THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other licensed securities dealer, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in GET Holdings Limited ("**Company**"), you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee, or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

GET HOLDINGS LIMITED

智易控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock code: 8100)

(1) MAJOR TRANSACTIONS: DISPOSAL OF LISTED SHARES IN RETURN FOR CONSIDERATION SHARES; AND (2) NOTICE OF SPECIAL GENERAL MEETING

A letter from the Board is set out on pages 4 to 17 of this circular.

A notice convening the SGM to be held at 5/F., Euro Trade Centre, 13-14 Connaught Road Central, Hong Kong on Monday, 12 December 2016 at 4:00 p.m. is set out on pages SGM-1 to SGM-2 of this circular. A form of proxy for use by the Shareholders at the SGM is enclosed herein.

Whether or not you are able to attend the SGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof to the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

This circular will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least seven days from the date of its publication and on the Company's website at www.geth.com.hk.

24 November 2016

* *for identification purposes only*

CHARACTERISTICS OF GEM

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.

CONTENTS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

"associate(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Board"	the board of Directors
"close associate(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Company"	GET Holdings Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on GEM
"Completion"	completion of the Disposal
"Conditions"	the conditions precedent to which the Completion is subject as set out in the paragraph headed "Conditions precedent" of this circular, and "Condition" shall be construed accordingly
"connected person(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Consideration"	the sum of HK$35,498,817, being the total consideration for the Disposal
"Consideration Shares"	186,492,340 new ordinary shares of par value of HK$0.005 each to be allotted and issued, credited as fully paid, by the Purchaser at an issue price of approximately HK$0.19035 per share at Completion to settle the Consideration in full
"controlling shareholder(s)"	has the meaning ascribed to it under the GEM Listing Rules
"Director(s)"	the director(s) of the Company
"Disposal"	the disposal of the Sale Shares by the Vendor to the Purchaser pursuant to the terms and conditions of the SP Agreement
"Enlarged Group"	the group of companies consisting of the Company and its subsidiaries after Completion
"GEM"	the Growth Enterprise Market operated by the Stock Exchange
"GEM Listing Rules"	the Rules Governing the Listing of Securities on GEM

"Group"	the Company and its subsidiaries from time to time
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Independent Third Party"	a third party independent of and not connected with the Company and its connected person and their respective associates
"Latest Practicable Date"	22 November 2016, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein
"Long Stop Date"	31 December 2016 or such other date as the Vendor and the Purchaser shall agree in writing
"Purchaser"	Finsoft Financial Investment Holdings Limited (滙財金融投資控股有限公司*), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on GEM (stock code: 8018)
"Purchaser Group"	the Purchaser and its subsidiaries from time to time
"PRC"	the People's Republic of China and, for the purpose of this circular only, excludes Hong Kong, the Macau Special Administrative Region and Taiwan
"RMB"	Renminbi, the lawful currency of the PRC
"Sale Shares"	16,538,000 ordinary shares of the Target of par value of HK$0.01 each beneficially owned by the Vendor as at the date of the SP Agreement and immediately prior to Completion
"SFO"	Securities and Futures Ordinance (Cap.571 of the Laws of Hong Kong)
"SGM"	a special general meeting of the Company convened to be held at 5/F., Euro Trade Centre, 13-14 Connaught Road Central, Hong Kong on Monday, 12 December 2016 at 4:00 p.m. for the purpose of considering and, if thought fit, approving the SP Agreement and the transactions contemplated thereunder

"SP Agreement"	the sale and purchase agreement dated 27 September 2016 entered into between the Vendor and the Purchaser in relation to the Disposal
"Specific Mandate"	the specific mandate proposed to be sought from the shareholders of the Purchaser at an extraordinary general meeting to be convened for approving the grant of the specific mandate for the allotment and issue of the Consideration Shares under the SP Agreement
"Share(s)"	ordinary share(s) of HK$0.01 each in the share capital of the Company
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"substantial shareholder"	has the meaning ascribed to it under the GEM Listing Rules
"Target"	China Parenting Network Holdings Limited (中國育兒網絡控股有限公司), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on GEM (Stock Code: 8361)
"Target Group"	the Target and its subsidiaries from time to time
"US$"	United States dollars, the lawful currency of the United States of America
"Vendor"	Perfect Growth Limited (肇堅有限公司), a company incorporated in Hong Kong with limited liability, a wholly-owned subsidiary of the Company
"%"	per cent.

* *For identification purposes only*

In this circular, amounts denominated in RMB have been converted into HK$ at the rate of RMB0.8624 = HK$1. Such exchange rate is for illustration purpose only and does not constitute representations that any amount in HK$ or RMB have been, could have been or may be converted at such rate.

In this circular, amounts denominated in US$ have been converted into HK$ at the rate of US$1 = HK$7.76. Such exchange rate is for illustration purpose only and does not constitute representations that any amount in HK$ or US$ has been, could have been or may be converted at such rate.

GET HOLDINGS LIMITED
智 易 控 股 有 限 公 司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock code: 8100)

Executive Directors:
Mr. Kuang Hao Kun Giovanni
Mr. Xue Qiushi

Independent non-executive Directors:
Professor Lee T.S.
Ms. Xiao Yiming
Professor Chui Tsan Kit

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Bermuda

Head office and principal place of business in Hong Kong:
Room 1703, 17/F
Harcourt House
39 Gloucester Road
Wanchai
Hong Kong

24 November 2016

To the Shareholders

Dear Sir or Madam,

MAJOR TRANSACTIONS: DISPOSAL OF LISTED SHARES IN RETURN FOR CONSIDERATION SHARES

INTRODUCTION

Reference is made to the announcements of the Company dated 27 September 2016 and 30 September 2016 in which the Company announced that on 27 September 2016, after trading hours, the Vendor (a wholly-owned subsidiary of the Company) and the Purchaser entered into the SP Agreement, pursuant to which the Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire, the Sale Shares (being 16,538,000 ordinary shares of the Target) at the Consideration of HK$35,498,817, which shall be satisfied by the allotment and issue by the Purchaser of 186,492,340 Consideration Shares, credited as fully paid, at the issue price of approximately HK$0.19035 per Consideration Share, to the Vendor at Completion.

* *For identification purposes only*

The purpose of this circular is to provide you with, among other things, (i) details of the SP Agreement and the transactions contemplated thereunder (including the Disposal); (ii) further information of the Group and, as appropriate the Enlarged Group and the Purchaser Group and (iii) the notice of the SGM.

THE SP AGREEMENT

Date

27 September 2016

Parties

Vendor	:	Perfect Growth Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
Purchaser	:	Finsoft Financial Investment Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on GEM (stock code: 8018)

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of the Purchaser and its ultimate beneficial owners is an Independent Third Party.

Assets to be disposed of

The Vendor has conditionally agreed to sell, and the Purchaser has conditionally agreed to acquire the Sale Shares, representing approximately 1.61% of the issued share capital of the Target as at the date of the SP Agreement (based on 1,026,500,000 ordinary shares of the Target in issue as at 31 August 2016, according to the publicly available information), free from all encumbrances and together with all rights and title of any nature now or hereafter attaching thereto including but not limited to all interests, dividends or distributions which may be paid, declared or made in respect thereof at any time on or after the Completion.

Consideration

The Consideration for the sale and purchase of the Sale Shares is HK$35,498,817, which shall be satisfied by the allotment and issue by the Purchaser of 186,492,340 Consideration Shares, credited as fully paid, at the issue price of approximately HK$0.19035 per Consideration Share, to the Vendor at Completion.

The Consideration was determined after arm's length negotiations between the Vendor and the Purchaser on normal commercial terms with reference to a discount of approximately 10% to the average closing price of HK$2.385 per share of the Target as quoted on the Stock Exchange for the 10 consecutive trading days of the shares of the Target up to and including the date of the SP Agreement.

Consideration Shares

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, the Consideration Shares represent (i) approximately 21.58% of the issued share capital of the Purchaser as at the date of the SP Agreement; and (ii) approximately 17.75% of the issued share capital of the Purchaser as enlarged by the allotment and issue of the Consideration Shares immediately after Completion (assuming there is no change in the issued share capital of the Purchaser from the date of the SP Agreement and up to the Completion).

The issue price of approximately HK$0.19035 per Consideration Share represents:–

(a) a discount of approximately 14.64% to the closing price of HK$0.223 per share of the Purchaser as quoted on the Stock Exchange on the Latest Practicable Date;

(b) a discount of approximately 20.69% to the closing price of HK$0.24 per share of the Purchaser as quoted on the Stock Exchange on the date of the SP Agreement;

(c) a discount of approximately 13.95% to the average closing price of HK$0.2212 per share of the Purchaser as quoted on the Stock Exchange for the last 5 consecutive trading days of the shares of the Purchaser immediately prior to the date of the SP Agreement; and

(d) a discount of approximately 7.95% to the average closing price of approximately HK$0.2068 per share of the Purchaser as quoted on the Stock Exchange for the last 15 consecutive trading days of the shares of the Purchaser immediately prior to the date of the SP Agreement.

The issue price of approximately HK$0.19035 per Consideration Share was arrived at after arm's length negotiations between the Vendor and the Purchaser with reference to a discount of approximately 10% to the average closing price of HK$0.2115 per share of the Purchaser as quoted on the Stock Exchange for the 10 consecutive trading days of the shares of the Purchaser up to and including the date of the SP Agreement.

When the Company acquired the shares of the Target in 2015 (the **"Previous Acquisition"**), the consideration was satisfied by the Company by the allotment and issue of the consideration shares of the Company. The consideration for the Previous Acquisition and the then issue price for the consideration shares issued by the Company were determined with reference to the then average closing price of the shares of the Target and the shares of the Company for certain trading days preceding the date of the sale and purchase agreement for the Previous Transaction. Similarly, as in the present transaction, the Consideration and the issue price of the Consideration Shares were also determined with reference to the average closing price of the Sale Shares and the shares of the Purchaser, albeit at a discount, for certain trading days preceding the date of the SP Agreement. As the Previous Acquisition is the only recent transaction of the Company which adopted the issue of consideration shares as consideration, and the price of the sale shares of the Target as well as the issue price of the consideration shares for the Previous Acquisition were also determined with reference to their market prices, the Directors consider that the pricing practice adopted for the present transaction is consistent with the practice of the Company and is in the interests of the Company and its Shareholders.

As the Purchaser agreed to issue the Consideration Shares at an issue price which is equivalent to a discount of approximately 10% to the average closing price of the shares of the Purchaser for the 10 consecutive trading days, the Directors consider that the selling of the Sale Shares to the Purchaser at the same rate of discount (i.e. a discount of approximately 10%) is fair and reasonable and in the interest of the Company and the Shareholders.

Although the market price of the shares of the Purchaser has dropped since mid-2015, it is expected that the taking up of the Consideration Shares by the Group would create synergy effects to the business of the Group (for details of the expected synergy effects to be created, please refer to the paragraph headed "Reasons for and benefits of entering the SP Agreement" below). In view of the aforesaid and that the issue price of approximately HK$0.19035 was determined with reference to a discount of the market price of the shares of the Purchaser and the investment in the shares of the Purchaser is considered to be a long-term investment for the Group, the Directors consider that the issue price of the Consideration Shares is acceptable.

The Consideration Shares shall be allotted and issued, credited as fully paid, and rank *pari passu* inter se in all respects with all other then existing shares of the Purchaser in issue on Completion, including the rights to all dividends and other distributions which may be declared, made or paid in respect thereof, the record date for which falls on or after the date of Completion.

The Consideration Shares shall be allotted and issued under the Specific Mandate. Application will be made by the Purchaser to the Stock Exchange for the listing of, and the permission to deal in, the Consideration Shares.

Conditions precedent

The SP Agreement and the obligations of the Purchaser to effect Completion are conditional upon:–

(a) the Stock Exchange having granted or having agreed to grant and not having withdrawn or revoked the listing of, and permission to deal in, the Consideration Shares;

(b) the passing of the ordinary resolution(s) by the shareholders of the Purchaser (to the extent they are not prohibited from voting on such resolution(s) under the GEM Listing Rules) at the extraordinary general meeting of the Purchaser approving the grant of the Specific Mandate for the allotment and issue of the Consideration Shares under the SP Agreement;

(c) all requisite consents, clearances, authorisations and approvals (or, as the case may be, the relevant waiver) in connection with the entering into and the performance of the SP Agreement and the transactions contemplated thereunder having been obtained by the parties thereto;

(d) the consummation of the transactions contemplated pursuant to the SP Agreement not having been restrained, enjoined or otherwise prohibited by any applicable laws and regulations, including any order, injunction, decree or judgment of any court or other governmental authority;

(e) the warranties given by the Vendor set out in the SP Agreement remaining true and accurate in all respects and not misleading; and

(f) the warranties given by the Purchaser set out in the SP Agreement remaining true and accurate in all respects and not misleading.

The consents, clearances, authorisations and approvals referred to in paragraph (c) above include (apart from the consents, clearances, authorisations and approvals mentioned in paragraphs (a) and (b) above), (i) the Stock Exchange having approved the circular to be published by the Purchaser in respect of, amongst others, the SP Agreement and the transactions contemplated thereunder and the grant of the Specific Mandate; and (ii) the passing of the ordinary resolution(s) by the Shareholders at the SGM to approve the SP Agreement and the transactions contemplated thereunder.

The Purchaser may waive Condition (e) set out above at any time before the Long Stop Date by notice in writing to the Vendor. The Vendor may waive Condition (f) set out above at any time before the Long Stop Date by notice in writing to the Purchaser. Save as aforesaid, none of the Conditions is capable of being waived by any of the parties to the SP Agreement.

If any of the Conditions shall not have been fulfilled or waived (where applicable) in full at or before 5 p.m. on the Long Stop Date, all rights and obligations of the parties to the SP Agreement shall cease and terminate save and except for those in relation to confidentiality, notices and governing law, jurisdiction and process agent, which provisions shall remain in full force and effect, and no party to the SP Agreement shall have any claim against the other save for claim (if any) in respect of such continuing provisions or any antecedent breach thereof.

Completion

Completion shall take place on the fifth business day after the last outstanding Condition (other than those Condition(s) which can only be fulfilled upon Completion) shall have been fulfilled or waived (or such other date as the Vendor and the Purchaser shall agree in writing).

The Long Stop Date is set at 31 December 2016 to allow sufficient time for (a) the Company to prepare the circular in respect of the SP Agreement and the transactions contemplated thereunder; (b) the Purchaser to prepare the circular in respect of, amongst others, the SP Agreement and the transactions contemplated thereunder and the grant of the Specific Mandate; (c) the Stock Exchange to approve the aforesaid circulars; (d) the Purchaser to apply to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares and to liaise with its share registrar and transfer office in respect of the issue of the Consideration Shares; (e) the Company to convene the SGM; and (f) the Purchaser to convene an extraordinary general meeting to approve, amongst others, the SP Agreement and the transactions contemplated thereunder and the grant of the Specific Mandate.

The SP Agreement does not provide a right for the Group to nominate any director to the board of directors of the Purchaser and as at the Latest Practicable Date, the parties to the SP Agreement had no intention that the Company would nominate any person to the board of directors of the Purchaser.

Pursuant to the articles of association of the Purchaser, shareholders of the Purchaser holding not less than one tenth of its paid up capital having the right of voting at general meetings shall have right to convene an extraordinary general meeting for the purpose of proposing resolutions, including the appointment of director to the board of the Purchaser. Save for the said right to convene an extraordinary general meeting, the Group has no right to appoint directors to the board of the Purchaser under the articles of association of the Purchaser.

As Completion is subject to the fulfilment (or where applicable, waiver) of the Conditions and the obtaining of the approval of the Shareholders at the SGM, the Disposal may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares.

INFORMATION ABOUT THE TARGET GROUP

The Target is China Parenting Network Holdings Limited (中國育兒網絡控股有限公司), a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on GEM (Stock Code: 8361).

According to the publicly available information, the Target Group is an online platform focusing on the CBM (children, babies, and maternity) market in the PRC and is mainly engaged in (i) provision of marketing and promotional service; and (ii) e-commerce business.

Set out below is a summary of certain financial information of the Target Group for the two financial years ended 31 December 2015 and 2014 as extracted from the 2015 annual report of the Target:–

	For the year ended 31 December 2015 *(approximately)* *(audited)*	**For the year ended 31 December 2014** *(approximately)* *(audited)*
Net profit before tax	RMB33,705,000 (equivalent to approximately HK$39,083,000)	RMB19,839,000 (equivalent to approximately HK$23,004,000)
Net profit after tax	RMB32,660,000 (equivalent to approximately HK$37,871,000)	RMB19,587,000 (equivalent to approximately HK$22,712,000)

According to the 2016 interim report of the Target, the unaudited total asset value and net asset value of the Target as at 30 June 2016 were approximately RMB345,500,000 (equivalent to approximately HK$400,626,000) and RMB323,345,000 (equivalent to approximately HK$374,936,000) respectively.

INFORMATION ABOUT THE PURCHASER

The Purchaser is a company incorporated in the Cayman Islands with limited liability and the issued shares of which are listed on GEM (stock code: 8018).

The Purchaser and its subsidiaries are principally engaged in the provision of financial trading software solutions, provision of other internet financial platforms, provision of referral services, money lending business, assets investments, provision of corporate finance advisory services and provision of property management and property agency services in Hong Kong.

Set out below is a summary of certain financial information of the Purchaser and its subsidiaries for the two financial years ended 31 December 2015 and 2014 as extracted from the 2015 annual report of the Purchaser:-

	For the year ended 31 December 2015 *(audited)*	**For the year ended 31 December 2014** *(audited)*
Net (loss)/profit before tax	HK$(13,539,632)	HK$14,031,544
Net (loss)/profit after tax	HK$(16,269,084)	HK$11,318,955

According to the 2016 interim report of the Purchaser, the unaudited total asset value and net asset value of the Purchaser as at 30 June 2016 were approximately HK$216,261,000 and HK$162,640,000 respectively.

REASONS FOR AND BENEFITS OF ENTERING THE SP AGREEMENT

The Group is principally engaged in (i) research, development and distribution of personal computer performance software, anti-virus software, mobile phone applications and toolbar advertisement, (ii) investment in securities, (iii) money lending business, (iv) provision of insurance and mandatory provident fund schemes brokerage business and (v) provision of corporate management solutions and information technology contract services.

In September 2016, the Company was approached by the Purchaser and the Company then started to discuss and negotiate with the Purchaser the terms and conditions of the Disposal. The Directors consider that the Disposal, if materializes, represents an opportunity of the Group to realise part of its investment in the Target at a reasonable price and allocate resources for the development of other business of the Group. As at the date of the SP Agreement and the Latest Practicable Date, the Company held 27,298,000 shares of the Target, representing approximately 2.66% of the issued share capital of the Target. Immediately after Completion, the Company will hold 10,760,000 shares of the Target, representing approximately 1.05% of the issued share capital of the Target. Disposing partial investment or interests in a company (instead of disposing all the investment and interests in a company at the same time) is a normal investment practice of securities investors. As the Group is able to make a profit as a result of the Disposal (for details of the gain, please see below and also refer to the paragraph headed "Effects on the Disposal and the taking up of the Consideration Shares on the earnings and assets and liabilities of the Enlarged Group" in Appendix I), the Directors consider that it is beneficial for the Company to realise part of the investments in the Target. Also, the Directors believe that it would be a rare opportunity to acquire a significant number of shares in and become a substantial shareholder of a company (i.e. the Purchaser) which carries on similar principal businesses with the Group and the Group may cooperate with. Therefore, when such an opportunity arises, the Directors have decided to grasp the chance and exchange the shares of the Target (which the Purchaser is interested to acquire) for the shares of the Purchaser despite the Target is generating profitable revenue stream. As disposing part of the interests in the Target is sufficient to allow the Company to become a substantial shareholder of the Purchaser, the Company has decided to retain part of the shareholding in the Target in view of its satisfactory financial performance and the Company will hold the shares of the Target as a long-term investment. However, the Company may also consider disposing the remaining shares of the Target when appropriate taking into account the share price from time to time and the ongoing financial performance of the Target.

One of the principal businesses of the Group is investment in securities. The taking up of the Consideration Shares provides the Group with a good investment opportunity to expand and diversify its investment portfolio. Upon Completion, the Company, through the Purchaser, will hold approximately 17.75% of the enlarged issued share capital of the Purchaser (assuming there is no change in the issued share capital of the Purchaser from the date of the SP Agreement and up to the Completion) and thus become a substantial shareholder of the Purchaser. Such Consideration Shares will be classified as a long term investment of the Group. The Directors consider that the acquisition of the Consideration Shares from the Purchaser will not affect the cash position of the Company. The unaudited net cash outflow of the Group for the period ended 30 June 2016 were approximately HK$81.8 million. As at 30 June 2016, the Group's unaudited cash and cash at bank and pledged bank deposits were approximately HK$135.1 million and the gearing ratio of the Group, calculated as total liabilities over total assets, was approximately 26.6%. As at 30 June 2016, the unaudited net current assets of the Group were approximately HK$583.0 million. Having considered the solid financial position, including but not limited to cash and bank balance, liquidity and gearing ratio of the Group, the disposal of the Sale Shares for the Consideration Shares without any cash inflow would not materially affect the Group's financial position and would allow the Group to utilise its resources by forming strategic alliance with the Purchaser Group and manage its financial resources to create more value to the Shareholders.

e-Perfect IT Limited (a wholly-owned subsidiary of the Company) is one of the Purchaser Group's supplier who has been providing maintenance and I.T. services to the Purchaser Group since July 2014. One of the principal businesses of the Group is the provision of corporate management solutions and I.T. contract services in Hong Kong and two of the principal businesses of the Purchaser Group are the provision of financial trading software solutions and provision of other internet financial platforms (i.e. both principal businesses of the Group and the Purchaser Group are in the nature of I.T. business). By taking up the Consideration Shares, the business relation between the Group and the Purchaser Group can be strengthened and the Group may form a strategic alliance with the Purchaser Group, particularly in the field of provision of corporate management solutions and I.T. contract services, and create synergy effects to the business of the Group when opportunities arise. For instance, the Group may be able to promote its products and services (in particular, corporate management solutions and I.T. contract services) to the customers of the Purchaser Group. The Directors also consider that the strengthened relationship between the Group and the Purchaser Group may bring in possible collaboration between the Group and the Purchaser Group such as co-development of a mobile phone application which will be used for financial planning and assets management planning for the Group's insurance and MPF schemes brokerage business in the future. Although the Group has no intention to appoint any person to the board of directors of the Purchaser, the Directors believe that by being a substantial shareholder of the Purchaser, it would be easier for the Company to communicate, liaise and interact with the board of the Purchaser. When opportunities arise, the Company can therefore increase cooperation chance, build collaboration relationship or form strategic alliance with the Purchaser Group. However, as at the Latest Practicable Date, there has been no negotiation or discussion in respect of forming a formal and binding contractual relationship between the Group and the Purchaser Group.

Although the Purchaser recorded net loss after tax in the financial year ended 31 December 2015, the financial performance of the Purchaser has improved and had a turnaround from loss to profit since its 2016 first quarterly results. The unaudited consolidated net profit of the Purchaser for the three months ended 31 March 2016 and the six months ended 30 June 2016 were approximately HK$1.9 million and HK$0.7 million respectively.

An announcement on updates on the financial performance of the Purchaser Group was published by the Purchaser on 31 October 2016 (which was published after the entering into of the SP Agreement), which announced that based on the information currently available to the board of directors of the Purchaser, the Purchaser Group estimated to record a net loss for the nine months ended 30 September 2016. However, the Purchaser Group estimated that as compared with the net loss of approximately HK$11.2 million for the nine months ended 30 September 2015, the loss for the nine months ended 30 September 2016 has substantially narrowed. According to the announcement published by the Purchaser, the improvement in financial performance is mainly attributable to the combined effect of (i) the increase in revenue for the nine months ended 30 September 2016 which was mainly contributed by the business segment of property management and property agency services acquired by the Purchaser Group in December 2015 and provision of financial trading software solutions; and (ii) the sharing of profit of an associate of approximately HK$1.7 million for the nine months ended 30 September 2016.

The Purchaser Group has commenced its property management and property agency services since December 2015 and according to the interim report of the Purchaser for the six months ended 30 June 2016, such property management and property agency services had recorded remarkable segment results of net profit after tax in the amount of approximately HK$5.6 million for the six months ended 30 June 2016.

According to the interim report of the Purchaser for the six months ended 30 June 2016, the revenue contributed by financial trading software business was approximately HK$24.6 million, representing approximately 62.5% of the total revenue of Purchaser Group for the six months ended 30 June 2016. Therefore, the Directors consider that financial trading software business is still a core and principal activity of the Purchaser Group, which is in line with the investment strategy of the Group. The Company will regularly check all public information including notices, announcements, circulars and financial reports published by the Purchaser to monitor the business development of the Purchaser Group. If the Purchaser would like to conduct transactions of material importance, it will need to comply with the requirements under the GEM Listing Rules and such transactions may need to be approved by the shareholders of the Purchaser. The Company, as a substantial shareholder of the Purchaser, will attend the general meetings and vote in favour of or against such transactions in accordance with the business objectives, strategies and interests of the Company.

In view of the improving financial performance of the Purchaser Group and potential synergy effects to be created to the business of the Group (in particular, the provision of corporate management solutions and I.T. contract services), the Directors consider that the taking up of the Consideration Shares is a good investment opportunity for the Company to diversify its investment portfolio.

As mentioned above, realizing part of the investment in the Target would allow the Group to allocate resources for the development of other business of the Group. The followings are the business plan of the Group in respect of the development of the principal businesses of the Group (apart from investment in securities):

Software Business

Boom Max International Limited (a non-wholly owned subsidiary of the Company) and its subsidiaries (the "**Boom Max Group**") strive to provide consumers with innovative system utilities and security software for superior PC performance and security. To protect its users from ever-evolving security threats, new virus, malware and spyware, the Boom Max Group creates easy-to-use and powerful solutions to improve computer's performance and security.

While the Boom Max Group will continue to focus on the development and upgrade of its flagship anti-virus product of "Advanced SystemCare" so as to respond to new security threats and counteract new virus, malware and spyware, it also plans to develop and launch other new software, including mobile application, in the near future. The Boom Max Group will continue to develop its products and periodically release upgrade version of its existing products. In terms of business operation, the Boom Max Group will continue to retain its existing staff and recruit additional research and development staff with technical trainings provided from time to time where necessary.

Money lending business

The Group will continue to concentrate its efforts on the existing money lending operations in Hong Kong, riding on its experience in money lending business. Given the rapidly changing economy and challenging external operating environment, the Group will continue to focus on maintaining the growth and credit quality of its loan portfolios while closely monitoring its capital and funding base in pursuing sustainable growth and maximizing value for Shareholders amid the low interest rate environment.

Insurance and MPF schemes brokerage business

GET Mdream Wealth Management Limited ("**GMD**"), an indirect non-wholly owned subsidiary of the Company, is a registered member of the Professional Insurance Brokers Association and is principally engaged in carrying on long term (including linked long term) insurance and general insurance lines of business. GMD is also engaged in MPF schemes brokerage business in Hong Kong.

GMD endeavors to provide its customers with comprehensive wealth management services, and to explore the financial needs of clients and offer personalized wealth management products. The Group will continually and actively recruit additional employees and sales who possess experience in insurance and MPF Schemes brokerage business and where appropriate, will provide suitable training resources for our sales personnel so as to maintain the competitiveness of the sales personal at the forefront of the market.

Corporate Management solutions and I.T. contract service business

The Group provides corporate management solutions, I.T. contract services, network infrastructure solutions, network professional services and I.T. project implementation business to corporate clients mainly in Hong Kong via its indirect wholly-owned subsidiaries, e-Perfect IT Limited and Wafer Systems (Hong Kong) Limited.

The Group aims at becoming a comprehensive IT business platform and will continually expand its business into network construction and management. The Directors consider that the taking up of the Consideration Shares will provide an opportunity to enhance the sales channels with the Purchaser Group. As e-Perfect IT Limited is principally engaged in the provision of information and technology consultation services, corporate information solution architecture, design and maintenance services and the trading of computer equipment and accessories and is one of the sub-contractors under the Standing Offer Agreement for Quality Professional Services 3, which is part of the Hong Kong Government's IT outsourcing strategy, aiming to enlarge the delivery capacity for IT services, accelerate the delivery of IT solutions and create a market of sufficient size to encourage the further development of the IT industry locally, the Group will continue to bid certain projects announced by the government and keep liaising with the major contractors to bid for more government projects from time to time in the future, which can enhance the financial performance of the Group. e-Perfect IT Limited had previously conducted several government projects through sub-contractor contracts such as the licensing and survey of local vessels system for the Marine Department and part-time staff management system phase II and full-scale implementation of attendance logging device for the Leisure and Cultural Services Department. As at the Latest Practicable Date, except for some miscellaneous maintenance and enhancement contracts with insignificant amount, no contract concerning the government projects with significant amount was entered into by e-perfect IT Limited.

For illustrative purpose, as a result of the Disposal it is expected that the Group will record (i) a book gain of approximately HK$3.5 million which is calculated based on the fair value of Consideration Shares to be received by the Company from the Disposal (assuming the fair value of the Consideration Shares to be approximately equal to the Consideration at Completion), being the difference between the Consideration and purchase cost of Sale Shares (excluding transaction costs); or (ii) a net gain of approximately HK$4.6 million, being the difference between the consideration (being the fair value of the Consideration Shares as at the date of SP Agreement) and the fair value of the Sale Shares held by the Vendor as at the date of SP Agreement (excluding transaction costs). Shareholders should note that the actual amount of gain or loss and the financial effect as a result of the Disposal to be recorded by the Group will be subject to the review and final audit by the auditors of the Company.

Having considered the factors set out above, the Directors (including the independent non-executive Directors) are of the view that the Disposal and the terms of the SP Agreement (including the taking up of the Consideration Shares) are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

IMPLICATIONS UNDER THE GEM LISTING RULES

As one of the relevant percentage ratios (as defined under the GEM Listing Rules) in respect of (i) the Disposal is more than 25% but less than 75%; and (ii) the taking up of the Consideration Shares is more than 25% but less than 100%, each of (i) the Disposal; and (ii) the taking up of the Consideration Shares constitutes a major transaction for the Company under the GEM Listing Rules, and shall be subject to the notification, announcement and approval of the Shareholders requirements under the GEM Listing Rules.

SGM

The SGM will be held at 5/F., Euro Trade Centre, 13-14 Connaught Road Central, Hong Kong on Monday, 12 December 2016 at 4:00 p.m. for the Shareholders to consider and, if thought fit, approve, among other matters, the SP Agreement and other transactions contemplated thereunder.

In compliance with the GEM Listing Rules, the resolution will be voted by way of poll at the SGM.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, no Shareholder has any material interest in the Disposal and no Shareholder is required to abstain from voting on the resolution to be proposed at the SGM.

You will find enclosed a form of proxy for use at the SGM. Whether or not you are able to attend the SGM, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon as soon as possible and in any event not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof to the office of the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong. Completion and return of the form of proxy will not preclude you from attending and voting in person at the SGM or any adjournment thereof should you so wish, and in such case, the form of proxy previously submitted shall be deemed to be revoked.

RECOMMENDATION

The Directors believe that the terms of the SP Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote in favour of the resolution to be proposed at the SGM to approve the SP Agreement and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this circular.

Yours faithfully,
On behalf of the Board
GET Holdings Limited
Kuang Hao Kun Giovanni
Chairman

1. FINANCIAL INFORMATION OF THE GROUP

Details of the financial information of the Group for the years ended 31 December 2013, 31 December 2014 and 31 December 2015 respectively have been set out in the Company's annual reports for the years ended 31 December 2013 (from pages 60 to 167), 31 December 2014 (from pages 62 to 195) and 31 December 2015 (from pages 70 to 203). Details of the financial information of the Group for the six months ended 30 June 2016 have been set out in the Company's interim report for the six months ended 30 June 2016 (from pages 3 to 41).

The audited consolidated financial statements of the Group for the year ended 31 December 2013 are set out on pages 60 to 167 of the annual report 2013 of the Company which was posted on 26 March 2014 on the Stock Exchange's website (http://www.hkexnews.hk). Please also see below the link to the annual report 2013:

http://www.hkexnews.hk/listedco/listconews/GEM/2014/0326/GLN20140326051.pdf

The audited consolidated financial statements of the Group for the year ended 31 December 2014 are set out on pages 62 to 195 of the annual report 2014 of the Company which was posted on 30 March 2015 on the Stock Exchange's website (http://www.hkexnews.hk). Please also see below the link to the annual report 2014:

http://www.hkexnews.hk/listedco/listconews/GEM/2015/0330/GLN20150330113.pdf

The audited consolidated financial statements of the Group for the year ended 31 December 2015 are set out on pages 70 to 203 of the annual report 2015 of the Company which was posted on 30 March 2016 on the Stock Exchange's website (http://www.hkexnews.hk). Please also see below the link to the annual report 2015:

http://www.hkexnews.hk/listedco/listconews/GEM/2016/0330/GLN20160330311.pdf

The unaudited consolidated financial statements of the Group for the six months ended 30 June 2016 are set out on pages 3 to 41 of the interim report 2016 of the Company which was posted on 12 August 2016 on the Stock Exchange's website (http://www.hkexnews.hk). Please also see below the link to the interim report 2016:

http://www.hkexnews.hk/listedco/listconews/GEM/2016/0812/GLN20160812247.pdf

All annual reports and interim report of the Company have been posted on the website of the Company at www.geth.com.hk and published on the website of the Stock Exchange (http://www.hkexnews.hk).

2. INDEBTEDNESS OF THE GROUP

Borrowings

At the close of business on 30 September 2016, being the latest practicable date for the purpose of this indebtedness statement, the Group had the following outstanding unguaranteed borrowings:

	Notes	Non-current portion HK$'000	Current portion HK$'000	Total HK$'000
Unsecured				
Note payables	*1*	179,000	33,642	212,642
Convertible notes	*2*	70,973	–	70,973
Amounts due to non-controlling interest of a subsidiary	*3*	–	989	989
Others		–	62	62
Secured				
Others	*4*	–	170	170
		249,973	34,863	284,836

Notes:

1. 10% unsecured loan notes ("**Jun 2015 Notes**") in an aggregate principal amount of HK$19,000,000 were subscribed by certain subscribers during the period from 27 June 2015 to 30 October 2015 and issued by the Company during the period from 3 August 2015 to 16 November 2015. These Jun 2015 Notes will mature on the second anniversary of their respective issue dates.

   9% unsecured loan notes ("**Aug 2015 Notes**") in an aggregate principal amount of HK$191,000,000 were subscribed by certain subscribers during the period from 10 September 2015 to 29 December 2015 and issued by the Company during the period from 17 September 2015 to 5 January 2016. These Aug 2015 Notes will mature on the second anniversary of their respective issue dates.

2. On 31 December 2015, upon completion of the acquisition of additional 14.677% interest in Boom Max International Limited ("**Boom Max**"), the Company issued zero coupon convertible notes in an aggregate principal amount of HK$75,208,200 to the vendors as partial consideration for the acquisition at an initial conversion price of HK$0.3 per conversion share (as adjusted to HK$1.5 per conversion share after the capital reorganisation of the Company completed on 24 May 2016). The maturity date of the convertible notes is the date falling two years after the issue date. Noteholders shall have the right to convert the convertible notes into the Shares at any time during the conversion period. If any amount due under the convertible notes is not paid when due, at the Company's sole discretion, such amount shall be redeemed by the Company by issue and delivery by the Company of a promissory note in favour of the noteholder(s) in the principal amount equal to 100% of such amount together with interest accrued on the overdue sum at the rate which is the lower of (i) HIBOR plus 1.5% per annum and (ii) 4% per annum, and will be due to mature on the first anniversary date of the issue of the promissory note. At any time prior to the maturity date, at the sole discretion of the Company, the Company may cancel and redeem such amount outstanding under the convertible notes at 100% of such outstanding amount.

