on the amounts recognised in these consolidated financial statements.

New and revised Standards on consolidation, joint arrangements, associates and disclosures

In the current year, the Group has applied for the first time the package of five standards on consolidation, joint arrangements, associates and disclosures comprising HKFRS 10 *Consolidated Financial Statements*, HKFRS 11 *Joint Arrangements*, HKFRS 12 *Disclosure of Interests in Other Entities*, HKAS 27 (as revised in 2011) *Separate Financial Statements* and HKAS 28 (as revised in 2011) *Investments in Associates and Joint Ventures*, together with the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 regarding transitional guidance.

HKAS 27 (as revised in 2011) is not applicable to the Group as it deals only with separate financial statements.

The impact of the application of these standards is set out below.

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

Impact of the application of HKFRS 10

HKFRS 10 replaces the parts of HKAS 27 *Consolidated and Separate Financial Statements* that deal with consolidated financial statements and HK(SIC) Int-12 *Consolidation – Special Purpose Entities*. HKFRS 10 changes the definition of control such that an investor has control over an investee when a) it has power over the investee, b) it is exposed, or has rights, to variable returns from its involvement with the investee and c) has the ability to use its power to affect its returns. All three of these criteria must be met for an investor to have control over an investee. Previously, control was defined as the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Additional guidance has been included in HKFRS 10 to explain when an investor has control over an investee. Some guidance included in HKFRS 10 that deals with whether or not an investor that owns less than 50% of the voting rights in an investee has control over the investee is relevant to the Group.

Impact of the application of HKFRS 11

HKFRS 11 replaces HKAS 31 Interest in Joint Ventures, and the guidance contained in a related interpretation, HK(SIC) – Int 13 *Joint Controlled Entities – Non-Monetary Contributions* by Venturers, has been incorporated in HKAS 28 (as revised in 2011). HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified and accounted for. Under HKFRS 11, there are only two types of joint arrangements – joint operations and joint ventures. The classification of joint arrangements under HKFRS 11 is determined based on the rights and obligations of parties to the joint arrangements by considering the structure, the legal form of the arrangements, the contractual terms agreed by the parties to the arrangement, and, when relevant, other facts and circumstances. A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint operators) have rights to assets, and obligations for the liabilities, relating to arrangement. A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement (i.e. joint venturers) have rights to the net assets of the arrangement. Previously, HKAS 31 contemplated three types of joint arrangements – jointly controlled entities, jointly controlled operations and jointly controlled assets. The classification of joint arrangements under HKAS 31 was primarily determined based on the legal form of the arrangement (e.g. a joint arrangement that was established through a separate entity was accounted for as a jointly controlled entity).

Impact of the application of HKFRS 12

HKFRS 12 is a new disclosure standard and is applicable to entities that have interest in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities.

Other than the additional disclosures by application of HKFRS 12, the application of HKFRS 10 and HKFRS 11 has not had any material impact on the amounts recognised in the consolidated financial statements.

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

HKFRS 13 Fair Value Measurement

The Group has applied HKFRS 13 for the first time in the current year. HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The scope of HKFRS 13 is broad; the fair value measurement requirement of HKFRS 13 apply to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except for share-based payment transactions that are within the scope of HKFRS 2 Share-based Payment, leasing transactions that are within the scope of HKAS 17 *Leases*, and measurements that have some similarities to fair value but are not fair value (e.g. net realisable value for the purposes of measuring inventories or value in use for impairment assessment purposes).

HKFRS 13 defines the fair value of an asset as the price that would be received to sell an asset (or paid to transfer a liability, in the case of determining the fair value of a liability) in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions. Fair value under HKFRS 13 is an exit price regardless of whether that price is directly observable or estimated using another valuation technique. Also, HKFRS 13 includes extensive disclosures requirements.

HKFRS 13 requires prospective application from 1 January 2013. In addition, specific transitional provisions were given to entities such that they need not apply the disclosure requirements set out in the standard in comparative information provided for periods before the initial application of the standard. In accordance with these transitional provisions, the Group has not made any new disclosures required by HKFRS 13 for the 2013 comparative period. Other than the additional disclosures, the application of HKFRS 13 has not had any material impact on the amounts recognised in the consolidated financial statements.

Annual Improvements to HKFRSs 2009-2011 Cycle issued in June 2012

The Annual Improvements to HKFRSs 2009-2011 Cycle include a number of amendments to various HKFRSs. The amendments are effective for annual periods beginning on or after 1 July 2013. Amendments to HKFRSs include:

– amendments to HKAS 16 *Property, Plant and Equipment*; and

– amendments to HKAS 32 *Financial Instruments: Presentation*.

Amendments to HKAS 16

The amendments to HKAS 16 clarify that spare parts, stand-by equipment and servicing equipment should be classified as property, plant and equipment when they meet the definition of property, plant and equipment in HKAS 16 and as inventory otherwise. The Directors do not anticipate that the amendments to HKAS 16 will have a significant effect on the Group's consolidated financial statements.

Amendments to HKAS 32

The amendments to HKAS 32 clarify that income tax on distributions to holders of an equity instrument and transaction costs of an equity transaction should be accounted for in accordance with HKAS 12 *Income Taxes*. The Directors anticipate that the amendments to HKAS 32 will have no effect on the Group's consolidated financial statements as the Group has already adopted this treatment.

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

Save as described above, the application of the above new and revised HKFRSs had no material effect on how the results and financial position for the current or prior accounting periods have been prepared and presented. Accordingly, no prior period adjustment has been required.

The Group has not early applied the following new and revised standards, amendments or interpretations that have been issued but are not yet effective.

HKFRSs (Amendments)	Annual Improvements to HKFRSs 2010-2012 Cycle[3]
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2011-2013 Cycle[2]
HKFRSs (Amendments)	Annual Improvements to HKFRSs 2012-2014 Cycle[5]
HKFRS 7 and HKFRS 9 (Amendments)	Mandatory Effective Date of HKFRS 9 and Transition Disclosure[7]
HKFRS 9	Financial Instruments[7]
HKFRS 10, HKFRS 12 and HKAS 27 (Amendments)	Investment Entities[1]
HKFRS 10 and HKAS 28 (Amendments)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[1]
HKFRS 10, HKFRS 12 and HKAS 28 (2011) (Amendments)	Investment Entities: Applying the Consolidation Exception[5]
HKFRS 11 (Amendments)	Accounting for Acquisition of Interests in Joint Operation[5]
HKFRS 14	Regulatory Deferral Accounts[4]
HKFRS 15	Revenue from contracts with customers[6]
HKAS 1 (Amendments)	Disclosure Initiative[5]
HKAS 16 and HKAS 38 (Amendments)	Clarification of Acceptable Methods of Depreciation and Amortisation[5]
HKAS 16 and HKAS 41 (Amendments)	Agriculture: Bearer Plants[5]
HKAS 19 (2011) (Amendments)	Defined benefit plans: Employee Contribution[2]
HKAS 27 (Amendments)	Equity Method in Separate Financial Statement[5]
HKAS 32 (Amendments)	Financial Instruments: Presentation – Offsetting Financial Assets and Financial Liabilities[1]
HKAS 36 (Amendments)	Recoverable Amount Disclosures for Non-Financial Assets[1]
HKAS 39 (Amendments)	Novation of Derivatives and Continuation of Hedge Accounting[1]
HK(IFRIC) – Int 21	Levies[1]

[1] Effective for annual periods beginning on or after 1 January 2014
[2] Effective for annual periods beginning on or after 1 July 2014
[3] Effective for annual periods beginning on or after 1 July 2014, with limited exceptions
[4] Effective for first annual HKFRS financial statements beginning on or 1 January 2016
[5] Effective for annual periods beginning on or after 1 January 2016
[6] Effective for annual periods beginning on or after 1 January 2017
[7] Effective for annual periods beginning on or after 1 January 2018

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

HKFRS 9 *Financial Instruments*

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition.

Key requirements of HKFRS 9 are described below:

- All recognised financial assets that are within the scope of HKAS 39 *Financial Instruments: Recognition and Measurement* to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent reporting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

The directors of the Company anticipate that the adoption of HKFRS 9 in the future may have a impact on the amounts reported in respect of the Group's financial assets and financial liabilities. Regarding the Group's financial assets, it is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

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

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 – *Investment Entities*

The amendments to HKFRS 10 define an investment entity and require a reporting entity that meets the definition of an investment entity not to consolidate its subsidiaries but instead to measure its subsidiaries at fair value through profit or loss in its financial statements.

