abc Multiactive Limited
辰罡科技有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 8131)

ANNUAL RESULTS ANNOUNCEMENT
FOR THE YEAR ENDED 30 NOVEMBER 2008

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.

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

* *For identification purposes only*

FINAL RESULTS

The board of directors (the "Board") of abc Multiactive Limited (the "Company") is pleased to announces the audited consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 30 November 2008, together with the comparative figures in 2007 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 30 November 2008

	Notes	**2008** ***HK$'000***	2007 *HK$'000*
Turnover	4	**17,851**	18,194
Cost of sales		**(5,375)**	(6,345)
Gross profit		**12,476**	11,849
Other revenue	4	**7**	44
Other income	6	**878**	–
Software research and development expenses		**(6,081)**	(6,209)
Selling and marketing expenses		**(1,724)**	(1,906)
Administrative expenses		**(6,193)**	(7,175)
Loss from operating activities	6	**(637)**	(3,397)
Finance costs	7	**(1,577)**	(1,998)
Loss before taxation		**(2,214)**	(5,395)
Taxation	8	**–**	–
Loss for the year		**(2,214)**	(5,395)
Attributable to equity holders of the Company		**(2,214)**	(5,395)
Loss per share			
Basic and diluted	9	**HK (1.38) cents**	HK (3.36) cents
Dividends	10	**–**	–

CONSOLIDATED BALANCE SHEET

At 30 November 2008

	Notes	2008 *HK$'000*	2007 *HK$'000*
ASSETS			
Non-current assets			
Property, plant and equipment		**634**	802
Current assets			
Work in progress		**1,124**	1,171
Trade and other receivables	11	**1,424**	1,827
Cash and cash equivalents		**5,128**	2,021
		7,676	5,019
Total assets		**8,310**	5,821
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share capital	13	**16,059**	16,059
Reserves		**(52,594)**	(51,395)
Total equity		**(36,535)**	(35,336)
LIABILITIES			
Non-current liabilities			
Promissory notes and interest payable to a shareholder	14	**–**	17,245
Promissory notes and interest payable to the related companies	14	**27,908**	6,290
Amount due to the ultimate holding company		**6,872**	7,847
		34,780	31,382
Current liabilities			
Trade and other payables	12	**6,850**	6,678
Deferred revenue		**2,048**	1,878
Amounts due to customers		**1,167**	1,219
		10,065	9,775
Total liabilities		**44,845**	41,157
Total equity and liabilities		**8,310**	5,821
Net current liabilities		**(2,389)**	(4,756)
Total assets less current liabilities		**(1,755)**	(3,954)
Net liabilities		**(36,535)**	(35,336)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 30 November 2008

		Reserves				
	Issued share capital	Share premium	Contributed surplus	Exchange reserve	Accumulated losses	Total
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*	*HK$'000*
At 1 December 2006	16,059	106,118	37,600	(13,344)	(176,178)	(29,745)
Exchange difference arising on translation of financial statements of foreign subsidiaries	–	–	–	(196)	–	(196)
Loss for the year	–	–	–	–	(5,395)	(5,395)
At 30 November 2007 and 1 December 2007	16,059	106,118	37,600	(13,540)	(181,573)	(35,336)
Exchange difference arising on translation of financial statements of foreign subsidiaries	–	–	–	1,015	–	1,015
Loss for the year	–	–	–	–	(2,214)	(2,214)
At 30 November 2008	**16,059**	**106,118**	**37,600**	**(12,525)**	**(183,787)**	**(36,535)**

Notes:

1. CORPORATE INFORMATION

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

The Group's principal activities were design and sales of computer software and provision of maintenance services.

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

2. BASIS OF PREPARATION

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

The Group incurred losses of approximately HK$2,214,000 and HK$5,395,000 for the year ended 30 November 2008 and 2007 respectively. As at 30 November 2008, the Group's current liabilities exceeded its current assets by approximately HK$2,389,000 and net liabilities of approximately HK36,535,000. 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.