3. The amounts due to minority shareholders of AP Group Investment Holdings Limited are unsecured, interest free and have no fixed repayment terms.

4. The amount represents payables to banks for corporate card facilities. The facilities to the extent of HK$2,500,000 were secured by bank deposits of the Group of approximately HK$2,638,000.

Pledge of assets

At the close of business on 30 September 2016, being the latest practicable date for the purpose of this indebtedness statement, the Group had pledged bank deposits of approximately US$80,000 (equivalent to approximately HK$622,000), HK$1,003,000 and HK$1,012,000 which represented deposits pledged to banks to secure banking facilities to the extent of HK$2,500,000 granted to the Group. The pledged bank deposits are at fixed interest rates of 0.05% per annum, 0.3% per annum and 0.3% per annum respectively.

As at 30 September 2016, listed securities held by the Group with a total carrying amount of approximately HK$218,379,000 were charged in favour of brokerage firms as collateral for the Group's liabilities in respect of its margin trading accounts. As at 30 September 2016, the Group did not use the credit limit.

Contingent liabilities

As at 30 September 2016, the Group did not have any significant contingent liabilities.

Disclaimer

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal accounts payable in the ordinary course of business, the Group did not have any other loan capital issued and outstanding or agreed to be issued but unissued, loans, bank overdrafts, or other similar indebtedness, financial lease or hire purchase commitment, liabilities under acceptances (other than normal trade bills) or acceptable credits, debentures, mortgages, charges, guarantees or other material contingent liabilities as at the close of business on 30 September 2016.

3. WORKING CAPITAL SUFFICIENCY OF THE ENLARGED GROUP

After due and careful consideration, the Directors are of the opinion that, taking into account the cash flows generated from the operating activities, the financial resources available to the Enlarged Group, including internally generated funds and the available credit facilities, the working capital available to the Enlarged Group is sufficient for the Enlarged Group's requirements for at least 12 months from the date of this circular.

4. FINANCIAL AND TRADING PROSPECTS OF THE ENLARGED GROUP

Looking ahead, the Group will continue to seek investments generating positive impacts and profit to increase its Shareholders' value.

Subsequent to the completion of the acquisition of additional 14.677% of the issued share capital of Boom Max on 31 December 2015, the Group has further expanded its business in software market by holding 65.177% of the issued share capital of Boom Max, and has increased its sharing in the financial results of Boom Max and its subsidiaries ("**Boom Max Group**"), which are principally engaged in the research, development and distribution of personal computer performance software, anti-virus software, mobile phone applications and toolbar advertisement ("**Software Business**"). The Software Business contributed an unaudited consolidated turnover and a segment profit of approximately HK$90.5 million and HK$49.8 million respectively for the nine months ended 30 September 2016 ("**2016 3Q Period**"). The Boom Max Group will continue to focus on the development and refinement of its products, including but not limited to its flagship anti-virus product – Advanced SystemCare, Driver Booster, Smart Defrag, Game Booster, Mac Booster and Random Password Generator. The Boom Max Group also plans to launch version 10.0 of Advanced SystemCare at the end of 2016. Based on the internal sale database of the Boom Max Group, the Boom Max Group's products have over 45 million new free and paid active users (which refer to users who have subscribed for the products at least one time during the 2016 3Q Period). The Directors are optimistic to the Software Business and expect that revenue from the Software Business will continue to be one of the principal sources of income of the Group in the future.

Subsequent to the completion of the acquisition of the entire issued share capital of GET Mdream Wealth Management Limited (which is principally engaged in insurance and Mandatory Provident Fund schemes brokerage business in Hong Kong) on 2 April 2014, the Group has successfully expanded its insurance and Mandatory Provident Fund schemes brokerage business in Hong Kong. For the 2016 3Q Period, the unaudited turnover and segment profit of the insurance and Mandatory Provident Fund schemes brokerage business were approximately HK$50.7 million and approximately HK$2.1 million respectively. The Group has been actively diversifying its products and services to include investment-linked insurance and will continue to enhance its sales teams for the promotion of its services and products.

The profit for the securities investment business of the Group for the 2016 3Q Period amounted to approximately HK$8.8 million. Such profit was mainly attributable to the combined effects of the fair value gain on financial assets at fair value through profit and loss ("**FVTPL Financial Assets**") of approximately HK$17.9 million and the loss on disposal of the AFS Financial Assets of approximately HK$7.8 million during the 2016 3Q Period. As at 30 September 2016, the FVTPL Financial Assets and the AFS Financial Assets with fair value of approximately HK$458.2 million and HK$101.3 million respectively consisted of 11 investment items, 10 of which are shares of companies listed on the Stock Exchange while the remaining one is an unlisted investment fund. Two of the aforesaid investment items held by the Group, i.e., the shares of (i) Convoy Global Holdings Limited ("**Convoy Global**") (stock code: 1019), and (ii) First Credit Finance Group Limited ("**First Credit**") (stock code: 8215) were valued at approximately HK$192.2 million and HK$262.1 million respectively, representing approximately 13.1% and 17.8% of the Group's total asset value as at 30 September 2016 respectively; and approximately 34.4% and 46.8% of the total value of the securities investment of the Group of approximately HK$559.5 million (comprising the AFS Financial Assets and the FVTPL Financial Assets) as at 30 September 2016 respectively. As at 30 September 2016, the Group held 800,630,000 shares of Convoy Global, representing approximately 5.4% of its total issued shares. For the 2016 3Q Period, the Group recorded an unrealised loss on fair value changes of approximately HK$155.3 million in its investment in Convoy Global. As at 30 September 2016, the Group held 718,000,000 shares of First Credit, representing approximately 19.8% of its total issued shares. For the 2016 3Q Period, the Group recorded an unrealised gain on fair value changes of approximately HK$169.6 million in its investment in First Credit. In view of the recent unstable global equity markets and volatile financial market in Hong Kong, this business segment carries material price risk in its nature. The Board will monitor closely the performance of its investment portfolio.

As to the money lending business of the Group, an unaudited loan interest income and a segment profit of approximately HK$4.1 million and HK$3.4 million respectively for the 2016 3Q Period were recorded. The Group has adopted and regularly reviewed the money lending policy and procedure manual which provide guidelines on the handling and/or monitoring of money lending procedures according to the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong). During the 2016 3Q Period, the Group had not recorded any doubtful or bad debt in its money lending activities. The Group will continue to operate its money lending business with prudent credit procedure in order to safeguard its capital.

On 27 September 2016, the Group entered into a sale and purchase agreement with the Purchaser, pursuant to which the Group has conditionally agreed to sell 16,538,000 ordinary shares of the Target at the consideration of HK$35,498,817, which shall be satisfied by the allotment and issue by the Purchaser of 186,492,340 new ordinary shares of par value of HK$0.005 each of the Purchaser, credited as fully paid, at the issue price of approximately HK$0.19035 per share. Upon Completion, the Company will hold approximately 17.75% of the enlarged issued share capital of the Purchaser (assuming there is no change in the issued share capital of the Purchaser from the date of the SP Agreement and up to the date of Completion) and thus will become a substantial shareholder of the Purchaser. The Group may form strategic alliance with the Purchaser Group, particularly in the field of the provision of corporate management solutions and I.T. contract services, and create synergy effects to the business of the Group.

With careful operation of the existing businesses mentioned above, the Group will continue to enhance the quality of its current products, diversify its businesses and look for new potential investment opportunities to bring greater returns to the Shareholders.

5. MATERIAL ADVERSE CHANGE

On 6 April 2016, the Company issued a profit warning announcement (the "**First Quarter 2016 Profit Warning**") which announced that based on the preliminary review and analysis of the latest available unaudited management accounts of the Group, the Group was expected to record a significant decrease in profit or even a loss for the three months ended 31 March 2016 (the "**First Quarter 2016 Period**") as compared to the profit of the Group of approximately HK$36.4 million for the three months ended 31 March 2015. Such significant decrease in profit or even a loss was primarily attributable to the net unrealised loss in respect of its financial assets at fair value through profit or loss due to the volatile stock market in Hong Kong in the First Quarter 2016 Period and such net unrealised loss is estimated to be not more than HK$75 million (the "**Fair Value Loss**").

The Fair Value Loss was mainly attributable to the loss on the fair value change in the investment of Convoy Financial Holdings Limited (stock code: 1019) ("**Convoy Financial**") of approximately HK$77.9 million, calculated as the decrease in its fair value between 31 December 2015 (or, as the case may be, the date of purchase during the First Quarter 2016 Period) and 31 March 2016 and to be recorded in the consolidated financial results of the Company for the First Quarter 2016 Period. For identification purposes only, the loss on the fair value through profit or loss in the investment of Convoy Financial was approximately HK$20.6 million, calculated as the difference between the purchase costs and its fair value as at 31 March 2016.

On 6 May 2016, the Company issued the additional information of profit warning announcement which announced that based on the then available information, apart from the factors set out in the First Quarter 2016 Profit Warning, the Group's financial performance during the First Quarter 2016 Period was also adversely affected by (i) the loss on disposal of available-for-sale financial assets of approximately HK$7.8 million during the First Quarter 2016 Period; (ii) the interest on loan notes issued by the Company incurred during the First Quarter 2016 Period of approximately HK$4.8 million; and (iii) the decrease in segment profit of software business of the Group from approximately HK$30 million for the three months ended 31 March 2015 to approximately HK$20.5 million for the First Quarter 2016 Period. Coupled with all such factors, it was expected that the Group would record a loss of not more than HK$72 million during the First Quarter 2016 Period (as compared to a profit of HK$36.4 million in the corresponding period in 2015).

Please refer to the 2016 first quarterly report of the Company posted on 12 May 2016 for the financial results of the Group for the First Quarter 2016 Period.

On 5 July 2016, the Company issued an announcement regarding the update on performance of securities investment business segment (the "**Business Update Announcement**") which announced that based on the preliminary review and analysis of the latest available unaudited financial information on the securities investment business segment of the Group, the Group was expected to record a segment profit of not more than HK$11 million on the securities investment business for the six months ended 30 June 2016 (the "**Interim 2016 Period**") as compared to the segment profit of the securities investment business of approximately HK$19.5 million for the corresponding period in 2015, noting that the segment loss for such business segment during the First Quarter 2016 Period was approximately HK$82 million.

On 5 August 2016, the Company issued the profit warning announcement which announced that based on the preliminary review and analysis of the latest available unaudited financial information of the Group, the Group was expected to record a net profit of not less than HK$20 million for the Interim 2016 Period as compared to a net profit of approximately HK$58.3 million for the corresponding period in 2015. Based on the information currently available to the Board, such significant decrease in profit was primarily attributable to the combined effects of (i) the decrease in the revenue from the software business of the Group due to keen competition in the market and fluctuation in global economy; (ii) the segment profit of approximately HK$10.7 million contributed by the securities investment business during the Interim 2016 Period as compared with that of approximately HK$19.5 million in the corresponding period in 2015; (iii) the segment profit of approximately HK$3.8 million contributed by the corporate management solutions and I.T. contract services business as compared with that of approximately HK$7.6 million in the corresponding period in 2015; and (iv) the increase in finance costs by HK$11 million to approximately HK$11.3 million (2015: approximately HK$0.3 million) mainly as a result of the issue of loan notes by the Company during the period from April 2015 to January 2016.

Please refer to the 2016 interim report of the Company posted on 12 August 2016 for the financial results of the Group for the Interim 2016 Period.

On 4 November 2016, the Company issued the profit warning announcement which announced that based on the preliminary review and analysis of the latest available unaudited financial information of the Group, the Group is expected to record a net profit of not less than HK$29 million for the nine months ended 30 September 2016 (the **"Third Quarter 2016 Period"**) as compared to a net profit of approximately HK$51.5 million for the corresponding period in 2015. Based on the information currently available to the Board, such significant decrease in net profit was primarily attributable to the combined effects of (i) the decrease in segment profit contributed by the software business of the Group from approximately HK$64.4 million for the nine months ended 30 September 2015 to approximately HK$49.8 million for the Third Quarter 2016 Period, which was due to keen competition in the market and fluctuation in global economy; and (ii) the increase in finance costs by HK$16.3 million to approximately HK$17 million for the Third Quarter 2016 Period (2015: approximately HK$0.7 million) mainly as a result of the issue of loan notes by the Company during the period from April 2015 to January 2016.

Please refer to the 2016 third quarterly report of the Company posted on 14 November 2016 for the financial results of the Group for the Third Quarter 2016 Period.

Save as disclosed in the profit warning announcements of the Company dated 6 April 2016, 6 May 2016, 5 August 2016 and 4 November 2016 and the Business Update Announcement of the Company dated 5 July 2016, the Directors confirm that as at the Latest Practicable Date, there had been no material adverse change in the financial or trading position of the Group since 31 December 2015 (being the date to which the latest published audited financial statements of the Group were made up).

6. EFFECTS ON THE DISPOSAL AND THE TAKING UP OF THE CONSIDERATION SHARES ON THE EARNINGS AND ASSETS AND LIABILITIES OF THE ENLARGED GROUP

Set out in Appendix II to this circular is the unaudited pro forma financial information of the Enlarged Group which illustrates the financial impact of the Disposal and the taking up of the Consideration Shares on the assets, liabilities and results of the Enlarged Group.

Immediately after Completion, the Group will hold approximately 17.75% of the issued share capital of the Purchaser as enlarged by the allotment and issue of the Consideration Shares (assuming there is no change in the issued share capital of the Purchaser from the date of the SP Agreement and up to Completion).

As at 30 June 2016, the Group's unaudited total assets were approximately HK$1,450.2 million and its unaudited total liabilities were approximately HK$385.7 million. As at 30 June 2016, the Group had unaudited net assets of approximately HK$1,064.5 million and a gearing ratio (calculated as total liabilities over total assets) of approximately 26.6%.

As set out in the "Unaudited Pro forma Financial Information of the Enlarged Group" in Appendix II to this circular, upon Completion, the Enlarged Group's (i) total assets would increase by approximately HK$21.4 million to approximately HK$1,471.7 million; (ii) total liabilities would remain unchanged; (iii) net assets would be approximately HK$1,086.0 million; and (iv) a gearing ratio (calculated as total liabilities over total assets) would be approximately 26.2%, assuming the Disposal was completed on 30 June 2016.

It is estimated that, as if the Completion had been taken place on the date of SP Agreement, the Enlarged Group's (i) total assets would increase by approximately HK$4.6 million; (ii) total liabilities would remain unchanged; and (iii) profit or loss would recognise a gain of approximately HK$12.7 million, which is calculated by reference to: (a) the fair value of the Consideration Shares of approximately HK$44.8 million with reference to the market value of HK$0.24 per Consideration Share on the date of SP Agreement; (b) less the fair value which is equivalent to the book value of the Sale Shares of approximately HK$40.2 million with reference to the market value of HK$2.43 per Sale Share on the date of SP Agreement; and (c) plus the release of investment revaluation reserves of approximately HK$8.1 million. The fair values of the Sale Shares and Consideration Shares are subject to change depending on the date of Completion. Save for the aforesaid, there is no other impact on the Company's earnings resulting from the Disposal and the taking up of the Consideration Shares such as change of revenue stream or distribution of dividend by the Company.

Further details of the financial effect of the Disposal and the taking up of the Consideration Shares on the assets and liabilities of the Group together with the bases in preparing the unaudited pro forma financial information of the Enlarged Group are set out in Appendix II to this circular.

The following is the text of the report, prepared for the sole purpose of inclusion in this circular, from the Company's reporting accountants, RSM Hong Kong, Certified Public Accountants, Hong Kong.

A. UNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES OF THE ENLARGED GROUP

The accompanying unaudited pro forma statement of assets and liabilities of the Enlarged Group (the "**Statement**") has been prepared to illustrate the effect of the proposed disposal of 16,538,000 ordinary shares of China Parenting Network Holdings Limited in return for 186,492,340 ordinary shares of Finsoft Financial Investment Holdings Limited (the "**Proposed Transactions**"), assuming the Proposed Transactions had been completed as at 30 June 2016, might have affected the financial position of the Enlarged Group.

The Statement is prepared based on the unaudited condensed consolidated statement of financial position of the Company and its subsidiaries (collectively referred as the "**Group**") as at 30 June 2016 as extracted from the interim report of the Group for the six months ended 30 June 2016 after making certain pro forma adjustments resulting from the Proposed Transactions.

The Statement is prepared based on a number of assumptions, estimates, uncertainties and currently available information, and is provided for illustrative purposes only. Accordingly, as a result of the nature of the Statement, it may not give a true picture of the actual financial position of the Group that would have been attained had the Proposed Transactions actually occurred on 30 June 2016. Furthermore, the Statement does not purport to predict the Group's future financial position.

The Statement should be read in conjunction with the financial information of the Group as set out in Appendix I to this circular and other financial information included elsewhere in the circular.

B. THE UNAUDITED PRO FORMA STATEMENT OF ASSETS AND LIABILITIES

	The Group	Pro forma adjustment	The Enlarged Group
	HK$'000	*HK$'000*	*HK$'000*
	(Unaudited)	*(Note 1)*	
Non-current assets			
Property, plant and equipment	2,230		2,230
Investment properties	55,957		55,957
Intangible assets	77,023		77,023
Goodwill	525,878		525,878
Available-for-sale investments	82,307	21,429	103,736
Trade and other receivables	23,053		23,053
	766,448		787,877
Current assets			
Inventories	367		367
Trade and other receivables	67,329		67,329
Financial assets at fair value through profit or loss	459,404		459,404
Derivatives financial instruments	21,564		21,564
Pledged bank deposits	2,637		2,637
Cash and cash equivalents	132,487		132,487
Total current assets	683,788		683,788
Current liabilities			
Trade and other payables	49,294		49,294
Current tax liabilities	47,956		47,956
Loan notes	3,500		3,500
Total current liabilities	100,750		100,750
Net current assets	583,038		583,038
Total assets less current liabilities	1,349,486		1,370,915
Non-current liabilities			
Deferred tax liabilities	4,794		4,794
Convertible notes	70,157		70,157
Loan notes	210,000		210,000
	284,951		284,951
NET ASSETS	1,064,535		1,085,964

C. NOTES TO THE UNAUDITED PRO FORMA FINANCIAL INFORMATION OF THE ENLARGED GROUP

1. The adjustments represent the Proposed Transactions had been taken place on 30 June 2016. Pursuant to the sale and purchase agreement, the Group proposed to dispose of 16,538,000 ordinary shares of China Parenting Network Holdings Limited (the "**Disposal Shares**") to Finsoft Financial Investment Holdings Limited at a consideration of approximately HK$35,499,000. The consideration will be settled by the allotment and issuance of 186,492,340 ordinary shares of Finsoft Financial Investment Holdings Limited (the "**Consideration Shares**"), credited as fully paid, at the issue price of approximately HK$0.19035 per Consideration Share. Details of the transactions are set out in the Company's announcements dated 27 September 2016 and 30 September 2016. This adjustment will have no continuing effect on the Enlarged Group in the subsequent years.

   It is estimated that, as if the Proposed Transactions had been taken place on 30 June 2016, the Group would recognise a gain of approximately HK$25,777,000, which is calculated by reference to: (i) the fair value of the Consideration Shares of approximately HK$57,813,000, with reference to the market price of HK$0.31 per Consideration Share on 30 June 2016; (ii) less the fair value of the Disposal Shares of approximately HK$36,384,000 with reference to the market value of HK$2.2 per Disposal Share on 30 June 2016; and (iii) plus the release of investment revaluation reserves of approximately HK$4,348,000. The fair values of the Disposal Shares and Consideration Shares are subject to change depending on the actual completion date of the Proposed Transactions.

2. No adjustment has been made to the pro forma financial information for costs attributable to the Proposed Transactions (including fees to legal advisers, reporting accountants, printer and other expenses) as the Directors determined that such costs are insignificant.

The following significant transactions which are not directly attributable to the Proposed Transactions have not been reflected in the above unaudited pro forma statements of assets and liabilities of the Enlarged Group:

3. On 13 June 2016, the Group entered into a sale and purchase agreement to acquire 51% equity interest in AP Group Investment Holdings Limited ("**AP Group**") from an independent third party, at a consideration of HK$20,400,000 (subject to downward adjustment as determined in accordance with the sales and purchase agreement), which was settled by way of allotment and issuance of 40,800,000 ordinary shares of the Company, credited as fully paid, at an issue price of HK$0.50 per share. Completion of the acquisition took place on 1 July 2016. Details of such acquisition are set out in the Company's announcements dated 13 June 2016, 23 June 2016 and 1 July 2016.

4. On 13 June 2016, the Company entered into a subscription agreement with a wholly-owned subsidiary (the "Subscriber") of the vendor of AP Group. Pursuant to the subscription agreement, the Subscriber has conditionally agreed to subscribe for, and the Company has conditionally agreed to allot and issue, 8,583,000 ordinary shares of the Company (the "**Subscription Shares**") at a price of HK$0.50 per Subscription Share. The net proceeds of the subscription of the subscription shares (after deducting related expenses) was approximately HK$4,000,000. Completion of the subscription took place on 1 July 2016. Details of such subscription are set out in the Company's announcements dated 13 June 2016, 23 June 2016 and 1 July 2016.

5. On 19 August 2016, the Group entered into a sale and purchase agreement with Jun Yang Financial Holdings Limited ("**Jun Yang**"), a company incorporated in Bermuda with limited liability and whose shares are listed on the Main Board of the Stock Exchange of Hong Kong Limited (stock code: 397). Pursuant to the agreement, the Group has conditionally agreed to acquire, and Jun Yang has conditionally agreed to sell 10,670 ordinary shares of Jun Yang Solar Power Investment Holdings Limited ("**Jun Yang Solar**"), a company incorporated in the Cayman Islands with limited liability, representing approximately 30% of the issued share capital of Jun Yang Solar, at a cash consideration of HK$34,500,000. Jun Yang Solar and its subsidiaries are principally engaged in solar energy business with a focus on development, construction, operation and maintenance of power station projects in the People's Republic of China. Completion of the acquisition took place on 1 September 2016. Details of such acquisition are set out in the Company's announcements dated 19 August 2016 and 1 September 2016.

6. On 1 November 2016, the Group entered into a sale and purchase agreement in relation to the acquisition of additional approximately 5% of the issued share capital of Jun Yang Solar at the cash consideration of HK$5,790,000 ("**5% Acquisition**"). Completion of the 5% Acquisition took place upon signing of the sale and purchase agreement on 1 November 2016. Immediately after completion of the 5% Acquisition, the Group held approximately 35% of the issued share capital of Jun Yang Solar.

D. ACCOUNTANTS REPORT ON UNAUDITED PRO FORMA FINANCIAL INFORMATION

The following is the text of a report, prepared for the sole purpose of inclusion in this circular, from the independent reporting accountant, RSM Hong Kong, Certified Public Accountants, Hong Kong.

RSM

29th Floor
Lee Garden Two
28 Yun Ping Road
Causeway Bay
Hong Kong

24 November 2016

The Board of Directors
GET Holdings Limited

Dear Sirs,

We have completed our assurance engagement to report on the compilation of pro forma financial information of GET Holdings Limited (the "**Company**") and its subsidiaries (hereinafter collectively referred to as the "**Group**") by the directors of the Company for illustrative purposes only. The pro forma financial information consists of the pro forma statement of assets and liabilities as at 30 June 2016 (the "**Statement**") as set out in Appendix II of the circular issued by the Company. The applicable criteria on the basis of which the directors have compiled the Statement are described on pages II-1 to II-4.

The Statement has been compiled by the directors to illustrate the impact of the proposed disposal of 16,538,000 ordinary shares of China Parenting Network Holdings Limited in return for 186,492,340 ordinary shares of Finsoft Financial Investment Holdings Limited ("**the Proposed Transactions**") on the Group's financial position as at 30 June 2016 as if the transaction had been taken place at 30 June 2016. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's condensed consolidated financial statements as included in the interim report for the six months ended 30 June 2016, on which no audit or review report has been published.

Directors' Responsibility for the Pro Forma Financial Information

The directors are responsible for compiling the Statement in accordance with paragraph 31 of Chapter 7 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**") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("**AG7**") issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountant's Responsibilities

Our responsibility is to express an opinion, as required by paragraph 31(7) of Chapter 7 of the GEM Listing Rules, on the Statement and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Statement beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 "Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus" issued by the HKICPA. This standard requires that the reporting accountant plans and performs procedures to obtain reasonable assurance about whether the directors have compiled the Statement in accordance with paragraph 31 of Chapter 7 of the GEM Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Statement, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Statement.

The purpose of the Statement included in the circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the event or transaction at 30 June 2016 would have been as presented.

A reasonable assurance engagement to report on whether the Statement has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the Statement provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Statement reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction in respect of which the Statement has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Statement.

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

Opinion

In our opinion:

(a) the Statement has been properly compiled on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustments are appropriate for the purposes of the Statement as disclosed pursuant to paragraph 31(1) of Chapter 7 of the GEM Listing Rules.

Yours faithfully,
RSM Hong Kong
Certified Public Accountants
Hong Kong

A. FINANCIAL INFORMATION OF THE PURCHASER GROUP

Details of the financial information of the Purchaser Group for the years ended 31 December 2013, 31 December 2014 and 31 December 2015 respectively have been set out in the Purchaser's annual reports for the years ended 31 December 2013 (from pages 33 to 83), 31 December 2014 (from pages 35 to 101) and 31 December 2015 (from pages 40 to 120). Details of the financial information of the Purchaser Group for the six months ended 30 June 2016 have been set out in the Purchaser's interim report for the six months ended 30 June 2016 (from pages 2 to 28).

The audited consolidated financial statements of the Purchaser Group for the year ended 31 December 2013 are set out on pages 33 to 83 of the annual report 2013 of the Purchaser which was posted on 27 March 2014 on the Stock Exchange's website (http://www.hkexnews.hk). Please also see below the link to the annual report 2013:

http://www.hkexnews.hk/listedco/listconews/GEM/2014/0327/GLN20140327031.pdf

The audited consolidated financial statements of the Purchaser Group for the year ended 31 December 2014 are set out on pages 35 to 101 of the annual report 2014 of the Purchaser which was posted on 26 March 2015 on the Stock Exchange's website (http://www.hkexnews.hk). Please also see below the link to the annual report 2014:

http://www.hkexnews.hk/listedco/listconews/GEM/2015/0326/GLN20150326039.pdf

Audited consolidated financial statements of the Purchaser Group
for the year ended 31 December 2015

INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF
FINSOFT FINANCIAL INVESTMENT HOLDINGS LIMITED
(formerly known as Finsoft Corporation and
incorporated in the Cayman Islands with limited liability)

We have audited the consolidated financial statements of Finsoft Financial Investment Holdings Limited (formerly known as Finsoft Corporation) (the "Purchaser") and its subsidiaries (collectively referred to as the "Purchaser Group") set out on pages 42 to 120, which comprise the consolidated statement of financial position as at 31 December 2015, 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 Purchaser 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. This report is made solely to you, as a body, 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 the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation of 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 financial position of the Purchaser Group as at 31 December 2015 and of the Purchaser Group's financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in compliance with the disclosure requirements of the Hong Kong Companies Ordinance.

HLB Hodgson Impey Cheng Limited
Certified Public Accountants

Kwok Kin Leung
Practising Certificate Number: P05769

Hong Kong, 17 March 2016

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Notes	**2015** *HK$*	**2014** *HK$*
Revenue	*7*	46,231,563	51,333,947
Cost of sales		(13,116,558)	(10,953,996)
Gross profit		33,115,005	40,379,951
Other income	*9*	52,827	218,540
Other gains and losses	*10*	836,207	(337,516)
Administrative expenses		(38,733,455)	(26,223,776)
Finance costs	*11*	(8,685,355)	–
Share of losses of associates	*21*	(124,861)	(5,655)
Profit/(loss) before tax		(13,539,632)	14,031,544
Income tax expense	*12*	(2,729,452)	(2,712,589)
Profit/(loss) and total comprehensive income/(loss) for the year	*13*	(16,269,084)	11,318,955
Profit/(loss) and total comprehensive income/(loss) for the year attributable to:			
Owners of the Purchaser		(15,895,576)	11,318,955
Non-controlling interests		(373,508)	–
		(16,269,084)	11,318,955
Earnings/(loss) per share			
– Basic and diluted *(HK cents per share)*	*17*	(0.397)	0.283

The accompanying notes form an integral part of these consolidated financial statements. Details of dividend are disclosed in note 16 to the consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	Notes	2015 HK$	2014 HK$
Non-current assets			
Property, plant and equipment	18	2,920,492	2,793,418
Goodwill	19	1,872,978	1,670,008
Intangible assets	20	5,722,164	5,745,431
Investments in associates	21	19,862,139	–
Available-for-sale investments	22	20,500,000	–
Total non-current assets		50,877,773	10,208,857
Current assets			
Intangible assets	20	2,932,000	–
Trade and other receivables, deposits and prepayments	23	13,817,686	13,976,825
Loans receivable	24	26,200,000	4,000,000
Financial assets at fair value through profit or loss	25	12,671,740	9,265,212
Cash and cash equivalents	26	78,111,106	45,320,755
Total current assets		133,732,532	72,562,792
Current liabilities			
Trade and other payables and accruals	27	31,489,967	20,502,465
Current tax liabilities		2,565,045	959,761
Loan notes	28	99,957,082	–
Contingent consideration payable	21	3,331,166	–
Total current liabilities		137,343,260	21,462,226
Net current assets/(liabilities)		(3,610,728)	51,100,566
Total assets less current liabilities		47,267,045	61,309,423

	Notes	2015 HK$	2014 HK$
Non-current liabilities			
Deferred tax liabilities	29	1,493,102	1,042,896
Net assets		45,773,943	60,266,527
Capital and reserves			
Share capital	30	2,000,000	2,000,000
Reserves	32	42,560,059	58,266,527
Equity attributable to owners of the Purchaser		44,560,059	60,266,527
Non-controlling interests		1,213,884	–
Total equity		45,773,943	60,266,527

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2015

	Attributable to owners of the Purchaser						
	Share capital *HK$* *(note 30)*	**Share premium** *HK$* *(note 32(a))*	**Merger reserve** *HK$* *(note 32(b))*	**Retained profits** *HK$*	**Subtotal** *HK$*	**Attributable to non-controlling interests** *HK$*	**Total** *HK$*
At 1 January 2014	2,000,000	34,609,605	77,794	12,260,173	48,947,572	–	48,947,572
Profit and total comprehensive income for the year	–	–	–	11,318,955	11,318,955	–	11,318,955
At 31 December 2014	2,000,000	34,609,605	77,794	23,579,128	60,266,527	–	60,266,527
Loss and total comprehensive loss for the year	–	–	–	(15,895,576)	(15,895,576)	(373,508)	(16,269,084)
Capital contribution from non-controlling interests	–	–	–	–	–	1,387,500	1,387,500
Change in ownership interests in subsidiaries without change of control *(note)*	–	–	–	189,108	189,108	199,892	389,000
At 31 December 2015	2,000,000	34,609,605	77,794	7,872,660	44,560,059	1,213,884	45,773,943

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

Note:

Immediately before the SL Subscription (as defined below), Winrange Investments Limited ("Winrange"), a wholly-owned subsidiary of the Purchaser, held 100% issued share capital of Sky Luck International Limited ("Sky Luck"), a company incorporated in the British Virgin Islands with limited liability which in turn held 100% of the issued share capital of KL Securities Investment Services Limited ("KL Securities", now known as Fortune Tao Financial Network Company Limited), a company incorporated in Hong Kong with limited liability. On 4 February 2015, new shares of Sky Luck were allotted and issued to each of Winrange and two independent third parties ("SL Subscription"), resulting in each of them holding 51.0%, 24.5% and 24.5% of the issued share capital of Sky Luck respectively. The SL Subscription constituted a dilution of equity interest of Sky Luck and KL Securities by the Purchaser and immediately after the SL Subscription, each of Sky Luck and KL Securities became an indirect 51%-owned subsidiary of the Purchaser. On 23 September 2015, Winrange acquired from the two independent third parties the 49% issued share capital of Sky Luck ("SL Acquisition"). Immediately after the SL Acquisition, each of Sky Luck and KL Securities became a wholly-owned subsidiary of the Purchaser.

Immediately before the ChinaQFii Subscription (as defined below), Winrange held 100% issued share capital of One Rich Investments Limited ("One Rich"), a company incorporated in the British Virgin Islands with limited liability which in turn held 100% of the issued share capital of ChinaQFii Company Limited ("ChinaQFii"), a company incorporated in Hong Kong with limited liability. On 25 August 2015, new shares of ChinaQFii were allotted and issued to an independent third party ("ChinaQFii Subscription"), resulting in such independent third party holding 5% of the issued share capital of ChinaQFii. The ChinaQFii Subscription constituted a dilution of equity interest of ChinaQFii by the Purchaser and immediately after the ChinaQFii Subscription, ChinaQFii became an indirect 95%-owned subsidiary of the Purchaser.

CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 31 December 2015

	Notes	2015 HK$	2014 HK$
Cash flows from operating activities			
Profit/(loss) before tax		(13,539,632)	14,031,544
Adjustments for:			
– Interest income		(49,046)	(181,488)
– Interest expense on loan notes		8,684,082	–
– Other interest expense		1,273	–
– Depreciation of property, plant and equipment		1,377,650	629,472
– Amortisation of intangible assets		1,613,158	375,441
– Fair value gain on financial assets designated as at fair value through profit or loss		(399,540)	–
– Impairment loss on goodwill		752,032	–
– Impairment loss on other receivables		–	49,880
– Impairment loss on trade receivables		307,400	165,000
– Gain on disposal of a subsidiary		(1,562,720)	–
– Loss on disposal of property, plant and equipment		66,621	119,724
– Loss on dissolution of an associate		–	6,830
– Share of losses of associates		124,861	5,655
Operating cash flows before movements in working capital		(2,623,861)	15,202,058
Decrease/(increase) in trade and other receivables, deposits and prepayments		331,641	(5,220,844)
Increase in loans receivable		(22,200,000)	(4,000,000)
Increase in financial assets at fair value through profit or loss		(506,988)	(9,265,212)
Increase in trade and other payables and accruals		4,726,498	7,784,954
Cash generated from/(used in) operations		(20,272,710)	4,500,956
Hong Kong profits tax paid		(1,742,685)	(614,579)
Net cash flows from/(used in) operating activities		(22,015,395)	3,886,377

	Notes	2015 HK$	2014 HK$
Cash flows from investing activities			
Interest received		49,046	181,488
Purchases of property, plant and equipment		(1,697,897)	(2,524,377)
Expenditures on systems development	*20*	(1,589,891)	(3,202,786)
Investments in associates		(9,993,500)	(151,530)
Proceeds from dissolution of an associate		–	140,602
Acquisition of subsidiaries	*33*	(5,204,581)	(1,199,218)
Disposal of a subsidiary	*34*	3,194,342	–
Purchases of available-for-sale investments		(20,500,000)	–
Purchase of convertible bond designated as at fair value through profit or loss		(2,500,000)	–
Net cash flows used in investing activities		(38,242,481)	(6,755,821)
Cash flows from financing activities			
Net proceeds from issue of loan notes		96,288,000	–
Interest paid for loan notes		(5,015,000)	–
Other interest expense paid		(1,273)	–
Capital contribution from non-controlling shareholders of subsidiaries		1,776,500	–
Net cash flows from financing activities		93,048,227	–
Net increase/(decrease) in cash and cash equivalents		32,790,351	(2,869,444)
Cash and cash equivalents at the beginning of year		45,320,755	48,190,199
Cash and cash equivalents at the end of year		78,111,106	45,320,755

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2015

1. General Information

Finsoft Financial Investment Holdings Limited (the "Purchaser") was incorporated in the Cayman Islands on 18 December 2012 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares were listed on Growth Enterprise Market ("GEM") of The Stock Exchange of Hong Kong Limited ("Stock Exchange") on 26 September 2013. As at 31 December 2015, the Purchaser is held as to approximately 29.10% by Luster Wealth Limited, which is owned as to approximately 89.87% by Woodstock Management Limited, which is in turn wholly-owned by Mr. Chan Sek Keung, Ringo, the non-executive director and chairman of the board of the Purchaser. The address of the Purchaser's registered office is Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of the Purchaser's principal place of business in Hong Kong is 23/F, W Square, 318 Hennessy Road, Wanchai, Hong Kong.