To qualify as an investment entity, a reporting entity is required to:

- obtain funds from one or more investors for the purpose of providing them with professional investment management services;

- commit to its investor(s) that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and

- measure and evaluate performance of substantially all of its investments on a fair value basis.

Consequential amendments have been made to HKFRS 12 and HKAS 27 to introduce new disclosure requirements for investment entities.

Amendments to HKFRS 10 and HKAS 28 – *Sale and Contribution of Assets between an Investor and its Associate or Joint Venture*

Amendments to HKAS 28:

- The requirements on gains and losses resulting from transactions between an entity and its associate or joint venture have been amended to relate only to assets that do not constitute a business.

- A new requirement has been introduced that gains or losses from downstream transactions involving assets that constitute a business between an entity and its associate or joint venture must be recognised in full in the investor's financial statements.

- A requirement has been added that an entity needs to consider whether assets that are sold or contributed in separate transactions constitute a business and should be accounted for as a single transaction.

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

Amendments to HKFRS 10 and HKAS 28 – *Sale and Contribution of Assets between an Investor and its Associate or Joint Venture* (continued)

Amendments to HKAS 10:

- An exception from the general requirement of full gain or loss recognition has been introduced into HKFRS 10 for the loss control of a subsidiary that does not contain a business in a transaction with an associate or a joint venture that is accounted for using the equity method.

- New guidance has been introduced requiring that gains or losses resulting from those transactions are recognised in the parent's profit or loss only to the extent of the unrelated investors' interests in that associate or joint venture. Similarly, gains and losses resulting from the remeasurement at fair value of investments retained in any former subsidiary that has become an associate or a joint venture that is accounted for using the equity method are recognised in the former parent's profit or loss only to the extent of the unrelated investors' interests in the new associate or joint venture.

Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011) – *Investment Entities: Applying the Consolidation Exception*

The narrow-scope amendments to HKFRS 10, HKFRS 12 and HKAS 28 introduce clarifications to the requirements when accounting for investment entities. The amendments also provide relief in particular circumstances, which will reduce the costs of applying the Standards.

Amendments to HKFRS 11 – *Accounting for Acquisition of Interests in Joint Operation*

HKFRS 11 addresses the accounting for interests in joint ventures and joint operations. The amendments add new guidance on how to account for the acquisition of an interest in a joint operation that constitutes a business. The amendments specify the appropriate accounting treatment for such acquisitions.

HKFRS 14 *Regulatory Deferral Accounts*

HKFRS 14 permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous Generally Accepted Accounting Principles ("GAAP") requirements when they adopt HKFRS. However, to enhance comparability with entities that already apply HKFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items. An entity that already presents HKFRS financial statements is not eligible to apply the standard.

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

HKFRS 15 *Revenue from contracts with customers*

The core principle of HKFRS 15 is for companies to recognise revenue to depict the transfer of goods or services to customers in amounts that reflect the consideration (that is, payment) to which the company expects to be entitled in exchange for those goods or services. The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively and improve guidance for multiple-element arrangements.

Amendments to HKAS 1 *Disclosure Initiative*

The amendments to HKAS 1 are designed to further encourage companies to apply professional judgement in determining what information to disclose in their financial statements. For example, the amendments make clear that materiality applies to the whole of financial statements and that the inclusion of immaterial information can inhibit the usefulness of financial disclosures. Furthermore, the amendments clarify that companies should use professional judgement in determining where and in what order information is presented in the financial disclosures.

Amendments to HKAS 16 and HKAS 38 *Clarification of Acceptable Methods of Depreciation and Amortisation*

HKAS 16 and HKAS 38 both establish the principle for the basis of depreciation and amortisation as being the expected pattern of consumption of the future economic benefits of an asset. The amendments clarify that the use of revenue-based methods to calculate the depreciation of an asset is not appropriate because revenue generated by an activity that includes the use of an asset generally reflects factors other than the consumption of the economic benefits embodied in the asset.

The amendments also clarify that revenue is generally presumed to be an inappropriate basis for measuring the consumption of the economic benefits embodied in an intangible asset. This presumption, however, can be rebutted in certain limited circumstances.

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

Amendments to HKAS 19 (2011) *Employee Benefits*

The issuance of HKAS 19 (2011) *Employee Benefits* completes improvements to the accounting requirements for pensions and other post-employment benefits and HKAS 19 (2011) makes important improvements by:

- Eliminating an option to defer the recognition of gains and losses, known as the 'corridor method', improving comparability and faithfulness of presentation.

- Streamlining the presentation of changes in assets and liabilities arising from defined benefit plans, including requiring remeasurements to be presented in other comprehensive income, thereby separating those changes from changes that many perceive to be the result of an entity's day-to-day operations.

- Enhancing the disclosure requirements for defined benefit plans, providing better information about the characteristics of defined benefit plans and the risks that entities are exposed to through participation in those plans.

Amendments to HKAS 27 *Equity Method in Separate Financial Statements*

The amendments will allow entities to use the equity method to account for investments in subsidiaries, joint ventures and associates in their separate financial statements. The amendments are effective for annual periods beginning on or after 1 January 2016 with earlier application permitted.

Amendments to HKAS 32 *Offsetting Financial Assets and Financial Liabilities*

The amendments to HKAS 32 clarify existing application issues relating to the offset of financial assets and financial liabilities requirements. Specifically, the amendments clarify the meaning of "currently has a legally enforceable right of set-off" and "simultaneous realisation and settlement".

Amendments to HKAS 36 *Recoverable Amount Disclosures for Non-Financial Assets*

The amendments to HKAS 36 remove the requirement to disclose the recoverable amount of a cash-generating unit ("CGU") to which goodwill or other intangible assets with indefinite useful lives had been allocated when there has been no impairment or reversal of impairment of the related CGU. Furthermore, the amendments introduce additional disclosure requirements regarding the fair value hierarchy, key assumptions and valuation techniques used when the recoverable amount of an asset or CGU was determined based on its fair value less costs of disposal.

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

Amendments to HKAS 39 *Novation of Derivatives and Continuation of Hedge Accounting*

The amendments to HKAS 39 provide relief from the requirement to discontinue hedge accounting when a derivative hedging instrument is novated under certain circumstances. The amendments also clarify that any change to the fair value of the derivative hedging instrument arising from the novation should be included in the assessment of hedge effectiveness.

HK (IFRIC) – *Int 21 Levies*

HK (IFRIC) – Int 21 *Levies* addresses the issue of when to recognise a liability to pay a levy. The interpretation defines a levy, and specifies that the obligating event that gives rise to the liability is the activity that triggers the payment of the levy, as identified by legislation. The interpretation provides guidance on how different levy arrangements should be accounted for, in particular, it clarifies that neither economic compulsion nor the going concern basis of financial statements preparation implies that an entity has a present obligation to pay a levy that will be triggered by operating in a future period.

The Group is in the process of assessing the potential impact of the above new and revised HKFRSs upon initial application but is not yet in a position to state whether the above new and revised HKFRSs will have a significant impact on the Group's and the Company's results of operations and financial position.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs, which is a collective term that includes all applicable individual HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations issued by the HKICPA, and accounting principles generally accepted in Hong Kong. In addition, the consolidated financial statements also comply with the applicable disclosure provisions of the Rules Governing the Listing of Securities on the Growth Enterprise Market ("GEM") of the Stock Exchange (the "GEM Listing Rules") and the disclosure requirements of the Hong Kong Companies Ordinance.

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of preparation (continued)

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of HKFRS 2, leasing transactions that are within the scope of HKAS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in HKAS 2 or value in use in HKAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the asset or liability.

As at 30 November 2014, the Group's current liabilities exceeded its current assets by approximately HK$1,870,000 and net liabilities of approximately HK$49,311,000. Notwithstanding the above results, the consolidated 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)

Basis of preparation (continued)

Also, the directors of the Company are of the opinion that the Group will be able to finance its future financing requirements and working capital based on the following considerations:

(a) On 21 November 2014, the promissory notes holder, Active Investments Capital Limited ("Active Investments"), which is the Company's related company has agreed to extend the expiry date of the promissory notes together with the accrued interests with aggregate amount as at 30 November 2014 of approximately HK$41,944,000 to 30 June 2016 (Note 27). Active Investments provides financial support for the continuing operations of the Company so as to enable it to meet its liabilities as they fall due and carry on its business without a significant curtailment of operations in the twelve months from 30 November 2014; and

(b) On 21 November 2014, the promissory note holder, Wickham Group Limited ("Wickham"), which is the Company's related company has agreed to extend the expiry date of the promissory note together with the accrued interest with aggregate amount as at 30 November 2014 of approximately HK$5,590,000 to 30 June 2016 (Note 27).