The ultimate holding company, MSI, has also confirmed that it will not demand repayment of the amount due of approximately HK$6,872,000 within the next twelve months of the balance sheet date. Furthermore, the parties connected to a non-executive director of the Company, Wickham Group Limited and Active Investments Capital Limited, have also agreed that they will not demand repayments of the promissory notes and the related interests in the total amounts of approximately HK$6,645,000 and HK$21,263,000 respectively within the next twelve months of the balance sheet date. On 27 November 2008, Wickham Group Limited and Active Investments Capital Limited have agreed to extend the maturity dates of the promissory notes with the amounts of HK$4,634,000 and HK$18,205,000 to 21 May 2010 and 31 May 2010 respectively. Further details, please refer to Note 14.

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

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

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

In the current year, the Group has applied, for the first time, the following new standards, amendments and interpretations ("new HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA"), which are effective for the Group's financial year beginning 1 December 2007.

HKAS 1 (Amendment)	Presentation of Financial Statements: Capital Disclosures
HKFRS 7	Financial Instruments: Disclosures
HKAS 39 & HKFRS 7 (Amendments)	Reclassification of Financial Assets
HK(IFRIC) – Int 11	HKFRS 2 – Group and Treasury Share Transactions

The adoption of above new/revised HKFRSs except HKAS 1 (Amendment) and HKFRS 7 did not result in substantial changes to the Group's accounting policies and has no material impact on the Group's consolidated financial statements.

The Group has applied the disclosure requirements under HKAS 1 (Amendment) and HKFRS 7 retrospectively. Certain information presented in prior year under the requirements of HKAS 32 has been removed and the relevant comparative information based on the requirements of HKAS 1 (Amendment) and HKFRS 7 has been presented for the first time in the current year.

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

HKFRSs (Amendments)	Improvements to HKFRSs[1]
HKAS 1 (Revised)	Presentation of Financial Statements[2]
HKAS 23 (Revised)	Borrowing Costs[2]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[3]
HKAS 32 & 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation[2]
HKAS 39 (Amendment)	Eligible Hedged Items[3]
HKFRS 1 & HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate[2]
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations[2]
HKFRS 3 (Revised)	Business Combinations[3]
HKFRS 8	Operating Segments[2]

HK(IFRIC) – Int 12	Service Concession Arrangements[4]
HK(IFRIC) – Int 13	Customer Loyalty Programmes[5]
HK(IFRIC) – Int 14	HKAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction[4]
HK(IFRIC) – Int 15	Agreements for the Construction of Real Estate[2]
HK(IFRIC) – Int 16	Hedges of a Net Investment in a Foreign Operation[6]
HK(IFRIC) – Int 17	Distributions of Non-cash Assets to Owners[3]

[1] Effective for annual periods beginning on or after 1st January, 2009 except the amendments to HKFRS 5, effective for annual periods beginning on or after 1st July, 2009

[2] Effective for annual periods beginning on or after 1st January, 2009

[3] Effective for annual periods beginning on or after 1st July, 2009

[4] Effective for annual periods beginning on or after 1st January, 2008

[5] Effective for annual periods beginning on or after 1st July, 2008

[6] Effective for annual periods beginning on or after 1st October, 2008

The directors of the Company anticipate that the application of these standards, amendments or interpretations will have no material impact on the results and the financial position of the Group and the Company.

4. TURNOVER AND OTHER REVENUE

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

	2008	2007
	HK$'000	*HK$'000*
Turnover:		
Sales of computer software licences, software rental and provision of related services	**8,615**	7,846
Provision of maintenance services	**5,702**	5,013
Contract revenue	**2,620**	2,160
Sales of computer hardware	**914**	3,175
	17,851	18,194
Other revenue:		
Bank interest income	**7**	40
Sundry income	**–**	4
	7	44

5. SEGMENT INFORMATION

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

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

(a) eFinance; and

(b) eBusiness.