By a special resolution passed on 4 June 2015, the name of the Purchaser was changed from "Finsoft Corporation" to "Finsoft Financial Investment Holdings Limited", and the Chinese translation of the Purchaser's name for identification purposes was changed from "匯財軟件公司" to "匯財金融投資控股有限公司". The Registrar of Companies in the Cayman Islands issued the certificate of incorporation on change of name and the Registrar of Companies in Hong Kong issued the certificate of registration of alteration of name of registered non-Hong Kong company on 8 June 2015 and 16 July 2015 respectively.

The Purchaser, an investment holding company, and its subsidiaries (collectively, "Purchaser Group") is principally engaged in the provision of financial trading software solutions, provision of other internet financial platforms, provision of referral services, money lending business, securities investments, provision of corporate finance advisory services and provision of property management and property agency services in Hong Kong.

The consolidated financial statements are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Purchaser.

Information about subsidiaries

Particulars of the Purchaser's principal subsidiaries are as follows:

Name	Place of incorporation/ operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Purchaser	Principal activities
ChinaQFii Company Limited	Hong Kong	HK$389,095	95% (indirect)	Provision of referral services
Dealmatch.com Limited	Hong Kong	HK$100	100% (indirect)	Provision of referral services and securities investments
DSE Cayman Limited	Cayman Islands	US$10	92.50% (indirect)	Investment holding
Finsoft Corporate Finance Limited	Hong Kong	HK$3,000,000	100% (indirect)	Advising on corporate finance
Finsoft E-Commerce Limited	Hong Kong	HK$100	100% (indirect)	Provision of internet financial platforms
Finsoft Finance Limited	Hong Kong	HK$100	100% (indirect)	Money lending
Finsoft FinTech Investment Limited	Hong Kong	HK$100	100% (indirect)	Investment holding
Finsoft Investment (HK) Limited	Hong Kong	HK$100	100% (indirect)	Securities investments
Finsoft Investment Limited	British Virgin Islands ("BVI")	US$100	100% (indirect)	Investment holding
Finsoft Investment Management Limited	Hong Kong	HK$100	100% (indirect)	Provision of corporate investments and management services
Fortune Tao Financial Network Company Limited (formerly known as KL Securities Investment Services Limited)	Hong Kong	HK$10,000,000	100% (indirect)	Provision of financial information technology services
Full Profit Property Services Company Limited	Hong Kong	HK$1	100% (indirect)	Provision of property management and property agency services
Gracious Queen Limited	BVI	US$1	100% (indirect)	Provision of administrative support to the Purchaser Group
iAsia Online Systems Limited	BVI	US$10	100% (indirect)	Development, sale and provision of financial trading software solutions

Name	Place of incorporation/ operations	Issued ordinary/ registered share capital	Percentage of equity attributable to the Purchaser	Principal activities
Infinite Capital Ventures Limited	BVI	US$10,000	100% (direct)	Investment holding
One Rich Investments Limited	BVI	US$1	100% (indirect)	Investment holding
Sky Luck International Limited	BVI	US$1,000	100% (indirect)	Investment holding
Wealthy Link Technology Limited	Hong Kong	HK$1	100% (indirect)	Development of financial trading software solutions
Well In Technology Development Limited	Hong Kong	HK$1	100% (indirect)	Development of mobile e-commerce platform
Winrange Investments Limited	BVI	US$100	100% (direct)	Investment holding
Wise Link International Limited	BVI	US$100	100% (indirect)	Investment holding

The above table lists the subsidiaries of the Purchaser which, in the opinion of the directors of the Purchaser, principally affected the results or assets or liabilities of the Purchaser Group. To give details of other subsidiaries would, in the opinion of the directors of the Purchaser, result in particulars of excessive length.

The subsidiaries of the Purchaser Group do not have material non-controlling interests.

2. Application of New and Revised Hong Kong Financial Reporting Standards ("HKFRSs")

The Purchaser Group has applied for the first time in the current year the following amendments to HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010-2012 Cycle
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011-2013 Cycle
Amendments to HKAS 19 (2011)	Defined Benefit Plans: Employee Contributions

The application of the amendments to HKFRSs in the current year has had no material impact on the Purchaser Group's financial performance and positions for the current and prior years and/or on the disclosures set out in the Purchaser Group's consolidated financial statements.

New and revised HKFRSs in issue but not yet effective

The Purchaser Group has not early applied the following new and revised standards and amendments to HKFRSs that have been issued but are not yet effective:

HKFRS 9	Financial Instruments[2]
HKFRS 15	Revenue from Contracts with Customers[2]
Amendments to HKAS 1	Disclosure Initiative[1]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[1]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[1]
Amendments to HKAS 27 (2011)	Equity Method in Separate Financial Statements[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle[1]
Amendments to HKFRS 10 and HKAS 28 (2011)	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture[3]
Amendments to HKFRS 10, HKFRS 12 and HKAS 28 (2011)	Investment Entities: Applying the Consolidation Exceptions[1]
Amendments to HKFRS 11	Accounting for Acquisitions of Interests in Joint Operations[1]

1 *Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.*
2 *Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.*
3 *Effective for annual periods beginning on or after a date to be determined.*

HKFRS 9 Financial Instruments

HKFRS 9 issued in 2009 introduced new requirements for the classification and measurement of financial assets. HKFRS 9 was subsequently amended in 2010 to include requirements for the classification and measurement of financial liabilities and for derecognition, and in 2013 to include the new requirements for general hedge accounting. Another revised version of HKFRS 9 was issued in 2014 mainly to include (a) impairment requirements for financial assets and (b) limited amendments to the classification and measurement requirements by introducing a "fair value through other comprehensive income" ("FVTOCI") measurement category for certain simple debt instruments.

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* are required 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 accounting periods. Debt instruments that are held within a business model whose objective is achieved both by collecting contractual cash flows and selling financial assets, and that have contractual terms that give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are generally measured at FVTOCI. All other debt investments and equity investments are measured at their fair value 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 attributable to a financial liability's 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 is presented in profit or loss.

- In relation to the impairment of financial assets, HKFRS 9 requires an expected credit loss model, as opposed to an incurred credit loss model under HKAS 39. The expected credit loss model requires an entity to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognised.

- The new general hedge accounting requirements retain the three types of hedge accounting mechanisms currently available in HKAS 39. Under HKFRS 9, greater flexibility has been introduced to the types of transactions eligible for hedge accounting, specifically broadening the types of instruments that qualify for hedging instruments and the types of risk components of non-financial items that are eligible for hedge accounting. In addition, the retrospective quantitative effectiveness test has been removed. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

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

HKFRS 15 Revenue from Contracts with Customers

HKFRS 15 was issued which establishes a single comprehensive model for entities to use in accounting for revenue arising from contracts with customers. HKFRS 15 will supersede the current revenue recognition guidance including HKAS 18 *Revenue*, HKAS 11 *Construction Contracts* and the related Interpretations when it becomes effective.

The core principle of HKFRS 15 is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Specifically, the standard introduces a 5-step approach to revenue recognition:

- Step 1: Identify the contract(s) with a customer

- Step 2: Identify the performance obligations in the contract

- Step 3: Determine the transaction price

- Step 4: Allocate the transaction price to the performance obligations in the contract

- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Under HKFRS 15, an entity recognises revenue when (or as) a performance obligation is satisfied, i.e. when "control" of the goods or services underlying the particular performance obligation is transferred to the customer. Far more prescriptive guidance has been added in HKFRS 15 to deal with specific scenarios. Furthermore, extensive disclosures are required by HKFRS 15.

The directors of the Purchaser anticipate that the application of HKFRS 15 in the future may have an impact on the amounts reported and disclosures made in the Purchaser Group's consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Purchaser Group performs a detailed review.

Amendments to HKAS 1 Disclosure Initiative

The amendments to HKAS 1 *Presentation of Financial Statements* give some guidance on how to apply the concept of materiality in practice.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 January 2016. The directors of the Purchaser do not anticipate that the application of these amendments to HKAS 1 will have a material impact on the amounts recognised in the Purchaser Group's consolidated financial statements.

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

The amendments to HKAS 16 *Property, Plant and Equipment* prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 *Intangible Assets* introduce a rebuttable presumption that revenue is not an appropriate basis for amortisation of an intangible asset. This presumption can only be rebutted in the following two limited circumstances:

a) when the intangible asset is expressed as a measure of revenue; or

b) when it can be demonstrated that revenue and consumption of the economic benefits of the intangible asset are highly correlated.

The amendments apply prospectively for annual periods beginning on or after 1 January 2016. Currently, the Purchaser Group uses the straight-line method for depreciation and amortisation for its property, plant and equipment, and intangible assets respectively. The directors of the Purchaser believe that the straight-line method is the most appropriate method to reflect the consumption of economic benefits inherent in the respective assets and accordingly, the directors of the Purchaser do not anticipate that the application of these amendments to HKAS 16 and HKAS 38 will have a material impact on the Purchaser Group's consolidated financial statements.

Annual Improvements to HKFRSs 2012-2014 Cycle

The Annual Improvements to HKFRSs 2012-2014 Cycle include a number of amendments to various HKFRSs, which are summarised below.

The amendments to HKFRS 5 introduce specific guidance in HKFRS 5 for when an entity reclassifies an asset (or a disposal group) from held for sale to held for distribution to owners (or vice versa). The amendments clarify that such a change should be considered as a continuation of the original plan of disposal and hence requirements set out in HKFRS 5 regarding the change of sale plan do not apply. The amendments also clarify the guidance for when held-for-distribution accounting is discontinued.

The amendments to HKFRS 7 provide additional guidance to clarify whether a servicing contract is continuing involvement in a transferred asset for the purpose of the disclosures required in relation to transferred assets.

The amendments to HKAS 19 clarify that the rate used to discount post-employment benefit obligations should be determined by reference to market yields at the end of the reporting period on high quality corporate bonds. The assessment of the depth of a market for high qualify corporate bonds should be at the currency level (i.e. the same currency as the benefits are to be paid). For currencies for which there is no deep market in such high quality corporate bonds, the market yields at the end of the reporting period on government bonds denominated in that currency should be used instead.

The directors of the Purchaser do not anticipate that the application of these amendments will have a material effect on the amounts recognised in the Purchaser Group's consolidated financial statements.

Amendments to HKFRS 10 and HKAS 28 (2011) Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments to HKFRS 10 *Consolidated Financial Statements* and HKAS 28 *Investments in Associates and Joint Ventures* deal with situations where there is a sale or contribution of assets between an investor and its associate or joint venture. Specifically, the amendments state that gains or losses resulting from the loss of 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, 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 of investments retained in any former subsidiary (that has become an associate or a joint venture that is accounted for using the equity method) to fair value 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.

The directors of the Purchaser anticipate that the application of these amendments to HKFRS 10 and HKAS 28 may have an impact on the Purchaser Group's consolidated financial statements in future periods should such transactions arise.

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

The amendments to HKFRS 10 *Consolidated Financial Statements*, HKFRS 12 *Disclosure of Interests in Other Entities* and HKAS 28 *Investments in Associates and Joint Ventures* clarify that the exemption from preparing consolidated financial statements is available to a parent entity that is a subsidiary of an investment entity, even if the investment entity measures all its subsidiaries at fair value in accordance with HKFRS 10. The amendments also clarify that the requirement for an investment entity to consolidate a subsidiary, whose main purpose is to provide services and activities that are related to the investment activities of the investment entity parent, applies only to subsidiaries that are not investment entities themselves.

The directors of the Purchaser do not anticipate that the application of these amendments to HKFRS 10, HKFRS 12 and HKAS 28 will have a material impact on the Purchaser Group's consolidated financial statements as the Purchaser Group is not an investment entity and does not have any subsidiary, associate or joint venture that qualifies as an investment entity.

Amendments to HKFRS 11 Accounting for Acquisitions of Interests in Joint Operations

The amendments to HKFRS 11 provide guidance on how to account for the acquisition of a joint operation that constitutes a business as defined in HKFRS 3 *Business Combinations*. Specifically, the amendments state that the relevant principles on accounting for business combinations in HKFRS 3 and other standards (e.g. HKAS 12 *Income Taxes* regarding the recognition of deferred taxes at the time of acquisition and HKAS 36 *Impairment of Assets* regarding impairment testing of a cash-generating unit to which goodwill on acquisition of a joint operation has been allocated) should be applied. The same requirements should be applied to the formation of a joint operation if and only if an existing business is contributed to the joint operation by one of the parties that participate in the joint operation.

A joint operator is also required to disclose the relevant information required by HKFRS 3 and other standards for business combinations.

The amendments should be applied prospectively to acquisitions of interests in joint operations (in which the activities of the joint operations constitute businesses as defined in HKFRS 3) occurring from the beginning of annual periods beginning on or after 1 January 2016. The directors of the Purchaser do not anticipate that the application of these amendments to HKFRS 11 may have an impact on the Purchaser Group's consolidated financial statements in future periods should such transactions arise.

The directors of the Purchaser do not anticipate that the application of other new and revised standards and amendments to HKFRSs will have a material effect on the amounts recognised in the Purchaser Group's consolidated financial statements.

3. Significant Accounting Policies

Statement of compliance

The consolidated financial statements have been prepared in accordance with HKFRSs issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange ("GEM Listing Rules") and by the Hong Kong Companies Ordinance ("CO").

The provisions of the new Hong Kong Companies Ordinance (Cap.622) regarding preparation of accounts and directors' report and audits became effective for the Purchaser for the financial year ended 31 December 2015. Further, the disclosure requirements set out in the GEM Listing Rules regarding annual accounts have been amended with reference to the new CO and to streamline with HKFRSs. Accordingly the presentation and disclosure of information in the consolidated financial statements for the financial year ended 31 December 2015 have been changed to comply with these new requirements. Comparative information in respect of the financial year ended 31 December 2014 are presented or disclosed in the consolidated financial statements based on the new requirements. Information previously required to be disclosed under the predecessor CO or GEM Listing Rules but not under the new CO or amended GEM Listing Rules are not disclosed in these consolidated financial statements.

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.

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 Purchaser 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 *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, such as net realisable value in HKAS 2 *Inventories* or value in use in HKAS 36 *Impairment of Assets*.

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.

The principal accounting policies are set out below.

Going concern

The consolidated financial statements have been prepared on a going concern basis which assumes the realisation of assets and discharge its liabilities in the ordinary course of business notwithstanding that the Purchaser Group incurred a net loss of HK$16,269,084 during the year ended 31 December 2015 and, as of that date, the Purchaser Group's current liabilities exceeded its current assets by HK$3,610,728.

Nevertheless, the directors of the Purchaser had adopted the going concern basis in the preparation of the consolidated financial statements of the Purchaser Group based on the fact that subsequent to the end of the reporting period, the Purchaser Group have been successfully placed 800,000,000 new ordinary shares of par value of HK$0.0005 each in the share capital of the Purchaser and received net proceeds of approximately HK$38,500,000 from the placing.

Provided that these measures can successfully improve the liquidity of the Purchaser Group, the directors of the Purchaser are satisfied that the Purchaser Group will be able to meet its financial obligations as and when they fall due for the foreseeable future. Accordingly, the consolidated financial statements have been prepared on a going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Purchaser and entities controlled by the Purchaser and its subsidiaries. Control is achieved when the Purchaser:

- 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 Purchaser 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.

When the Purchaser 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 Purchaser Group considers all relevant facts and circumstances in assessing whether or not the Purchaser Group's voting rights in an investee are sufficient to give it power, including:

- the size of the Purchaser 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 Purchaser Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Purchaser 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 Purchaser Group obtains control over the subsidiary and ceases when the Purchaser 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 Purchaser Group gains control until the date when the Purchaser Group ceases to control the subsidiary.

Profit or loss and each item of other comprehensive income are attributed to owners of the Purchaser and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Purchaser 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 Purchaser Group's accounting policies.

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

Changes in the Purchaser Group's ownership interests in existing subsidiaries

Changes in the Purchaser Group's ownership interests in existing subsidiaries that do not result in the Purchaser Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Purchaser 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 Purchaser.

When the Purchaser 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 Purchaser 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, 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 Purchaser Group, liabilities incurred by the Purchaser Group to the former owners of the acquiree and the equity interests issued by the Purchaser 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 Purchaser 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 (see the accounting policy below); 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.

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 their fair value or, when applicable, on the basis specified in another HKFRS.

When the consideration transferred by the Purchaser 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 made 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, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Purchaser Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Purchaser 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.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Purchaser 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.

Goodwill

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

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

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. For goodwill arising on an acquisition in a reporting period, the cash-generating unit to which goodwill has been allocated is tested for impairment before the end of that reporting period. If the recoverable amount of the cash-generating unit 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. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Purchaser Group's policy for goodwill arising on the acquisition of an associate is described below.

Investments in subsidiaries

Subsidiaries are entities over which the Purchaser Group has the power to control the financial and operating policies so as to obtain benefits from their activities. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Purchaser Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Purchaser Group. They are excluded from consolidation from the date that control ceases.

In the Purchaser's statement of financial position, investments in subsidiaries are stated at cost less any impairment losses. The results of subsidiaries are accounted for by the Purchaser on the basis of dividends received and receivable.

Investments in associates

An associate is an entity over which the Purchaser Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting. The financial statements of associates used for equity accounting purposes are prepared using uniform accounting policies as those of the Purchaser Group for like transactions and events in similar circumstances. Under the equity method, an investment in an associate is initially recognised in the consolidated statement of financial position at cost and adjusted thereafter to recognise the Purchaser Group's share of the profit or loss and other comprehensive income of the associate. When the Purchaser Group's share of losses of an associate exceeds the Purchaser Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Purchaser Group's net investment in the associate), the Purchaser Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Purchaser Group has incurred legal or constructive obligations or made payments on behalf of the associate.

An investment in an associate is accounted for using the equity method from the date on which the investee becomes an associate. On acquisition of the investment in an associate, any excess of the cost of the investment over the Purchaser Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Purchaser Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised immediately in profit or loss in the period in which the investment is acquired.

The requirements of HKAS 39 *Financial Instruments: Recognition and Measurement* are applied to determine whether it is necessary to recognise any impairment loss with respect to the Purchaser Group's investment in an associate. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with HKAS 36 *Impairment of Assets* as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs to disposal) with its carrying amount. Any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with HKAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Purchaser Group discontinues the use of the equity method from the date when the investment ceases to be an associate, or when the investment (or a portion thereof) is classified as held for sale. When the Purchaser Group retains an interest in the former associate and the retained interest is a financial asset, the Purchaser Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with HKAS 39. The difference between the carrying amount of the associate at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate is included in the determination of the gain or loss on disposal of the associate. In addition, the Purchaser Group accounts for all amounts previously recognised in other comprehensive income in relation to that associate on the same basis as would be required if that associate had directly disposed of the related assets or liabilities. Therefore, if a gain or loss previously recognised in other comprehensive income by that associate would be reclassified to profit or loss on the disposal of the related assets or liabilities, the Purchaser Group reclassifies the gain or loss from equity to profit or loss (as a reclassification adjustment) when the equity method is discontinued.

The Purchaser Group continues to use the equity method when an investment in an associate becomes an investment in a joint venture. There is no remeasurement to fair value upon such changes in ownership interests.

When the Purchaser Group reduces its ownership interest in an associate but the Purchaser Group continues to use the equity method, the Purchaser Group reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

When a group entity transacts with an associate of the Purchaser Group, profits and losses resulting from the transactions with the associate are recognised in the Purchaser Group's consolidated financial statements only to the extent of interests in the associate that are not related to the Purchaser Group.

Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of business, net of discounts.

Revenue from sales of hardware is recognised upon satisfactory delivery and when the ownership has been transferred to the customers.

Revenue from sales of customised software systems and platforms are recognised on the percentage of completion method, measured by reference to the proportion of service completed to date to the estimated total services of the relevant contract.

Revenue from provision of system customisation and network support services are recognised on completion of the customisation and network support work which generally coincides with the time when the customised software and network support work is accepted by the customers.

Revenue from provision of software maintenance services, licensing and hosting fees are recognised on a straight-line basis over the period of respective agreements.

Revenue from referral services, software solutions and platforms consultancy services, corporate finance advisory services and property management and property agency services are recognised when services are rendered.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Purchaser Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Purchaser Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

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 Purchaser Group as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Purchaser 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 Purchaser Group's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised in profit or loss 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 as an expense on a straight-line basis over the lease term.

The Purchaser Group as lessee

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.

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 exchanges prevailing on 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 on 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.

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 benefit costs

Payments to the Mandatory Provident Fund Scheme are recognised as an expense when employees have rendered service entitling them to the contributions.

Share-based payment arrangements

Share-based payment transactions of the Purchaser

Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Purchaser Group's estimate of equity instruments that will eventually vest, with a corresponding increase in equity (share options reserve). For share options that vest immediately at the date of grant, the fair value of the share options granted is expensed immediately to profit or loss. At the end of each reporting period, the Purchaser Group revises its estimates of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to share options reserve.

When share options are exercised, the amount previously recognised in share options reserve will be transferred to share premium. When share options are forfeited after the vesting date or are still not exercised at the expiry date, the amount previously recognised in share options reserve will be transferred to retained profits.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service. The fair values of the goods or services received are recognised as expenses, with a corresponding increase in equity (share option reserve), when the Purchaser Group obtains the goods or when the courterparties render services, unless the goods or services qualify for recognition as assets.

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/(loss) 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 Purchaser 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, except where the Purchaser 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 is 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 Purchaser Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

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 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 assets less their residual values over their estimated 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.

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.

Intangible assets

Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development activities (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible asset is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses (if any). Amortisation for intangible assets with finite useful lives is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

Intangible assets acquired in a business combination

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and any accumulated impairment losses, on the same basis as intangible assets that are internally-generated. Alternatively, intangible assets acquired in a business combination with indefinite useful lives are carried at cost less any subsequent accumulated impairment losses (see the accounting policy in respect of impairment losses on tangible and intangible assets below).

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains and losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment on tangible and intangible assets other than goodwill

At the end of each reporting period, the Purchaser Group reviews the carrying amounts of its tangible and intangible assets with finite useful lives to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Purchaser Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or a cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or a cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or a cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Provisions

Provisions are recognised when the Purchaser Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Purchaser 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.

Cash and cash equivalents

For the purpose of the consolidated statement of cash flows, cash and cash equivalents comprise cash on hand and demand deposits, and short-term highly liquid investments that are readily convertible into known amounts of cash, 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 Purchaser Group's cash management.

For the purpose of the consolidated statement of financial position, cash and cash equivalents comprise cash on hand, at banks and securities brokers, including term deposits, and assets similar in nature to cash, which are not restricted as to use.

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) 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 fair value through profit or loss are recognised immediately in profit or loss.

Financial assets

Financial assets are classified into the following specified categories: financial assets "at fair value through profit or loss" ("FVTPL"), "available-for-sale" ("AFS") financial assets and "loans and receivables". The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. 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 instruments, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

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

Financial assets at FVTPL

Financial assets are classified as at FVTPL when the financial asset is either held for trading or it is designated as at FVTPL.

A financial asset is classified as held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Purchaser Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial asset other than a financial asset held for trading may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial asset forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Purchaser Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or

- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 *Financial Instruments: Recognition and Measurement* permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial assets at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any dividend or interest earned on the financial assets.

AFS financial assets

AFS financial assets are non-derivatives that are either designated as available-for-sale or are not classified as (a) loans and receivables; (b) held-to-maturity investments; or (c) financial assets at FVTPL.

Equity and debt securities held by the Purchaser Group that are classified as AFS financial assets and are traded in an active market are measured at fair value at the end of each reporting period. Changes in the carrying amount of AFS monetary financial assets relating to interest income calculated using the effective interest method and dividends on AFS equity investments are recognised in profit or loss. Other changes in the carrying amount of AFS financial assets are recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. When the investment is disposed of or is determined to be impaired, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss (see the accounting policy in respect of impairment loss on financial assets below).

Dividends on AFS equity investments are recognised in profit or loss when the Purchaser Group's right to receive the dividends is established.

The fair value of AFS monetary financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate prevailing at the end of the reporting period. The foreign exchange gains and losses that are recognised in profit or loss are determined based on the amortised cost of the monetary asset. Other foreign exchange gains and losses are recognised in other comprehensive income.

AFS equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured and derivatives that are linked to and must be settled by delivery of such unquoted equity investments are measured at cost less any identified impairment losses at the end of each reporting period (see the accounting policy in respect of impairment loss on financial assets below).

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Subsequent to initial recognition, loans and receivables (including trade and other receivables, deposits, loans receivable and cash and cash equivalents) are measured at amortised cost using the effective interest method, less any impairment (see accounting policy on impairment loss on financial assets below).

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, other than those at FVTPL, 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.

For AFS equity investments, a significant or prolonged decline in the fair value of the security below its cost is considered to be objective evidence of impairment.

For all other financial assets, 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
- disappearance of an active market for that financial asset because of financial difficulties.

For certain categories of financial assets, such as trade and loans receivables, assets are assessed for impairment on a collective basis even if they were assessed not to be impaired individually. Objective evidence of impairment for a portfolio of receivables could include the Purchaser Group's past experience of collecting payments, an increase in the number of delayed payments in the portfolio past the average credit period, 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 (see the accounting policy below).

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

When an AFS financial asset is considered to be impaired, cumulative gains or losses previously recognised in other comprehensive income are reclassified to profit or loss in the period.

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.

In respect of AFS equity investments, impairment losses previously recognised in profit or loss are not reversed through profit or loss. Any increase in fair value subsequent to an impairment loss is recognised in other comprehensive income and accumulated under the heading of investments revaluation reserve. In respect of AFS debt investments, impairment losses are subsequently reversed through profit or loss if an increase in the fair value of the investment can be objectively related to an event occurring after the recognition of the impairment loss.

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 a group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Purchaser's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Purchaser's own equity instruments.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is (i) contingent consideration that may be paid by an acquirer as part of a business combination to which HKFRS 3 applies, (ii) held for trading, or (iii) it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is a part of a portfolio of identified financial instruments that the Purchaser Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration that may be paid by an acquirer as part of a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Purchaser Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and HKAS 39 permits the entire combined contract (asset or liability) to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss excludes any interest paid on the financial liabilities.

Other financial liabilities

Other financial liabilities (including trade and other payables and accruals and loan notes) 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 those financial liabilities classified as at FVTPL.

Derecognition

The Purchaser 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 Purchaser Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Purchaser Group recognise its retained interest in the asset and an associated liability for amounts it may have to pay. If the Purchaser Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Purchaser 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.

On derecognition of a financial asset other than in its entirety, the Purchaser 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 Purchaser Group derecognises financial liabilities when, and only when, the Purchaser Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Related parties

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

(a) the party is a person or a close member of that person's family and that person:

(i) has control or joint control of the Purchaser Group;

(ii) has significant influence over the Purchaser Group; or

(iii) is a member of the key management personnel of the Purchaser Group or of a parent of the Purchaser Group;

or

(b) the party is an entity where any of the following conditions applies:

(i) the entity and the Purchaser Group are members of the same group;

(ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);

(iii) the entity and the Purchaser 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 Purchaser Group or an entity related to the Purchaser Group;

(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); and

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Purchaser Group or to the parent of the Purchaser Group.

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

4. Critical Accounting Judgements and Key Sources of Estimation Uncertainty

In the application of the Purchaser Group's accounting policies, which are described in note 3, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and underlying assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying accounting policies

The following are the critical judgements, apart from those involving estimations (see below), that management has made in the process of applying the Purchaser Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements.

Research and development costs

Careful judgement by the Purchaser Group's management is applied when deciding whether the recognition requirements for development costs have been met. This is necessary as the economic success of any product development is uncertain and may be subject to future technical problems at the time of recognition. Judgements are based on the best information available at the end of the reporting period. In addition, all internal activities related to the research and development of new software systems are continuously monitored by the Purchaser Group's management.

Property agency service contracts

Careful judgement by the Purchaser Group's management is applied when deciding whether the recognition requirements for expected revenue generated from property agency service contracts have been met. This is necessary as the business outcomes are uncertain and may be subject to future revenue generation at the time of recognition. Judgements are based on the best information available at the end of the reporting period.

Key sources of estimation uncertainty

The following are the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Allowance for doubtful debts

The policy for impairment loss on trade and loans receivables of the Purchaser Group is based on the evaluation of the collectability and aging analysis of accounts and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current creditworthiness and the past collection history of each debtor. If the financial conditions of debtors of the Purchaser Group were to deteriorate, resulting in an impairment of their ability to make payments, additional provision for impairment may be required.

Impairment of capitalised systems development costs

Determining whether capitalised systems development costs are impaired requires an estimation of the recoverable amount determined by the value in use of the capitalised systems development costs. The value-in-use calculation requires the Purchaser Group to estimate the future cash flows expected to arise from the capitalised systems development costs and a suitable discount rate in order to calculate the present value. The Purchaser Group carries out an impairment review assessment on the capitalised systems development costs at the end of each reporting period.

Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires management to estimate the future cash flows expected to arise from the cash-generating units and a suitable discount rate in order to calculate present value.

Fair value measurements and valuation processes

Some of the Purchaser Group's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset or a liability, the Purchaser Group uses market-observable data to the extent it is available. Where observable market data are not available, the Purchaser Group engages independent qualified valuers to perform the valuation and works closely with independent qualified valuers to establish the appropriate valuation techniques and inputs to the model.

The Purchaser Group uses valuation techniques that include inputs that are not based on observable market data to estimate the fair value of certain types of financial instruments. The use of valuation models and assumptions in valuing these financial instruments is subjective and requires varying degrees of judgement.

5. Capital Management

The Purchaser Group manages its capital to ensure that the entities in the Purchaser Group 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 Purchaser Group's overall strategy remains unchanged from 2014.

A subsidiary of the Purchaser Group is licensed with Securities and Futures Commission ("SFC") for the business it operates in. The Purchaser Group's licensed subsidiary is subject to liquid capital requirements under Securities and Futures (Financial Resources) Rules ("SF(FR)R") (Chapter 571N of the laws of Hong Kong) adopted by the SFC. Under SF(FR)R, the licensed subsidiary must maintain a liquid capital (assets and liabilities adjusted as determined by SF(FR)R) in excess of HK$100,000 or 5% of its total adjusted liabilities, whichever is higher. Management closely monitors, on a daily basis, the liquid capital level of that licensed subsidiary to ensure compliance with the minimum liquid capital requirements under SF(FR)R.

The directors of the Purchaser review the capital structure on a regular basis. As part of this review, the directors of the Purchaser consider the cost of capital and the risks associated with each class of capital. The Purchaser Group seeks to balance its overall capital structure through the payment of dividends, new share issues as well as the issue of new debt or the redemption of existing debt. For the licensed subsidiary, the Purchaser Group ensures it will maintain a liquid capital level adequate to support the level of activities with sufficient buffer to accommodate for increases in liquidity requirements arising from potential increases in the level of business activities.

The capital structure of the Purchaser Group consists of net debt (which includes borrowings net of cash and cash equivalents) and equity attributable to owners of the Purchaser (comprising issued share capital and reserves).

The net debt-to-equity ratio as at the end of the reporting period are as follows:

	2015	2014
	HK$	*HK$*
Debts	99,957,082	–
Cash and cash equivalents	(78,111,106)	(45,320,755)
Net debt	21,845,976	(45,320,755)
Equity	44,560,059	60,266,527
Net debt-to-equity ratio	49.0%	N/A

6. Financial Instruments

(a) The carrying amounts of each of the categories of financial instruments as at the end of the reporting period are as follows:

2015

	Financial assets at fair value through profit or loss				
	Designated as such upon initial recognition	Held for trading	Loans and receivables	Available-for-sale financial assets	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*
Financial assets					
Available-for-sale investments	–	–	–	20,500,000	20,500,000
Trade and other receivables and deposits	–	–	12,584,608	–	12,584,608
Financial assets at fair value through profit or loss	2,899,540	9,772,200	–	–	12,671,740
Loans receivable	–	–	26,200,000	–	26,200,000
Cash and cash equivalents	–	–	78,111,106	–	78,111,106
	2,899,540	9,772,200	116,895,714	20,500,000	150,067,454

2015

	Financial liabilities at fair value through profit or loss	Financial liabilities at amortised cost	Total
	HK$	*HK$*	*HK$*
Financial liabilities			
Financial liabilities included in trade and other payables and accruals	–	21,429,973	21,429,973
Loan notes	–	99,957,082	99,957,082
Contingent consideration payable	3,331,166	–	3,331,166
	3,331,166	121,387,055	124,718,221

2014

	Financial assets at fair value through profit or loss – held for trading	Loans and receivables	Total
	HK$	*HK$*	*HK$*
Financial assets			
Trade and other receivables and deposits	–	13,306,983	13,306,983
Financial assets at fair value through profit or loss	9,265,212	–	9,265,212
Loan receivable	–	4,000,000	4,000,000
Cash and cash equivalents	–	45,320,755	45,320,755
	9,265,212	62,627,738	71,892,950

	Financial liabilities at amortised cost
	HK$
Financial liabilities	
Financial liabilities included in trade and other payables and accruals	10,691,204

(b) Financial risk management objective and policies

The Purchaser Group's major financial instruments include trade and other receivables and deposits, available-for-sale investments, financial assets at fair value through profit or loss, loans receivable, cash and cash equivalents, trade and other payables and accruals, loan notes and contingent consideration payable. Details of these financial instruments are disclosed in respective notes. The risks associated with these financial instruments and the policies on how to mitigate these risks are set out below. The management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and effective manner.

Market risk

Foreign currency risk management

Substantially all the revenue-generating operations of the Purchaser Group were transacted in Hong Kong dollars, which is the functional currency and the presentation currency of the Purchaser Group. The Purchaser Group therefore does not have significant foreign currency risk.

Interest rate risk management

The Purchaser Group's exposure to the risk of changes in market interest rates relates primarily to the Purchaser Group's interest-bearing financial assets and liabilities. Interest-bearing financial assets are mainly deposits with banks and loans receivables. Interests on deposits with banks and loans receivables are principally based on deposit rates offered by banks in Hong Kong and fixed rates, respectively. Interest-bearing financial liabilities are loan notes at fixed interest rates.