In view of the above, the directors of the Company are of the opinion that there will be sufficient financial resources available to the Group and the Company to enable it to meet its liabilities as and when they fall due and to continue as a going concern. Accordingly, the directors of the Company have prepared the consolidated financial statements on a going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries for the year ended 30 November 2014. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Notes to the Consolidated Financial Statements

For the year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (continued)

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date the Group gains control until the date when the Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of consolidation (continued)

Changes in the Group's ownership interests in existing subsidiaries

Changes in the Group's ownership interests in existing subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, a gain or loss is recognised in profit or loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified/permitted by applicable HKFRSs). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under HKAS 39 Financial Instruments: Recognition and Measurement or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- deferred tax assets or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with HKAS 12 *Income Taxes* and HKAS 19 *Employee Benefits* respectively;

- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with HKFRS 2 *Share-based Payment* at the acquisition date; and

- assets (or disposal groups) that are classified as held for sale in accordance with HKFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with that standard.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations (continued)

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another HKFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with the corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with HKAS 39, or HKAS 37 *Provisions, Contingent Liabilities and Contingent Assets*, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Business combinations (continued)

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), and additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Company, 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 at 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 non-controlling 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 consolidated statement of profit or loss and other comprehensive income.

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.

Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's CGUs (or groups of CGUs) that is expected to benefit from the synergies of the combination.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Goodwill (continued)

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro-rata basis based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of profit or loss and other comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivables.

Revenue is provided when it is probable that economic benefits will flow to the Group and when the revenue can be measured reliably, on the following bases:

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

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

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

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

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Construction contracts

When 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 end of the reporting period, 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. Variations in contract work, claims and incentive payments are included to the extent that the amount can be measured reliably and its receipt is considered probable.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised to the extent of contract costs incurred that it is probable will be recoverable. Contract costs are recognised as expenses in the period in which they are incurred.

When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognised as an expense immediately.

When contract costs incurred to date plus recognised profits less recognised losses exceed progress billings, the surplus is shown as amounts due from customers for contract work. For contracts where progress billings exceed contract costs incurred to date plus recognised profits less recognised losses, the surplus is shown as the amounts due to customers for contract work. Amounts received before the related work is performed are included in the consolidated statement of financial position, as a liability, as advances received. Amounts billed for work performed but not yet paid by the customer are included in the consolidated statement of financial position under trade and other receivables.

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.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

The Group as lessee

Assets held under finance leases are initially recognised as assets of the Group at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the consolidated statement of financial position as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed. Contingent rentals arising under operating leases are recognised as an expense in the period in which they are incurred.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

- exchange differences on transactions entered into in order to hedge certain foreign currency risks; and

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into the presentation currency of the Group (i.e. Hong Kong dollars) using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity under the heading of foreign currency translation reserve (attributed to non-controlling interests as appropriate).

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Company are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

Notes to the Consolidated Financial Statements

For the year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Foreign currencies (continued)

Goodwill and fair value adjustments to identifiable assets acquired and liabilities assumed through acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the rate of exchange prevailing at the end of each reporting period. Exchange differences arising are recognised in other comprehensive income.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Retirement benefits scheme

(i) Salaries, annual bonuses, paid annual leave, leave passage and the cost to the Group of nonmonetary 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 profit or loss 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 employees of the Group's subsidiaries which operate in the People's Republic of China (the "PRC") are required to participate in a central pension scheme operated by the local municipal government. The contributions are charged to the consolidated statement of profit or loss and other comprehensive income as they become payable in accordance with the rules of the central pension scheme.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the consolidated statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, 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. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period 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 assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Notes to the Consolidated Financial Statements

For the year ended 30 November 2014

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Taxation (continued)

Deferred tax (continued)

For the purposes of measuring deferred tax liabilities or deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered entirely through sale, unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model whose objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

Property, plant and equipment

Property, plant and equipment, comprising leasehold improvements, furniture and fixtures and office equipment, are stated in the consolidated statement of financial position at cost, less subsequent accumulated depreciation and subsequent accumulated impairment losses, if any.

Depreciation is recognised so as to write off the cost of each item of property, plant and equipment, less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. 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 the end of reporting period.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Impairment of non-current assets

Non-current 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. Non-current 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 non-current assets' 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, non-current assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs).

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.

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 which 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.

Financial instruments

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss ("FVTPL")) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets

Financial assets are classified into loans and receivables. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Loans and receivables (including trade receivables, amount due from a related party and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment.

Interest income is recognised by applying the effective interest rate, except for short-term receivables where the recognition of interest would be immaterial.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected.

Objective evidence of impairment could include:

– significant financial difficulty of the issuer or counterparty; or

– breach of contract, such as a default or delinquency in interest or principal payments; or

– it becoming probable that the borrower will enter bankruptcy or financial re-organisation; or

– the disappearance of an active market for that financial asset because of financial difficulties.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial assets (continued)

Impairment of financial assets (continued)

For loan and receivables, assets that are assessed not to be impaired individually are subsequently assessed for impairment on a collective basis. Objective evidence of impairment for a portfolio of receivables could include the Group's past experience of collecting payments, as well as observable changes in national or local economic conditions that correlate with default on receivables.

For financial assets carried at amortised cost, the amount of the impairment loss recognised is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost, the amount of the impairment loss is measured as the difference between the asset's carrying amount and the present value of the estimated future cash flows discounted at the current market rate of return for a similar financial asset. Such impairment loss will not be reversed in subsequent periods.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of an allowance account. When a trade receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against the allowance account. Changes in the carrying amount of the allowance account are recognised in profit or loss.

For financial assets measured at amortised cost, 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 through profit or loss to the extent that the carrying amount of the investment at the date the impairment is reversed does not exceed what the amortised cost would have been had the impairment not been recognised.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Other financial liabilities

Other financial liabilities (including promissory notes and interest payable to the related companies, amount due to a shareholder, other payables and accruals and amount due to a related company) are subsequently measured at amortised cost using the effective interest method.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Interest expense is recognised on an effective interest basis other than financial liabilities classified as at FVTPL.

Derecognition

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group continues to recognise the asset to the extent of its continuing involvement and recognises an associated liability. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in profit or loss.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Financial instruments (continued)

Derecognition (continued)

On derecognition of a financial asset other than in its entirety, the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in profit or loss. A cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Deferred revenue

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

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Contingent liabilities and contingent 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. 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 future events not wholly within the control of the Group. A contingent asset is not recognised but is disclosed when an inflow of economic benefits is probable. When inflow is virtually certain, an asset is recognised.

Related parties transactions

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

(a) A person or a close member of that person's family, is related to the Group, if that person:

- (i) has control or joint control over the Group;
- (ii) has significant influence over the Group; or
- (iii) is a member of the key management personnel of the Group or the Group's parent.

(b) An entity is related to the Group if any of the following conditions applies:

- (i) the entity and the Group are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).
- (ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).
- (iii) the entity and the Group are joint ventures of the same third party.
- (iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.
- (v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Related parties transactions *(continued)*

(b) An entity is related to the Group if any of the following conditions applies: (continued)

(vi) the entity is controlled or jointly controlled by a person identified in (a).

(vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

Close family members of an individual are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

A transaction is considered to be a related party transaction when there is a transfer of resources and obligations between related parties.

4. FINANCIAL INSTRUMENTS

(a) Categories of financial instruments

The Group

	2014 **HK$'000**	2013 HK$'000
Financial assets		
Loans and receivables (including cash and cash equivalents)	**7,081**	2,762
Financial liabilities		
Amortised cost	**49,728**	55,703

The Company

	2014 **HK$'000**	2013 HK$'000
Financial assets		
Loans and receivables (including cash and cash equivalents)	**2,622**	1,482
Financial liabilities		
Amortised cost	**48,347**	46,488

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies

The main risks arising from the Group's financial instruments are market risk (including interest rate risk and foreign exchange risk), credit risk and liquidity risk. The board of directors reviews and agrees policies for managing each of these risks and they are summarised below.

Market risk

The Group's activities expose it primarily to the financial risks of changes in interest rates and foreign currency exchange rates.

Market risk exposures are measured by sensitivity analysis.

There has been no change to the Group's exposure to market risk or the manner in which it manages and measures the risk.

Cash flow interest rate risk management

The Group has variable-rate borrowings including amount due to a shareholder, promissory notes and interest payable to the related companies, and is therefore exposed to cash flow interest rate risk (see *Notes 27* and *28* for details). The Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging significant interest rate exposure should the need arise.