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

(a) Business segments

	eFinance		**eBusiness**		**Consolidated**	
	2008	2007	**2008**	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Turnover	**16,733**	17,314	**1,118**	880	**17,851**	18,194
Segment results	**5,284**	4,482	**(644)**	(749)	**4,640**	3,733
Other revenue					**7**	44
Exchange gain/(loss)					**878**	(952)
Unallocated expenses					**(6,162)**	(6,222)
Loss from operating activities					**(637)**	(3,397)
Finance costs					**(1,577)**	(1,998)
Loss before taxation					**(2,214)**	(5,395)
Taxation					**–**	–
Loss for the year					**(2,214)**	(5,395)

	eFinance		eBusiness		Consolidated	
	2008	2007	**2008**	2007	**2008**	2007
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Segment assets	**4,045**	3,750	**415**	803	**4,460**	4,553
Unallocated assets					**3,850**	1,268
Total assets					**8,310**	5,821
Segment liabilities	**11,738**	11,789	**4,766**	5,384	**16,504**	17,173
Unallocated liabilities					**28,341**	23,984
Total liabilities					**44,845**	41,157
Other segment information:						
Depreciation	**309**	268	**19**	17	**328**	285
Capital expenditure	**140**	359	**8**	18	**148**	377

(b) Geographical segments

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

	2008				
	Segment turnover	**Segment loss**	**Segment assets**	**Segment liabilities**	**Capital expenditure**
	HK$'000	***HK$'000***	***HK$'000***	***HK$'000***	***HK$'000***
Hong Kong and other Asian countries	**17,851**	**(2,017)**	**8,128**	**41,894**	**148**
Australia and New Zealand	**–**	**(197)**	**182**	**2,951**	**–**
	17,851	**(2,214)**	**8,310**	**44,845**	**148**

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

6. LOSS FROM OPERATING ACTIVITIES

	2008	2007
	HK$'000	*HK$'000*
Loss from operating activities is stated after charging:		
Auditors' remuneration	**205**	195
Impairment loss recognised in respect of trade and other receivables	**29**	72
Depreciation on owned property, plant and equipment	**328**	285
Operating lease payments in respect of		
– land and buildings	**1,236**	974
– plant and equipment	**29**	30
Staff costs (excluding directors' remuneration)		
– salaries and allowances	**12,815**	12,810
– retirement benefit costs	**439**	453
Cost of computer hardware sold	**740**	2,334
Exchange loss	**–**	952
and after crediting:		
Other income:		
Exchange gain	**878**	–

7. FINANCE COSTS

	2008	2007
	HK$'000	*HK$'000*
Interest on promissory notes		
– wholly repayable within five years	**1,327**	1,727
Interest on amount due to the ultimate holding company		
– wholly repayable within five years	**250**	271
	1,577	1,998

8. TAXATION

No provision for Hong Kong profits tax has been made as the Group had either no estimated assessable profits or had estimated tax losses brought forward to set off the estimated assessable profit for the year (2007: Nil).

No Australian income tax has been provided by an Australian subsidiary of the Group as it had estimated tax losses brought forward to set off the estimated assessable profit for the year (2007: Nil).

The Group has tax losses arising in Hong Kong of approximately HK$71,552,000 (2007: HK$70,121,000) 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.

9. LOSS PER SHARE

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

	2008	2007
Loss for the year for the purpose of basic loss per share (in HK$'000)	**(2,214)**	(5,395)
Weighted average of ordinary shares for the purpose of basic loss per share	**160,590,967**	160,590,967
Basic loss per share	**HK (1.38) cents**	HK (3.36) cents

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

10. DIVIDENDS

The directors do not recommended the payment of any dividend in respect of the year ended 30 November 2008 (2007: Nil).

11. TRADE AND OTHER RECEIVABLES

	The Group	
	2008	2007
	HK$'000	*HK$'000*
Trade receivables	**969**	1,376
Prepayments, deposits and other receivables	**455**	451
	1,424	1,827

The analysis of trade receivables were as follows:

	The Group	
	2008	2007
	HK$'000	*HK$'000*
Trade receivables	**2,494**	2,872
Less: Impairment loss recognised in respect of trade receivables	**(1,525)**	(1,496)
At 30 November	**969**	1,376

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 0-30 days to its contract customers.