All of the Purchaser Group's loans receivable are based on fixed interest rates and short in duration with original maturities in range of 2.5 to 12 months. The Purchaser Group prices these loans receivable strategically to reflect market fluctuations and achieve a reasonable interest-rate spread. Loan notes carried a fixed interest of 10% per annum payable in arrears. The fixed rate instruments of the Purchaser Group are insensitive to any change in market interest rates.

As the Purchaser Group have no significant variable-rate interest-bearing financial assets, except for short-term bank deposits, the Purchaser Group's income and operating cash flows are substantially independent of changes in market interest rates. Management does not anticipate significant impact on interest-bearing financial assets resulted from the changes in interest rates because the interest rates of bank deposits are relatively low and not expected to change significantly.

The Purchaser Group currently does not have an interest rate hedging policy. However, the management monitors interest rate exposure and will consider hedging the significant interest rate exposure should the need arise.

Other price risks

The Purchaser Group is exposed to equity price risk mainly through its investment in listed equity securities. The management manages this exposure by closely monitoring the price movements and the changes in market conditions that may affect the value of these investments.

Equity price sensitivity analysis

The sensitivity analyses below have been determined based on the exposure to equity price risk at the end of the reporting period. A 10% change represents the management's assessment of a reasonably possible change in equity price.

If equity prices had been 10% higher/lower, with other variables held constant, the Purchaser Group's post-tax loss would decrease/increase by approximately HK$977,000 (2014: post-tax profit would increase/decrease by approximately HK$927,000) for the year ended 31 December 2015. This is mainly due to the changes in fair value of held-for-trading investments.

Credit risk management

At the end of the reporting period, the Purchaser Group's maximum exposure to credit risk which will cause a financial loss to the Purchaser Group due to failure to discharge an obligation by the counterparties arises 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 directors of the Purchaser closely monitors the overall level of credit exposure and the management is responsible for determination of credit approvals and monitors the implementation of the collection procedure to ensure that follow-up action is taken to recover overdue debts. In addition, the Purchaser Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Purchaser consider that the Purchaser Group's credit risk is significantly reduced.

In respect of loans receivable, the management manages and analyses the credit risk for each of their new and existing customers before standard payment terms and conditions are offered. The management assesses the credit quality of each customer based on the customer's background information, financial position, past experience and other relevant factors. The Purchaser Group also reviews from time to time the financial conditions of the customers.

The Purchaser Group has no significant concentration of credit risk on trade and loans receivables, with exposure spread over a number of customers.

The credit risk on liquid funds is limited because the counterparties are banks with good reputation or high credit ratings assigned by international credit-rating agencies. Other than concentration of credit risk on liquid funds which are deposited with several banks with high credit ratings, the Purchaser Group does not have any other significant concentration of credit risk.

Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the directors of the Purchaser, which has built an appropriate liquidity risk management framework to meet the Purchaser Group's short, medium and long-term funding and liquidity management requirements. In the management of liquidity risk, the Purchaser Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Purchaser Group's operations and mitigate the effects of fluctuations in cash flows.

Liquidity table

The following table detail the Purchaser Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Purchaser Group can be required to pay.

	On demand or within one year	**Over one year**	**Total undiscounted cash flows**	**Total carrying amount**
	HK$	*HK$*	*HK$*	*HK$*
Non-derivative financial liabilities				
At 31 December 2015				
Financial liabilities included in trade and other payables and accruals	21,429,973	–	21,429,973	21,429,973
Loan notes	105,315,000	–	105,315,000	99,957,082
	126,744,973	–	126,744,973	121,387,055
At 31 December 2014				
Financial liabilities included in trade and other payables and accruals	10,691,204	–	10,691,204	10,691,204

(c) Fair value measurements of financial instruments

The following table presents the Purchaser Group's financial assets and financial liabilities that are measured at fair value:

	As at 31 December 2015			
	Level 1	**Level 2**	**Level 3**	**Total**
	HK$	*HK$*	*HK$*	*HK$*
Financial assets				
Financial assets held for trading				
– listed equity securities	9,772,200	–	–	9,772,200
Financial assets designated as at fair value through profit or loss				
– convertible bond	–	–	2,899,540	2,899,540
	9,772,200	–	2,899,540	12,671,740
Financial liabilities				
Financial liabilities at fair value				
– contingent consideration payable	–	–	3,331,166	3,331,166

	As at 31 December 2014			
	Level 1	**Level 2**	**Level 3**	**Total**
	HK$	*HK$*	*HK$*	*HK$*
Financial assets				
Financial assets held for trading				
– listed equity securities	9,265,212	–	–	9,265,212

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Purchaser Group is the quoted market bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use-of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following table presents the changes in Level 3 of financial instruments for the year ended 31 December 2015. There are no instruments classified under Level 3 held by the Purchaser Group as at 31 December 2014.

	Convertible bond	Contingent consideration payable
	HK$	*HK$*
	(note 25)	*(note 21)*
At 1 January 2015	–	–
On initial recognition	2,500,000	3,331,166
Fair value gain recognised in profit or loss, net	399,540	–
At 31 December 2015	2,899,540	3,331,166

At 31 December 2015, there were no investments classified under Level 2 and there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 during the year ended 31 December 2015.

At 31 December 2014, there were no investments classified under Level 2 and Level 3 and there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 during the year ended 31 December 2014.

The convertible bond has been calculated based on discounted cash flows analysis and Binomial Model on the debt component and conversion option component respectively, with the most significant unobservable inputs are (i) discount rate of 12.37% and (ii) expected volatilities of 75.68%. A significant increase/(decrease) in discount rate would result in a significant (decrease)/increase in the fair value of the convertible bond and a significant increase/(decrease) in expected volatilities would result in a significant increase/(decrease) in the fair value of the convertible bond.

The contingent consideration payable has been calculated based on discounted cash flows analysis, with the most significant unobservable inputs are (i) the projected net profit of Four Directions Investment Limited and its subsidiaries for the two years ending 31 December 2016 and 2017 ranging from approximately HK$13,359,000 to HK$15,163,000 and (ii) discount rate of 17.73%. A significant increase/(decrease) in discount rate would result in a significant (decrease)/increase in the fair value of the contingent consideration payable.

7. Revenue

An analysis of the Purchaser Group's revenue from its major products and services for the year is as follows:

	2015	**2014**
	HK$	*HK$*
Sales of hardware	783,020	1,284,009
Sales of technology software systems	6,018,602	8,270,121
System customisation and network support	6,491,086	2,853,289
Software maintenance services	9,300,084	8,916,971
Software licensing fee	17,500,101	12,483,518
Hosting and related services fee	2,412,612	1,458,853
Other internet financial platforms services income	4,938,000	6,160,000
Interest income on loan financing	1,690,866	243,260
Referral services fee	501,989	9,608,092
Corporate finance advisory and related services fee	1,027,000	–
Net fair value gain/(loss) on financial assets at fair value through profit or loss	(4,711,791)	52,954
Dividend income from listed equity securities	279,994	2,880
	46,231,563	51,333,947

8. Segment Information

Information reported to the directors of the Purchaser, being the chief operating decision maker (the "CODM"), for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided.

In prior year, (i) revenue arising from provision of referral services to source, identify and refer prospective deal opportunities to interest parties was reported under the segment of referral; and (ii) revenue arising from provision of corporate finance advisory services was reported under the segment of corporate finance. Following a change in the Purchaser Group's operating and reporting structure in 2015 such business activities are combined into a single operating segment, referral and corporate finance segment, before being reported to the CODM and accordingly, the CODM now reviews the Purchaser Group's internal reporting, assesses the performance and allocates the resources of the Purchaser Group to the referral and corporate finance businesses as a whole. Certain comparative figures have been reclassified to conform with current year's presentation. During the year ended 31 December 2015, the Purchaser Group acquired a subsidiary and the CODM has identified a new operating segment as property management and property agency services.

The Purchaser Group's reportable and operating segments under HKFRS 8 are as follows:

(a) Financial trading software solutions – development, sale and provision of financial trading software solutions with the principal products being trading and settlement systems of financial products for financial institutions;

(b) Other internet financial platforms – provision of e-commerce platforms, other online consultancy services and provision of other financial information;

(c) Money lending – provision of loan financing;

(d) Securities investments – trading of listed securities;

(e) Referral and corporate finance – provision of referral services to source, identify and refer prospective deal opportunities to interested parties and provision of corporate finance advisory services; and

(f) Property management and property agency services – provision of property management and agency services.

Segment revenue and results

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

	Financial trading software solutions	Other internet financial platforms	Money lending	Securities investments	Referral and corporate finance	Property management and property agency services	Elimination	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
For the year ended 31 December 2015								
Segment revenue								
Revenue from external customers	42,505,505	4,938,000	1,690,866	(4,431,797)	1,528,989	–	–	46,231,563
Inter-segment sales*	1,735,448	1,601,000	–	–	200,000	–	(3,536,448)	–
	44,240,953	6,539,000	1,690,866	(4,431,797)	1,728,989	–	(3,536,448)	46,231,563
Segment profit/(loss)	14,524,525	(4,205,538)	926,986	(4,909,397)	(6,259,424)	–	–	77,152
Interest income								49,046
Unallocated gains and losses								1,962,260
Share of loss of an associate								(124,861)
Central administration costs								(6,817,874)
Finance costs								(8,685,355)
Loss before tax								(13,539,632)
For the year ended 31 December 2014 (restated)								
Segment revenue								
Revenue from external customers	35,266,761	6,160,000	243,260	55,834	9,608,092	–	–	51,333,947
Inter-segment sales*	88,533	–	–	–	–	–	(88,533)	–
	35,355,294	6,160,000	243,260	55,834	9,608,092	–	(88,533)	51,333,947
Segment profit	11,774,410	4,603,194	147,311	24,954	114,004	–	–	16,663,873
Interest income								181,488
Unallocated gains and losses								(6,830)
Share of losses of associates								(5,655)
Central administration costs								(2,801,332)
Profit before tax								14,031,544

* *Inter-segment sales are conducted with reference to the prices charged to third parties.*

The accounting policies of the operating segments are the same as the Purchaser Group's accounting policies as defined in note 3. Segment profit/(loss) represents the profit earned/loss incurred by each segment without allocation of interest income on bank deposits, gain on disposal of a subsidiary, fair value gain on financial asset designated as at fair value through profit or loss, share of losses of associates, loss on dissolution of an associate, central administration costs and finance costs. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

	Financial trading software solutions	Other internet financial platforms	Money lending	Securities investments	Referral and corporate finance	Property management and property agency services	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
As at 31 December 2015							
Segment assets	13,478,406	3,855,398	26,828,445	9,772,200	1,842,764	6,288,304	62,065,517
Corporate and unallocated assets							122,544,788
Consolidated assets							184,610,305
Segment liabilities	22,540,541	559,576	66,000	–	350,350	15,000	23,531,467
Corporate and unallocated liabilities							115,304,895
Consolidated liabilities							138,836,362
As at 31 December 2014 (restated)							
Segment assets	13,819,858	7,485,283	4,312,315	9,265,212	2,068,168	–	36,950,836
Corporate and unallocated assets							45,820,813
Consolidated assets							82,771,649
Segment liabilities	19,489,639	279,441	35,550	–	656,162	–	20,460,792
Corporate and unallocated liabilities							2,044,330
Consolidated liabilities							22,505,122

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to the operating segments other than the investments in associates, available-for-sale investments, cash and cash equivalents, financial asset designated as at fair value through profits or loss and other corporate and unallocated assets. Goodwill is allocated to each of the respective operating segments; and

- all liabilities are allocated to the operating segments other than the current and deferred tax liabilities, loan notes, contingent consideration payable, consideration payable and other corporate and unallocated liabilities.

Other segment information (included in the measure of segment profit or loss or regularly provided to the CODM)

	Financial trading software solutions	Other internet financial platforms	Money lending	Securities investments	Referral and corporate finance	Property management and property agency services	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
For the year ended 31 December 2015							
Depreciation	590,578	442,556	6,485	–	338,031	–	1,377,650
Amortisation of intangible assets	1,613,158	–	–	–	–	–	1,613,158
Loss on disposal of property, plant and equipment	–	45,954	–	–	20,667	–	66,621
Impairment loss on trade receivables	307,400	–	–	–	–	–	307,400
Impairment loss on goodwill	–	752,032	–	–	–	–	752,032
Additions to non-current assets *(note)*	1,873,670	1,306,433	7,089	–	100,596	1,247,945	4,535,733
For the year ended 31 December 2014 (restated)							
Depreciation	399,688	85,930	844	–	142,811	–	629,273
Unallocated depreciation							199
Total depreciation of property, plant and equipment							629,472
Amortisation of intangible assets	375,441	–	–	–	–	–	375,441
Loss on disposal of property, plant and equipment	–	114,424	–	–	5,300	–	119,724
Impairment loss on trade receivables	165,000	–	–	–	–	–	165,000
Impairment loss on other receivables	49,880	–	–	–	–	–	49,880
Additions to non-current assets	4,438,575	1,478,809	15,200	–	766,108	–	6,698,692
Unallocated additions							11,937
Total additions to non-current assets *(note)*							6,710,629

Note: Non-current assets excluded investments in associates and non-current financial instruments.

Geographical information

The Purchaser is domiciled in the Cayman Islands with the Purchaser Group's major operations located in Hong Kong. Substantially all of the Purchaser Group's revenue from external customers are derived from Hong Kong. All the non-current assets of the Purchaser Group are located in Hong Kong.

Information about major customers

Revenue from customers contributed to 10% or more of the Purchaser Group's total revenue is as follows:

	2015	2014
	HK$	*HK$*
Customer A	N/A[1]	6,000,000[2]

[1] *Revenue from the corresponding customer did not contribute over 10% of the Purchaser Group's total revenue*

[2] *Revenue was from the other internet financial platforms segment*

9. Other Income

	2015	2014
	HK$	*HK$*
Interest income on bank deposits	49,046	181,488
Sundry income	3,781	37,052
	52,827	218,540

10. Other Gains and Losses

	2015	2014
	HK$	*HK$*
Gain on disposal of a subsidiary *(note 34)*	1,562,720	–
Impairment loss on goodwill	(752,032)	–
Impairment loss on trade receivables	(307,400)	(165,000)
Impairment loss on other receivables	–	(49,880)
Loss on dissolution of an associate	–	(6,830)
Loss on disposal of property, plant and equipment	(66,621)	(119,724)
Fair value gain on financial assets designated as at fair value through profit or loss	399,540	–
Net foreign exchange gain	–	3,918
	836,207	(337,516)

11. Finance Costs

	2015	2014
	HK$	*HK$*
Interest expense on loan notes *(note 28)*	8,684,082	–
Other interest expense	1,273	–
	8,685,355	–

12. Income Tax Expense

	2015	2014
	HK$	*HK$*
Current – Hong Kong		
– Charge for the year	2,733,089	2,207,074
– Under provision in prior years	29,937	14,443
	2,763,026	2,221,517
Deferred *(note 29)*	(33,574)	491,072
Total income tax recognised in profit or loss	2,729,452	2,712,589

Hong Kong Profits Tax has been provided at the rate of 16.5% on the estimated assessable profit arising in or derived from Hong Kong for both years.

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

	2015	2014
	HK$	*HK$*
Profit/(loss) before tax	(13,539,632)	14,031,544
Tax at Hong Kong Profits Tax rate of 16.5% (2014: 16.5%)	(2,234,039)	2,315,205
Tax effect of expenses not deductible for tax purpose	1,933,658	119,116
Tax effect of income not taxable for tax purpose	(378,041)	(39,347)
Tax effect of temporary differences not recognised	(11,184)	(159,699)
Tax effect of tax losses not recognised	3,425,650	480,169
Tax effect of share of losses of associates	20,602	–
Others	(57,131)	(17,298)
Under provision in prior years	29,937	14,443
Income tax expense for the year	2,729,452	2,712,589

13. Profit/(loss) for the year

Profit/(loss) for the year has been arrived at after charging/(crediting):

	2015	2014
	HK$	*HK$*
Auditors' remuneration	500,000	420,000
Amortisation of intangible assets (included in cost of sales)	1,613,158	375,441
Depreciation of property, plant and equipment	1,377,650	629,472
Operating lease payments in respect of rented premises	4,354,584	3,041,080
Employee benefits expense *(note)*:		
Salaries and other benefits	28,757,344	22,145,839
Contributions to retirement benefits scheme	848,617	762,423
Total employee benefits expense, including directors' emoluments *(note 14)*	29,605,961	22,908,262
Less: Amounts capitalised in development costs	(1,539,891)	(2,822,786)
	28,066,070	20,085,476

Note:

During the year ended 31 December 2015, total employee benefits expense amounting to HK$7,777,995 (2014: HK$6,407,303) was included in cost of sales and amounting to HK$20,288,075 (2014: HK$13,678,173) was included in administrative expenses.

14. Directors' Emoluments

The emoluments paid or payable to each of the directors of the Purchaser were as follows:

	Fees *HK$*	Salaries, allowance and other benefits in kind *HK$*	Discretionary bonus *HK$*	Contributions to retirement benefits scheme *HK$*	Total *HK$*
Year ended 31 December 2015					
Executive directors					
Mr. Li Hoi Kong	–	1,512,000	660,000	18,000	2,190,000
Mr. Lawrence Tang[1]	–	816,000	200,000	18,000	1,034,000
Non-executive director					
Mr. Chan Sek Keung, Ringo	264,000	–	–	–	264,000
Independent non-executive directors					
Mr. Chan Yee Por, Simon[2]	15,452	–	–	–	15,452
Mr. Cheng Wen[3]	31,452	–	–	–	31,452
Mr. Lam Kai Yeung[4]	31,167	–	–	–	31,167
Ms. Lee Kwun Ling, May Jean	60,000	–	–	–	60,000
Mr. Tai Man Hin, Tony[5]	20,806	–	–	–	20,806
Mr. Yuen Shiu Wai	60,000	–	–	–	60,000
	482,877	2,328,000	860,000	36,000	3,706,877

	Fees *HK$*	Salaries, allowance and other benefits in kind *HK$*	Discretionary bonus *HK$*	Contributions to retirement benefits scheme *HK$*	Total *HK$*
Year ended 31 December 2014					
Executive directors					
Mr. Li Hoi Kong	–	1,440,000	480,000	16,750	1,936,750
Mr. Lai Wai Ho, Samson[6]	–	53,677	–	1,250	54,927
Mr. Lawrence Tang[1]	–	719,193	503,000	15,621	1,237,814
Non-executive director					
Mr. Chan Sek Keung, Ringo	264,000	–	–	–	264,000
Independent non-executive directors					
Ms. Lee Kwun Ling, May Jean	60,000	–	–	–	60,000
Mr. Tai Man Hin, Tony[5]	60,000	–	–	–	60,000
Mr. Yuen Shiu Wai	60,000	–	–	–	60,000
	444,000	2,212,870	983,000	33,621	3,673,491

[1] *Mr. Lawrence Tang was appointed on 29 January 2014*

[2] *Mr. Chan Yee Por, Simon was appointed on 23 March 2015 and resigned on 24 June 2015*

[3] *Mr. Cheng Wen was appointed on 23 March 2015 and resigned on 30 September 2015*

[4] *Mr. Lam Kai Yeung was appointed on 24 June 2015*

[5] *Mr. Tai Man Hin, Tony retired on 5 May 2015*

[6] *Mr. Lai Wai Ho, Samson resigned on 21 January 2014*

During the years ended 31 December 2015 and 2014, no chief executive officer of the Purchaser has been appointed and accordingly no emolument was paid to the chief executive officer of the Purchaser.

None of the directors of the Purchaser has waived any emoluments for the year ended 31 December 2015 (2014: Nil).

15. Employees' Emoluments

The five individuals with the highest emoluments in the Purchaser Group are as follows:

	2015	**2014**
	Number of individuals	*Number of individuals*
Directors	2	2
Non-director individuals	3	3
Five highest paid individuals	5	5

Details of emoluments paid to the two (2014: two) highest paid individuals who were directors of the Purchaser during the year have been included in note 14. Details of emoluments paid to the remaining three (2014: three) non-director individuals are as follows:

	2015	**2014**
	HK$	*HK$*
Salaries and other benefits	2,795,467	2,189,182
Discretionary bonus	229,598	69,333
Contributions to retirement benefits scheme	54,000	50,250
	3,079,065	2,308,765

The number of highest paid non-director individuals whose remuneration fell within the following bands is as follows:

	2015	**2014**
	Number of individuals	*Number of individuals*
Nil to HK$1,000,000	1	3
HK$1,000,001 to HK$1,500,000	2	–
	3	3

During the year ended 31 December 2015, no emoluments were paid by the Purchaser Group to any of the Purchaser's directors or the five highest paid individuals of the Purchaser Group (including Directors and employees) as an inducement to join or upon joining the Purchaser Group or as compensation for loss of office (2014: Nil).

16. Dividend

No dividend was paid or proposed for the years ended 31 December 2015 and 2014, nor has any dividend been proposed since the end of the reporting period.

17. Earnings/(loss) per share

	2015	2014
	HK$	*HK$*
Earnings/(loss)		
Profit/(loss) for the year attributable to owners of the Purchaser for the purpose of basic earnings/(loss) per share	(15,895,576)	11,318,955

	2015	2014
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	4,000,000,000	4,000,000,000

The weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share for the years ended 31 December 2015 and 2014 was derived from 4,000,000,000 shares in issue during the years ended 31 December 2015 and 2014, assuming the 2014 Share Subdivision and the 2015 Share Subdivision (as defined in note 30 to these consolidated financial statements) were conducted on 1 January 2014.

The diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share as there were no dilutive potential ordinary shares in issue during the years ended 31 December 2015 and 2014.

18. Property, Plant and Equipment

	Computer equipment and software HK$	Furniture and fixtures HK$	Leasehold improvements HK$	Total HK$
Cost				
Balance at 1 January 2014	14,029,934	185,694	610,010	14,825,638
Additions	1,532,723	293,722	697,932	2,524,377
Acquisition of a subsidiary	102,301	–	129,133	231,434
Disposals	–	(6,000)	(116,683)	(122,683)
Balance at 31 December 2014	15,664,958	473,416	1,320,392	17,458,766
Additions	1,082,122	211,945	403,830	1,697,897
Acquisition of a subsidiary *(note 33)*	292,943	–	–	292,943
Disposals	(75,005)	–	(24,000)	(99,005)
Disposal of a subsidiary *(note 34)*	(221,442)	(134,928)	(185,588)	(541,958)
Balance at 31 December 2015	16,743,576	550,433	1,514,634	18,808,643
Accumulated depreciation and impairment				
Balance at 1 January 2014	13,258,653	170,172	610,010	14,038,835
Depreciation expense	520,697	28,811	79,964	629,472
Eliminated on disposals	–	(700)	(2,259)	(2,959)
Balance at 31 December 2014	13,779,350	198,283	687,715	14,665,348
Depreciation expense	858,547	140,541	378,562	1,377,650
Eliminated on disposals	(29,051)	–	(3,333)	(32,384)
Disposal of a subsidiary *(note 34)*	(20,011)	(33,186)	(69,266)	(122,463)
Balance at 31 December 2015	14,588,835	305,638	993,678	15,888,151
Carrying amounts				
Balance at 31 December 2015	2,154,741	244,795	520,956	2,920,492
Balance at 31 December 2014	1,885,608	275,133	632,677	2,793,418

The above items of property, plant and equipment are depreciated on a straight-line basis at the following rates per annum:

Computer equipment and software:	20% to 50%
Furniture and fixtures:	$33^1/_3$%
Leasehold improvements:	Over the lease terms

19. Goodwill

	HK$
Cost	
Balance at 1 January 2014	917,976
Acquisition of a subsidiary *(note 33)*	752,032
Balance at 31 December 2014	1,670,008
Acquisition of a subsidiary *(note 33)*	955,002
Balance at 31 December 2015	2,625,010
Accumulated impairment loss	
Balance at 1 January 2014 and 31 December 2014	–
Impairment loss recognised during the year	752,032
Balance at 31 December 2015	752,032
Carrying amounts	
Balance at 31 December 2015	1,872,978
Balance at 31 December 2014	1,670,008

Impairment testing on goodwill

Goodwill acquired through business combinations has been allocated to the following cash-generating units ("CGU"):

- Referral business;
- Other internet financial platforms business; and
- Property management and property agency services business.

The carrying amount of goodwill allocated to each of CGU is as follows:

	2015	2014
	HK$	*HK$*
Referral business	917,976	917,976
Other internet financial platforms business	–	752,032
Property management and property agency services business	955,002	–
	1,872,978	1,670,008

Referral business

In the opinion of the directors of the Purchaser, the recoverable amount of the referral business's CGU exceed the carrying amount and accordingly there was no impairment of goodwill allocated to the referral business's CGU as at 31 December 2015.

For the year ended 31 December 2014, the recoverable amount of the referral business's CGU was determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the management covering a five-year period, and a pre-tax discount rate of 10.0% per annum. The discount rate used reflects the risks specific to the CGU. The cash flows beyond that five-year period were extrapolated using a steady growth rate of 4.50% per annum which was based on the management's expectation of growth in revenue. The key assumptions for the value-in-use calculation were those regarding the discount rates, the budgeted revenue and budgeted expenses during the forecasting periods, which were determined by the management based on past performance and the management's expectations for the market development.

As at 31 December 2014, the directors of the Purchaser were of the view that, based on their assessment, there was no impairment of goodwill allocated to the referral business's CGU. In the opinion of the directors of the Purchaser, any reasonable possible change in any of the key assumptions on which the recoverable amount was based would not cause the carrying amount of the referral business's CGU to exceed the recoverable amount of the referral business's CGU.

Other internet financial platforms business

The recoverable amount of the other internet financial platforms business's CGU is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the management covering 12-month period (2014: five-year period), and a pre-tax discount rate of 13.50% (2014: 11.00%) per annum. The discount rate used reflects the risks specific to the CGU. For the year ended 31 December 2014, the cash flows beyond that five-year period are extrapolated using a steady growth rate of 4.50% per annum which was based on the management's expectation of growth in revenue. The key assumptions for the value-in-use calculation are those regarding the discount rates, the budgeted revenue and budgeted expenses during the forecasting periods, which are determined by management based on past performance and the managements' expectations for the market development.

Based on value-in-use calculation as at 31 December 2015, the recoverable amount of this CGU was found to be less than its carrying amount. Accordingly, impairment loss on goodwill allocated to this CGU of HK$752,032 (2014: Nil) has been recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2015.

As at 31 December 2014, the directors of the Purchaser were of the view that, based on their assessment, there was no impairment of goodwill allocated to the other internet financial platforms business's CGU. In the opinion of the directors of the Purchaser, any reasonable possible change in any of the key assumptions on which the recoverable amount was based would not cause the carrying amount of the provision of other internet financial platforms business's CGU to exceed the recoverable amount of the provision of other internet financial platforms business's CGU.

Property management and property agency services business

The recoverable amount of the property management and property agency services business's CGU is determined based on a value-in-use calculation which uses cash flow projections based on financial budgets approved by the management covering a 18-month period, and a pre-tax discount rate of 15.00% per annum. The discount rate used reflects the risks specific to the CGU. The key assumptions for the value-in-use calculation are those regarding the discount rates, the budgeted revenue and budgeted expenses during the forecasting periods, which are determined by the management based on past performance and the managements' expectations for the market development.

The directors of the Purchaser are of the view that, based on their assessment, there was no impairment of goodwill allocated to the property management and property agency services business's CGU as at 31 December 2015.

In the opinion of the directors of the Purchaser, any reasonable possible change in any of the key assumptions would not cause the carrying amount of the provision of property management and property agency services business's CGU to exceed the recoverable amount of the provision of property management and property agency services business's CGU.

20. Intangible Assets

	Systems development costs* *HK$*	Property agency service contracts# *HK$*	Total *HK$*
Cost			
Balance at 1 January 2014	2,918,086	–	2,918,086
Additions from internal developments	3,202,786	–	3,202,786
Balance at 31 December 2014	6,120,872	–	6,120,872
Additions from internal developments	1,589,891	–	1,589,891
Acquisition of a subsidiary *(note 33)*	–	2,932,000	2,932,000
Balance at 31 December 2015	7,710,763	2,932,000	10,642,763
Accumulated amortisation			
Balance at 1 January 2014	–	–	–
Amortisation expense	375,441	–	375,441
Balance at 31 December 2014	375,441	–	375,441
Amortisation expense	1,613,158	–	1,613,158
Balance at 31 December 2015	1,988,599	–	1,988,599
Carrying amounts			
Balance at 31 December 2015	5,722,164	2,932,000	8,654,164
Balance at 31 December 2014	5,745,431	–	5,745,431

* *The balance was included in non-current assets*

\# *The balance was included in current assets*

Intangible assets of internally generated development costs represented all direct costs incurred in the development of new software systems. The software development costs are amortised on a straight-line basis over their estimated useful lives of 4 years.

Intangible assets of property agency service contracts represented expected revenue generated from engaged property agency service contracts at the date of acquisition. The amortisation of property agency service contracts is provided at the time when the property agency fee is recognised as revenue in profit or loss. The property agency contracts will expire within one year after the end of the reporting period.

At 31 December 2015 and 2014, the management considers there was no impairment on intangible assets since the recoverable amounts exceed their carrying amounts.

21. Investments in Associates

	2015	**2014**
	HK$	*HK$*
Cost of unlisted investment in an associate	19,987,000	3,000
Share of post-acquisition losses and other comprehensive loss, net of dividends received	(124,861)	(3,000)
	19,862,139	–

Particulars of the Purchaser Group's associates at the end of the reporting period are as follows:

Name of entity	**Place of incorporation/ operation**	**Issued and fully paid up share capital**	**Proportion ownership interest held by the Purchaser Group**		**Principal activities**
			2015	**2014**	
Four Directions Investment Limited ("FDIL") *(note (i))*	BVI	US$10,000	27.75% (indirect)	–	Investment holding of subsidiaries which are principally engaged in the provision of information technology and smartphone application development and the development of information technology applications
JunBridge Company Limited	Hong Kong	HK$10,000	–	30% (indirect)	Inactive

The Purchaser Group's associates are accounted for using the equity method in these consolidated financial statements.

Notes:

(i) On 11 December 2015, DSE Cayman Limited ("DSE", a company incorporated in the Cayman Islands), a 92.5% owned subsidiary of the Purchaser Group, entered into the subscription and share purchase agreement ("FDIL Agreement") with Four Directions Holdings Limited (an independent third party and as a vendor), to subscribe and acquire an aggregated 30% of the enlarged issued share capital of FDIL.

The consideration for the subscription shares, 20% of the enlarged issued share capital of FDIL is HK$13,324,667, among which HK$6,662,333 had been paid by DSE during the year ended 31 December 2015 and the remaining HK$6,662,334 will be settled 60 business days after the completion date. At 31 December 2015, the consideration payable of HK$6,662,334 was included in trade and other payables and accruals (note 27) in the consolidated statement of financial position.

The consideration for the acquisition of sales shares, 10% of the enlarged issued share capital of FDIL from the vendor, is HK$6,662,333, in which HK$3,331,167 was settled by the Purchaser Group on the completion date (i.e. 17 December 2015) and the fair value of contingent consideration payable of HK$3,331,166 included in contingent consideration payable in the consolidated statement of financial position.

The contingent consideration payable is the amount of which depended on the FDIL's 2016 Net Profit (as defined in the FDIL Agreement) less or more than HK$9,726,917, and shall be payable within 10 business days of the date of receipt of the audited consolidated financial statements of FDIL for its financial year ending 31 March 2016. The guarantors and the vendor guarantee to the Purchaser Group that the 2016 Net Profit and 2016-2017 Aggregate Net Profit (as defined in the FDIL Agreement) shall be less than HK$9,726,917 and HK$23,451,196 respectively, the guarantors and the vendor shall pay to the Purchaser Group a 2016 Refund and 2017 Refund (as defined in the FDIL Agreement) respectively in cash. In the event that the Purchaser Group has received the 2016 Refund and the 2016-2017 Aggregate Net Profit has exceeded HK$23,451,196, the vendor shall be entitled to a Seller Cash Refund (as defined in the FDIL Agreement). The fair values of the 2016 Refund, 2017 Refund and Seller Cash Refund on initial recognition and as of 31 December 2015 were insignificant and calculated based on discounted cash flow analysis of FDIL's forecast financial budgets by reference to valuations performed by independent qualified valuers. The fair values of the contingent consideration payable on initial recognition and as of 31 December 2015 were HK$3,331,166 and is under Level 3 fair value measurement.

In addition, the Purchaser Group was granted an option to (i) further acquire 10% of the issued share capital of FDIL ("10% Option Shares") from the vendor during the period from the completion date up to and including 30 June 2017 at a consideration of HK$11,100,000; and (ii) acquire such number of shares in 4 Play Studio Limited, owned by the vendor (up to a maximum of 30% of the total issued share capital of 4 Play Studio Limited ("4 Play Option Shares")) during the period from the completion date up to and including 30 June 2017 at a consideration subject to maximum cap of HK$15,000,000. The fair value of the 10% Option Shares and 4 Play Option Shares on initial recognition and as of 31 December 2015 were insignificant and calculated based on Binomial Model by reference to a valuation performed by independent qualified valuers.

(ii) During the year ended 31 December 2014, the Purchaser Group entered into the shareholders agreement with two independent third parties to jointly invest in Gavottes International Limited, a company incorporated in the BVI, and subscribed for 30% of the issued share capital of Gavottes International Limited. In December 2014, Gavottes International Limited was dissolved and the Purchaser Group shared a loss of HK$4,098 during the period and realised a loss on dissolution of an associate of HK$6,830 for the year ended 31 December 2014, and included in the other gains and losses (note 10) in the consolidated statement of profit or loss and other comprehensive income.

The following table illustrates the summarised consolidated financial information in respect of FDIL and its subsidiaries:

	2015
	HK$
Current assets	25,516,890
Non-current assets, excluding goodwill	4,289,338
Current liabilities	(8,268,662)
Net assets	21,537,566
Reconciliation to the Purchaser Group's interest in the associate:	
Proportion of the Purchaser Group's effective interest	30%
Purchaser Group's share of net assets of the associate, excluding goodwill	6,461,269
Goodwill on acquisition	13,400,870
From the date of acquisition to the end of the reporting period:	
Revenue for the period	1,300,486
Loss for the period	(416,202)
Total comprehensive loss for the period	(416,202)

The above associate has a financial year ending 31 March. The consolidated financial statements are adjusted for the material transactions between associate and group companies between 1 January and 31 March.

Summarised financial information in respect of the Purchaser Group's associate that was not individually material as at 31 December 2014 are set out below:

	2014
	HK$
The Purchaser Group's share of losses	(1,557)
The Purchaser Group's share of other comprehensive income	–
The Purchaser Group's share of total comprehensive loss	(1,557)

Unrecognised share of loss of an associate:

	2014
	HK$
The unrecognised share of loss of an associate for the year	200
Cumulative share of loss of an associate	200

22. Available-for-sale Investments

	2015	**2014**
	HK$	*HK$*
Unlisted fund investments, at cost	20,500,000	–

The unlisted fund investments represent investments in private equity funds which incorporated in the Cayman Islands. The unlisted fund investments are held for an identified long term strategic purpose so the Purchaser Group does not intend to dispose them in the foreseeable future. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimate is so significant that the directors of the Purchaser are of the opinion that fair values cannot be measured reliably.