The Group's cash flow interest rate risk is mainly concentrated on the fluctuation of Canadian and Hong Kong prime rate.

The followings demonstrate the sensitivity to a reasonable possible change in interest rates with all other variable held constant, of the Group's loss before taxation.

If the floating rates had been 50 basis points higher/lower, the Group's:

- Profit before tax for the year ended 30 November 2014 would increase/decrease by approximately HK$123,000 (loss before tax for the year ended 30 November 2013: increase/decrease by approximately to HK$120,000). This is mainly attributable to the Group's exposure to interest rates on its variable rate borrowings.

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Foreign currency risk management

The Group operates mainly in Hong Kong, primarily with respect to the HK$ and Renminbi ("RMB"). The Group is exposed to foreign currency risk arising from translating the intercompany balance with its foreign subsidiaries and promissory notes and interest payable to the related companies, which are denominated in Australian dollars ("AUD") and Canadian dollars ("CAD") 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.

The carrying amounts of the Group's foreign currency denominated monetary assets and monetary liabilities at the reporting date are as follows:

	2014	2013
	HK$'000	HK$'000
Assets:		
AUD	**2**	2
CAD	**625**	669
RMB	**114**	69
Liabilities:		
AUD	**11**	11
CAD	**7,268**	13,689
RMB	**-**	71

Sensitivity analysis on foreign currency risk management

The following table details the Group's sensitivity to a 5% increase and decrease in the HK$ against the relevant foreign currencies. 5% is the sensitivity rate used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes outstanding foreign currency denominated monetary items, and adjusts their translation at the year end for a 5% change in foreign currency rates. The sensitivity analysis includes external loans as well as loans to foreign operations within the Group where the denomination of the loan is in a currency other than the currency of the lender or the borrower. A negative number below indicates a decrease in profit where the HK$ weaken 5% against the relevant currency. For a 5% strengthening of the HK$ against the relevant currency, there would be an equal and opposite impact on the profit, and the balances below would be positive.

Notes to the Consolidated Financial Statements

For the year ended 30 November 2014

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Market risk (continued)

Foreign currency risk management (continued)

	2014 HK$'000	2013 HK$'000
Impact of AUD		
Profit or loss#	–	–
Impact of CAD		
Profit or loss*	(332)	(651)
Impact of RMB		
Profit or loss**	6	–

This is mainly attributable to the exposure outstanding on other payables denominated in AUD.

* This is mainly attributable to the exposure outstanding on bank balances, promissory notes payable, amount due to a shareholder and amount due to a related company denominated in CAD.

** This is mainly attributable to the exposure outstanding on bank balances, other receivables and other payables denominated in RMB.

The Group's sensitivity to foreign currency has decreased during the current year mainly due to the decrease in foreign currency denominated monetary assets and liabilities.

Credit risk

As at 30 November 2014, the Group's maximum exposure to credit risk which will cause a financial loss to the Group due to failure to discharge an obligation by the counterparties is arising from the carrying amount of the respective recognised financial assets as stated in the consolidated statement of financial position.

In order to minimise the credit risk, the management of the Group has delegated a team responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. The Group has set the policies in place to ensure that transactions are made to customers with an appropriate credit history and the Group performs period credit evaluations of its customers. In addition, the Group reviews the recoverable amount of each individual trade debt and debt investments at each reporting date to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced.

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Credit risk (continued)

The credit risk on liquid funds is limited because the counterparties are banks and brokerage firms with high credit ratings assigned by international credit-rating agencies.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents in order to fulfil the Group's and the Company's financial liabilities. The Group's and the Company's liquidity risk management includes diversifying the funding sources. Internally generated cash flow and advances from related party and its ultimate shareholder are the general source of funds to finance the operation of the Group and the Company. The Group and the Company had net liabilities of approximately HK$49,311,000 and HK$45,549,000 as at 30 November 2014. The Group regularly reviews its major funding positions to ensure that it has adequate financial resources in meeting its financial obligations. The related companies will not demand repayment within the next twelve months of the reporting date.

The Group and the Company has laid down an appropriate liquidity risk management framework for the management of the short, medium and long-term funding and liquidity management requirements, which is reviewed regularly by the directors of the Company. The Group and the Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and maintains a conservative level of long-term funding to finance its short-term financial assets.

The following tables detail the Group's and the Company's remaining contractual maturity for its financial liabilities which are included in the maturity analysis provided internally to the key management personnel for the purpose of managing liquidity risk. For non-derivative financial liabilities, the table reflects the undiscounted cash flows of financial liabilities based on the earliest date on which the Group and the Company can be required to pay. The tables include both interest and principal cash flows.

Notes to the Consolidated Financial Statements

For the year ended 30 November 2014

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The Group

	Weighted average effective interest rate	At 30 November 2014 On demand or within 1 year	2 to 5 years	Over 5 years	Total undiscounted cash flows	Total carrying amount
	%	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Non-derivative financial liabilities						
Promissory notes and interest payable to the related companies	5%	-	51,446	-	51,446	47,534
Amount due to a related company	4.5%	264	-	-	264	264
Other payables and accruals	-	1,930	-	-	1,930	1,930
		2,194	51,446	-	53,640	49,728

	Weighted average effective interest rate	At 30 November 2013 On demand or within 1 year	2 to 5 years	Over 5 years	Total undiscounted cash flows	Total carrying amount
	%	HK$'000	HK$'000	HK$'000	HK$'000	HK$'000
Non-derivative financial liabilities						
Promissory notes and interest payable to the related companies	5%	–	49,379	–	49,379	45,705
Amount due to a shareholder	4.5%	–	6,483	–	6,483	5,904
Amount due to a related company	4.5%	284	–	–	284	284
Other payables and accruals	–	3,810	–	–	3,810	3,810
		4,094	55,862	–	59,956	55,703

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Liquidity risk (continued)

The Company

	At 30 November 2014					
	Weighted average effective interest rate %	On demand or within 1 year HK$'000	2 to 5 years HK$'000	Over 5 years HK$'000	Total undiscounted cash flows HK$'000	Total carrying amount HK$'000
Non-derivative financial liabilities						
Promissory notes and interest payable to the related companies	5%	-	51,446	-	51,446	47,534
Other payables and accruals	-	813	-	-	813	813
		813	51,446	-	52,259	48,347

	At 30 November 2013					
	Weighted average effective interest rate %	On demand or within 1 year HK$'000	2 to 5 years HK$'000	Over 5 years HK$'000	Total undiscounted cash flows HK$'000	Total carrying amount HK$'000
Non-derivative financial liabilities						
Promissory notes and interest payable to the related companies	5%	–	49,379	–	49,379	45,705
Other payables and accruals	–	783	–	–	783	783
		783	49,379	–	50,162	46,488

4. FINANCIAL INSTRUMENTS (CONTINUED)

(b) Financial risk management objectives and policies (continued)

Fair value of financial instruments

The fair value of financial assets and financial liabilities are determined as follows:

(i) the fair value of financial assets and financial liabilities with standard terms and conditions and traded in active markets are determined with reference to quoted market bid prices and ask prices respectively; and

(ii) the fair value of other financial assets and financial liabilities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis.

The directors of the Company consider that the carrying amounts of financial assets and financial liabilities recorded in the consolidated financial statements approximate their fair values, except for the promissory notes and interest payable to the related companies. As at 30 November 2014, the carrying amounts were approximately HK$47,534,000 (2013: HK$45,705,000) and the fair values were approximately HK$46,473,000 (2013: HK$38,940,000).

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which the fair value is observable:

1. Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

2. Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

3. Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

No analysis is disclosed since the Group has no financial instruments that are measured subsequent to initial recognition at fair value at the end of the reporting period.

There were no transfers between Levels 1, 2 and 3 in both years.

5. CAPITAL RISK MANAGEMENT

The Group manages its capital to ensure that its subsidiaries will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Group's overall strategy remains unchanged from 2013.

The capital structure of the Group consists of debts (which includes promissory notes and interest payable to the related companies and amount due to a shareholder), and equity attributable to owners of the Company, comprising issued share capital, reserves and accumulated losses.

The directors of the Company review the capital structure annually. As part of this review, the directors of the Company assess the annual budget prepared by management of the Company. Based on the proposed annual budget, the directors of the Company consider the cost of capital and the risks associated with each class of capital. The directors of the Company also balance its overall capital structure through the issue of new promissory note payable to its related companies. The Group has a target gearing ratio of below 15. This ratio is expressed by as a percentage of borrowings and long term debts over total assets.