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

	The Group	
	2008	2007
	HK$'000	*HK$'000*
Current	**215**	156
31 – 60 days	**14**	640
61 – 90 days	**10**	42
Over 90 days	**730**	538
	969	1,376

Included in the Group's trade receivable balance are debtors with a carrying amount of approximately HK$754,000 (2007: HK$1,220,000) which are past due at the reporting date for which the Group has not provided for impairment loss. The Group does not hold any collateral over these balances. 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 were as follows:

	The Group	
	2008	2007
	HK$'000	*HK$'000*
At 1 December 2007/2006	**1,496**	1,520
Written back during the year	**–**	(96)
Impairment loss recognised in respect of trade receivables	**29**	72
At 30 November 2008/2007	**1,525**	1,496

Included in provision for impairment loss recognised in respect of trade receivables are individually impaired trade receivables with balance of approximately HK$29,000 (2007: HK$72,000). 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.

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

	The Group	
	2008	2007
	HK$'000	*HK$'000*
Prepayment, deposits and other receivables	**865**	861
Less Impairment loss recognised in respect of prepayments, deposits and other receivables *(Note)*	**(410)**	(410)
At 30 November 2008/2007	**455**	451

Note:

The directors of the Group had assessed the recoverability of prepayment, deposits and other receivables for the year ended 30 November 2008 and considered provision for impairment in values be made in respect of prepayment, deposits and other receivables to their recoverable values. The Group seeks to maintain strict control over its outstanding receivables. Overdue balances are reviewed regularly by the management.

12. TRADE AND OTHER PAYABLES

	The Group	
	2008	2007
	HK$'000	*HK$'000*
Trade payables	**12**	1
Accruals	**2,644**	3,092
Receipt in advance	**3,222**	2,412
Other payables	**972**	1,173
	6,850	6,678

As at 30 November 2008, the aged analysis of the trade payables was as follows:

	The Group	
	2008	2007
	HK$'000	*HK$'000*
0 – 30 days	**12**	–
Over 90 days	**–**	1
	12	1

13. SHARE CAPITAL

	2008		2007	
	Number of shares	**Amount *HK$'000***	Number of shares	Amount *HK$'000*
Authorised:				
Ordinary shares of HK$0.10 each	**10,000,000,000**	**1,000,000**	10,000,000,000	1,000,000
Issued and fully paid:				
Ordinary shares of HK$0.10 each	**160,590,967**	**16,059**	160,590,967	16,059

14. PROMISSORY NOTES AND INTEREST PAYABLE TO A SHAREHOLDER / THE RELATED COMPANIES

As at 30 November 2008, the promissory notes of HK$25,885,000 payable to the related companies are interest bearing at Hong Kong prime rate (2007: Hong Kong prime rate).

On 26 November 2008, the Company had issued a promissory note in the amount of CAD$485,000 payable to Active Investments Capital Limited, a related company owned by the chief executive officer of the Company, which was unsecured, interest bearing at the Hong Kong prime rate and will not be repayable within the next twenty four months of 26 November 2008.

On 27 November 2008, two old promissory notes of amount HK$9,500,000 and HK$3,000,000 and their related interests with the amount of HK$5,705,000 payable to Pacific East Limited were cancelled and a new promissory note was issued by the Company in favour of Active Investments Capital Limited in the principal loan amount of HK$18,205,000 under the original terms and conditions, which was unsecured, interest bearing at the Hong Kong prime rate (2007: Hong Kong prime rate) and will not repayable on or before 31 May 2009. Active Investments Capital Limited have also agreed that it will not demand repayment of the two promissory notes and interests related to the promissory notes in the total amount of approximately HK$21,263,000 within the next twelve months of the balance sheet date. On 27 November 2008, Active Investments Capital Limited had agreed to extend the maturity date of the promissory note in the amount of HK$18,205,000 to 31 May 2010.