23. Trade and Other Receivables, Deposits and Prepayments

	2015	**2014**
	HK$	*HK$*
Trade receivables	9,815,867	11,631,467
Interest receivables from money lending business	298,285	–
	10,114,152	11,631,467
Allowance for doubtful debts	–	–
	10,114,152	11,631,467
Other receivables	38,413	82,708
Deposits and prepayments	3,665,121	2,262,650
	13,817,686	13,976,825

The following is an analysis of trade receivables by age, presented based on the invoice date and net of allowance for doubtful debts, at the end of the reporting period:

	2015	**2014**
	HK$	*HK$*
0 – 30 days	8,106,548	9,075,172
31 – 60 days	1,591,230	1,434,205
61 – 90 days	118,089	790,852
91 – 120 days	–	168,638
Over 120 days	–	162,600
Total	9,815,867	11,631,467

The Purchaser Group generally allows an average credit period of 7 days or not more than 30 days to its trade receivables customers and based on the negotiations between the Purchaser Group and individual customers. No interest is charged on trade receivables.

Trade receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Trade receivables disclosed above include amounts (see below for aged analysis) which are past due at the end of the reporting period for which the Purchaser Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Purchaser Group does not hold any collateral over these balances.

Age of trade receivables that are past due but not impaired

	2015	**2014**
	HK$	*HK$*
Overdue by:		
1 – 30 days	3,179,580	1,434,205
31 – 60 days	219,138	790,852
61 – 90 days	59,602	168,638
Over 90 days	–	162,600
Total	3,458,320	2,556,295

Movement in the allowance for doubtful debts

	2015	**2014**
	HK$	*HK$*
Balance at the beginning of year	–	–
Impairment loss recognised on trade receivables	307,400	165,000
Amounts written off during the year as uncollectible	(307,400)	(165,000)
Balance at the end of year	–	–

In determining the recoverability of a trade receivable, the Purchaser Group considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period. The Purchaser Group has assessed the credit quality of the trade receivables by using internal assessment, taking into account the repayment history and financial background of the trade customers. The concentration of credit risk is limited due to the customer base being large and unrelated.

Interest receivables from money lending business

A maturity profile of the interest receivables as at the end of the reporting period, based on the remaining contractual maturity date and net of allowance for doubtful debts is as follows:

	2015	**2014**
	HK$	*HK$*
Due within 3 months	288,312	–
Due after 3 months but within 6 months	–	–
Due after 6 months but within 12 months	9,973	–
Total	298,285	–

The interest receivables arising from money lending business are neither past due nor impaired.

24. Loans Receivable

	2015	**2014**
	HK$	*HK$*
Loans receivable from money lending business	26,200,000	4,000,000

The Purchaser Group seeks to maintain strict control over its outstanding loans receivable so as to minimise credit risk. The granting of loans is subject to approval by the management, whilst overdue balances are reviewed regularly for recoverability.

As at 31 December 2015, the loans receivable are unsecured, charging on interest rates ranging from 8% to 10% per annum and are repayable with fixed terms agreed with the contracting parties.

As at 31 December 2014, the loan receivable was charging on interest rate mutually agreed with the contracting party at 8.5% per annum, secured by a guarantee given by the borrower's holding company and was entered with the contractual maturity within 6 months.

A maturity profile of the loans receivable as at the end of the reporting period, based on the remaining contractual maturity date is as follows:

	2015	2014
	HK$	*HK$*
Due within 3 months	25,700,000	–
Due after 3 months but within 6 months	–	4,000,000
Due after 6 months but within 12 months	500,000	–
Total	26,200,000	4,000,000

25. Financial Assets at fair value through Profit or Loss

	2015	2014
	HK$	*HK$*
Financial assets held for trading		
– Equity securities listed in Hong Kong *(note (i))*	9,772,200	9,265,212
Financial assets designated as at fair value through profit or loss		
– Convertible bond *(note (ii))*	2,899,540	–
	12,671,740	9,265,212

Notes:

(i) The fair values of the equity securities held for trading were determined based on the quoted market prices in an active market.

(ii) As at 31 December 2015, the fair value of the convertible bond, a three-year zero coupon rate with principal amount of HK$2,500,000, had been determined based on the valuation performed by independent qualified valuers. The debt component was calculated using a discounted cash flow analysis and the conversion option component was calculated using the Binomial Model. A gain on fair value change of HK$399,540 was recognised in profit or loss.

26. Cash and Cash Equivalents

Cash and cash equivalents comprise cash held by the Purchaser Group, deposits placed with securities brokers and short-term bank deposits with an original maturity of three months or less which carry interest at market rates ranging from 0.01% to 0.90% (2014: 0.01% to 1.10%) per annum.

27. Trade and Other Payables and Accruals

	2015	2014
	HK$	*HK$*
Trade payable	–	400,000
Receipts in advance	9,967,127	9,719,278
Customers deposit	7,222,360	5,118,330
Consideration payable	6,662,334	–
Other payables and accruals	7,638,146	5,264,857
	31,489,967	20,502,465

The following is an analysis of trade payable by age, presented based on the invoice date, at the end of the reporting period:

	2015	2014
	HK$	*HK$*
31 – 60 days	–	400,000

28. Loan Notes

	2015	2014
	HK$	*HK$*
Loan notes – unsecured	99,957,082	–

On 18 May 2015, the Purchaser issued 10% unsubordinated and unsecured notes due in 2017 (the "Loan Notes") in the aggregate principal amount of HK$100,300,000. The Loan Notes carried an interest of 10% per annum payable quarterly in arrears.

The Purchaser and the noteholders may at its option redeem the Loan Notes, in whole or any part thereof outstanding on a business day which must be a day after the first anniversary of the date issue of the Loan Notes and before the maturity date. On the redemption date, the Purchaser shall pay to such noteholder the principal amount of the Loan Notes to be redeemed plus all accrued and unpaid interest on the principal amount of the Loan Notes to be redeemed. The effective interest rate for the year ended 31 December 2015 was 14.32% per annum. The balance is included in current liabilities in view of its early redemption terms.

29. Deferred Taxation

The movement of deferred tax liabilities during the year are as follows:

Deferred tax liabilities

	Intangible assets *HK$*	Accelerated tax depreciation *HK$*	Total *HK$*
At 1 January 2014	481,484	70,340	551,824
Charged to profit or loss	466,512	24,560	491,072
At 31 December 2014	947,996	94,900	1,042,896
Credited to profit or loss	(3,839)	(29,735)	(33,574)
Acquisition of a subsidiary *(note 33)*	483,780	–	483,780
At 31 December 2015	1,427,937	65,165	1,493,102

At the end of the reporting period, the Purchaser Group has estimated unused tax losses of approximately HK$22,792,000 (2014: approximately HK$4,784,000), subject to the agreement by the Hong Kong Inland Revenue Department, that are available for offset against future taxable profits of the companies in which the losses arose. No deferred tax asset has been recognised in respect of the tax losses due to the unpredictability of future profit streams.

30. SHARE CAPITAL

	Number of shares	Share capital *HK$*
Authorised:		
At 1 January 2014,		
ordinary shares of HK$0.01 each	1,000,000,000	10,000,000
2014 Share Subdivision *(note (i))*	9,000,000,000	–
At 31 December 2014,		
ordinary shares of HK$0.001 each	10,000,000,000	10,000,000
2015 Share Subdivision *(note (ii))*	10,000,000,000	–
At 31 December 2015,		
ordinary shares of HK$0.0005 each	20,000,000,000	10,000,000
Issued and fully paid:		
At 1 January 2014,		
ordinary shares of HK$0.01 each	200,000,000	2,000,000
2014 Share Subdivision *(note (i))*	1,800,000,000	–
At 31 December 2014,		
ordinary shares of HK$0.001 each	2,000,000,000	2,000,000
2015 Share Subdivision *(note (ii))*	2,000,000,000	–
At 31 December 2015,		
ordinary shares of HK$0.0005 each	4,000,000,000	2,000,000

Notes:

(i) Pursuant to the ordinary resolution passed by the shareholders of the Purchaser at the extraordinary general meeting held on 30 April 2014, a share subdivision was approved with effect from 2 May 2014 in which every one (1) issued and unissued ordinary share of HK$0.01 each in the share capital of the Purchaser were subdivided into ten (10) subdivided shares having a par value of HK$0.001 per subdivided share (the "2014 Share Subdivision"). Immediately after the 2014 Share Subdivision, the authorised share capital of the Purchaser of HK$10,000,000 was divided into 10,000,000,000 subdivided shares, of which 2,000,000,000 subdivided shares were issued and fully paid.

(ii) Pursuant to the ordinary resolution passed by the shareholders of the Purchaser at the extraordinary general meeting held on 16 February 2015, a share subdivision was approved with effect from 17 February 2015 in which every one (1) issued and unissued ordinary share of HK$0.001 each in the share capital of the Purchaser were subdivided into two (2) subdivided shares having a par value of HK$0.0005 per subdivided share (the "2015 Share Subdivision"). Immediately after the 2015 Share Subdivision, the authorised share capital of the Purchaser of HK$10,000,000 was divided into 20,000,000,000 subdivided shares, of which 4,000,000,000 subdivided shares were issued and fully paid.

31. Share Option Scheme

The Purchaser's share option scheme ("Scheme") was adopted pursuant to a resolution passed on 10 September 2013 as to attract and retain the best available personnel and to provide additional incentive to the eligible participants under the Scheme.

Under the Scheme, the directors of the Purchaser may at their absolute discretion and subject to the terms of the Scheme, grant options to any employees (full-time or part-time), directors, consultants or advisors of the Purchaser Group, or any substantial shareholders of the Purchaser Group, or any distributors, contractors, suppliers, agents, customers, business partners or service providers of the Purchaser Group, to subscribe for shares of the Purchaser. The eligibility of any participants to the grant of any options shall be determined by the directors of the Purchaser from time to time on the basis of the directors of the Purchaser' opinion as to their contribution or potential contribution to the development and growth of the Purchaser Group.

Under the Scheme, the maximum number of shares which may be issued upon exercise of all options to be granted under the Scheme and any other share option schemes of the Purchaser must not in aggregate exceed 10% of the shares in issue upon the date of which the shares are listed and permitted to be dealt in the Stock Exchange. The 10% limit may be refreshed at any time by approval of the Purchaser's shareholders provided that the total number of Purchaser's shares which may be issued upon exercise of all options to be granted under the Scheme and any other share options schemes of the Purchaser must not exceed 10% of the Purchaser's shares in issue as at the date of approval of the refreshed limit. Subject to the approval of the Purchaser's shareholders, the aggregate number of the Purchaser's shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other schemes of the Purchaser must not exceed 30% of the Purchaser's shares in issue from time to time. No options may be granted under the Scheme or any other share options schemes of the Purchaser if this will result in the limit being exceeded.

The total number of shares issued and to be issued upon exercise of the options granted to each participant (including both exercised and outstanding options) under the Scheme in any 12-month period up to and including the date of grant must not exceed 1% of the issued share capital of the Purchaser for the time being. Where any further grant of options to a participant under the Scheme would result in the shares issued and to be issued upon exercise of all options granted and to be granted to such participant (including exercised, cancelled and outstanding options) in the 12-month period up to and including the date of such further grant representing in aggregate over 1% of the shares in issue, such further grant must be separately approved by shareholders of the Purchaser in general meeting with such participant and his associates abstaining from voting.

Share options granted to a director, chief executive or substantial shareholder of the Purchaser, or any of their respective associates must be approved by the independent non-executive directors of the Purchaser (excluding any independent non-executive director who is the grantee). Where any share options granted to a substantial shareholder or an independent non-executive director of the Purchaser, or any of their respective associates would result in the total number of shares issued and to be issued upon exercise of all options already granted (including options exercised, cancelled and outstanding) under the Scheme and any other share option schemes of the Purchaser to such person in any 12-month period up to and including the date of such grant representing in aggregate over 0.1% of the shares of the Purchaser in issue and having an aggregate value in excess of HK$5 million, such grant must be approved in advance by the Purchaser's shareholders.

The offer of a grant of share options might be accepted in writing within 7 days inclusive of the date of the offer. An option may be exercised in accordance with the terms of the Scheme at any time during a period as the directors of the Purchaser may determine which shall not exceed ten years from the date of grant subject to the provisions of early termination thereof. A nominal consideration of HK$1 is payable on acceptance of the grant of an option with a remittance in favour of the Purchaser within such time as may be specified in the offer (which shall not be later than 7 days from the date of the offer).

The subscription price shall be a price solely determined by the directors of the Purchaser and notified to a participant and shall be at least the highest of: (i) the closing price of the Purchaser's shares as stated in the Stock Exchange's daily quotations sheet on the date of grant of the option; (ii) the average closing prices of the Purchaser's shares as stated in the Stock Exchange's daily quotations sheets for the 5 business days immediately preceding the date of grant of the option; and (iii) the nominal value of the Purchaser's share on the date of grant of the option.

The Scheme shall be valid and effective for a period of ten years commencing on 10 September 2013 and expiring on the business day immediately preceding the 10th anniversary thereof i.e. 8 September 2023, subject to early termination provisions contained in the Scheme.

No share option was granted since the adoption of the Scheme and there was no share option outstanding as at 31 December 2015 and 2014.

32. Reserves

(a) Share premium

Share premium arose from the issue of shares at a price greater than the par value of the shares and can be utilised for future bonus issue.

(b) Merger reserve

Merger reserve represents the difference between the nominal value of the shares issued by the Purchaser in exchange for the nominal value of the share capital of its subsidiaries arising from the reorganisation to rationalise the group structure in preparation for the listing on 28 August 2013 (the "Reorganisation").

33. Acquisition of a Subsidiary

Year ended 31 December 2015

On 30 December 2015, the Purchaser Group acquired the entire equity interest of Full Profit Property Services Company Limited ("Full Profit") at a cash consideration of HK$6,000,000.

The fair values of the identifiable assets and liabilities of Full Profit as at the date of acquisition were as follows:

	HK$
Property, plant and equipment	292,943
Intangible assets	2,932,000
Trade receivables	1,969,252
Deposits and prepayments	139,107
Cash and bank balances	795,419
Other payable and accruals	(599,943)
Deferred tax liabilities	(483,780)
Total identifiable net assets at fair value	5,044,998
Goodwill on acquisition *(note 19)*	955,002
Satisfied by cash	6,000,000

An analysis of the cash flows in respect of the acquisition of Full Profit is as follows:

	HK$
Cash consideration	6,000,000
Cash and bank balances acquired	(795,419)
Net outflow of cash and cash equivalents included in cash flows from investing activities	5,204,581

The fair values of trade receivables as at the date of acquisition amounted to HK$1,969,252 approximated the gross contractual amounts. None of these receivables have been impaired and it is expected that the full contractual amounts can be collected.

Acquisition-related costs amounting to HK$133,210 have been excluded from the consideration transferred and have been recognised as an expense within the administrative expenses in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2015.

Goodwill arose in the acquisition of Full Profit was attributable to the anticipated profitability and future development of Full Profit in the property management and property agency services business and the anticipated future operating synergy from the business combination. None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

Since the acquisition date, no revenue and profit after tax were contributed by Full Profit to the Purchaser Group for the year ended 31 December 2015. Had the business combination taken place at 1 January 2015, the revenue of the Purchaser Group and the loss of the Purchaser Group for the year would have been approximately HK$54,068,000 and HK$11,989,000 respectively. The directors of the Purchaser consider this "pro-forma" numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference point for comparison in future periods.

Year ended 31 December 2014

On 22 August 2014, the Purchaser Group acquired the entire equity interest of Well In Technology Development Limited (the "Well In") at a cash consideration of HK$1,221,000.

The fair values of the identifiable assets and liabilities of Well In as at the date of acquisition were as follows:

	HK$
Property, plant and equipment	231,434
Deposits	277,312
Cash and bank balances	21,782
Other payables	(61,560)
Total identifiable net assets at fair value	468,968
Goodwill on acquisition	752,032
Satisfied by cash	1,221,000

An analysis of the cash flows in respect of the acquisition of Well In is as follows:

	HK$
Cash consideration	1,221,000
Cash and bank balances acquired	(21,782)
Net outflow of cash and cash equivalents included in cash flows from investing activities	1,199,218

The fair value of deposits acquired approximated the gross contractual amounts. None of them have been impaired and it is expected that the full contractual amounts can be collected.

Acquisition-related costs amounting to HK$22,747 have been excluded from the consideration transferred and have been recognised as an expense within the administrative expenses in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2014.

Goodwill arose in the acquisition of Well In was attributable to the anticipated profitability and future development of Well In in the provision of other internet financial platforms business and the anticipated future operating synergy from the business combination. None of the goodwill arising on the acquisition is expected to be deductible for tax purposes.

Well In contributed revenue of HK$160,000 and net loss of HK$1,370,969 to the Purchaser Group for the year ended 31 December 2014. Had the business combination taken place at 1 January 2014, the revenue of the Purchaser Group and the profit of the Purchaser Group for the year would have been approximately HK$51,654,000 and HK$10,694,000 respectively. The directors of the Purchaser consider this "pro-forma" numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference point for comparison in future periods.

34. Disposal of a Subsidiary

On 19 November 2015, the Purchaser Group disposed of the entire equity interest of Zeed Asia Technology Limited ("Zeed Asia") at a cash consideration of HK$3,200,000.

	HK$
Net assets disposed of:	
Property, plant and equipment	419,495
Deposits and prepayments	1,628,457
Cash and bank balances	5,658
Accruals	(416,330)
	1,637,280
Gain on disposal of a subsidiary	1,562,720
	3,200,000

	HK$
Satisfied by cash	3,200,000

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of Zeed Asia is as follows:

	HK$
Cash consideration	3,200,000
Cash and bank balances disposed of	(5,658)
Net inflow of cash and cash equivalents in respect of the disposal of a subsidiary	3,194,342

35. Retirement Benefits Scheme

The Purchaser Group operates a Mandatory Provident Fund Scheme ("MPF Scheme") for all its qualifying employees in Hong Kong under the Mandatory Provident Fund Schemes Ordinance (Chapter 485 of the Laws of Hong Kong). The assets of the MPF Scheme are held separately from those of the Purchaser Group in funds under the control of trustees. Under the rules of the MPF Scheme, the employer and its employees are each required to make contributions to the scheme at specified rate and capped at HK$1,500 (HK$1,250 prior to 1 June 2014) per month per person. The only obligation of the Purchaser Group with respect of the MPF Scheme is to make the required contributions under the MPF Scheme. No forfeited contribution is available to reduce the contribution payable in the future years.

The total contributions payable to the MPF Scheme by the Purchaser Group amounted to HK$848,617 for the year ended 31 December 2015 (2014: HK$762,423). Amounts of HK$60,421 (2014: HK$112,137) were capitalised in development costs and the remaining HK$788,196 (2014: HK$650,286) were recognised in the consolidated statement of profit or loss and other comprehensive income for the year ended 31 December 2015.

36. Operating Lease Commitments

The Purchaser Group leases its office premises under operating lease arrangements. Leases for office premises are negotiated for terms ranging from one to three years.

At the end of the reporting period, the Purchaser Group had total future minimum lease payments under non-cancellable operating leases falling due as follows:

	2015	**2014**
	HK$	*HK$*
Within one year	3,688,245	4,281,268
In the second to fifth years inclusive	899,984	4,334,077
	4,588,229	8,615,345

37. Significant Related Party Transactions

Save as disclosed elsewhere in the consolidated financial statements, the Purchaser Group entered into the following significant related party transactions during the years ended 31 December 2015 and 2014:

Compensation of key management personnel of the Purchaser Group

	2015	**2014**
	HK$	*HK$*
Salaries and short-term employee benefits	3,670,877	3,639,870
Post-employment benefits	36,000	33,621
	3,706,877	3,673,491

38. Statement of Financial Position of the Purchaser

Information about the statement of financial position of the Purchaser at the end of the reporting period is as follows:

	2015	**2014**
	HK$	*HK$*
Non-current assets		
Investments in subsidiaries	20,939,001	20,939,001
Current assets		
Prepayments	280,807	260,320
Amounts due from subsidiaries	129,739,312	38,444,563
Current tax assets	59,901	–
Cash and cash equivalents	61,716	162,899
Total current assets	130,141,736	38,867,782
Current liabilities		
Other payables	540,554	41,673
Amounts due to subsidiaries	12,214,711	12,214,711
Loan notes	99,957,082	–
Total current liabilities	112,712,347	12,256,384
Net current assets	17,429,389	26,611,398
Net assets	38,368,390	47,550,399
Capital and reserves		
Equity attributable to owners of the Purchaser		
Share capital	2,000,000	2,000,000
Reserves *(note)*	36,368,390	45,550,399
Total equity	38,368,390	47,550,399

The Purchaser's statement of financial position was approved and authorised for issue by the board of the Purchaser on 17 March 2016 and signed on its behalf by:

Li Hoi Kong	**Lawrence Tang**
Director	*Director*

Note:

A summary of the Purchaser's reserves is as follows

	Share premium	Special reserve	Accumulated losses	Total
	HK$	*HK$*	*HK$*	*HK$*
	(note (i))	*(note (ii))*		
At 1 January 2014	34,609,605	20,938,121	(10,067,322)	45,480,404
Profit and total comprehensive income for the year	–	–	69,995	69,995
At 31 December 2014	34,609,605	20,938,121	(9,997,327)	45,550,399
Loss and total comprehensive loss for the year	–	–	(9,182,009)	(9,182,009)
At 31 December 2015	34,609,605	20,938,121	(19,179,336)	36,368,390

Note(i): Share premium arose from the issue of shares at a price greater than the par value of the shares and can be utilised for future bonus issue.

Note(ii): Special reserve represents the difference between of the fair value of the shares of Infinite Capital Ventures Limited acquired pursuant to the Reorganisation, over the previous nominal value of the Purchaser's shares issued in exchange therefore.

39. Comparative Amounts

Certain comparative amounts have been restated to conform with the current year's presentation. The directors of the Purchaser consider that such restatements allow a more appropriate presentation of the Purchaser's state of affairs and/or better reflect the nature of the transactions/balances.

40. Events after the Reporting Period

Save as disclosed elsewhere in these financial statements, the following significant events of the Purchaser Group occurred after the end of the reporting period:

(i) Disposal of ChinaQFii Company Limited

On 25 January 2016, the Purchaser Group entered into a sale and purchase agreement with an independent third party to dispose of its entire 95% issued share capital of ChinaQFii Company Limited, a company incorporated in Hong Kong with limited liability, at a consideration of HK$2,400,000.

(ii) Placing of new shares under general mandate

On 14 January 2016, the Purchaser and Convoy Securities Limited (a placing agent) entered into a conditional placing agreement ("Placing Agreement"), pursuant to which the Purchaser had conditionally agreed to place through the placing agent, on a best effort basis, up to 800,000,000 new ordinary shares of par value of HK$0.0005 each in the share capital of the Purchaser ("Placing Shares"), to not less than six placees who and whose ultimate beneficial owners are third party(ies) independent of and not connected with the Purchaser and any of its connected persons or their respective associates, at a price of HK$0.05 per Placing Share ("800M Placing"). The Placing Shares will be allotted and issued pursuant to the general mandate granted to the directors of the Purchaser at the annual general meeting of the Purchaser held on 5 May 2015. The nominal value of the Placing Shares was HK$400,000 and the net issue price was HK$0.048 per Placing Share. The closing price of the Purchaser's share on the date of the Placing Agreement was HK$0.059 per Share.

On 27 January 2016, completion of the 800M Placing took place in accordance with the terms and conditions of the Placing Agreement. Immediately after completion of the 800M Placing, an aggregate of 800,000,000 Placing Shares, representing approximately 16.7% of the issued share capital of the Purchaser (as enlarged by the allotment and issue of the Placing Shares), have been successfully placed to not less than six placees. The Purchaser received net proceeds of approximately HK$38,500,000 from the 800M Placing.

Details of the 800M Placing are set out in the Purchaser's announcements dated 14 January 2016 and 27 January 2016.

(iii) Entering into of the Sky View Subscription Agreement and Rolaner Subscription Agreement

On 20 February 2016, Sky View Investment Limited ("Sky View"), Winrange Investments Limited (a wholly-owned subsidiary of the Purchaser) and Amber Rose Holdings Limited ("Amber Rose") entered into an agreement ("Sky View Subscription Agreement") for the subscription of ordinary shares of Sky View ("Sky View Shares") by Winrange and Amber Rose respectively. Pursuant to the Sky View Subscription Agreement, Winrange and Amber Rose have agreed to subscribe for 390 Sky View Shares and 510 Sky View Shares at the subscription price of US$4,948,900 and US$5,151,000 respectively. Immediately before the signing of the Sky View Subscription Agreement, Sky View was 100%-owned by Winrange. Completion of the Sky View Subscription Agreement took place immediately after its signing and Winrange has become interested in 49% of the issued share capital of Sky View. It was the intention of Winrange and Amber Rose that Sky View would act as the holding company of their investment in Rolaner International Limited ("Rolaner") to be acquired under the Rolaner Subscription Agreement (as defined below).

After completion of the Sky View Subscription Agreement, Sky View, Rolaner, Ace Choice Ventures Limited, Legend Cosmo Consultants Limited, Mr. Ren Lingfeng, Mr. Chen Rong, 樂浪信息科技(上海)有限公司(unofficial English name being Rong Lang Information Technology (Shanghai) Co., Limited) and 羅朗網絡科技(上海)有限公司 (unofficial English name being Luo Lang Internet Technology (Shanghai) Co., Limited) entered into an agreement on 20 February 2016 ("Rolaner Subscription Agreement"), pursuant to which, among other things, Sky View shall subscribe for 22,000,000 preferred shares in the share capital of Rolaner, representing approximately 22.9% of the then enlarged share capital of Rolaner (after completion of the subscription of shares of Rolaner by Alibaba Investment Limited and assuming no shares of Rolaner have been issued pursuant to an employee share option program to be adopted by Rolaner after completion of the Rolaner Subscription Agreement) at the price of US$10,000,000. As at the date of this annual report, certain conditions precedent are yet to be fulfilled and completion of the Rolaner Subscription Agreement has not yet taken place.

Details of the above subscription agreements and transactions contemplated thereunder are set out in the Purchaser's announcements dated 12 January 2016 and 21 February 2016.

(iv) Proposed share consolidation

On 3 March 2016, the board of the Purchaser proposed that every ten (10) existing shares ("Existing Shares") of HK$0.0005 each in the issued and unissued share capital of the Purchaser be consolidated into one (1) consolidated share ("Consolidated Share(s)") of HK$0.005 in the issued and unissued share capital of the Purchaser. As at the date of this annual report, there were 4,800,000,000 Existing Shares of HK$0.0005 each in issue and fully paid or credited as fully paid. Assuming that no Share will be issued or repurchased from the date of this annual report up to the date of the extraordinary general meeting to be convened for the shareholders of the Purchaser to consider (and if thought fit) approve the proposed share consolidation, there will be 480,000,000 Consolidated Shares of HK$0.005 each in issue and fully paid or credited as fully paid immediately following the share consolidation. The share consolidation is conditional upon, among other things, the approval of the shareholders of the Purchaser.

Details of the proposed share consolidation are set out in the Purchaser's announcement dated 3 March 2016.

(v) Entering into of the China Universal Acquisition Agreement

On 7 March 2016, Wise Link International Limited ("Wise Link"), an indirect wholly-owned subsidiary of the Purchaser, and Colorful Focus Limite d ("Colorful Focus") entered into a sale and purchase agreement ("China Universal Acquisition Agreement"), pursuant to which Wise Link conditionally agreed to purchase and Colorful Focus conditionally agreed to sell the entire issued shares of China Universal Limited ("China Universal") at the consideration of HK$25,900,000. The principal assets of China Universal are certain residential and retail properties in Hong Kong. The acquisition of China Universal was completed on 16 March 2016.

Details of the China Universal Acquisition Agreement are set out in the Purchaser's announcement dated 7 March 2016.

Unaudited consolidated financial statements of the Purchaser Group
for the six months ended 30 June 2016

INTERIM RESULTS

The board of directors of the Purchaser is pleased to announce the unaudited condensed consolidated results of the Purchaser and its subsidiaries (collectively, the "Purchaser Group") for the three months and six months ended 30 June 2016, together with the unaudited comparative figures for the corresponding periods in 2015, as follows:

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the three months and six months ended 30 June 2016

		Three months ended 30 June		Six months ended 30 June	
		2016	**2015**	**2016**	**2015**
		HK$	*HK$*	*HK$*	*HK$*
	Notes	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	*4*	13,746,312	16,144,777	39,333,050	24,052,182
Cost of sales		(3,767,433)	(3,497,899)	(7,836,434)	(5,947,708)
Gross profit		9,978,879	12,646,878	31,496,616	18,104,474
Other income	*6*	3,394	5,697	41,802	48,719
Other gains and losses	*6*	3,761,932	–	1,700,536	(20,667)
Administrative expenses		(10,894,275)	(8,896,884)	(23,850,278)	(16,657,224)
Finance costs	*7*	(2,535,466)	(1,423,691)	(6,063,514)	(1,423,691)
Share of profit of an associate		169,061	–	1,473,860	–
Share of loss of a joint venture		(836,981)	–	(1,408,095)	–
Profit/(loss) before tax	*8*	(353,456)	2,332,000	3,390,927	51,611
Income tax expense	*9*	(867,330)	(712,597)	(2,725,907)	(1,207,818)
Profit/(loss) and total comprehensive income/(loss) for the period		(1,220,786)	1,619,403	665,020	(1,156,207)
Profit/(loss) and total comprehensive income/(loss) for the period attributable to:					
Owners of the Purchaser		(1,879,012)	1,697,673	(81,671)	(1,041,355)
Non-controlling interests		658,226	(78,270)	746,691	(114,852)
		(1,220,786)	1,619,403	665,020	(1,156,207)
			(Restated)		(Restated)
Earnings/(loss) per share					
– Basic and diluted (HK cents per share)	*11*	(0.324)	0.424	(0.016)	(0.260)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2016

	Notes	**30 June 2016** *HK$* (Unaudited)	**31 December 2015** *HK$* (Audited)
Non-current assets			
Property, plant and equipment	*12*	2,129,487	2,920,492
Investment properties	*21*	26,200,000	–
Goodwill		955,002	1,872,978
Intangible assets		4,637,095	5,722,164
Investment in an associate		21,335,999	19,862,139
Investment in a joint venture	*13*	38,187,825	–
Available-for-sale investments	*14*	9,914,940	20,500,000
Total non-current assets		103,360,348	50,877,773
Current assets			
Intangible assets		–	2,932,000
Trade and other receivables, deposits and prepayments	*15*	12,564,734	13,817,686
Loans receivable	*16*	500,000	26,200,000
Financial assets at fair value through profit or loss	*17*	27,188,220	12,671,740
Cash and cash equivalents		72,648,176	78,111,106
Total current assets		112,901,130	133,732,532
Current liabilities			
Trade and other payables and accruals	*18*	27,456,387	31,489,967
Current tax liabilities		6,107,281	2,565,045
Loan notes	*19*	19,227,174	99,957,082
Contingent consideration payable		–	3,331,166
Total current liabilities		52,790,842	137,343,260
Net current assets/(liabilities)		60,110,288	(3,610,728)
Total assets less current liabilities		163,470,636	47,267,045
Non-current liabilities			
Deferred tax liabilities		830,286	1,493,102
Net assets		162,640,350	45,773,943
Capital and reserves			
Share capital	*20*	3,600,000	2,000,000
Reserves		153,321,667	42,560,059
Equity attributable to owners of the Purchaser		156,921,667	44,560,059
Non-controlling interests		5,718,683	1,213,884
Total equity		162,640,350	45,773,943

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2016

	Attributable to owners of the Purchaser							
	Share capital	Share premium	Merger reserve	Capital reserve	Retained profits	Subtotal	Attributable to non-controlling interests	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
At 1 January 2015 (Audited)	2,000,000	34,609,605	77,794	–	23,579,128	60,266,527	–	60,266,527
Loss and total comprehensive loss for the period (Unaudited)	–	–	–	–	(1,041,355)	(1,041,355)	(114,852)	(1,156,207)
Change in ownership interests in subsidiaries without change of control (Unaudited)	–	–	–	–	42,537	42,537	(38,715)	3,822
At 30 June 2015 (Unaudited)	2,000,000	34,609,605	77,794	–	22,580,310	59,267,709	(153,567)	59,114,142
At 1 January 2016 (Audited)	2,000,000	34,609,605	77,794	–	7,872,660	44,560,059	1,213,884	45,773,943
Profit/(loss) and total comprehensive income/(loss) for the period (Unaudited)	–	–	–	–	(81,671)	(81,671)	746,691	665,020
Shares issued (Unaudited) *(note 20)*	1,600,000	116,160,000	–	–	–	117,760,000	–	117,760,000
Shares issuing expenses (Unaudited)	–	(5,383,708)	–	–	–	(5,383,708)	–	(5,383,708)
Disposal of a subsidiary (Unaudited) *(note 22)*	–	–	–	–	–	–	103,095	103,095
Capital contribution from non-controlling interests (Unaudited)	–	–	–	–	–	–	222,000	222,000
Change in ownership interests in subsidiaries without change of control (Unaudited) *(note)*	–	–	–	66,987	–	66,987	3,433,013	3,500,000
At 30 June 2016 (Unaudited)	3,600,000	145,385,897	77,794	66,987	7,790,989	156,921,667	5,718,683	162,640,350

Note: On 12 May 2016, the Purchaser's then indirect wholly-owned subsidiary, namely Wise Link International Limited ("Wise Link"), allotted and issued shares to an independent third party at a cash consideration of HK$3,500,000, resulting in dilution of the Purchaser Group's interest in Wise Link from 100% to 51%.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the six months ended 30 June 2016

	Six months ended 30 June	
	2016	**2015**
	HK$	*HK$*
	(Unaudited)	(Unaudited)
Net cash generated from operating activities	26,550,714	10,277,517
Net cash used in investing activities	(61,318,514)	(1,391,460)
Net cash generated from financing activities	29,304,870	96,288,000
Net increase/(decrease) in cash and cash equivalents	(5,462,930)	105,174,057
Cash and cash equivalents at 1 January	78,111,106	45,320,755
Cash and cash equivalents at 30 June	72,648,176	150,494,812

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General Information

The Purchaser was incorporated in the Cayman Islands on 18 December 2012 as an exempted company with limited liability under the Companies Law of the Cayman Islands and its shares have been listed on the GEM of the Stock Exchange since 26 September 2013. The address of the Purchaser's registered office is Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of the Purchaser's principal place of business in Hong Kong is 23/F, W Square, 318 Hennessy Road, Wanchai, Hong Kong.

The Purchaser, an investment holding company, and its subsidiaries is principally engaged in the provision of financial trading software solutions, provision of other internet financial platforms, provision of referral services, money lending business, assets investments, provision of corporate finance advisory services and provision of property management and property agency services in Hong Kong.

The unaudited condensed consolidated financial statements of the Purchaser Group are presented in Hong Kong dollars ("HK$"), which is the same as the functional currency of the Purchaser.

2. Basis of Preparation

The unaudited condensed consolidated financial statements of the Purchaser Group for the six months ended 30 June 2016 has been prepared in accordance with Hong Kong Accounting Standard 34 *Interim Financial Reporting* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules and the Hong Kong Companies Ordinance (Cap. 622 of the Laws of Hong Kong). This unaudited condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended 31 December 2015.