	2014 **HK$'000**	2013 HK$'000
Total debts	**47,534**	51,609
Total assets	**7,981**	3,527
Gearing ratio	**5.96**	14.63

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS

Estimates and judgement 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 in causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

6. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGMENTS (CONTINUED)

Critical accounting estimates and assumptions (continued)

Income tax

The Group is subject to income taxes in Hong Kong, the PRC and Australia. Significant judgement is required in determining the provision for income taxes. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

Impairment of property, plant and equipment

In accordance with HKAS 16, the Group estimates the useful lives of property, plant and equipment in order 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, as well as 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. The Group tests annually whether the assets have suffered any impairment. The recoverable amount of an asset or a CGU is determined based on value-in-use calculations which require the use of assumptions and estimates.

Impairment of 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 debtor balances are called into doubts, specific provisions for trade receivables 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 profit or loss. Changes in the collectability of trade receivables for which provision are not made could affect the results of operations.

Development of customised software

Revenue from development of customised software is recognised in the profit or loss by reference to the stage of completion method which requires estimation made by management. The Group's management estimates the contract costs, outcome and expected cost to complete the contracts based on the budgets prepared for the contracts. Because of the nature of the activities, management reviews and revises the estimates of both contract outcome and expected costs to complete in the budget prepare for each contract as the contract progress. Any revisions to estimates of contract outcomes and expected costs completion would affect contract revenue recognition. Should expected costs to complete exceed contract revenue, a provision for contract loss would be recognised.

7. SEGMENT INFORMATION

The Group was engaged in two business segments, Financial Solutions and CRM Solutions, during the years ended 30 November 2014 and 2013. The chief operating decision maker regularly reviews the nature of their operations and the products and services. 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 the other business segments.

Segment revenue and results

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

	Financial Solutions		CRM Solutions		Consolidated	
	2014	2013	**2014**	2013	**2014**	2013
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Turnover	**19,676**	12,118	**57**	263	**19,733**	12,381
Segment results	**10,978**	4,617	**57**	262	**11,035**	4,879
Other revenue					**88**	429
Loss on disposal of property, plant and equipment					**–**	(91)
Net foreign exchange gain					**268**	779
Central administration costs					**(6,869)**	(7,115)
Finance costs					**(2,465)**	(2,408)
Profit/(loss) before taxation					**2,057**	(3,527)
Taxation					**–**	–
Profit/(loss) for the year					**2,057**	(3,527)

Revenue reported above represents revenue generated from external customers. There were no intersegment sales during the year (2013: Nil).

Segment results represents the profit earned by each segment without allocation of other revenue, exchange gain, central administration costs, finance costs and taxation. This is the measure reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance.

7. SEGMENT INFORMATION (CONTINUED)

Segment assets and liabilities

	Financial Solutions		CRM Solutions		Consolidated	
	2014	2013	**2014**	2013	**2014**	2013
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Assets and liabilities						
Segment assets	**4,971**	1,947	**212**	68	**5,183**	2,015
Unallocated assets					**2,798**	1,512
Consolidated total assets					**7,981**	3,527
Segment liabilities	**7,382**	13,874	**1,534**	2,769	**8,916**	16,643
Unallocated liabilities					**48,376**	46,513
Consolidated total liabilities					**57,292**	63,156

For the purposes of monitoring segment performance and allocating resources between segments, the group's chief operating decision maker monitors the results, assets and liabilities attributable to each reportable segment on the following bases:

All assets are allocated to reportable segments other than unallocated corporate assets (mainly include cash and cash equivalents that are used by the investment holding companies and prepayment that are prepaid by the investment holding companies).

All liabilities are allocated to reportable segments other than unallocated corporate liabilities (mainly include promissory notes and the related interest payable, other payables and accruals borne by the investment holding companies).

7. SEGMENT INFORMATION (CONTINUED)

Other segment information

	Financial Solutions		CRM Solutions		Consolidated	
	2014	2013	**2014**	2013	**2014**	2013
	HK$'000	HK$'000	**HK$'000**	HK$'000	**HK$'000**	HK$'000
Other segment information						
Depreciation	**64**	130	**1**	1	**65**	131
Capital expenditure	**13**	94	**–**	–	**13**	94
Reversal of impairment loss on trade receivables	**(12)**	(23)	**–**	–	**(12)**	(23)
Impairment loss recognised in respect of trade receivables	**23**	–	**–**	–	**23**	–

Geographical segments

The Group operates in two principal geographical areas – the PRC and Hong Kong.

The Group's revenue generated from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

	Revenue from external customers		Non-current assets	
	2014	2013	**2014**	2013
	HK$'000	HK$'000	**HK$'000**	HK$'000
PRC	**–**	–	**32**	39
Hong Kong	**19,733**	12,381	**61**	106
	19,733	12,381	**93**	145

Information about major customers

Included in revenue arising from sales of Financial Solutions of approximately HK$19,676,000 (2013: approximately HK$12,118,000) are revenue of approximately HK$7,798,000 (2013: approximately HK$1,338,000) which arose from sales to the Group's largest customer. No other single customers contributed 10% or more to the Group's revenue for both years ended 30 November 2014 and 2013.

Notes to the Consolidated Financial Statements

For the year ended 30 November 2014

8. TURNOVER AND OTHER REVENUE

The Group

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 for the year is as follow:

	2014 HK$'000	2013 HK$'000
Turnover:		
Sales of computer software licences, software rental and provision of related services	**9,584**	3,636
Provision of maintenance services	**6,216**	7,001
Contract revenue	**3,893**	1,619
Sales of computer hardware	**40**	125
	19,733	12,381
Other revenue:		
Interest income on bank deposits	**1**	–
Rental income	**87**	429
	88	429

9. OTHER GAINS AND LOSSES

The Group

	2014 HK$'000	2013 HK$'000
Loss on disposal of property, plant and equipment	**–**	(91)
Reversal of impairment loss on trade receivables	**12**	23
Impairment loss recognised on trade receivables	**(23)**	–
Exchange gain	**268**	779
	257	711

10. PROFIT/(LOSS) FROM OPERATING ACTIVITIES

	2014 **HK$'000**	2013 HK$'000
The Group's profit/(loss) from operating activities is arrived at after charging:		
Auditors' remuneration	**250**	240
Depreciation on owned property, plant and equipment	**65**	131
Operating lease payments in respect of		
– land and buildings	**2,039**	2,265
– plant and equipment	**32**	32
Staff costs (excluding directors' remuneration)		
– salaries and allowances	**8,970**	8,905
– retirement benefit costs	**341**	328
Cost of computer hardware sold	**22**	90

11. FINANCE COSTS

	2014 **HK$'000**	2013 HK$'000
Interest on promissory notes		
– wholly repayable within five years *(Note 27)*	**2,325**	2,242
Interest on amount due to a shareholder/a related party		
– wholly repayable within five years *(Note 28)*	**140**	166
	2,465	2,408

12. TAXATION

No provision for Hong Kong profits tax has been made as the Group either had no estimated assessable profits or had estimated tax losses brought forward to set off the estimated assessable profit for the year (2013: Nil).

No provision for the PRC income taxes has been made during the year as the subsidiaries operated in the PRC had no assessable profits for the year (2013: Nil).

No Australian income tax has been provided by the Australian subsidiaries of the Group as they had no assessable profits for the year (2013: Nil).

Notes to the Consolidated Financial Statements

For the year ended 30 November 2014

12. TAXATION (CONTINUED)

The Group has tax losses arising in Hong Kong of approximately HK$69,043,000 (2013: approximately to HK$71,489,000) 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. No income tax was recognised in other comprehensive income during the year (2013: Nil).

No income tax was recognised in other comprehensive income during the year (2013: Nil).

The charge for the year can be reconciled to the profit/(loss) before taxation per the consolidated statement of profit or loss and other comprehensive income as follows:

The Group – 2014

	Hong Kong		Australia		The PRC		Total	
	HK$'000	%	HK$'000	%	HK$'000	%	HK$'000	%
Profit/(loss) before taxation	**2,418**		**(43)**		**(318)**		**2,057**	
Tax at the applicable tax rate in the respective jurisdictions	399	16.5	(13)	30.0	(79)	25.0	307	14.9
Estimated tax effect of income and expenses not taxable or deductible for tax purposes	(3)	(0.1)	-	-	-	-	(3)	(0.1)
Estimated tax effect of unrecognised temporary differences	5	0.2	-	-	2	(0.7)	7	0.3
Estimated tax effect of unrecognised tax losses	(401)	(16.6)	13	(30.0)	77	(24.3)	(311)	(15.1)
Tax charge at the effective tax rate for the year	-	-	-	-	-	-	-	-

12. TAXATION (CONTINUED)

The Group – 2013

	Hong Kong		Australia		The PRC		Total	
	HK$'000	%	HK$'000	%	HK$'000	%	HK$'000	%
Loss before taxation	(2,888)		(11)		(628)		(3,527)	
Tax at the applicable tax rate in the respective jurisdictions	(477)	16.5	(3)	30	(157)	25	(637)	18.1
Estimated tax effect of income and expenses not taxable or deductible for tax purposes	(99)	3.4	–	–	–	–	(99)	2.8
Estimated tax effect of unrecognised temporary differences	9	(0.3)	–	–	11	(1.7)	20	(0.6)
Estimated tax effect of unrecognised tax losses	567	(19.6)	3	(30)	146	(23.3)	716	(20.3)
Tax charge at the effective tax rate for the year	–	–	–	–	–	–	–	–

13. NET LOSS FOR THE YEAR

The consolidated loss attributable to owners of the Company for the year includes a loss of approximately HK$5,816,000 (2013: approximately to HK$2,971,000) which has been dealt within the financial statements of the Company.