Furthermore, the parties connected to the non-executive director of the Company, Wickham Group Limited have also agreed that it will not demand repayment of the promissory note and the interest related to the promissory note in the amount of approximately HK$6,645,000 within the next twelve months of the balance sheet date. On 27 November 2008, Wickham Group Limited had agreed to extend the maturity date of the promissory note in the amount of HK$4,634,000 to 21 May 2010.

SUMMARY OF THE INDEPENDENT AUDITORS' REPORT ON THE GROUP'S CONSOLIDATED FINANCIAL STATEMENTS

The independent auditors' report of the Group's consolidated financial statements for the year ended 30 November 2008 contains a modified auditors' opinion:

"Without qualifying our opinion we draw attention to Note 2 in the consolidated financial statements which indicates that the Group incurred a net loss of approximately HK$2,214,000 during the year ended 30 November 2008 and, as of that date, the Group's total liabilities exceeded its total assets by approximately HK$36,535,000. These conditions, along with other matters as set forth in Note 2, indicate the existence of a material uncertainty which may cast significant doubt about the Group's ability to continue as a going concern."

BUSINESS REVIEW

Financial Review

The Group recorded a turnover of approximately HK$17,851,000 for the year ended 30 November 2008, a 2% decrease from approximately HK$18,194,000 for the same period of the previous year. Of the total turnover amount, HK$8,615,000 or 48% was generated from software license sales, HK$2,620,000 or 15% was generated from contract revenue, HK$5,702,000 or 32% was generated from maintenance services, and HK$914,000 or 5% was generated from sales of hardware. At 30 November 2008, the Group had approximately HK$6 million worth of contracts that were in progress. The net loss attributable to shareholders for the year ended 30 November 2008 was HK$2,214,000, whereas the Group recorded a net loss of approximately HK$5,395,000 for the same period of the previous year.

The operating expenditures amounted to HK$13,998,000 for the year ended 30 November 2008, a 2% decrease from HK$14,338,000 for the corresponding period of the previous year. To maintain sufficient supply of labour force for the Group and to exercise prudent cost control measures by implementing tight expenses measures in its operations, the Group had shifted certain work load of e-Finance projects to PRC Shenzhen office during the year. As a result, a number of headcount in the research and development team increased but average development cost was reduced.

As a result of the Group invested additional computer hardware and office equipment during the year 2007, depreciation expenses increased from approximately HK$285,000 for the year ended 30 November 2007 to approximately HK$328,000 in the current fiscal year.

The Group did not have any amortisation expenses for the year ended 30 November 2008 due to the write-off of the remaining amounts of goodwill and intellectual property rights at the end of fiscal year 2002.

During the current period, the Group invested approximately HK$6,081,000 in developing new modules for its OCTO Straight Through Processing ("STP") system.

At 30 November 2008, a provision for impairment of approximately HK$1,525,000 was carried in the balance sheet for of the long outstanding trade receivables. The directors were uncertain whether the amount would ultimately be collected due to the sluggish economy and considered that it was prudent to make such a provision.

Total staff costs (excluding directors' remuneration) are approximately HK$13,254,000 for the year ended 30 November 2008, remains stable compared to HK$13,263,000 for the same period of the previous year.

Operation Review

For the year ended 30 November 2008, e-Finance turnover is HK$16,733,000, a decrease of 3% when compared to HK$17,314,000 for the same period of the previous year. During the year, the Group continued to enhance its array of solutions and capabilities through product to improve the internal ability to streamline and automate processing and information flows. For external, the Group continuing to promote its OCTOSTP securities trading solutions to Asia region banks and global securities firms in the Asian regions. As a result, the Group was able to sign new contracts (excluding hardware sales) with total contract sum of approximately HK$9,212,000 for acquiring and implementing the Group's e-Finance well known OCTOSTP solutions which were included contracts with two Taiwan brokerage firms that has new local operations in Hong Kong. Furthermore, the Group is actively preparing itself to promote its OCTOSTP solutions to China market and closely working with China partners to explore new business opportunities.