The unaudited condensed consolidated financial statements have been prepared on the historical cost basis, except for certain financial instruments and investment properties that are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The accounting policies adopted in preparing the unaudited condensed consolidated financial statements of the Purchaser Group for the three months and six months ended 30 June 2016 were consistent with those applied in the annual financial statements of the Purchaser Group for the year ended 31 December 2015, except in relation to the adoption of the new and revised Hong Kong Financial Reporting Standards ("HKFRSs") (collectively "New and Revised HKFRSs") issued by the HKICPA that are relevant to its operations and effective for its accounting periods beginning on 1 January 2016. The adoption of these New and Revised HKFRSs in the current period has had no material impact on the Purchaser Group's financial performance and position for the current and prior periods and/ or disclosures set out in these unaudited condensed consolidated financial statements.

The Purchaser Group has not early applied the New and Revised HKFRSs that have been issued but are not yet effective. The Purchaser Group is in the process of making an assessment of the impact of the New and Revised HKFRSs upon initial application but is not yet in a position to state whether these New and Revised HKFRSs would have a significant impact on the Purchaser Group's results of operations and financial position.

It should be noted that accounting estimates and assumptions are used in the preparation of unaudited condensed consolidated financial statements of the Purchaser Group. Although these estimates are based on management's best knowledge and judgement to current events and actions, actual results may ultimately differ from those estimates.

3. Fair Value Measurements of Financial Instruments

The fair value of financial instruments traded in active markets is based on quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. The quoted market price used for financial assets held by the Purchaser Group is the quoted market bid price. These instruments are included in level 1.

The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The following tables present the Purchaser Group's financial assets and financial liabilities that are measured at fair value as at 30 June 2016 and 31 December 2015.

	Level 1	**Level 2**	**Level 3**	**Total**
	HK$	*HK$*	*HK$*	*HK$*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
At 30 June 2016				
Financial assets				
Financial assets held for trading				
– listed equity securities	24,288,680	–	–	24,288,680
Financial assets designated as at fair value through profit or loss – convertible bond	–	–	2,899,540	2,899,540
	24,288,680	–	2,899,540	27,188,220

	Level 1	**Level 2**	**Level 3**	**Total**
	HK$	*HK$*	*HK$*	*HK$*
	(Audited)	(Audited)	(Audited)	(Audited)
At 31 December 2015				
Financial assets				
Financial assets held for trading				
– listed equity securities	9,772,200	–	–	9,772,200
Financial assets designated as at fair value through profit or loss – convertible bond	–	–	2,899,540	2,899,540
	9,772,200	–	2,899,540	12,671,740
Financial liabilities				
Financial liabilities at fair value				
– contingent consideration payable	–	–	3,331,166	3,331,166

At 30 June 2016 and 31 December 2015, there were no investments classified under Level 2 and there were no transfers of fair value measurements between Level 1 and Level 2 and no transfers into or out of Level 3 during the six months ended 30 June 2016 and the year ended 31 December 2015.

The convertible bond has been calculated based on discounted cash flows analysis and Binomial Model on the debt component and conversion option component respectively, with the most significant unobservable inputs are (i) discount rate of 11.67% (year ended 31 December 2015: 12.37%) and (ii) expected volatilities of 75.68%. A significant increase/(decrease) in discount rate would result in a significant (decrease)/increase in the fair value of the convertible bond and a significant increase/(decrease) in expected volatilities would result in a significant increase/(decrease) in the fair value of the convertible bond.

The contingent consideration payable at 31 December 2015 had been calculated based on discounted cash flows analysis, with the most significant unobservable inputs are (i) the projected net profit of Four Directions Investment Limited and its subsidiaries for the two years ending 31 December 2016 and 2017 ranging from approximately HK$13,359,000 to HK$15,163,000 and (ii) discount rate of 17.73%. A significant increase/(decrease) in discount rate would result in a significant (decrease)/increase in the fair value of the contingent consideration payable.

4. Revenue

An analysis of the Purchaser Group's revenue from its major products and services is as follows:

	Three months ended 30 June		Six months ended 30 June	
	2016	**2015**	**2016**	**2015**
	HK$	*HK$*	*HK$*	*HK$*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Sales of hardware	46,738	322,934	570,802	630,604
Sales of technology software systems	2,762,000	1,529,202	3,106,300	1,894,402
System customisation and network support	1,444,150	2,365,764	3,262,149	3,671,888
Software maintenance services	2,404,362	2,333,289	4,692,339	4,626,153
Software licensing fee	5,730,083	4,142,845	11,114,477	7,974,999
Hosting and related services fee	957,651	560,344	1,817,994	1,101,093
Other internet financial platforms services income	339,000	688,000	1,306,000	808,000
Interest income on loan financing	163,397	121,896	567,325	205,732
Referral services fee	625,000	501,989	1,250,000	501,989
Corporate finance advisory and related services fee	60,000	361,456	330,000	468,456
Net fair value gain/(loss) on financial assets at fair value through profit or loss	(4,231,951)	3,217,058	(306,271)	2,109,946
Dividend income from listed equity securities	90,000	–	90,000	58,920
Rental income	268,500	–	358,000	–
Property management service income and agency commission income	3,087,382	–	11,173,935	–
	13,746,312	16,144,777	39,333,050	24,052,182

5. Segment Information

Information reported to the directors of the Purchaser, being the chief operating decision maker ("CODM"), for the purposes of resource allocation and assessment of segment performance focuses on the types of goods or services delivered or provided.

In the corresponding period in 2015, (i) revenue arising from provision of referral services to source, identify and refer prospective deal opportunities to interest parties was reported under the segment of referral; and (ii) revenue arising from provision of corporate finance advisory services was reported under the segment of corporate finance. Following a change in the Purchaser Group's operating and reporting structure in late 2015 such business activities are combined into a single operating segment, referral and corporate finance segment, before being reported to the CODM and accordingly, the CODM now reviews the Purchaser Group's internal reporting, assesses the performance and allocates the resources of the Purchaser Group to the referral and corporate finance businesses as a whole. Certain comparative figures have been reclassified to conform with current period's presentation. In December 2015, the CODM had identified a new operating segment as property management and property agency services upon the completion of the acquisition of a subsidiary.

The Purchaser Group's reportable and operating segments under HKFRS 8 are as follows:

(a) Financial trading software solutions – development, sale and provision of financial trading software solutions with the principal products being trading and settlement systems of financial products for financial institutions;

(b) Other internet financial platforms – provision of e-commerce platforms, other online consultancy services and provision of other financial information;

(c) Money lending – provision of loan financing;

(d) Assets investments – trading of listed securities and investing in premises for rental income;

(e) Referral and corporate finance – provision of referral services to source, identify and refer prospective deal opportunities to interested parties and provision of corporate finance advisory services; and

(f) Property management and property agency services – provision of property management and agency services.

Segment revenue and results

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

	Financial trading software solutions HK$ (Unaudited)	Other internet financial platforms HK$ (Unaudited)	Money lending HK$ (Unaudited)	Assets investments HK$ (Unaudited)	Referral and corporate finance HK$ (Unaudited)	Property management and property agency services HK$ (Unaudited)	Elimination HK$ (Unaudited)	Total HK$ (Unaudited)
For the six months ended 30 June 2016								
Segment revenue								
Revenue from external customers	24,564,061	1,306,000	567,325	141,729	1,580,000	11,173,935	–	39,333,050
Inter-segment sales*	–	360,000	–	–	–	–	(360,000)	–
	24,564,061	1,666,000	567,325	141,729	1,580,000	11,173,935	(360,000)	39,333,050
Segment profit/(loss)	10,593,583	(2,691,213)	418,503	(95,766)	(3,262,181)	6,581,629	–	11,544,555
Interest income								3,658
Unallocated gains or losses								1,453,136
Share of profit of an associate								1,473,860
Share of loss of a joint venture								(1,408,095)
Central administration costs								(3,612,673)
Finance costs								(6,063,514)
Profit before tax								3,390,927
For the six months ended 30 June 2015 (restated)								
Segment revenue								
Revenue from external customers	19,899,139	808,000	205,732	2,168,866	970,445	–	–	24,052,182
Inter-segment sales*	–	71,000	–	–	100,000	–	(171,000)	–
	19,899,139	879,000	205,732	2,168,866	1,070,445	–	(171,000)	24,052,182
Segment profit/(loss)	7,638,943	(2,140,027)	8,626	2,100,452	(3,655,193)	–	–	3,952,801
Other income								45,964
Central administration costs								(2,523,463)
Finance costs								(1,423,691)
Profit before tax								51,611

* *Inter-segment sales are conducted with reference to the prices charged to third parties.*

Segment assets and liabilities

	Financial trading software solutions	Other internet financial platforms	Money lending	Assets investments	Referral and corporate finance	Property management and property agency services	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
As at 30 June 2016							
Segment assets	12,531,782	590,321	833,995	50,571,978	900,588	5,553,430	70,982,094
Corporate and unallocated assets							145,279,384
Consolidated assets							216,261,478
Segment liabilities	24,092,370	249,738	47,125	287,500	1,434,026	17,998	26,128,757
Corporate and unallocated liabilities							27,492,371
Consolidated liabilities							53,621,128

	Financial trading software solutions	Other internet financial platforms	Money lending	Assets investments	Referral and corporate finance	Property management and property agency services	Total
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
As at 31 December 2015							
Segment assets	13,478,406	3,855,398	26,828,445	9,772,200	1,842,764	6,288,304	62,065,517
Corporate and unallocated assets							122,544,788
Consolidated assets							184,610,305
Segment liabilities	22,540,541	559,576	66,000	–	350,350	15,000	23,531,467
Corporate and unallocated liabilities							115,304,895
Consolidated liabilities							138,836,362

For the purposes of monitoring segment performance and allocating resources between segments:

- all assets are allocated to the operating segments other than the investment in an associate, investment in a joint venture, available-for-sale investments, cash and cash equivalents, financial assets designated as at fair value through profits or loss and other corporate and unallocated assets. Goodwill is allocated to each of the respective operating segments; and

- all liabilities are allocated to the operating segments other than the current and deferred tax liabilities, loan notes, contingent consideration payable, consideration payable and other corporate and unallocated liabilities.

6. Other Income, and Other Gains and Losses

	Three months ended 30 June		Six months ended 30 June	
	2016	2015	2016	2015
	HK$	*HK$*	*HK$*	*HK$*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Other income:				
Interest income on bank deposits	3,394	4,516	3,658	45,964
Sundry income	–	1,181	38,144	2,755
	3,394	5,697	41,802	48,719
Other gains and losses:				
Gain on disposal of subsidiaries	971,058	–	2,179,864	–
Reversal of impairment losses on trade receivables	191,500	–	247,400	–
Impairment losses of available-for-sale investments	–	–	(3,335,060)	–
Gain on bargain purchase	–	–	8,958	–
Gain on disposal of available-for-sale investments, net	2,599,374	–	2,599,374	–
Loss on disposal of property, plant and equipment	–	–	–	(20,667)
	3,761,932	–	1,700,536	(20,667)

7. Finance Costs

	Three months ended 30 June		Six months ended 30 June	
	2016	2015	2016	2015
	HK$	*HK$*	*HK$*	*HK$*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Interest expense on loan notes	2,534,450	1,423,691	6,060,898	1,423,691
Other interest expense	1,016	–	2,616	–
	2,535,466	1,423,691	6,063,514	1,423,691

8. Profit/(loss) before tax

Profit/(loss) before tax has been arrived at after charging:

	Three months ended 30 June		Six months ended 30 June	
	2016	**2015**	**2016**	**2015**
	HK$	*HK$*	*HK$*	*HK$*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Amortisation of intangible assets *(note 1)*	1,018,633	182,954	4,017,069	299,770
Depreciation of property, plant and equipment	395,838	348,626	794,782	667,129
Operating lease payments in respect of rented premises	954,932	1,097,307	2,050,204	2,138,612
Employee benefits expense: *(note 2)*				
Salaries and other benefits	7,886,836	6,211,744	15,591,109	11,885,581
Contributions to retirement benefits scheme	237,434	218,280	474,432	416,432
Total employee benefits expense, including directors' emoluments	8,124,270	6,430,024	16,065,541	12,302,013
Less: Amounts capitalised in development costs	–	(98,728)	–	(570,103)
	8,124,270	6,331,296	16,065,541	11,731,910

Notes:

1. During the six months ended 30 June 2016, amortisation of intangible assets amounting to HK$1,085,069 (six months ended 30 June 2015: HK$299,770) was included in cost of sales and amortisation of intangible assets amounting to HK$2,932,000 (six months ended 30 June 2015: Nil) was included in administrative expenses.

2. During the six months ended 30 June 2016, employee benefits expense amounting to HK$4,298,309 (six months ended 30 June 2015: HK$3,891,016) was included in cost of sales and employee benefits expense amounting to HK$11,767,232 (six months ended 30 June 2015: HK$7,840,894) was included in administrative expenses.

9. Income Tax Expense

	Three months ended 30 June		Six months ended 30 June	
	2016	**2015**	**2016**	**2015**
	HK$	*HK$*	*HK$*	*HK$*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Current – Hong Kong				
– Charge for the period	1,440,628	782,810	3,388,723	1,219,529
Deferred	(573,298)	(70,213)	(662,816)	(11,711)
Total income tax recognised in profit or loss	867,330	712,597	2,725,907	1,207,818

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit arising in or derived from Hong Kong for both periods.

During the six months ended 30 June 2016, the share of tax attributable to an associate amounting to HK$806,318 (six months ended 30 June 2015: Nil) was included in "Share of profit of an associate".

10. Dividend

The board of the Purchaser does not recommend the payment of any interim dividend in respect of the six months ended 30 June 2016 (six months ended 30 June 2015: Nil).

11. Earnings/(loss) Per Share

The calculation of the basic earnings/(loss) per share amounts is based on the profit/(loss) for the period attributable to ordinary equity holders of the Purchaser and the weighted average number of ordinary shares in issue during the periods.

	Three months ended 30 June		Six months ended 30 June	
	2016	**2015**	**2016**	**2015**
	HK$	*HK$*	*HK$*	*HK$*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Earnings/(loss)				
Profit/(loss) for the period attributable to owners of the Purchaser for the purpose of basic earnings/(loss) per share	(1,879,012)	1,697,673	(81,671)	(1,041,355)

	Three months ended 30 June		Six months ended 30 June	
	2016	**2015**	**2016**	**2015**
	(Unaudited)	(Unaudited) (Restated)	(Unaudited)	(Unaudited) (Restated)
Number of shares				
Weighted average number of ordinary shares for the purpose of calculating basic earnings/(loss) per share	580,506,803	400,410,678	519,059,503	400,410,678

The weighted average number of ordinary shares in issue have been adjusted to reflect the rights issue completed during the six months ended 30 June 2016 and the effect of consolidation of shares of the Purchaser as detailed in note 20.

The diluted earnings/(loss) per share is equal to the basic earnings/(loss) per share as there were no dilutive potential ordinary shares in issue during the three months and six months ended 30 June 2016 and 30 June 2015.

12. Property, Plant and Equipment

During the six months ended 30 June 2016, additions to property, plant and equipment of the Purchaser Group amounted to HK$418,332 (six months ended 30 June 2015: HK$817,321).

13. Investment in a Joint Venture

During the six months ended 30 June 2016, the Purchaser Group totally subscribed 49% of the issued share capital of Sky View Investment Limited at the aggregate subscription price of US$5,077,000 (approximately HK$39,596,000).

14. Available-for-sale Investments

The available-for-sale investments of the Purchaser Group represent unlisted fund and equity investments which are held for long term investment purpose so the Purchaser Group does not intend to dispose of them in the foreseeable future. They are measured at cost less impairment at the end of the reporting period because the range of reasonable fair value estimate is so significant that the directors of the Purchaser are of the opinion that fair values cannot be measured reliably.

15. Trade and Other Receivables, Deposits and Prepayments

	30 June 2016	31 December 2015
	HK$	*HK$*
	(Unaudited)	(Audited)
Trade receivables	8,767,530	9,815,867
Interest receivables from money lending business	29,918	298,285
	8,797,448	10,114,152
Allowance for doubtful debts	–	–
	8,797,448	10,114,152
Other receivables	65,434	38,413
Deposits and prepayments	3,701,852	3,665,121
	12,564,734	13,817,686

The following is an analysis of trade receivables by age, presented based on the invoice date and net of allowance for doubtful debts, at the end of the reporting period:

	30 June 2016	31 December 2015
	HK$	*HK$*
	(Unaudited)	(Audited)
0 – 30 days	4,383,163	8,106,548
31 – 60 days	643,648	1,591,230
61 – 90 days	533,600	118,089
91 – 120 days	1,745,319	–
Over 120 days	1,461,800	–
Total	8,767,530	9,815,867

The Purchaser Groups generally allows an average credit period of 7 days or not more than 30 days to its trade receivables customers and based on the negotiations between the Purchaser Group and individual customers. No interest is charged on trade receivables.

Trade receivables that were neither past due nor impaired relate to a large number of diversified customers for whom there was no recent history of default.

Trade receivables that are past due at the end of the reporting period for which the Purchaser Group has not recognised an allowance for doubtful debts because there has not been a significant change in credit quality and the amounts are still considered recoverable. The Purchaser Group does not hold any collateral over these balances.

16. Loans Receivable

	30 June 2016	**31 December 2015**
	HK$	*HK$*
	(Unaudited)	(Audited)
Loans receivable from money lending business	500,000	26,200,000

The Purchaser Group seeks to maintain strict control over its outstanding loans receivable so as to minimise credit risk. The granting of loan is subject to approval by the management, whilst overdue balances are reviewed regularly for recoverability. The loans receivable was neither past due nor impaired at the end of the reporting period.

As at 30 June 2016, the loan receivable is unsecured, charging on interest rate at 8% per annum and repayable with fixed terms agreed with the contracting party.

As at 31 December 2015, the loans receivable were unsecured, charging on interest rates ranging from 8% to 10% per annum and were repayable with fixed terms agreed with the contracting parties.

17. Financial Assets at Fair Value Through Profit or Loss

	30 June 2016	31 December 2015
	HK$	*HK$*
	(Unaudited)	(Audited)
Financial assets held for trading		
– equity securities listed in Hong Kong	24,288,680	9,772,200
Financial assets designated as at fair value through profit of loss		
– convertible bond	2,899,540	2,899,540
	27,188,220	12,671,740

18. Trade and Other Payables and Accruals

	30 June 2016	31 December 2015
	HK$	*HK$*
	(Unaudited)	(Audited)
Receipts in advance	13,394,157	9,967,127
Customers deposit	8,856,150	7,222,360
Consideration payable	–	6,662,334
Other payables and accruals	5,206,080	7,638,146
	27,456,387	31,489,967

19. Loan Notes

	30 June 2016	**31 December 2015**
	HK$	*HK$*
	(Unaudited)	(Audited)
Loan notes – unsecured	19,227,174	99,957,082

On 18 May 2015, the Purchaser issued 10% unsubordinated and unsecured notes due in 2017 (the "Loan Notes") in the aggregate principal amount of HK$100,300,000. The Loan Notes carried an interest of 10% per annum payable quarterly in arrears.

The Purchaser and the noteholders may at its option redeem the Loan Notes, in whole or any part thereof outstanding on a business day which must be a day after the first anniversary of the date of issue of the Loan Notes and before the maturity date. On the redemption date, the Purchaser shall pay to such noteholder the principal amount of the Loan Notes to be redeemed plus all accrued and unpaid interest on the principal amount of the Loan Notes to be redeemed. The effective interest rate for the six months ended 30 June 2016 was 12.52% per annum.

During the six months ended 30 June 2016, the Purchaser has early repaid a part of the Loan Notes in the aggregate principal amount of HK$81,300,000.

20. Share Capital

	Number of shares	Share capital
		HK$
Authorised:		
At 1 January 2015, ordinary shares of HK$0.001 each	10,000,000,000	10,000,000
2015 Share Subdivision *(note (i))*	10,000,000,000	–
At 31 December 2015, ordinary shares of HK$0.0005 each	20,000,000,000	10,000,000
2016 Share Consolidation *(note (iii))*	(18,000,000,000)	–
At 30 June 2016, ordinary shares of HK$0.005 each	2,000,000,000	10,000,000
Issued and fully paid:		
At 1 January 2015, ordinary shares of HK$0.001 each	2,000,000,000	2,000,000
2015 Share Subdivision *(note (i))*	2,000,000,000	–
At 31 December 2015, ordinary shares of HK$0.0005 each	4,000,000,000	2,000,000
Placing of new shares *(note (ii))*	800,000,000	400,000
2016 Share Consolidation *(note (iii))*	(4,320,000,000)	–
Rights Issue *(note (iv))*	240,000,000	1,200,000
At 30 June 2016, ordinary shares of HK$0.005 each	720,000,000	3,600,000

Notes:

(i) Pursuant to the ordinary resolution passed by the shareholders of the Purchaser at the extraordinary general meeting held on 16 February 2015, a share subdivision was approved with effect from 17 February 2015 in which every one (1) issued and unissued ordinary share of HK$0.001 each in the share capital of the Purchaser was subdivided into two (2) subdivided shares having a par value of HK$0.0005 each (the "2015 Share Subdivision"). Immediately after the 2015 Share Subdivision, the authorised share capital of the Purchaser of HK$10,000,000 was divided into 20,000,000,000 subdivided shares, of which 4,000,000,000 subdivided shares were issued and fully paid.

(ii) On 27 January 2016, an aggregate of 800,000,000 new shares of the Purchaser were issued at a placing price of HK$0.05 each.

(iii) Pursuant to the ordinary resolution passed by the shareholders of the Purchaser at the extraordinary general meeting held on 18 April 2016, the share consolidation was approved with effect from 19 April 2016 in which every ten (10) issued and unissued existing shares of HK$0.0005 each were consolidated into one (1) share of HK$0.005 each. The authorised share capital of the Purchaser became HK$10,000,000 divided into 2,000,000,000 consolidated shares, of which 480,000,000 consolidated shares were issued and fully paid (the "2016 Share Consolidation").

(iv) On 24 May 2016, an aggregate of 240,000,000 new shares were allotted and issued on the basis of one (1) rights share for every two (2) ordinary shares of the Purchaser issued and held on the record date at a subscription price of HK$0.324 per rights share (the "Rights Issue").

21. Acquisition of a Subsidiary

On 16 March 2016, the Purchaser Group acquired the entire issued shares of China Universal Limited ("China Universal") at a cash consideration of HK$25,900,000.

The fair values of the identifiable assets and liabilities of China Universal as at the date of acquisition were as follows:

	HK$
Investment properties	26,200,000
Property, plant and equipment	42,589
Trade receivables, deposit and prepayment	81,779
Bank balance	31,925
Other payable and accruals	(447,335)
Total identifiable net assets at fair value	25,908,958
Gain on bargain purchase	(8,958)
Satisfied by cash	25,900,000

An analysis of the net cash outflow in respect of the acquisition of China Universal is as follows:

	HK$
Cash consideration	25,900,000
Bank balance acquired	(31,925)
	25,868,075

The fair values of trade receivables as at the date of acquisition amounted to HK$77,000 which approximated the gross contractual amounts. None of these receivables have been impaired and it is expected that the full contractual amounts can be collected. Acquisition-related costs amounting to HK$146,828 have been excluded from the consideration transferred and have been recognised as an expense within the administrative expenses in the unaudited condensed consolidated statement of profit or loss and other comprehensive income for the six months ended 30 June 2016.

22. Disposal of Subsidiaries

(a) On 26 January 2016, the Purchaser Group disposed of its entire equity interest being 95% of the entire issued share capital of ChinaQFii Company Limited ("ChinaQFii") at a cash consideration of HK$2,400,000.

(b) On 31 May 2016, the Purchaser Group disposed of its entire equity interest being the entire issued share capital of Sky Luck International Limited ("Sky Luck") at a cash consideration of HK$3,400,000, excluding the transaction cost of HK$29,000.

	ChinaQFii	Sky Luck
	HK$	*HK$*
Net assets disposed of:		
Property, plant and equipment	17,611	439,534
Goodwill	917,976	–
Trade and other receivables, deposits and prepayment	13,778	1,053,515
Cash and bank balances	139,477	927,243
Accruals	(743)	(20,350)
	1,088,099	2,399,942
Non-controlling interests	103,095	–
Gain on disposal of subsidiaries	1,208,806	971,058
	2,400,000	3,371,000
Satisfied by cash, net of transaction cost	2,400,000	3,371,000

An analysis of the net inflow of cash and cash equivalents in respect of the disposal of ChinaQFii and Sky Luck is as follows:

	ChinaQFii	Sky Luck
	HK$	*HK$*
Cash consideration received	2,400,000	3,371,000
Cash and bank balances disposed of	(139,477)	(927,243)
	2,260,523	2,443,757

23. Significant Related Party Transactions

Save as disclosed elsewhere in the unaudited condensed consolidated financial statements, the Purchaser Group entered into the following significant related party transactions during the three months and six months ended 30 June 2016 and 30 June 2015 respectively:

Compensation of key management personnel of the Purchaser Group

	Three months ended 30 June		**Six months ended 30 June**	
	2016	**2015**	**2016**	**2015**
	HK$	*HK$*	*HK$*	*HK$*
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Salaries and short-term employee benefits	855,743	714,473	1,665,089	1,410,376
Post-employment benefits	9,000	9,000	18,000	18,000
	864,743	723,473	1,683,089	1,428,376

24. Events After the Reporting Period

On 18 July 2016, Eagle Networks Company Limited ("Eagle Networks"), an indirect wholly-owned subsidiary of the Purchaser, and JFA Capital entered into a sale and purchase agreement, pursuant to which Eagle Networks conditionally agreed to purchase and JFA Capital conditionally agreed to sell 500 ordinary shares of C&C International Healthcare Group Limited ("C&C"), representing 5% of C&C's issued share capital at the consideration of HK$24,271,000. C&C and its group companies are principally engaged in the provision of contracted medical schemes for integrated medical and healthcare check-up services. The acquisition of C&C was completed on 29 July 2016. Details of the transaction are set out in the Purchaser's announcement dated 18 July 2016.

B. MANAGEMENT DISCUSSION AND ANALYSIS ON THE PURCHASER GROUP

The following management discussion and analysis has been extracted from the annual report of the Purchaser Group for the three years ended 31 December 2013, 31 December 2014 and 31 December 2015 and the interim report of the Purchaser Group for the six months ended 30 June 2016.

For the year ended 31 December 2013

Business review

Overview

The Purchaser Group is principally engaged in the development, sale and lease of financial trading software solutions with the principal products being trading and settlement systems of financial products for financial institutions and provision of referral services to source, identify and refer prospective deal opportunities to interested parties.

For the year ended 31 December 2013, the operating and business environment of the Purchaser Group remained stable as compared with the corresponding period in 2012.

Financial Trading Software Solutions – iAsia Online Systems Limited ("iAsia")

For the financial trading software solutions business segment, iAsia's major customers are the financial institutions which conduct brokerage business of financial products traded in Hong Kong, in particular Category B and Category C brokerage firms and local banks. iAsia's existing trading and settlement systems are used to facilitate the operations of financial institutions for their clients' trading of financial products and can cover the whole life cycle of trading and settlement process from order placing, risk management, compliance to settlement. Besides offering standard packages of software products, iAsia also offers customisation services to customers to develop tailor-made functions. Along with its sale and lease of financial trading software solutions, iAsia is also engaged in the provision of related services, including sale of hardware, software maintenance, network support and hosting services.

For the year ended 31 December 2013, revenue from this operating business segment amounted to approximately HK$30,955,000 (2012: approximately HK$33,627,000) iAsia places strong emphasis on research and development ("R&D") which is vital to the business development and competitiveness of the Purchaser Group. The R&D team of iAsia focuses in two key areas: (i) the enhancement of the existing products; and (ii) the development of new products.

(i) Enhancement of existing System

Securities Front Office System

In response to the change in trading infrastructure stipulated by Hong Kong Exchanges and Clearing Limited ("HKEx"), iAsia has launched a migration project to enhance the Securities Front Office System. iAsia has commenced to upgrade (i) the trading interface with the HKEx from Open Gateway ("OG") to Orion Central Gateway ("OCG"); and (ii) the market data interface, migration of which will be launched by HKEx in the second quarter of 2014. Since the fourth quarter of 2012, iAsia has started ongoing development and testing with HKEx. Currently, iAsia's Securities Front Office System has successfully passed the certification tests of HKEx's OCG in February 2014.

Futures Front Office System

In response to the change in trading platform stipulated by HKEx, iAsia has launched a migration project to upgrade the Futures Front Office System. iAsia commenced in the second quarter of 2013 to upgrade the trading interface with the Hong Kong Futures Exchange Limited (the "Futures Exchange") from Network Gateway ("NG") to Central Gateway ("CG"), migration of which was launched by HKEx in the fourth quarter of 2013. iAsia commenced the review of the specification of market data interface in the third quarter of 2013, migration of which will be launched by HKEx in the second quarter of 2014. iAsia commenced the enhancement of the market data interface in the fourth quarter of 2013, which is expected to be completed in the second quarter of 2014. iAsia's upgraded Futures Front Office System has successfully passed the Genium INET platform certification test and launched the system to all its futures clients.

(ii) Development of new products

As one of the major financial trading software solution providers in Hong Kong, iAsia is committed to furthering the growth of its financial trading software solutions and increasing its market share by expanding its product range in addition to enhancing the development of its existing products. To these ends, the Purchaser Group devotes resources in the development of new products:

Mobile app for trading futures

In line with the increasing popularity, functionality and convenience of tablet and mobile devices, iAsia has developed two new products to help iAsia expand its business to the mobile market during the year.

An Android version of the Mobile App for Tablet for trading futures was launched in late December 2013. The Android version of the Mobile App for Retail Investors for trading futures is still undergoing the final testing and fine tuning process and this new product is scheduled to be launched in the second quarter of 2014.

Algorithmic Trading System

iAsia commenced the development of the Algorithmic Trading System with additional manpower and efforts with enriched features and enhanced efficiency during the year. iAsia expects to complete system development works for the Algorithmic Trading System and launch the arbitrage and market maker sections of the Algorithmic Trading System with main focus on index futures and index options products traded on the Futures Exchange in the coming year.

Order Management System

iAsia conducted hardware and network infrastructure planning and requirement capture for the Order Management System during the year and expects to conduct system development works for the Order Management System in the coming year.

To better suit the needs of customers and further expand the market share of iAsia, iAsia has promoted its Financial Software as a Service ("FSaaS"), a new service to offer a speedy and reliable electronic financial trading operating mode to the brokers by incorporating the cloud computing technology, for Category C brokers by organising a marketing event in March 2014. In addition, iAsia will offer upgrade packages to the securities brokers to update their systems to cope with the introduction of OCG by HKEx.

Business Diversification

In order to diversify the Purchaser Group's source of revenue, the Purchaser Group actively seeks new business opportunities in relation to its core business and the financial industry. In the fourth quarter of 2013, the Purchaser Group established Dealmatch.com Limited ("Dealmatch") and ventured into deal matching and referral services.

Dealmatch, the Purchaser Group's wholly-owned subsidiary, is an online platform principally engaged in bridging potential investment deals from various industries with potential investors, contributed revenue of HK$2,200,000 to the Purchaser Group for the year ended 31 December 2013 (2012: Nil).

Following the establishment of Dealmatch, the Purchaser Group acquired ChinaQFii Company Limited, a company principally engaged in deal sourcing in China. The acquisition can further expand and strengthen the foundation of the Purchaser Group's deal matching and referral business.

The branching out of the Purchaser Group's business not only broadens the Purchaser Group's source of income, but may also facilitate the expansion of the Purchaser Group's customer base and create new business opportunities.

Financial review

Revenue

For the year ended 31 December 2013, the Purchaser Group recorded revenue of approximately HK$33,155,000 (2012: approximately HK$33,627,000), representing a decrease of approximately HK$472,000 or 1.40% as compared with that of last financial year.

Sales of Hardware

Revenue derived from the sales of hardware for the year ended 31 December 2013 decreased by approximately HK$570,000 or 39.50% to approximately HK$874,000 (2012: approximately HK$1,444,000) as compared with that of last financial year as the customers intended to postpone their hardware upgrade to a date after the upcoming transition of the new trading platforms of HKEx, namely OCG, which will be rolled out by the second quarter of 2014.

Sales of Technology Software Systems

Revenue derived from sales of technology software systems amounted to approximately HK$4,930,000 for the year ended 31 December 2013 (2012: approximately HK$5,624,000), representing a decrease of approximately HK$694,000 or 12.33% as compared with that of last financial year. The decrease was due to the decrease in revenue recognised from backlog contract compared with the last financial year.

System Customisation and Network Support

Revenue derived from system customisation and network support amounted to approximately HK$3,052,000 for the year ended 31 December 2013 (2012: approximately HK$4,314,000), representing a decrease of approximately HK$1,262,000 or 29.24%. The decrease was mainly due to customers' intention to postpone their requests for customisation to a date after the forthcoming transition of the new trading platforms of HKEx as mentioned above under the paragraph headed "Sales of Hardware".

Software Maintenance

Revenue from software maintenance for the year ended 31 December 2013 increased by approximately HK$1,527,000 or 19.76% to approximately HK$9,253,000 (2012: approximately HK$7,726,000) as compared with that of last financial year, which was mainly attributable to the increase in the number of customers subscribed for iAsia's maintenance services.

Software Licensing

Revenue from software licensing decreased by approximately HK$1,296,000 or 10.30% to approximately HK$11,290,000 for the year ended 31 December 2013 (2012: approximately HK$12,586,000). The decrease was mainly resulted from the one-off event last year to recognise the residual licence fee agreed with The Chinese Gold and Silver Exchange Society ("CGSE") in relation to the monthly fee charged by iAsia to CGSE based on the number of user licences of the Bullion Trading System# granted to members of CGSE amounted to approximately HK$1,044,000.

\# *The Bullion Trading System is an electronic system installed at and used by the members of CGSE to trade bullion products through the electronic trading platform of CGSE.*

Hosting

Revenue from hosting recorded a decrease of approximately HK$270,000 or 16.03% to approximately HK$1,415,000 for the year ended 31 December 2013 (2012: approximately HK$1,685,000) when compared with that of last financial year. Such decrease was mainly a result of the cessation of subscription for hosting service by certain customers.

Referral

For the year ended 31 December 2013, the Purchaser Group recorded referral income of HK$2,200,000 (2012: Nil) generated from the new referral business which commenced in the fourth quarter of the year.

Gross Profit and Gross Profit Margin

Gross profit was approximately HK$23,912,000 for the year ended 31 December 2013, representing an increase of approximately 5.68% as compared with last financial year (2012: approximately HK$22,626,000). Gross profit margin for the year ended 31 December 2013 was approximately 72.12% (2012: approximately 67.29%), representing an increase of approximately 4.83% when compared with that of last financial year. The increase in gross profit margin was mainly due to the combined effect of recognition of referral income generated from the new referral business and the decrease in direct staff cost after the relocation of certain direct staff to the R&D team to develop new products (which was capitalised as intangible assets) during the year.