Notes to the Consolidated Financial Statements

For the year ended 30 November 2014

14. EARNINGS/(LOSS) PER SHARE

The calculation of the basic earnings/(loss) per share attributable to the owners of the Company is based on the following data:

	2014	2013
	HK$'000	HK$'000
Earnings/(loss)		
Earnings/(loss) for the purpose of basic earnings/(loss) per share (profit/(loss) for the year attributable to the owners of the Company)	**2,057**	(3,527)
	2014	2013 (Restated)
Number of shares		
Weighted average number of shares for the purpose of basic earnings/(loss) per share	**239,278,848**	210,003,571
Basic earnings/(loss) per share	**HK0.86 cents**	HK(1.68) cents

The weighted average of ordinary shares for the purpose of calculating basic earnings/(loss) per share for the year ended 30 November 2014 have been adjusted for the effects of rights issue completed on 27 January 2014. The rights issue has be reflected retrospectively by restating the opening weighted average number of ordinary shares at 1 December 2012.

The Group had no potentially dilutive ordinary shares in issue during the years ended 30 November 2014 and 2013. Diluted earnings/(loss) per share for the years ended 30 November 2014 and 2013 were the same as the basic earnings/(loss) per share.

15. DIVIDENDS

The directors of the Company do not recommend the payment of any dividend in respect of the year ended 30 November 2014 (2013: Nil).

16. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATIONS

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

Name of director	**Director's fee HK$'000**	**Salaries and allowances HK$'000**	**Contribution to pension scheme HK$'000**	**Total HK$'000**
2014:				
Executive Directors				
Mr. Joseph Chi Ho Hui	**–**	**–**	**–**	**–**
Ms. Clara Hiu Ling Lam	**–**	**–**	**–**	**–**
Non-executive Director				
Mr. Terence Chi Yan Hui (resigned on 14 May 2014)	**–**	**–**	**–**	**–**
Independent Non-executive Directors				
Mr. Kwong Sang Liu	**20**	**–**	**–**	**20**
Mr. Edwin Kim Ho Wong	**20**	**–**	**–**	**20**
Mr. William Keith Jacobsen	**20**	**–**	**–**	**20**
Chief Executive Officer				
Mr. Samson Chi Yang Hui	**–**	**900**	**17**	**917**
	60	**900**	**17**	**977**

Name of director	Director's fee HK$'000	Salaries and allowances HK$'000	Contribution to pension scheme HK$'000	Total HK$'000
2013:				
Executive Directors				
Mr. Joseph Chi Ho Hui	–	–	–	–
Ms. Clara Hiu Ling Lam	–	–	–	–
Non-executive Director				
Mr. Terence Chi Yan Hui	–	–	–	–
Independent Non-executive Directors				
Mr. Kwong Sang Liu	20	–	–	20
Mr. Edwin Kim Ho Wong	20	–	–	20
Mr. William Keith Jacobsen	20	–	–	20
Chief Executive Officer				
Mr. Samson Chi Yang Hui	–	834	15	849
	60	834	15	909

16. DIRECTORS' AND CHIEF EXECUTIVE'S REMUNERATIONS (CONTINUED)

The remuneration of the directors of the Company are within the following band:

	Number of individuals	
	2014	2013
Nil to HK$1,000,000	**3**	3

Included in the directors' and chief executive's remunerations were fees of HK$60,000 (2013: HK$60,000) paid to independent non-executive directors, and remuneration and pension of HK$917,000 (2013: HK$849,000) paid to chief executive officer. No fees were paid to executive directors and non-executive directors for the year (2013: Nil).

During the year, no bonus was paid to the directors and chief executive (2013: Nil). No director and chief executive waived or agreed to waive any remuneration during the year (2013: Nil). In addition, no emoluments were paid by the Group to the directors and chief executive as an inducement to join, or upon joining the Group, or as compensation for loss of office (2013: Nil).

During the year, no share options were granted to the directors and chief executive to subscribe for ordinary shares of the Company under the Company's share option scheme (2013: Nil).

17. SENIOR MANAGEMENT'S EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS

(a) Five highest paid individuals

Of the five individuals with the highest emoluments in the Group, no director of the Company whose emoluments are included in the five highest paid individuals in the Group for the year (2013: Nil). The emoluments of the five (2013: five) individuals were as follows:

	2014	2013
	HK$'000	HK$'000
Basic salaries and allowances	**3,862**	3,438
Contribution to provident fund	**83**	75
	3,945	3,513

17. SENIOR MANAGEMENT'S EMOLUMENTS AND INDIVIDUALS WITH HIGHEST EMOLUMENTS (CONTINUED)

(a) Five highest paid individuals (continued)

The emoluments of the five (2013: five) individuals with the highest emoluments are within the following band:

	Number of individuals	
	2014	2013
Nil to HK$1,000,000	**4**	5
HK$1,000,001 or above	**1**	–

(b) Senior management of the Company

The emoluments of the senior management of the Company are within the following band:

	Number of individuals	
	2014	2013
Nil to HK$1,000,000	**2**	3

During the year, no bonus was paid to the five highest paid individuals of the Group (2013: Nil). No emoluments were paid by the Group to any of the five highest paid individuals as an inducement to join, or upon joining the Group, or as a compensation for loss of office (2013: Nil).

During the year, no share options to subscribe for ordinary shares of the Company were granted to employees under the Company's share option scheme (2013: Nil).

18. EMPLOYEE BENEFITS

Retirement Benefit Scheme

The Group operates a Mandatory Provident Fund Scheme (the "MPF scheme") under the Hong Kong Mandatory Provident Fund Schemes Ordinance for employees employed under the jurisdiction of the Hong Kong Employment Ordinance. The MPF scheme is a defined contribution retirement plan administered by independent trustees. Under the MPF scheme, the employer and its employees are each required to make contributions to the plan at 5% of the employees' relevant income, subject to a cap of monthly relevant income of HK$30,000 (HK$25,000 prior to June 2014). Contributions to the plan vest immediately.

Notes to the Consolidated Financial Statements
For the year ended 30 November 2014

19. 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 2012	278	436	6,482	7,196
Additions	70	–	24	94
Disposals/written off	(115)	(70)	(193)	(378)
Exchange realignment	2	1	2	5
At 30 November 2013 and 1 December 2013	235	367	6,315	6,917
Additions	–	–	13	13
Disposals/written off	–	–	(46)	(46)
Exchange realignment	–	–	–	–
At 30 November 2014	235	367	6,282	6,884
Accumulated depreciation:				
At 1 December 2012	213	385	6,327	6,925
Charge for the year	24	13	94	131
Elimination on disposal/written off	(73)	(36)	(178)	(287)
Exchange realignment	1	–	2	3
At 30 November 2013 and 1 December 2013	165	362	6,245	6,772
Charge for the year	19	4	42	65
Elimination on disposal/written off	–	–	(46)	(46)
Exchange realignment	–	–	–	–
At 30 November 2014	184	366	6,241	6,791
Net book value:				
At 30 November 2014	**51**	**1**	**41**	**93**
At 30 November 2013	70	5	70	145

20. INVESTMENTS IN SUBSIDIARIES

The Company

	2014 **HK$'000**	2013 HK$'000
Unlisted shares, at costs	**61,686**	61,686
Less: Impairment loss recognised in respect of the investments costs	**(61,686)**	(61,686)
	–	–

	2014 **HK$'000**	2013 HK$'000
Amounts due from subsidiaries *(Note a)*	**78,139**	75,649
Less: Impairment loss recognised in respect of amounts due from subsidiaries *(Note b)*	**(78,139)**	(75,649)
	–	–

Notes:

(a) The amounts due from subsidiaries are unsecured, interest-free and have no fixed terms of repayment.