During the year, e-Business turnover is HK$1,118,000, an increase of 27% when compared to HK$880,000 for the same period of previous year. The increase was attributed to newly version of Maximizer CRM 10 products were launched in the market since November 2007 and the Group had signed a sales contract with a Hong Kong based airline to purchase a high volume of seats of Maximizer products in the third quarter.

During the year, the Group's Shanghai subsidiary had successfully established its resellers network throughout including Shanghai, Nanjing, Guangzhou and Shenzhen to promote Maximizer CRM software. The Group continues its focus on marketing activities in the region and built up the stronger reseller channel in Greater China market. During the year, the Group had participated in the China (Nanjing) International Software Product Expo held in Nanjing and China High Technology Fair held in Shenzhen in September 2008 and October 2008 respectively.

Prospects

The Group will continue to focus on the Group's fundamentals to achieve profitability. Considering the keen competition in Hong Kong e-Finance market, the Group will more proactive in seeking for overseas opportunities to promote its financial solutions to overseas customer especially in Greater China region. The directors believed that the Group has well diversified product range that is fitted to the global market needs and it is well equipped to face new challenge from the overseas market.

The Group believes the CRM market in the Asian region especially in Greater China region still under its development stage. Following the launch of new version of Maximizer CRM solution in the period, the Group will continue to promote Maximizer CRM brand name in the region by attending regional exhibitions and effective marketing champaign.

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

Corporate Governance Practices

The Stock Exchange has issued Code on Corporate Governance Practices (the "Code") as set out in Appendix 15 of the GEM Listing Rules which are effective for accounting periods beginning on or after 1 January 2005.

The Company has complied with all the code provisions set out in Appendix 15 – Code on Corporate Governance Practices ("CG Code") of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") for the financial year ended 30 November 2008.

Audit Committee

Pursuant to the GEM Listing Rules, an audit committee, comprising three independent non-executive directors, namely Messrs. Ronald Kwok Fai Poon, Kwong Sang Liu and Edwin Kim Ho Wong, was established on 22 January 2001. Messrs. Ronald Kwok Fai Poon was the audit committee members when it was established on 22 January 2001. At 28 September 2004, Kwong Sang Liu was appointed as independent non-executive director and member of audit committee of the Company. At 29 August 2008, Mr. Edwin Kim Ho Wong was appointed as independent non-executive director and member of audit committee of the Company.

Mr. Clifford Sau Man Ng was the audit committee member when it was established on 22 January 2001. At 29 August 2008, Mr. Clifford Sau Man Ng, resigned as an independent non-executive director, member of audit committee and member of remuneration committee of the Company due to other business engagements which require more of his dedication. On the same date, Mr. Edwin Kim Ho Wong was appointed as an independent non-executive director, member of audit committee and member of remuneration committee of the Company to fill the vacancy cause by the resignation of Mr. Clifford Sau Man Ng.

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

During the year ended 30 November 2008, the audit committee held four meeting for the purpose of reviewing the Company's reports and accounts, and providing advice and recommendations to the Board of Directors. The minutes of the audit committee meeting are kept by the Company Secretary.

The Group's audited consolidated financial statements for the year ended 30 November 2008 have been reviewed by the audit committee, which was of the opinion that the preparation of such results complied with the applicable accounting standard.

Purchase, Sale or Redemption of Listed Securities

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 (2007: Nil).

By order of the Board
Terence Chi Yan Hui
Chairman

Mr. Terence Chi Yan HUI *(Executive Director)*
Mr. Joseph Chi Ho HUI *(Executive Director)*
Mr. Kau Mo HUI *(Non-executive Director)*
Mr. Ronald Kwok Fai POON *(Independent Non-executive Director)*
Mr. Kwong Sang LIU *(Independent Non-executive Director)*
Mr. Edwin Kim Ho WONG *(Independent Non-executive Director)*

Hong Kong: 13 February 2009

This announcement will remain on the GEM website on the "Latest Company Announcements" page for at least 7 days from the day of its posting and the website of the Company at www.hklistco.com.