Administrative Expenses

The Purchaser Group's administrative expenses for the year ended 31 December 2013 amounted to approximately HK$14,634,000 (2012: approximately HK$9,364,000) representing an increase of approximately HK$5,270,000 or 56.27% as compared with that of last financial year. The increase in administrative expenses is mainly attributable to the combined effect of (i) a one-off corporate donation amounting to HK$650,000 incurred during the year; (ii) the marketing expenses incurred for and after the listing of the Purchaser on the GEM of the Stock Exchange on 26 September 2013 (the "Listing") amounting to approximately HK$781,000; and (iii) the increase in administrative staff costs, including directors' emoluments of approximately HK$3,545,000 as compared with that of last financial year due to 5 new headcounts after the Listing including independent non-executive Directors, chief financial officer and financial controller, 4 new headcounts since the establishment of the new referral business segment in November 2013 and provision of discretionary bonus of approximately HK$1,003,000 for the year (2012: Nil).

(Loss)/Profit for the Year

The Purchaser Group incurred a loss of approximately HK$571,000 for the year ended 31 December 2013 (2012: profit for the year of approximately HK$11,219,000). The Purchaser Group's net profit decreased by approximately HK$11,790,000 as compared with that of last financial year mainly due to the combined effect of (i) the listing expenses of approximately HK$8,063,000 incurred for the year (2012: HK$789,000) and (ii) the increase in administrative expenses of approximately HK$5,270,000 as elaborated above under the paragraph headed "Administrative Expenses". The relevant factors had no immediate impact on the business operations of the Purchaser Group.

Liquidity and financial resources

As at 31 December 2013, the Purchaser Group held cash and bank balances of approximately HK$48,190,000 (2012: approximately HK$19,519,000). Net current assets amounted to approximately HK$44,875,000 (2012: approximately HK$11,378,000). Current ratio (defined as total current assets divided by total current liabilities) was approximately 4.55 times (2012: approximately 1.86 times).

As at 31 December 2013, the gearing ratio of the Purchaser Group (defined as total borrowings divided by total assets) was nil (2012: Nil).

As at 31 December 2013, the Purchaser Group had no outstanding bank borrowings (2012: Nil).

Foreign exchange exposure

During the year ended 31 December 2013, the business activities of the Purchaser Group were mainly denominated in Hong Kong dollars. The directors of the Purchaser did not consider the Purchaser Group was exposed to any significant foreign currency exchange risks.

Contingent liabilities

As at 31 December 2013, the Purchaser Group did not have any contingent liabilities (2012: Nil).

Capital commitment

As at 31 December 2013, the Purchaser Group did not have any significant capital commitments (2012: Nil).

Charges on the group's assets

As at 31 December 2013, the Purchaser Group did not have any material charge on assets (2012: Nil).

Material acquisitions, disposal of subsidiaries and affiliated companies

On 7 November 2013, the Purchaser Group acquired the entire equity interest of One Rich Investments Limited and its subsidiary, ChinaQFii Company Limited (the "One Rich Group") at a cash consideration of HK$1,500,000. One Rich Group contributed nil revenue and net loss of HK$243,252 to the Purchaser Group for the year ended 31 December 2013. Had this business combination been effected at 1 January 2013, the revenue of the Purchaser Group would have been approximately HK$33,155,000, and the loss for the year would have been approximately HK$1,269,000. The directors of the Purchaser Group consider this "pro-forma" numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference point for comparison in future periods. Further details of the acquisition are set out in note 30 to the consolidated financial statements in the 2013 annual report of the Purchaser.

Significant investments

Save as disclosed above in the paragraph headed "Material Acquisitions, Disposal of Subsidiaries and Affiliated Companies", the Purchaser Group did not hold any significant investment for the year ended 31 December 2013.

Capital structure

Since the date of listing of shares of the Purchaser on the GEM of the Stock Exchange on 26 September 2013 (the "Listing Date") and up to 31 December 2013 (the "Period"), there was no material change in the capital structure of the Purchaser. The capital of the Purchaser comprises ordinary shares only.

Future plan for material investments and capital assets

Save for the the entering into of the shareholders agreement on 9 January 2014 with two independent third parties to jointly invest in Gavottes International Limited, a company incorporated in the British Virgin Islands as disclosed under the section headed "Events after the Reporting Period" on page 31 of the 2013 annual report and the plan of acquisition of an IT company as stated under the section headed "Business Objectives and Strategies" of the prospectus of the Purchaser dated 18 September 2013 (the "Prospectus"), the Purchaser Group does not have any concrete plan for material investments or capital assets for the coming year. Nonetheless, if any potential investment opportunity arises in the coming year, the Purchaser Group will prepare the feasibility study and implementation plan when it is beneficial to the Purchaser Group and its shareholders as a whole.

Dividends

The board of the Purchaser does not recommend the payment of a final dividend for the year ended 31 December 2013 (2012: HK$3,600,000).

Employee and remuneration policy

As at 31 December 2013, the Purchaser Group had approximately 48 employees (2012: 40). The Purchaser Group continues to maintain and upgrade the capabilities of its workforce by providing them with adequate and regular training. The Purchaser Group remunerates its employees mainly based on industry practices and individual's performance and experience. On top of regular remuneration, discretionary bonus and share options may be granted to eligible staff by reference to the Purchaser Group's performance as well as individual's performance.

Business objectives

Comparing with the future plans of the Purchaser Group set out in the section "Future plans and use of proceeds" of the Prospectus, the Purchaser Group's actual business progress up to 31 December 2013 were as follows:

For the period from the Latest Practicable Date as defined in the Prospectus to 31 December 2013 (the "BP Period")

	Business objectives stated in the Prospectus	Actual business progress
Enhancing product development by developing new products and improving its existing products	• Recruit two staff for development of the Algorithmic Trading System	• There was no suitable candidate identified and hence the development of Algorithmic Trading System was done by the existing staff members in the development team during the BP Period. The Purchaser Group is still looking for suitable candidates to fit the vacancies.
	• Test trading strategies and enrich features and enhance efficiency of the Algorithmic Trading System	• The trading strategies of Algorithmic Trading System has been tested with a futures broker. The features of Algorithmic Trading System have been enriched and the program order type has been added for futures trading.
	• Recruit three staff for development and testing of the Mobile App	• There was no suitable candidate identified and hence the development and testing of the Mobile App were done by the existing staff in the development team during the BP Period. The Purchaser Group is still looking for suitable candidates to fit the vacancies.
	• Procure hardware for development of Mobile App	• Certain tablets were acquired for the development of Mobile App.
	• Launch Android version of the Mobile App for Tablet	• The development of the Android version of the Mobile App for Tablet has been completed and the new product was launched in late December 2013.

Business objectives stated in the Prospectus	Actual business progress
• Launch Android version of the Mobile App for Retail Investors	• The Android version of the Mobile App for Retail Investors was undergoing the final testing and fine tuning process as at the end of the BP Period and was scheduled to be launched in the second quarter of 2014.
• Conduct hardware and network infrastructure planning and requirement capture for the Order Management System	• The hardware and network infrastructure capture for the Order Management System has been conducted and completed by the end of the BP Period
Existing products	
• Recruit five staff for development of existing products	• Two suitable candidates have been identified and recruited during the BP Period for the development and enhancement of Front Office System and Back Office System. The Purchaser Group is still looking for additional suitable candidates to fit the vacancies.
• Develop new features of the Futures Front Office System	• The following functions and features have been added to the Futures Front Office System: – program order type – stock options and combo product support – hotkey for different functions
• Complete upgrade of the trading interface of the Securities Front Office System to OCG and the market data interface	• The launch of OCG migration by HKEx has been postponed to the second quarter of 2014. The development and enhancement of Securities Front Office System have been completed as at the end of the BP Period. The upgraded system has passed the certification tests of HKEx's OCG subsequent to the BP Period and is scheduled tobe launched in the second quarter of 2014.

	Business objectives stated in the Prospectus	Actual business progress
	• Complete upgrade of the trading interface of the Futures Front Office System to CG	• The upgrade of the trading interface of the Futures Front Office System to CG has been completed. The upgraded system has successfully passed the Genium INET platform certification test and been launched to all iAsia's future clients during BP Period.
	• Commence to enhance the market data interface of the Futures Front Office System to CG	• The development team was reviewing the specification of the Orion Market Data Platform – Derivatives Market ("OMD-D") of HKEx during the BP Period and expected to complete the enhancement of the market date interface in the second quarter of 2014.
Expanding the customer base	• Send product brochures of OCG solutions, by email and post, to all Stock Exchange Participants	• Product brochures of OCG solutions have not been sent by email and post to the Stock Exchange participants during the BP Period due to postponement of launch of OCG migration to the second quarter of 2014.
	• Organise seminars to explain technical specifications of OCG	• Seminar has not been organised during the BP Period due to postponement of launch of OCG migration to the second quarter of 2014.
	• Send product brochures of enhanced version of Futures Front Office System to all Futures Exchange Participants	• Brochures of enhanced version of Futures Front Office System have notbeen sent to the Futures Exchange Participants during the BP Period as iAsia planned to do so i n the second quarter of 2014 to match the completion time of the enhancement of the market data interface in order to maximise the marketing effect. Instead, during the BP Period, the Purchaser Group has organised a marketing event to sponsor a movie gala premier in the fourth quarter of 2013 and prepaid for the television advertisements, which has been broadcasted since January 2014, to enhance the Purchaser Group's reputation so as to help expand the customer base.

	Business objectives stated in the Prospectus	Actual business progress
	• Commence to organise briefing sessions on an on-going basis to round up existing products and preview new products under development	• A product coordination meeting was held monthly as follows: – the business development team provided the market requirement for study; – the project development team introduced the new features of the existing products; and – the customer service team reported the response and feedback from customers on latest requirements and existing products.
Possible acquisition of an IT company	• Identify potential IT company for acquisition	• During the BP Period, the Purchaser Group has not identified any suitable potential IT company for acquisition. The Purchaser Group is still working for the identification of a suitable target.

Use of proceeds from the placing

Based on the Placing Price of HK$0.82 per Placing Share (as defined in the Prospectus), the proceeds raised from the Placing amounted to approximately HK$28.6 million, net of underwriting fees and other related expenses.

The following table sets forth a breakdown of the use of net proceeds applied by the Purchaser Group from the Latest Practicable Date as defined in the Prospectus up to 31 December 2013:

Use of net proceeds	**Planned amount as stated in the Prospectus**	**Planned amount utilised up to 31 December 2013**	**Actual amount utilised up to 31 December 2013**	**Balance as at 31 December 2013**
	HK$'000	*HK$'000*	*HK$'000*	*HK$'000*
Enhancing product development by developing new products and improving its existing products	12,265	(2,490)	(101)	12,164
Expanding the customer base	2,500	(500)	(500)	2,000
Possible acquisition of an IT company	13,000	–	–	13,000
Working capital	830	(830)	(830)	–
Total	28,595	(3,820)	(1,431)	27,164

The actual amount utilised up to 31 December 2013 for enhancing product development by developing new products and improving its existing products was less than the planned amount by approximately HK$2,389,000, mainly due to the failure of identifying and hiring sufficient suitable candidates for the development of new and existing products.

The unused net proceeds have been placed as interest bearing deposits with licensed bank in Hong Kong in accordance with the intention of the directors of the Purchaser as disclosed in the Prospectus. As at the date of this annual report, the directors of the Purchaser do not anticipate any change to the plan as to use of proceeds.

Outlook

Looking ahead, the Purchaser Group is optimistic about the industry outlook and the Purchaser Group's future development and expects to have a stable growth momentum in the coming year.

iAsia, the core business division of the Purchaser Group, strives to consolidate its market position and maintain its competitiveness by enriching the product portfolio of its financial trading software solutions, enhancing its existing products, and broadening its customer base.

In the aspect of product development, iAsia will continue its efforts in R&D on product enhancement and development so as to suit the changing market needs. To support this development strategy, iAsia has formulated concrete development plans for the Algorithmic Trading System and Order Management System. Meanwhile, iAsia will strengthen its marketing efforts in promoting its new products to existing and potential clients. In particular, iAsia will further expand its market share by offering the cost effective one-stop solution to Category C brokers. Furthermore, iAsia will offer upgrade packages to the securities brokers to update their systems to cope with the introduction of OCG by HKEx.

In the aspect of business development, the Purchaser Group considers that e-commerce or mobile commerce (the "m-commerce") is a business with high potential in the People's Republic of China (the "PRC") market. According to a report recently released by KPMG China, with a forecast of 32% average annual growth and strong drivers such as prevalence of social media platforms, digital payment platforms and mobile devices, China is set to become the largest e-commerce or m-commerce market in the world. Currently, China is the world's most populous country with approximately 1.3 billion people and is thus believed to be the world's largest market of internet and smartphone applications. The growing trend of the use of mobile devices is in line with the forecast that the market of e-commerce or m-commerce in the PRC will at least quintuple in the next 2 years. The Purchaser Group believes that, with the Purchaser Group's strong IT background, the Purchaser Group is confident to enter into e-commerce or m-commerce business in relation to its core business. The Purchaser Group will actively seek such business opportunities to help broaden the Purchaser Group's source of income.

Leveraging on the Purchaser Group's existing resources and expertise, the Purchaser Group will put greater emphasis on the referral business division in the coming year. In addition, the Purchaser Group will actively identify quality business projects with the aims of achieving synergy and sustainable growth across the business divisions of the Purchaser Group and maximising returns to shareholders in the long run. The Purchaser Group will strive to achieve profitability in the financial year of 2014.

For the year ended 31 December 2014

Business review

Overview

The Purchaser Group is principally engaged in the provision of financial trading software solutions, provision of other internet financial platforms, provision of referral services, money lending business, securities investments and provision of corporate finance advisory services. For the year ended 31 December 2014 (the "Year"), the Purchaser Group's operations and business achieved a steady growth when compared to the last financial year ended 31 December 2013 ("FY2013").

Provision of Financial Trading Software Solutions

During the Year, the financial trading software solutions business division recorded a segment revenue and profit from its external customers of approximately HK$35,267,000 (2013: approximately HK$30,955,000) and approximately HK$11,774,000 (2013: approximately HK$10,049,000) respectively.

iAsia Online Systems Limited ("iAsia") is the core operating subsidiary of the Purchaser in this business division and its major clients are Hong Kong-based financial product brokers, in particular, Category B and Category C brokerage firms and local banks. As a result of the higher trading volume contributed by the Shanghai-Hong Kong Stock Connect, iAsia has benefited from the increasing demand for multi-functional and comprehensive financial trading solutions.

During the Year, iAsia achieved satisfactory development and enhancement progress for the new and existing products. The system development and integration testing of the order management system, namely Connect X, has been completed. The system is currently under final connection setup and is scheduled to be officially launched in the second quarter of 2015. Development of iOS version of the Mobile App for retail investors was also completed during the Year. The new version has been officially registered and launched to the market in March 2015. For the existing products, an enhanced version of each of the Futures Front Office System and the Securities Front Office and Back Office System for the banking sector, were officially launched to the market in the third quarter of 2014. Meanwhile, iAsia has developed new functions to further upgrade the Securities Front Office and Back Office System for the banking sector and the new enhanced version is expected to be launched officially in the second quarter of 2015.

Details of the development and enhancement progress of the new and existing products are set out in the section headed "Comparison of Business Objectives with Actual Business Progress" on pages 9 to 12 of the 2014 annual report.

Provision of Other Internet Financial Platforms

During the Year, this new business division contributed a segment revenue and profit of HK$6,160,000 (2013: Nil) and approximately HK$4,603,000 (2013: Nil) respectively.

To cope with the increasingly growing business potential and opportunities in electronic commerce ("e-commerce")/mobile-commerce and the increasing use of mobile applications, during the Year, the Purchaser Group ventured into the other internet financial platforms business through (i) the acquisition of Well In Technology Development Limited, a Hong Kong-incorporated information technology ("IT") company; and (ii) the establishment of two wholly-owned subsidiaries namely, Finsoft E-Commerce Limited and Zeed Asia Technology Limited in Hong Kong. The first platform developed by this division, i.e. an instant and multi-functional B2C (Business to Customer)/O2O (Online to Offline) platform connecting licensed money lending companies in Hong Kong and potential borrowers ("Money Lending Platform"), is undergoing the performance testings and is expected to be officially launched to the market in the second quarter of 2015. In addition, the Purchaser Group commenced a new project in December 2014 to develop a fund administration and portfolio analysis management system ("Fund Platform") as a comprehensive suite of integrated solution modules which is designed specifically for use by asset managers and institutional investors to facilitate their finance operations and investment administration.

Provision of Referral Services

During the Year, the referral business division further expanded its client base by benefiting from the synergy across different business divisions and reported a segment revenue and profit of approximately HK$9,608,000 (2013: HK$2,200,000) and approximately HK$1,149,000 (2013: approximately HK$978,000) respectively.

Money Lending Business

During the Year, the money lending business division recorded a segment revenue and profit of approximately HK$243,000 (2013: Nil) and approximately HK$147,000 (2013: Nil) respectively. The interest rates charged to customers during the Year ranged from 8.50% to 24.00% per annum. No default event occurred as of the date of the 2014 annual report and no provision for the impairment of loan receivables was considered necessary during the Year.

Securities Investments

For the Year, the securities investments business division recorded a segment revenue and profit of approximately HK$56,000 (2013: Nil) and approximately HK$25,000 (2013: Nil) respectively. The division will continue to adopt a prudent investment approach when trading in listed securities in the Hong Kong stock market.

Provision of Corporate Finance Advisory Services

The Purchaser Group identified further business opportunities from the clients of other business divisions and hence commenced its business of advising on corporate finance in early November 2014 to provide extended services to its clients upon obtaining the Type 6 Licence from the Securities and Futures Commission of Hong Kong to carry out Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (''SFO'') in late October 2014. This division has successfully signed certain contracts with the clients since January 2015.

Financial review

Revenue

The Purchaser Group's revenue for the Year amounted to approximately HK$51,334,000, representing an increase of approximately HK$18,179,000 or 54.83% compared to FY2013 (2013: approximately HK$33,155,000). The increase was mainly attributable to the combined effect of: (i) the increase in revenue from the financial trading software solutions business division of approximately HK$4,312,000; (ii) the increase in revenue from the referral business division of approximately HK$7,408,000; and (iii) the revenue generated from the new business division of provision of other internet financial platforms of HK$6,160,000 (2013: Nil).

Gross profit and gross profit margin

The Purchaser Group's gross profit for the Year amounted to approximately HK$40,380,000, representing an increase of approximately HK$16,468,000 or 68.87% compared to FY2013 (2013: approximately HK$23,912,000) which was in line with the increase in revenue. Gross profit margin for the Year increased by approximately 6.54% to approximately 78.66%, as compared to FY2013 (2013: approximately 72.12%). The increase was mainly due to the combined effect of: (i) the slight increase in gross profit margin of the financial trading software solutions business division of approximately 4.89%; and (ii) the increase in revenue of approximately HK$7,408,000 from the referral business division with a higher gross profit margin.

Administrative expenses

The Purchaser Group's administrative expenses for the Year amounted to approximately HK$26,224,000, representing an increase of approximately HK$11,590,000 or 79.20% as compared to FY2013 (2013: approximately HK$14,634,000). The increase was primarily attributable to the combined effect of: (i) the increase in administrative staff costs including directors' emoluments of approximately HK$5,115,000; (ii) the increase in marketing expenses of approximately HK$1,808,000; (iii) the increase in legal and professional fees of approximately HK$1,596,000; and (iv) the increase in operating lease expenses in respect of rented premises of approximately HK$1,191,000 during the Year.

Profit for the Year

The Purchaser Group recorded a net profit of approximately HK$11,319,000 for the Year as compared with a net loss of approximately HK$571,000 for FY2013. The net profit was mainly attributable to the net effect of: (i) the increase in revenue of approximately HK$18,179,000 as compared to FY2013; (ii) the increase in administrative expenses of approximately HK$11,590,000 as compared to FY2013; and (iii) the fact that no listing expense was incurred during the Year (2013: approximately HK$8,063,000).

Liquidity and financial resources

As at 31 December 2014, the Purchaser Group held cash and bank balances of approximately HK$45,321,000 (2013: approximately HK$48,190,000). Net current assets amounted to approximately HK$51,101,000 (2013: approximately HK$44,875,000). Current ratio (defined as total current assets divided by total current liabilities) was approximately 3.38 times (2013: approximately 4.55 times).

As at 31 December 2014, the gearing ratio of the Purchaser Group (defined as total borrowings divided by total assets) was nil (2013: Nil).

As at 31 December 2014, the Purchaser Group had no outstanding bank borrowings and other borrowings (2013: Nil).

Foreign exchange exposure

During the years ended 31 December 2014 and 2013, the business activities of the Purchaser Group were mainly denominated in Hong Kong dollars. The directors of the Purchaser did not consider the Purchaser Group was exposed to any significant foreign currency exchange risks.

Contingent liabilities

As at 31 December 2014, the Purchaser Group did not have any contingent liabilities (2013: Nil).

Capital commitment

As at 31 December 2014, the Purchaser Group did not have any significant capital commitments (2013: Nil).

Charges on the group's assets

As at 31 December 2014, the Purchaser Group did not have any material charge on assets (2013: Nil).

Material acquisitions and disposals

On 22 August 2014, the Purchaser Group acquired the entire equity interest of Well In Technology Development Limited ("Well In"), a company incorporated in Hong Kong principally engaged in the provision of e-commerce/mobile commerce platforms and consultancy services, at a cash consideration of HK$1,221,000. Well In contributed revenue of HK$160,000 and net loss of HK$1,370,969 to the Purchaser Group for the year ended 31 December 2014. Had this business combination been effected at 1 January 2014, the revenue of the Purchaser Group would have been approximately HK$51,654,000, and the profit for the year would have been approximately HK$10,694,000. The directors of the Purchaser Group consider this "pro-forma" numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference point for comparison in future periods. Further details of the acquisition are set out in note 31 to the consolidated financial statements of the Purchaser's 2014 annual report.

Significant and potential investments

Save as disclosed in the paragraph headed "Material Acquisitions and Disposals" above the Purchaser Group had made the following investment and investment plans for the Year.

On 9 January 2014, the Purchaser Group entered into the shareholders agreement ("Previous SHA") with Time Smart Development Limited ("Time Smart") and Mr. Kwok Shun Tim ("Mr. Kwok"), each of them being an independent third party, to jointly invest in Gavottes International Limited ("JV Company"), a company incorporated in the British Virgin Islands ("BVI"). On the same date, the JV Company entered into the sale and purchase agreement with Mr. Que Bon Tan Gerald and Ms. Oei Hong Eng ("Ms. Oei") (together, "Vendors"), each of them being an independent third party, pursuant to which the JV Company has agreed to acquire the entire issued share capital of Gransing Securities Co., Limited ("Target Company"), a company incorporated in Hong Kong with limited liability at the consideration of HK$16,040,000, subject to dollar-to-dollar downward adjustments with reference to the net assets value of the Target Company at the completion of this acquisition ("Acquisition"). The aggregate capital contribution by the Purchaser Group to the JV Company was HK$4,861,530 and the Purchaser Group held 30% of the issued share capital of the JV Company. With the consent of the Purchaser Group and Time Smart, Mr. Kwok transferred all his shares in the JV Company to Ms. Oei on 30 April 2014. As a result of the change of shareholders of the JV Company, on 30 April 2014, (i) the Purchaser Group, Time Smart and Mr. Kwok entered into the termination agreement to cancel the Previous SHA with effect from the date of the termination agreement; (ii) the Purchaser Group, Time Smart and Ms. Oei (together, "JV Parties") entered into the new shareholders agreement ("New SHA") to govern the shareholdings and the management of the JV Company; and (iii) the JV Company and the Vendors entered into a new sale and purchase agreement dated 30 April 2014 ("New SPA") in relation to the sale and purchase of the entire issued share capital of the Target Company. Under the New SHA, the aggregate capital contribution by the Purchaser Group to the JV Company remained to be HK$4,861,530 and the Purchaser Group remained to hold 30% of the issued share capital of the JV Company. On 8 September 2014, the JV Parties decided not to further proceed with the Acquisition. On the same date, (i) the JV Company and the Vendors entered into the termination agreement to terminate the New SPA; and (ii) the JV Parties and the JV Company entered into the termination agreement to terminate the New SHA with immediate effect. As at the date of the 2014 annual report, the JV Company has distributed its assets to the JV Parties in accordance with the BVI Business Companies Act and other laws and regulations of the BVI and has been officially dissolved on 16 December 2014. Details of the transactions are set out in the Purchaser's announcements dated 9 January 2014, 30 April 2014 and 8 September 2014 respectively.

Besides the aforesaid investment in the JV Company, on 3 June 2014, the Purchaser Group entered into a cooperation framework agreement ("Cooperation Framework Agreement") with CIL Holdings Limited ("CIL", and its subsidiaries "CIL Group"), a company incorporated in Bermuda with limited liability and the issued shares of which are listed on the Main Board of the Stock Exchange (stock code: 479) in relation to the proposed cooperation between the Purchaser Group and CIL Group in the Southeast Asia region. Pursuant to the Cooperation Framework Agreement, each of the Purchaser Group and CIL Group intended to invest not more than HK$10 million to develop the financial trading software solutions business and financial e-commerce platforms/business in the Southeast Asia region. Since the preliminary feasibility analysis and research has not been completed before 31 August 2014, the Cooperation Framework Agreement was terminated on 1 September 2014. Details of the events are set out in the Purchaser's announcements dated 3 June 2014 and 1 September 2014 respectively.

Capital structure

Share Subdivisions and Change of Board Lot Size

On 18 March 2014, the board of the Purchaser proposed that every one (1) issued and unissued ordinary share of HK$0.01 each in the share capital of the Purchaser ("Un-subdivided Share(s)") be subdivided into ten (10) subdivided shares ("First Subdivided Shares") of HK$0.001 each ("First Share Subdivision"). The board of the Purchaser also proposed that subject to and upon the First Share Subdivision becoming effective, the board lot size would be changed from 2,500 Un-subdivided Shares to 5,000 First Subdivided Shares. The First Share Subdivision was approved by the shareholders of the Purchaser at the extraordinary general meeting of the Purchaser held on 30 April 2014 ("2014 EGM") and became effective on 2 May 2014. Details of the First Share Subdivision are set out in the Purchaser's announcement, circular and poll result announcement of the 2014 EGM dated 18 March 2014, 11 April 2014 and 30 April 2014 respectively.

On 31 December 2014, the board of the Purchaser proposed that every one (1) issued and unissued Share be further subdivided into two (2) subdivided shares ("Subdivided Shares") of HK$0.0005 each ("Second Share Subdivision"). The Second Share Subdivision was approved by the shareholders of the Purchaser at the extraordinary general meeting of the Purchaser held on 16 February 2015 ("2015 EGM") and became effective on 17 February 2015. Upon the Second Share Subdivision becoming effective, the board lot size remains unchanged and the Subdivided Shares have been trading in board lots of 5,000 Subdivided Shares. Details of the Second Share Subdivision are set out in the Purchaser's announcement, circular and poll result announcement of the 2015 EGM dated 31 December 2014, 29 January 2015 and 16 February 2015 respectively.

Changes in Shareholding of the Controlling Shareholder

On 19 May 2014, the Purchaser was informed that Woodstock Management Limited ("Woodstock"), a company 100% beneficially owned by Mr. Chan Sek Keung, Ringo, a non-executive director and the chairman of the board of the Purchaser ("Chairman"), had entered into two sale and purchase agreements with two independent third parties ("Independent Purchasers") respectively on the same date, pursuant to which the Independent Purchasers have purchased and Woodstock has sold an aggregate of 96 shares of US$1.00 each in the issued share capital of Luster Wealth Limited ("Luster Wealth"), a controlling shareholder of the Purchaser holding 69.375% of the issued share capital of the Purchaser as at 19 May 2014, at an aggregate consideration of HK$49,284,000. The shares sold represented 9.6% of the then issued share capital of Luster Wealth. As at the date of the Purchaser's 2014 annual report, the transaction has been completed. Details of the transaction are set out in the Purchaser's announcement dated 19 May 2014.

On 17 June 2014, the Purchaser was further informed that Luster Wealth had repurchased 9.5% and 6.6% interests in Luster Wealth held by each of the Independent Purchasers ("Shareholder A" and the "Shareholder B" respectively) on the same date at a consideration satisfied by Luster Wealth transferring 131,812,500 First Subdivided Shares and 91,575,000 First Subdivided Shares to Shareholder A and Shareholder B respectively ("Restructuring"). As informed by Luster Wealth and Mr. Chan Sek Keung, Ringo, such consideration was determined by reference to the shareholding interests in the Purchaser attributable to Shareholder A and Shareholder B through their respective shareholding in Luster Wealth. As at the date of the Purchaser's 2014 annual report, the Restructuring has been completed. Details of the transaction are set out in the Purchaser's announcement dated 17 June 2014.

As at 31 December 2014 and at the date of the Purchaser's 2014 annual report, the capital of the company comprised ordinary shares only.

Future plan for material investments and capital assets

As at the date of the Purchaser's 2014 annual report, the Purchaser Group does not have any concrete plan for material investments or capital assets for the coming year. Nonetheless, if any potential investment opportunity arises in the coming year, the Purchaser Group will perform feasibility studies and prepare implementation plans to consider whether it is beneficial to the Purchaser Group and the shareholders of the Purchaser as a whole to carry out the same.

Dividend

The board of the Purchaser does not recommend the payment of a final dividend for the Year (2013: Nil).

Employee and remuneration policy

As at 31 December 2014, the Purchaser Group had 57 employees (2013: 48). The Purchaser Group continues to maintain and upgrade the capabilities of its workforce by providing them with adequate and regular training. The Purchaser Group remunerates its employees mainly based on industry practices and individual's performance and experience. On top of regular remuneration, discretionary bonus and share options may be granted to eligible staff by reference to the Purchaser Group's performance as well as individual's performance.

Business objectives

The following is a comparison between the Purchaser Group's business plans as set out in the prospectus of the Purchaser dated 18 September 2013 ("Prospectus") and the Purchaser Group's actual business progress for the Year.

Business objectives stated in the Prospectus	Actual business progress
1. Enhancing product development by developing new products and improving its existing products	
(i) New products	
• Complete system development works for the Algorithmic Trading System ("ATS") and launch the following sections with respective products traded on Hong Kong Futures Exchange Limited: – the arbitrage section with main focus on index futures products; – the market maker section with main focus on index futures and index option products; and – the arbitrage section with main focus on futures and option products.	• To meet the market needs, the research and development team has modified the strategies of the development of ATS for trading futures products during the Year. The modified ATS, namely Futures Institution, is currently undergoing the fine-tuning and performance testings and is targeted to be launched to market in the third quarter of 2015.
• Launch iOS version of the Mobile App for retail investors.	• Development of iOS version of the Mobile App for retail investors was completed during the Year. The new version has been officially registered and launched to the market in March 2015.
• Launch iOS version of the Mobile App for tablets.	• The development project of iOS version of the Mobile App for tablets was on hold after obtaining feedback from the existing customers and realising the relatively low market needs of such a version. Instead, iAsia has reallocated the resources during the Year to accelerate the development of ChinaConnect, a new platform tailor-made for the Shanghai-Hong Kong Stock Connect.

Business objectives stated in the Prospectus	Actual business progress
• iRecruit three staff for development of OMS. Conduct system and network design work for the OMS network then complete system development works and system integration testing of the OMS.	• For the Year, three technical staff were successfully recruited for the development of the OMS. The system and network design work were conducted and the system development works and system integration testing of the OMS, namely Connect X, was completed during the Year. The system is currently under final connection setup and is scheduled to be officially launched in the second quarter of 2015.
(ii) Existing products	
• Complete enhancement of the market data interface of the Futures Front Office System to Central Gateway.	• The enhancement project was temporarily on hold until iAsia can successfully approach a suitable customer for performing the testing of Hong Kong Exchanges and Clearing Limited's Orion Market Data Platform for Derivatives Market.
• Test and launch the enhanced version of the Futures Front Office System.	• Three new features being (i) supporting ordering methodology by clicking on price chart; (ii) enabling multi-function hot key designs to improve traders' efficiency in order placing; and (iii) supporting trading of overseas futures products through the Financial Information Exchange interface, were developed, tested and added to the enhanced version of the Futures Front Office System during the Year. Such an enhanced version was officially launched in the third quarter of 2014.
• Develop, test and launch the enhanced version of the Securities Front Office and Back Office System for banking sector.	• The enhanced Securities Front Office System with the two new functions, being (i) a new interface with various financial systems in a banking group; and (ii) a linkage to host database system of banks, has been launched to market in the third quarter of 2014. Meanwhile, the development of one further enhancement of system security to meet the compliance requirements of the Hong Kong Monetary Authority was completed during the Year and the enhanced system is expected to be launched in the second quarter of 2015.

Business objectives stated in the Prospectus	Actual business progress
	• The enhanced version of the Securities Back Office System with the two new functions, being (i) a linkage to host system of banks to facilitate internal cash movements; and (ii) a hardware security module, has been launched to market in the third quarter of 2014. Meanwhile, the development of two enhancements including (i) the incorporation of client relationship management system for client data sharing; and (ii) the synchronisation between back office systems was completed during the Year and the enhanced system is expected to be launched in the second quarter of 2015.
2. Expanding the customer base	
• Establish the network of iAsian Community through recruiting end-users of the Purchaser Group's software systems.	• A network to assemble end-users of the Purchaser Group's software systems, namely the "iAsian Community", has been established to provide regular free system training and user experience reflection sessions to the community members.
• Commence providing regular free training sessions to community members on an on-going basis.	• Free training sessions on Front Office System and Back Office System were held once a month to the community members.
• Schedule and provide user experience reflective sessions to the community members in collection of feedback on an ongoing basis.	• User experience reflective sessions were held right after the free training sessions to collect feedback or comments from the community members.
• Commence scheduling and arranging sharing activities for both community members and noncustomers upon invitation on an on-going basis.	• Two seminars were held for the community members and non-customers for introducing iEasy and Connect X in March 2014 and in October 2014 respectively.
• Set up an online customer service platform for input of feedback by the customers which will be systematically stored in the Purchaser Group's log system of customer services.	• Most of iAsia's customers preferred to provide feedback to iAsia's customer service ("CS") team by way of emails or phone discussions. Therefore, instead of setting up the online platform, during the Year, iAsia's CS team gathered all feedbacks from the customers and input to iAsia's internal system for follow up.

Business objectives stated in the Prospectus	Actual business progress
3. Possible acquisition of an IT company	
• Identify potential IT company for acquisition; conduct review of the target company; negotiate, conclude and complete a possible acquisition of an IT company.	• Well In has been identified as a potential and suitable target for acquisition during the Year. A financial and operational review has been performed on Well In before the Acquisition. On 22 August 2014, the Purchaser Group acquired the entire equity interest of Well In.

Principal risks and uncertainties

Operational Risk

The Purchaser Group is exposed to the operational risk in relation to each business division of the Purchaser Group.

To manage the operational risk, the management of each business division is responsible for monitoring the operation and assessing the operational risk of their respective business divisions. They are responsible for implementing the Purchaser Group's risk management policies and procedures and shall report any irregularities in connection with the operation of the projects to the directors of the Purchaser and seek directions. The Purchaser Group emphasises on ethical value and prevention of fraud and bribery and has established a whistleblower program, including communication with other departments and business divisions and units, to report any irregularities since March 2013. In this regard, the directors of the Purchaser consider that the Purchaser Group's operational risk is effectively mitigated.

Financial Risks

The Purchaser Group is exposed to the credit risk, liquidity risk and market risk, particularly, the equity price risk.