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

	2014 **HK$'000**	2013 HK$'000
At 1 December	**75,649**	70,249
Impairment loss recognised	**2,490**	5,400
At 30 November	**78,139**	75,649

Due to the subsidiaries incurred losses continuously and the directors of the Company carried out a review on the recoverable amounts of the investments costs and amounts due from subsidiaries. The carrying amounts of the investments costs and amounts due from subsidiaries are reduced to their recoverable amounts which are determined by reference to the estimation of future cash flows expected to be generated from the respective subsidiaries.

20. INVESTMENTS IN SUBSIDIARIES (CONTINUED)

Particulars of the subsidiaries as at 30 November 2014 and 2013 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 professional and 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 *(Note b)*	Australia	100,000 ordinary shares of A$1.00 each	99.99%	0.01%	Dormant
Maximizer Software Pty Limited *(Note b)*	Australia	1 ordinary share of A$1.00 each	–	100%	Dormant
abc Multiactive (Shenzhen) Limited *(Note a)*	The PRC	Registered capital HK$1,500,000	–	100%	Design and sales of computer software and provision of maintenance services
Maximizer Asia (Shanghai) Limited *(Note a)*	The PRC	Registered capital RMB100,000	–	100%	Dormant

Note (a): abc Multiactive (Shenzhen) Limited and Maximizer Asia (Shanghai) Limited were formed as a wholly-owned foreign enterprise in the PRC.

Note (b): Multiactive Software Pty Limited and Maximizer Software Pty Limited were in the process of voluntary liquidation. *(Note 32)*

None of the subsidiaries issued debt securities during the year or at the year end.

21. CONSTRUCTION CONTRACTS

The Group

	2014 HK$'000	2013 HK$'000
Amounts due to customers for contract work	(619)	(989)

	2014 HK$'000	2013 HK$'000
Contract costs incurred plus recognised profits less recognised losses to date	1,205	1,537
Less: Progress billings	(1,824)	(2,526)
	(619)	(989)

At 30 November 2014 and 2013, there were no retentions held by customers for contract works. Advances received from customers for contract work amounted to approximately HK$3,022,000 (2013: approximately to HK$2,458,000).

22. TRADE AND OTHER RECEIVABLES

	The Group		The Company	
	2014 HK$'000	2013 HK$'000	2014 HK$'000	2013 HK$'000
Trade receivables	545	322	–	–
Prepayment, deposits and other receivables	807	620	176	30
	1,352	942	176	30

Notes to the Consolidated Financial Statements

For the year ended 30 November 2014

22. TRADE AND OTHER RECEIVABLES (CONTINUED)

The analysis of trade receivables were as follow:

	The Group	
	2014	2013
	HK$'000	HK$'000
Trade receivables	**2,165**	1,931
Less: Impairment loss recognised in respect of trade receivables	**(1,620)**	(1,609)
At 30 November	**545**	322

The Group maintains a defined credit policy to assess the credit quality of each counterparty. The collection is closely monitored to minimise any credit risk associated with these trade debtors. The Group's trading terms with its customers are mainly based on product delivery and user acceptance. The Group allows an average credit period of 0 day to 30 days to its contract customers.

The following is an aged analysis of the trade receivables, net of provision of impairment loss:

	The Group	
	2014	2013
	HK$'000	HK$'000
Current	**409**	73
31 – 60 days	**14**	91
61 – 90 days	**–**	107
Over 90 days	**122**	51
	545	322

22. TRADE AND OTHER RECEIVABLES (CONTINUED)

The following is an aged analysis of the trade receivables which are past due but not impaired:

	The Group	
	2014	2013
	HK$'000	HK$'000
31 – 60 days	**14**	91
61 – 90 days	**–**	107
Over 90 days	**122**	51
	136	249

For the past due but not impaired trade receivables, although no collateral is held, the Group has assessed the credit worthiness, past payment history and substantial settlement after the reporting date, and considers that the amounts are still recoverable and no further credit provision is required in excess of allowance for doubtful debts. The Group seeks to maintain strict control over its outstanding trade receivables. Overdue balances are reviewed regularly by the management.

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

	The Group	
	2014	2013
	HK$'000	HK$'000
At 1 December	**1,609**	1,632
Reversal of impairment loss on trade receivables	**(12)**	(23)
Impairment loss recognised on trade receivables	**23**	–
At 30 November	**1,620**	1,609

Included in provision for impairment loss recognised in respect of trade receivables are individually impaired trade receivables with balance of approximately HK$23,000 (2013: HK$Nil). The individually impaired receivables related to customers that were in financial difficulties and the directors assessed that the amounts are not expected to be recovered.

As at 30 November 2014, there are five customers who represent more than 10% of the total net balance of trade receivables and the amounted to approximately HK$497,000 (2013: approximately to HK$250,000).

Notes to the Consolidated Financial Statements

For the year ended 30 November 2014

22. TRADE AND OTHER RECEIVABLES (CONTINUED)

The movements in provision for impairment loss in respect of prepayment, deposits and other receivables are as follows:

	The Group	
	2014	2013
	HK$'000	HK$'000
Prepayment, deposits and other receivables	**1,217**	1,030
Less: Impairment loss recognised in respect of prepayment, deposits and other receivables	**(410)**	(410)
At 30 November	**807**	620

The directors of the Company had assessed the recoverability of prepayment, deposits and other receivables for the year ended 30 November 2014 and considered no further provision for impairment in respect of prepayment, deposits and other receivables is required.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable mentioned above. The Group does not hold any collateral as security.

23. AMOUNT DUE FROM A RELATED PARTY

The Group

Details of the amount due from a related party disclosed pursuant to the Hong Kong Companies Ordinance are as follows:

Name of related party	**Maximum amount outstanding during the year HK$'000**	**2014 HK$'000**	2013 HK$'000
Medic Media Company Ltd. ("Medic Media")	**144**	**–**	144

The chief executive officer of the Company is the director of and has direct interest of Medic Media.

The amount due from a related party is unsecured, interest-free and recoverable on demand.

24. CASH AND CASH EQUIVALENTS

The Group included in the cash and cash equivalents as at 30 November 2014 were amount denominated in RMB of approximately HK$48,000 (approximately to RMB38,000) (2013: approximately HK$22,000 (approximately to RMB18,000)). RMB is not freely convertible into other currencies, however, under PRC's Foreign Exchange Control Regulations and Administration of Settlement, Sale and Payment of Foreign Exchange Regulations, the Group is permitted to exchange RMB for other currencies through banks authorized to conduct foreign exchange business.

Bank balances carry interest at market rates which range from 0.001% to 0.5% per annum for both years ended 30 November 2014 and 2013.

The Company's cash and cash equivalents as at 30 November 2014 and 2013 were CAD and HK$.

25. SHARE CAPITAL

	2014		2013	
	Number of shares	**Amount HK$'000**	Number of shares	Amount HK$'000
Authorised:				
Ordinary shares of HK$0.1 each	**10,000,000,000**	**1,000,000**	10,000,000,000	1,000,000
Issued and fully paid:				
At 1 December, ordinary shares of HK$0.1 each	**160,590,967**	**16,059**	160,590,967	16,059
Issue of new shares *(Note a)*	**80,295,483**	**8,030**	–	–
At 30 November, ordinary shares of HK$0.1 each	**240,886,450**	**24,089**	160,590,967	16,059

Note:

(a) On 27 January 2014, the Company completed a rights issue of 80,295,483 ordinary shares of HK$0.10 each at a subscription price of HK$0.10 per share. Accordingly, the issued share capital of the Company has been increased from HK$16,059,097 to HK$24,088,645. These new shares rank pari passu in all respect with the existing shares. The net proceeds from rights issue used in working capital and repayment of loan.

26. RESERVES

(a) The Group

The amounts of the Group's reserves and the movement therein for the current and prior years are presented in the consolidated statement of changes in equity on page 40 of the consolidated 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.

(b) The Company

	Share premium	**Contributed surplus**	**Accumulated losses**	**Total**
	HK$'000	HK$'000	HK$'000	HK$'000
At 1 December 2012	106,118	37,600	(196,382)	(52,664)
Total comprehensive loss for the year	–	–	(8,371)	(8,371)
At 30 November 2013 and 1 December 2013	106,118	37,600	(204,753)	(61,035)
Total comprehensive loss for the year	–	–	(8,306)	(8,306)
Expenses attributable to rights issue	(297)	–	–	(297)
At 30 November 2014	**105,821**	**37,600**	**(213,059)**	**(69,638)**

27. PROMISSORY NOTES AND INTEREST PAYABLE TO THE RELATED COMPANIES

The Group and the Company

As at 30 November 2014, the promissory notes payable to the related companies are interest bearing at Hong Kong prime rate for both years ended 30 November 2014 and 2013.

On 21 November 2014, Active Investments has agreed to extend the expiry date of the Hong Kong Dollar Denominated Promissory Note with the aggregate amount as at 30 November 2014 of approximately HK$33,262,000 (included principal amount of HK$25,705,000 and accrued interest of approximately HK$7,557,000) to 30 June 2016. During the year, interest of approximately HK$1,619,000 was charged to consolidated statement of profit or loss and other comprehensive income (2013: HK$1,481,000). *(Note 11)*

On 21 November 2014, Active Investments has agreed to extend the expiry date of the Canadian Dollar Denominated Promissory Note with the aggregate amount as at 30 November 2014 of approximately CAD1,252,000 (approximately to HK$8,682,000) (included principal amount of CAD1,025,000 (approximately to HK$7,004,000) and accrued interest of approximately CAD227,000 (approximately to HK$1,678,000)) to 30 June 2016. During the year, interest of approximately CAD61,000 approximately to HK$434,000 was charged to consolidated statement of profit or loss and other comprehensive income (2013: CAD58,000 approximately to HK$441,000). *(Note 11)*

On 21 November 2014, Wickham, a company owned by a close family member of an executive director of the Company, has agreed to extend the expiry date of promissory note with the aggregate amount as at 30 November 2014 of approximately HK$5,590,000 (included principal amount of HK$4,635,000 and accrued interest of approximately HK$955,000) to 30 June 2016. During the year, interest of approximately HK$272,000 was charged to consolidated statement of profit or loss and other comprehensive income (2013: HK$259,000). *(Note 11)*

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

	The Group and the Company	
	2014	2013
	HK$'000	HK$'000
Promissory notes and interest payable to the related companies	**47,534**	45,705

Notes to the Consolidated Financial Statements

For the year ended 30 November 2014

28. AMOUNT DUE TO A SHAREHOLDER/A RELATED COMPANY

The Group

The amounts mainly represent payables for development costs, purchases of software merchandise, royalty fee and expenses paid on behalf of the Group. The balances of amount due to a shareholder which carries interest at the annual Canadian prime rate as quoted by Hong Kong and Shanghai Banking Corporation Limited plus 2% compounded monthly and amount due to a related company is interest-free for both years ended 30 November 2014 and 2013. On 30 September 2014, the Group has fully repaid the outstanding loan together with accrued interest in the amount of CAD833,000 (approximately to HK$5,805,000) to The CPT, a shareholder of the Company. During the year, the interest of amount due to a shareholder approximately HK$140,000 was charged to consolidated statement of profit or loss and other comprehensive income. *(Note 11)*

29. OTHER PAYABLES AND ACCRUALS

	The Group		The Company	
	2014	2013	**2014**	2013
	HK$'000	HK$'000	**HK$'000**	HK$'000
Accruals	**1,384**	2,827	**445**	670
Receipt in advance	**3,022**	2,458	**–**	–
Other payables	**899**	1,290	**368**	113
	5,305	6,575	**813**	783

30. OPERATING LEASES COMMITMENTS

The Group

As lessee

The Group leases certain of its office and office equipment under operating leases arrangements which are negotiated and fixed for a term of two years and five years respectively.

As at 30 November 2014 and 2013, the Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	2014	2013
	HK$'000	HK$'000
Within one year	**2,066**	2,051
In the second to fifth years inclusive	**1,428**	1,431
	3,494	3,482

31. MATERIAL RELATED PARTY TRANSACTIONS

Save as disclosed elsewhere in these consolidated financial statements, during the years ended 30 November 2014 and 2013, the Group had entered into the following material related party transactions which, in the opinion of the directors of the Company, were carried out in the operations 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 16 is as follows:

	2014	2013
	HK$'000	HK$'000
Directors' emoluments	**60**	60

(b)

	2014	2013
	HK$'000	HK$'000
Interest paid to the related companies on promissory notes payable *(Note 27)*	**2,325**	2,242
Interest paid to The CPT	**140**	160
Interest paid to Maximizer (Barbados) Management Inc.	**–**	6
Consultancy fee payable to a director *(Note (i))*	**48**	48
Rental fee income received from:		
– Wing Hong Interior	**–**	156
– Medic Media	**–**	144
– Adagio Management *(Note(ii))*	**33**	39
– Havilland Investments *(Note(iii))*	**30**	42
– Laurie Investments *(Note(iv))*	**24**	48
Service fee received from Maximizer Services Inc. ("MSI") *(Note(v))*	**–**	78

31. MATERIAL RELATED PARTY TRANSACTIONS (CONTINUED)

(b) (continued)

Notes:

(i) Consultancy fee was payable to Ms. Clara Hiu Ling Lam as the legal representative of the subsidiaries in PRC.

(ii) Monthly rental income from Adagio Management Limited ("Adagio Management"). Mr. Samson Chi Yang Hui, the chief executive officer of the Company, is the director and has direct interest of Adagio Management.

(iii) Monthly rental income from Havilland Investments Limited ("Havilland Investments"). Mr. Samson Chi Yang Hui, the chief executive officer of the Company, is the director and has direct interest of Havilland Investments.

(iv) Monthly rental income from Laurie Investments Limited ("Laurie Investments"). Mr. Samson Chi Yang Hui, the chief executive officer of the Company, is the director and has direct interest of Laurie Investments.

(v) On 1 December 2013, the Group has entered a renewal International Authorized Agent Agreement with MSI. The Group continues to take a role to a business agent with MSI by providing professional services in place of sales of CRM software for its customers in the Asian Pacific region. According to the renewal agreement, the Group will receive a standard rate service fee on the gross license revenue in connection with any of sales lead provided to MSI by the Group.

Mr. Terence Chi Yan Hui, the former non-executive director of the Company (resigned on 14 May 2014) had interests in the transactions with MSI to the extent that he is the chairman of MSI and that issued shares of MSI are indirectly owned by his family as at 30 November 2014.

32. SUBSEQUENT EVENT

The board of directors of the Company resolved to liquidate and dissolve its Australia subsidiaries of the Company, Multiactive Software Pty Limited and Maximizer Software Pty Limited on 21 November 2014. Details of the proposed voluntary liquidation of overseas subsidiaries have been published in the announcement of the Company date. The application of the liquidation of both subsidiaries to the Australia Corporation Law of Australian Securities and Investments Commission is in the process. The dissolution of Multiactive Software Pty Limited and Maximizer Software Pty Limited will not have any material effect on the share capital and shareholdings of the major shareholders of the Company. As of 21 November 2014, the preliminary unaudited loss of the liquidation is estimated approximately HK$10.9 million, which was combined of the unaudited gain on written off subsidiary liabilities of approximately HK$950,000 and unaudited loss on foreign currency translation adjustment of approximately HK$13.8 million from exchange reserve to profit and loss account. The final gain or loss in connection with the liquidation will be assessed after completion.

As at 30 November 2014, the Australia subsidiaries of the Company have total assets of approximately HK$2,000 and total liabilities of approximately HK$1,133,000.

33. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform with the current year's presentation.

34. AUTHORISATION FOR ISSUE OF CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved and authorised for issue by the Board of Directors on 30 January 2015.

Financial Summary

Five Years Financial Summary

The following table summarised the audited results, assets and liabilities of the Group for the five years ended 30 November 2014, 2013, 2012, 2011 and 2010.

Results

	Year ended 30 November				
	2010 HK$'000 (Audited)	2011 HK$'000 (Audited)	2012 HK$'000 (Audited)	2013 HK$'000 (Audited)	**2014** **HK$'000** **(Audited)**
Turnover	17,141	16,808	14,256	12,381	**19,733**
Net (loss)/profit for the year	(4,510)	(5,436)	(3,245)	(3,527)	**2,057**

Assets and Liabilities

	As at 30 November				
	2010 HK$'000 (Audited)	2011 HK$'000 (Audited)	2012 HK$'000 (Audited)	2013 HK$'000 (Audited)	**2014** **HK$'000** **(Audited)**
Total assets	9,040	6,871	9,520	3,527	**7,981**
Total liabilities	(56,334)	(59,755)	(65,801)	(63,156)	**(57,292)**
Shareholders' deficits	(47,294)	(52,884)	(56,281)	(59,629)	**(49,311)**

Note:

1. The results of the Group for the years ended 30 November 2014 and 2013 are those set out on pages 34 to 37 of this annual report.