Credit Risk

In order to minimise the credit risk, the directors of the Purchaser closely monitor the overall level of credit exposure and the management is responsible for determination of credit approvals and monitoring the implementation of the collection procedure to ensure that follow-up actions are taken to recover overdue debts. In addition, the Purchaser Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Purchaser consider that the Purchaser Group's credit risk is significantly reduced.

Liquidity Risk

The directors of the Purchaser has built an appropriate liquidity risk management framework to meet the Purchaser Group's short, medium and long-term funding and liquidity management requirements. In the management of liquidity risk, the Purchaser Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Purchaser Group's operations and mitigate the effects of fluctuations in cash flows. In this regard, the directors of the Purchaser consider that the Purchaser Group's liquidity risk is effectively managed.

Market Risk

The Purchaser Group is exposed to the market risk, particularly, the equity price risk mainly through its investment in listed equity securities. The management manages this exposure by closely monitoring the price movements and the changes in market conditions that may affect the value of these investments. In this regard, the directors of the Purchaser consider that the Purchaser Group's market risk is effectively mitigated.

Outlook

The Purchaser Group anticipates a steady business growth in the coming future and will maintain internet finance as the core of its future business development.

Benefiting from the Shanghai-Hong Kong Stock Connect, the Purchaser Group expects that there will be a robust growth in trading activities and thus the number of clients. iAsia, the core subsidiary of the Purchaser for the financial trading software solutions business division, will continue to place strong emphasis on research and development to meet the increasing market demand. With the launch of the iOS version of the Mobile App for retail investors as well as the anticipated launch of Connect X and the enhanced version of Securities Front and Back Office System for the banking sector in the near future, the Purchaser Group is confident that it is able to further consolidate its market leadership in the financial trading software solutions industry.

In view of the rising popularity of e-commerce/mobile commerce, the Purchaser Group believes that its other internet financial platforms business division encompassing the Money Lending Platform and the Fund Platform will help to open up new income streams. The Purchaser Group's other business divisions including the referral business, money lending business and securities investments are expected to maintain stable growth momentum with its (i) expanding client base and professional services; (ii) increasing market demand for corporate and personal loans; and (iii) prudent investment approach in listed securities with stable returns. To adapt to the dynamic market environment and further diversify the Purchaser Group's business operations, the Purchaser Group has ventured into the business of advising on corporate finance and is eager to add financial consultancy as a new and extended component of service to the clients from other business divisions.

Leveraging on the strong foothold of its established client base and sophisticated technical know-how with a sustainable revenue structure, the Purchaser Group will dedicate its efforts to further the development of quality financial trading software solutions. Looking ahead, the Purchaser Group will sharpen its competitive edge by exploring business opportunities with high growth potentials and seeking greater synergies within its business operations to cross-sell the Purchaser Group's products and services in a bid to reap maximum returns for shareholders of the Purchaser in the long run.

For the year ended 31 December 2015

Business review

Overview

The Purchaser Group is principally engaged in the provision of financial trading software solutions, provision of other internet financial platforms, provision of referral services, money lending business, securities investments, provision of corporate finance advisory services and provision of property management and property agency services in Hong Kong. For the year ended 31 December 2015 (the "Year"), the Purchaser Group recorded a total revenue of approximately HK$46,232,000, representing a decrease of approximately 9.9% from approximately HK$51,334,000 of last corresponding year ended 31 December 2014.

Provision of Financial Trading Software Solutions

During the Year, the financial trading software solutions business division recorded a segment revenue and profit from its external customers of approximately HK$42,506,000 (2014: approximately HK$35,267,000) and approximately HK$14,525,000 (2014: approximately HK$11,774,000) respectively.

The financial trading software solutions business division continued to serve its existing customers with the upgraded system features and expanded its customer base. In 2015, the core operating subsidiary in this business division, namely iAsia Online Systems Limited ("iAsia"), had successfully concluded contracts with ten new customers, including brokers in Hong Kong, PRC and Singapore. Among these ten new customers, four of them have implemented our software solutions which contributed recurring licensing fee to iAsia during the Year, while the remaining new customers are going to implement our software solutions in the first half of 2016.

Following the official launch of Shanghai-Hong Kong Stock Connect and the upgrade of securities front office system market access interface from Open Gateway ("OG", a hardware and software component operated by the Stock Exchange's participants, which provides the communication interface between AMS/3, MWS or Broker Supplied Systems ("BSS") and other devices) to Orion Central Gateway ("OCG", a new market access platform to support secured connection between BSS of the Stock Exchange's participants and the Stock Exchange) in late 2014, remarkable increase was seen in one-off system customisation and recurring software licensing fee. The success of financial trading software solutions depends upon its ability to enhance its current software systems and to introduce new software systems that keep pace with the technological developments and emerging industry standards, and address the increasingly sophisticated needs of its customers in a cost-effective way. The upgrade of market access interface is an opportunity for the Purchaser Group to provide enhancement and upgraded services to the existing customers and probably potential customers. However, there will be keen competition in the securities and futures markets due to the transition from OG to OCG. The Purchaser Group will grasp this opportunity for further expansion and ensure its profitability.

In addition, the Purchaser Group kept on enhancing the existing products and developing new products. The development of the iOS version of the Mobile App for retail investors and order management system ("Connect-X"), which has a new feature of connecting to the global market, was completed and launched to the market in March 2015 and May 2015 respectively. The relevant contract with enhanced feature of Connect-X was concluded in the fourth quarter of 2015. The Business Development Team and the Project Development Team of iAsia will continue to study the market trend in order to seize business opportunities and fulfill customers' needs.

Provision of Other Internet Financial Platforms

During the Year, the other internet financial platforms business division contributed a segment revenue from external customers and loss of HK$4,938,000 (2014: HK$6,160,000) and approximately HK$4,206,000 (2014: profit of approximately HK$4,603,000) respectively.

"LENDWISE", the instant B2C (Business to Customer) and O2O (Online to Offline) money lending platform connecting licensed money lending companies in Hong Kong and potential borrowers, was officially launched to the market in April 2015 to cope with the increasing demand for corporate and personal loans and the rising popularisation of mobile device applications. The Purchaser Group has entered into service agreements with a number of licensed money lending companies in Hong Kong for the services of LENDWISE during the Year.

In late 2014, the Purchaser Group commenced a project on developing an integrated fund administration and portfolio analysis management system ("Fund Platform") in Hong Kong. During the Year, the back-end system of the Fund Platform was under user acceptance tests, which has been partially completed, with the basic functions of the front-end system completed and its advanced functions under development. The Fund Platform is expected to be launched in the market in the first half of 2016.

Provision of Corporate Finance Advisory Services and Referral Services

In early November 2014, the Purchaser Group began to provide corporate finance advisory and related services to its clients upon obtaining the Type 6 Licence from the Securities and Futures Commission of Hong Kong to carry out Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance ("SFO") (Cap. 571 of the Laws of Hong Kong) in late October 2014. The Purchaser Group has successfully entered into certain service contracts with the customers since January 2015 and for the Year, contributing revenue from its external customers of HK$1,027,000 (2014: Nil) in the provision of corporate finance advisory services.

During the Year, the referral services business division team worked closely with the corporate finance advisory business division team in exploring new business opportunities, identifying quality investments with good potentials for clients and expanding the cross-segment client base. However, the performance of this business division is not satisfactory due to unstable worldwide economy throughout the Year, and as a result the revenue generated from the provision of referral services recorded a drop from approximately HK$9,608,000 in 2014 to approximately HK$502,000 in 2015.

Money Lending Business

During the Year, revenue and profit from the money lending business division amounted to approximately HK$1,691,000 (2014: approximately HK$243,000) and approximately HK$927,000 (2014: approximately HK$147,000) respectively. The increase in revenue was mainly attributed to loan interest income acquired from several new loan agreements during the Year. The interest rate charged on customers during the Year ranged from 5.0% to 16.0% per annum.

No default event occurred as of 31 December 2015 and the date of the Purchaser's 2015 annual report and no provision for the impairment of loans receivable was considered necessary during the Year. The Purchaser Group will keep on developing and expanding its money lending business by retaining prudent credit control procedures and strategies that hold a balance between business growth and risk management.

Securities Investments

In consideration of the unstable global equity market, the Purchaser Group held a prudent attitude towards listed securities investments. The securities investments business division recorded a net fair value loss on financial assets at fair value through profit or loss of approximately HK$4,712,000 (2014: net fair value gain of approximately HK$53,000) and a dividend income of approximately HK$280,000 (2014: approximately HK$3,000) during the Year. The Purchaser Group will continue to seek investment opportunities to enhance the return to shareholders of the Purchaser.

Property Management and Property Agency Services

The Purchaser Group started to operate the property management and property agency services since 30 December 2015 following its acquisition of Full Profit Property Services Company Limited (''Full Profit''), as disclosed in the Purchaser's announcement dated 30 December 2015. Full Profit is principally engaged in the business of providing property management and property agency services in Hong Kong. The Purchaser Group will continue to employ a prudent strategy to sustain the segment performance and further diversify its investment portfolio.

Financial review

Revenue

Revenue of the Purchaser Group for the Year was approximately HK$46,232,000, representing a decrease of approximately HK$5,102,000 or 9.9% compared to the last financial year (2014: approximately HK$51,334,000). The decrease was mainly attributable to the combined effect of: (i) the increase in revenue from the financial trading software solutions business division of approximately HK$7,239,000; (ii) the decrease in revenue generated from the provision of corporate finance advisory services and referral business of approximately HK$8,079,000; (iii) the decrease in revenue generated from the provision of other internet financial platforms of approximately HK$1,222,000; and (iv) the net fair value loss from securities investments of approximately HK$4,712,000 during the Year.

Gross profit and gross profit margin

Gross profit of the Purchaser Group for the Year was approximately HK$33,115,000, representing a decrease of approximately HK$7,265,000 or 18.0% compared to the last financial year (2014: approximately HK$40,380,000) which was in line with the decrease in revenue. Gross profit margin for the Year decreased by approximately 7.1% to approximately 71.6%, as compared to the last financial year (2014: approximately 78.7%). The decrease was mainly due to the decrease in revenue from the referral business division with a higher gross profit margin.

Administrative expenses

The Purchaser Group's administrative expenses for the Year amounted to approximately HK$38,733,000, representing an increase of approximately HK$12,509,000 or 47.7% as compared to the last financial year (2014: approximately HK$26,224,000). The significant increase was primarily attributable to the combined effect of (i) the increase in administrative staff costs of approximately HK$6,610,000; (ii) the increase in consultancy fees of approximately HK$1,504,000; and (iii) the increase in rental expenses of approximately HK$1,314,000, mainly due to rental expenses incurred by the leasing of new offices for our new businesses developed during the Year, including the provision of other internet financial platforms and the provision of corporate financial advisory services.

Profit/(loss) for the Year

The Purchaser Group recorded a net loss of approximately HK$16,269,000 for the Year as compared with a net profit of approximately HK$11,319,000 for the year ended 31 December 2014. The net loss was mainly attributable to the combined effect of: (i) the interest expenses of approximately HK$8,684,000 incurred in the Year on the 10% per annum notes in the aggregate principal of HK$100,300,000 ("Loan Notes") issued by the Purchaser on 18 May 2015; (ii) the increase in administrative expenses of approximately HK$12,509,000; (iii) the net fair value loss on financial assets at fair value through profit or loss from the Purchaser Group's securities investments business of approximately HK$4,712,000 in the Year as compared to net fair value gain in last financial year of approximately HK$53,000; and (iv) the decrease in revenue from the referral business of the Purchaser Group of approximately HK$9,106,000 as compared to the last financial year.

Liquidity and financial resources

As at 31 December 2015, the Purchaser Group held cash and bank balances of approximately HK$78,111,000 (2014: approximately HK$45,321,000). Net current liabilities amounted to approximately HK$3,611,000 (2014: net current assets amounted to approximately HK$51,101,000). Current ratio (defined as total current assets divided by total current liabilities) was approximately 0.97 times (2014: approximately 3.38 times).

As at 31 December 2015, the gearing ratio of the Purchaser Group (defined as total borrowings divided by total assets) was 54.1% (2014: Nil).

As at 31 December 2015, the Purchaser Group had no outstanding bank borrowings and other borrowings (2014: Nil), except for the Loan Notes with the carrying amount of approximately HK$99,957,000 issued by the Purchaser. The Loan Notes will mature on the day immediately preceding the second anniversary of the date of its issue. The Loan Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Purchaser which will rank equally and without any preference amongst themselves and rank pari passu with all other present and future direct, unconditional, unsubordinated and unsecured obligations of the Purchaser.

Foreign exchange exposure

During the years ended 31 December 2015 and 2014, the business activities of the Purchaser Group were mainly denominated in Hong Kong dollars. The directors of the Purchaser did not consider the Purchaser Group was exposed to any significant foreign currency exchange risks.

Contingent liabilities

As at 31 December 2015, the Purchaser Group did not have any contingent liabilities (2014: Nil).

Capital commitment

As at 31 December 2015, the Purchaser Group did not have any significant capital commitments (2014: Nil).

Charges on the group's assets

As at 31 December 2015, the Purchaser Group did not have any material charge on assets (2014: Nil).

Material acquisitions and disposals

(1) Investment in FDIL

On 11 December 2015, the Purchaser Group entered into a subscription agreement for the subscription of 925 shares of DSE Cayman Limited ("DSE", a company incorporated in the Cayman Islands), representing 92.5% equity interest in DSE, at a cash consideration of HK$17,112,500 ("DSE Subscription"), where the remaining 7.5% equity interest in DSE is held by Mr. Lee Derek Ho Yin, an independent third party. DSE has, in turn, invested in Four Directions Investment Limited ("FDIL") and its subsidiaries (collectively, "FDIL Group") by entering into the subscription and share purchase agreement on 11 December 2015 ("FDIL Agreement"), pursuant to which DSE would hold, in aggregate, 30% of the enlarged issued share capital of FDIL ("FDIL Subscription"). The aggregate consideration for the acquisition of subscription shares and sale shares of FDIL is HK$19,987,000, among which HK$9,993,500 had been paid by DSE to FDIL and the remaining of HK$9,993,500 ("Remaining Consideration") will be paid to the seller "Four Directions Holdings Limited" pursuant to the arrangements stipulated under the FDIL Agreement. It is the intention of the Purchaser Group that DSE will act as the holding company of its investment in the FDIL Group. Details of the acquisition of DSE and investment in FDIL are set out in the announcement of the Purchaser dated 11 December 2015.

The DSE Subscription was completed on 11 December 2015 and DSE became a 92.5% owned subsidiary of the Purchaser Group on the same date. Upon the completion of the FDIL Subscription on 17 December 2015, FDIL Group became an associate of the Purchaser Group.

Under the FDIL Agreement, FDIL is required to meet a profit guarantee where the audited consolidated net profits of the FDIL Group ("2016 Net Profit") shall be HK$9,726,917 or more for the year ending 31 March 2016. If the said target is not met, part of Remaining Consideration of HK$3,331,166 shall be deducted by the "2016 Refund", being (HK$13,324,544 – 2016 Net Profit) x 0.75.

In addition, if the aggregate ("2016-2017 Aggregate Net Profit") of the 2016 Net Profit and the 2017 net profit ("2017 Net Profit", being the audited consolidated net profits of the FDIL Group for the year ending 31 March 2017) is less than HK$23,451,196, the guarantors and the seller under the FDIL Agreement shall refund to DSE an amount, being ((HK$29,313,996 – 2016-2017 Aggregate Net Profit) x 0.75) – 2016 Refund.

The total liability of the seller and the guarantors in the FDIL Agreement under the above terms of refund in the form of cash shall not exceed the sale price of HK$6,662,333. In the event the amounts refundable to DSE exceeds HK$6,662,333, the seller shall pay the amount exceeded ("Shortfall") by way of transferring such number of shares of FDIL to DSE, where the number of such shares shall be the Shortfall (subject to a maximum penalty of HK$19,987,000/30% x 19%) / (19,987,000/30%) x total number of FDIL shares in issue as at the date of calculation of the Shortfall. DSE is entitled to enforce a share charge against the seller if the seller fails to transfer the FDIL shares for the Shortfall as stated above.

The principal business of FDIL Group is the provision of information technology and smartphone application development services and the development of information technology applications.

(2) Acquisition of 100% of Full Profit

On 30 December 2015, the Purchaser Group entered into a sale and purchase agreement ("SP Agreement") to acquire the entire share capital of Full Profit, which is a company incorporated in Hong Kong with limited liability and principally engaged in the provision of property management and property agency services in Hong Kong, at a cash consideration of HK$6,000,000. The SP Agreement was completed on 30 December 2015 and Full Profit became a wholly-owned subsidiary of the Purchaser Group. Details of the acquisition of Full Profit are set out in the announcement of the Purchaser dated 30 December 2015.

Since the acquisition date, no revenue and profit after tax were contributed by Full Profit to the Purchaser Group for the year ended 31 December 2015. Had the business combination taken place at 1 January 2015, the revenue of the Purchaser Group and the loss of the Purchaser Group for the year would have been approximately HK$54,068,000 and HK$11,989,000 respectively. The directors of the Purchaser consider this "pro-forma" numbers to represent an approximate measure of the performance of the combined group on an annualised basis and to provide a reference point for comparison in future periods. Further details of the acquisition is set out in note 33 to the consolidated financial statements of the Purchaser's 2014 annual report.

Other investments

During the Year, the Purchaser Group subscribed three unlisted fund investments (the "Funds") which are private equity funds incorporated in the Cayman Islands. The Funds are limited by shares and are managed by their respective fund managers. The Funds consisted of (i) a fund which mainly invests in the field of social media at subscription amount of HK$3,500,000 on 8 October 2015; (ii) a fund which mainly invests in the field of multi-media, social media and internet-related business at subscription amount of HK$8,500,000 on 15 September 2015; and (iii) a fund which mainly invests in the field of interactive medical beauty business at subscription amount of HK$8,500,000 on 23 November 2015.

Significant and potential investments

Save as disclosed above in the paragraph headed "Material Acquisitions and Disposals", the Purchaser Group had made the following investment plans during the Year and subsequent to the end of the reporting period:

Diamond Transactions

On 14 May 2015, the Purchaser entered into a framework agreement ("Framework Agreement") with the following three parties ("Prospective Business Partners"), namely 深圳市鑽石毛坯交易中心有限公司 (in English translation as "Shenzhen City Rough Diamond Trading Centre Company Limited"), 深圳市中非鑽石股份有限公司 (in English translation as "Shenzhen Sino-African Diamond Company Limited") and 深圳市水貝珠寶有限公司 (in English translation as "Shenzhen City Shuibei Jewel Company Limited"), pursuant to which the Purchaser and the Prospective Business Partners would establish a cross-border strategic alliance in relation to the provision of financial services for transactions relating to diamond ("Diamond Transactions"), with an aim to developing innovative financial services and trading method for the Diamond Transactions.

Pursuant to the Framework Agreement, the Purchaser Group applied for the establishment of a wholly-owned subsidiary in Qianhai, Shenzhen, PRC ("Qianhai Subsidiary"). However, the application for establishment of the Qianhai Subsidiary was not approved by the relevant authority of the PRC. Accordingly, the Framework Agreement lapsed.

Details of the Framework Agreement and the Qianhai Subsidiary are set out in the Purchaser's announcements dated 14 May 2015 and 23 July 2015.

Proposed Acquisition in relation to Reinfo Asia Limited ("Reinfo")

On 19 August 2015, the Purchaser Group and the proposed vendors ("Proposed Vendors") entered into a memorandum of understanding ("Memorandum") in relation to the proposed acquisition ("Proposed Acquisition") of 51% of the issued shares of Reinfo or the proposed holding company ("Holding Company") of Reinfo by the Purchaser Group from the Proposed Vendors at the proposed consideration of HK$30,600,000. Reinfo is a company incorporated in Hong Kong with limited liability and is principally engaged in software consultancy focusing on the systems development for general insurance applications and covering areas of direct insurance, brokers and reinsurance.

The Memorandum shall be automatically terminated upon the earlier of (i) the expiry of the exclusivity period; (ii) a definitive agreement having been entered into between the Proposed Vendors and the proposed purchaser (or its nominee); or (iii) the mutual termination by the parties to the Memorandum in writing.

Since no definitive agreement has been entered into by the expiry of the exclusivity period ended on 17 December 2015, the Memorandum has lapsed and ceased to take effect. The Purchaser Group may continue to negotiate with the Proposed Vendors for the acquisition of Reinfo in the future.

Details of the Proposed Acquisition are set out in the Purchaser's announcements dated 19 August 2015, 20 October 2015 and 18 December 2015.

Capital structure

As at 31 December 2015, the Purchaser Group had shareholders' equity of approximately HK$45,774,000 (2014: approximately HK$60,267,000). As at 31 December 2015, the capital of the Purchaser comprises ordinary shares only.

Changes in Shareholding of the Controlling Shareholder

On 31 March 2015, the Purchaser was informed by Mr. Chan Sek Keung, Ringo, the non-executive director and chairman of the board of the Purchaser and Luster Wealth Limited ("Luster Wealth"), the controlling shareholder of the Purchaser (as defined in the GEM Listing Rules), that on 31 March 2015, Luster Wealth disposed of 64,112,500 shares of the Purchaser ("First Sale Shares") to a third party who and whose ultimate beneficial owner are independent of and not connected with the Purchaser and its connected persons (as defined in the GEM Listing Rules) at HK$0.45 per First Sale Share ("First Disposal"). Immediately before the First Disposal, Luster Wealth held an aggregate of 2,328,225,000 shares, representing approximately 58.2% of the issued share capital of the Purchaser. Immediately after completion of the First Disposal, Luster Wealth held an aggregate of

2,264,112,500 shares, representing approximately 56.6% of the issued share capital of the Purchaser. Details of the First Disposal are set out in the Purchaser's announcement dated 31 March 2015.

On 21 September 2015, the Purchaser was informed by Mr. Chan Sek Keung, Ringo and Luster Wealth that on 21 September 2015, Luster Wealth has, through a placing agent, disposed of 1,100,000,000 shares ("Second Sale Shares") to more than one purchasers who are third parties independent of and not connected with the Purchaser and its connected persons (as defined in the GEM Listing Rules) at HK$0.14 per Second Sale Share ("Second Disposal"). Immediately before the Second Disposal, Luster Wealth held an aggregate of 2,264,112,500 shares, representing approximately 56.6% of the issued share capital of the Purchaser. Immediately after completion of the Second Disposal, Luster Wealth held an aggregate of 1,164,112,500 shares, representing approximately 29.1% of the issued share capital of the Purchaser. Details of the Second Disposal are set out in the Purchaser's announcement dated 21 September 2015.

Issue of Loan Notes

On 10 April 2015, the Purchaser, as issuer, entered into a placing agreement with Convoy Asset Management Limited and GEO Securities Limited (as placing agents), whereby the said placing agents agreed to place, on a best endeavour basis, to procure the placees who are third parties independent of, and not connected with and not acting in concert with, the Purchaser and its connected persons (under the meaning of the GEM Listing Rules) and their respective associates (under the meaning of the GEM Listing Rules) to subscribe for the 10% per annum Loan Notes in an aggregate principal amount of up to HK$200,000,000 maturing on the day immediately preceding the second anniversary of the date of issue of the Loan Notes (or where such day is not a business day, the immediately following business day) at the placing price equal to 100% of the principal amount of the Loan Notes ("Notes Placing"). The placing period for the Notes Placing commenced on 11 April 2015 and ended on 10 June 2015. On 18 May 2015, the Loan Notes in an aggregate principal amount of HK$100,300,000 were issued and the net proceeds were approximately HK$96,300,000 ("Notes Net Proceeds"). On 10 June 2015, as the Purchaser had not received any notice from the placing agents for further issue of the Loan Notes, no additional Loan Notes were issued by the Purchaser under the placing.

The Loan Notes constitute direct, unconditional, unsubordinated and unsecured obligations of the Purchaser which rank equally and without any preference amongst themselves and at all times rank at least *pari passu* with all other present and future direct, unconditional, unsubordinated and unsecured obligations of the Purchaser. No listing of the Loan Notes has been sought on the Stock Exchange or any other stock exchanges.

To the best of the knowledge, information and belief of the Purchaser's directors and having made all reasonable enquiries, each of the placees and their respective ultimate beneficial owners is independent of, and not connected with and not acting in concert with the Purchaser, its connected persons (within the meaning under the GEM Listing Rules) and their respective associates.

The intended use of the Notes Net Proceeds has been changed and is intended to be used for funding the Purchaser Group's money lending business in Hong Kong and future potential acquisitions, investments and treasury management purposes. As at the date of the Purchaser's 2015 annual report, all the Notes Net Proceeds have been utilised for the abovementioned purposes.

Future plans for material investments and capital assets

The Purchaser Group does not have any concrete plan for material investments or capital assets for the coming year. Nonetheless, if any potential investment opportunity arises in the coming year, the Purchaser Group will perform feasibility studies and prepare implementation plans when it is beneficial to the Purchaser Group and the shareholders of the Purchaser as a whole.

Dividend

The board of the Purchaser does not recommend the payment of a final dividend for the Year (2014: Nil).

Employee and remuneration policy

As at 31 December 2015, the Purchaser Group had 60 employees (2014: 57). The Purchaser Group continues to maintain and upgrade the capabilities of its workforce by providing them with adequate and regular training. The Purchaser Group remunerates its employees mainly based on industry practices and individual's performance and experience. On top of regular remuneration, discretionary bonus and share options may be granted to eligible staff by reference to the Purchaser Group's performance as well as individual's performance.

Business objectives

The following is a comparison between the Purchaser Group's business plans as set out in the prospectus of the Purchaser dated 18 September 2013 ("Prospectus") and the Purchaser Group's actual business progress for the Year.

As at 31 December 2015:

Business plans	Actual business progress
1. Enhancing product development by developing new products and improving its existing products	
(i) New products	
• Integrate and embed the interface into the Algorithmic Trading System ("ATS") in order to place orders for securities traded on the Stock Exchange, and include more trading strategies into the ATS.	• To meet the market needs, the research and development team has modified the strategies of the development of ATS for trading futures products during the Year. The modified ATS, namely Futures Institution, is currently undergoing the fine-tuning and performance testings and is targeted to be launched to market in the third quarter of 2015.
• Extend the arbitrage section to support arbitrage on stock and stock option products traded respectively on the Stock Exchange	• To meet the rapid change in global trading trend, the research and development team has modified the strategies to develop trading system connecting the emerging markets. The modified version is expected to be launched to market in the second quarter of 2016.
• Conduct feasibility study of extending the Mobile App for Tablet and the Mobile App for Retail Investors to Windows 8 platform.	• The extension of Mobile App to Windows 8 platform was on hold due to the low popularity of Windows in mobile application.
• Conduct preparation work for building the order routing network of the OMS, such as sourcing of hardware and data centre, conduct pilot run for the OMS, and launch the OMS and the relevant order routing network.	• The OMS, namely Connect-X, was officially launched in May 2015.
• Conduct system enhancement and fine tuning of OMS	• The first contract of new feature in Connect-X for connecting to United States of America and Singapore markets was concluded in November 2015. It is expected to be launched in the first half of 2016.
(ii) Existing products	
• Launch the enhanced version of the Securities Front Office System for banking sector.	• The development of the enhanced system security to meet the compliance requirements of the Hong Kong Monetary Authority was completed in 2014 and the enhanced version was launched to the market in March 2015.
• Launch the enhanced version of the Securities Back Office System for banking sector.	• The development of the two enhancements including (i) the incorporation of client relationship management system for client data sharing; and (ii) the synchronisation between back office systems was completed in 2014 and the enhanced version was launched to the market in March 2015.

Business plans	Actual business progress
2. Expanding the customer base	
• Arrange community service for participation of the Purchaser Group's staff to promote corporate social responsibility and brand image.	• To further introduce Connect-X to existing customers and noncustomers, iAsia diverted the human resources to hold a seminar in April 2015. The Purchaser Group will take part in community services in the near future. • iAsia joined the Computer Recycling Programme run by Caritas – Hong Kong in late 2015 to promote environmental friendly awareness and social responsibility among the staff.

Principal risks and uncertainties

Operational risk

The Purchaser Group is exposed to the operational risks in relation to each business division of the Purchaser Group. To manage the operational risk, the management of each business division is responsible for monitoring the operation and assessing the operational risks of their respective business divisions. They are responsible for implementing the Purchaser Group's risk management policies and procedures and shall report any irregularities in connection with the operation of the projects to the directors of the Purchaser and seek for directions. The Purchaser Group emphasises on ethical value and prevention of fraud and bribery and has established whistleblower program, including communication with other departments and business divisions and units, to report any irregularities since March 2013. In this regard, the directors of the Purchaser consider that the Purchaser Group's operational risk is effectively mitigated.

Financial risks

The Purchaser Group is exposed to the credit risk, liquidity risk and market risk, and particularly, equity price risk.

Credit risk

In order to minimise the credit risk, the directors of the Purchaser closely monitor the overall level of credit exposure and the management is responsible for determination of credit approvals and monitors the implementation of the collection procedure to ensure that follow-up actions are taken to recover overdue debts. In addition, the Purchaser Group reviews the recoverable amount of each individual trade debt at the end of the reporting period to ensure that adequate impairment losses are made for irrecoverable amounts. In this regard, the directors of the Purchaser consider that the Purchaser Group's credit risk is significantly reduced.

Liquidity risk

The directors of the Purchaser has built an appropriate liquidity risk management framework to meet the Purchaser Group's short, medium and long-term funding and liquidity management requirements. In the management of liquidity risk, the Purchaser Group monitors and maintains a level of cash and cash equivalents deemed adequate by the management to finance the Purchaser Group's operations and mitigate the effects of fluctuations in cash flows. In this regard, the directors of the Purchaser consider that the Purchaser Group's liquidity risk is effectively managed.

Market risk

The Purchaser Group is exposed to the market risk, particularly, the equity price risk mainly through its investment in listed equity securities. The management manages this exposure by closely monitoring the price movements and the changes in market conditions that may affect the value of these investments. In this regard, the directors of the Purchaser consider that the Purchaser Group's market risk is effectively mitigated.

Use of proceeds from the placing

The Purchaser was listed on the GEM of the Stock Exchange by way of Placing (as defined in the Prospectus) on 26 September 2013 ("Listing Date"). Based on the Placing Price of HK$0.82 per Placing Share (as defined in the Prospectus), the proceeds raised from the Placing amounted to approximately HK$28.6 million, net of underwriting fees and other related expenses.

The following table sets forth a breakdown of the use of net proceeds applied by the Purchaser Group from the Latest Practicable Date (as defined in the Prospectus) up to 31 December 2015. As set out below, all the net proceeds from the Placing has been utilised as at 31 December 2015.

Use of net proceeds	**Planned amount as stated in the Prospectus**	**Actual amount utilised up to 31 December 2015**	**Actual balance as at 31 December 2015**
	HK$ million	*HK$ million*	*HK$ million*
Enhancing product development by developing new products and improving its existing products	12.3	12.3	Nil
Expanding the customer base	2.5	2.5	Nil
Possible acquisition of an IT Company *(note)*	1.2	1.2	Nil
General working capital *(note)*	12.6	12.6	Nil
Total	28.6	28.6	Nil

Note:

As disclosed in the Purchaser's announcement dated 26 November 2014, the board of the Purchaser has resolved to change ("Adjustment") the use of the entire unutilised amount of approximately HK$11.8 million originally allocated for the possible acquisition of an IT company as general working capital of the Purchaser Group for the financial trading software solutions business division as well as the new business divisions comprising the provision of other internet financial platforms, provision of referral services, money lending business, securities investments and provision of corporate financial advisory services.

Outlook

In the view of the insecure global and domestic economic forecast, the Purchaser Group will remain cautious in future developments and at the same time maintain financial technology as the core business.

iAsia, the Purchaser Group's subsidiary and a leading financial software developer, will continue to anticipate in the provision of trading solutions for the highly sophisticated financial sectors in Hong Kong as well as the PRC and Asian regions. The Purchaser Group will devote to deploy more resources in iAsia's development in response to the possible increasing number of transactions when Shenzhen-Hong Kong Stock Connect launches.

The convergence of technology and daily life is a lifestyle revolution resulting in mobile applications becoming part of people's daily lives. Therefore, the Purchaser Group has been on one hand focusing on its financial trading software solutions business, and on the other hand seizing investment opportunities and adjusting its strategies to adapt to the dynamic market environment by developing and expanding into various new businesses. Through the investment in FDIL which engages in the principal business of providing information technology and smartphone applications development services, the Purchaser Group is able to expand its investment into information technology industry in respect of development of smartphone applications, which the directors of the Purchaser consider to have great market potentials and to be able to strengthen our competitive edge. The Purchaser Group will continue to commit in mobile applications development through investments in potential businesses. For example, in February 2016, the Purchaser Group invested in the mobile application Mei Li Shen Qi (美麗神器), one of the largest online communities and e-commerce platforms with millions of users for medical beauty industry in the PRC, through the subscription of shares of Rolaner International Limited ("Rolaner", a company incorporated in the Cayman Islands) and the entering into of certain contractual arrangements with Rolaner's operating company in the PRC. The directors of the Purchaser believe that such expansion in client base will enhance cross-sale among various business divisions of the Purchaser Group.

IT is a service oriented industry and it relies on high quality personnel. As such, the Purchaser Group keeps enhancing our team and building dynamic working environment through recruiting high caliber staff and industry experts. Together with their market acumen and expertise, the Purchaser Group will capture potential market opportunities to open up more income streams through a growing number of institutional clients and a wide spectrum of products or services.

The Purchaser Group's money lending business has achieved an encouragingly increase in revenue in 2015. Hence, the Purchaser Group will continue to enhance our cash position and strictly control the potential risks associated with the volatile market in the foreseeable future. Looking ahead, the Purchaser Group will endeavor to continue its growth trajectory through stable fiscal position, strong collaboration with clients and core business division enhancements which further contributes to the Purchaser Group's prosperity and stability.

For the six months ended 30 June 2016

Business Review

The Purchaser Group is principally engaged in the provision of financial trading software solutions, provision of other internet financial platforms, provision of referral services, money lending business, assets investments, provision of corporate finance advisory services and provision of property management and property agency services in Hong Kong. For the six months ended 30 June 2016 (the "Period"), the Purchaser Group recorded a total revenue of approximately HK$39,333,000, representing an increase of approximately 63.53% from approximately HK$24,052,000 of the corresponding period in 2015.

Provision of Financial Trading Software Solutions

The financial trading software solutions business division recorded a pleasing growth in segment revenue from external customers to approximately HK$24,564,000 for the Period (six months ended 30 June 2015: approximately HK$19,899,000), representing an increase of approximately HK$4,665,000 or 23.44%. During the Period, the core operating subsidiary in this business division, namely iAsia Online Systems Limited ("iAsia"), had successfully concluded contracts with several new customers, two of which were contracts for sale of securities systems and stock option systems with a new customer at an aggregated contract sum of approximately HK$4.4 million concluded in the second quarter of 2016. In addition to the performance in one-off sale of software systems, we also have satisfactory result in leasing software systems and hosting service to new customers during the Period, in which three concluded contracts for leasing software systems are expected to be launched in the second half of 2016. It is expected that recurring licensing fee will keep growing steadily.

As the long-awaited Shenzhen-Hong Kong Stock Connect is likely to be launched in the second half of 2016, the required system interface and infrastructure enhancement for the mutual market connectivity creates opportunity for promoting system enhancement to customers. With the experience of system enhancement to Shanghai-Hong Kong Stock Connect, the management believes that iAsia can provide comprehensive financial trading solutions to accommodate multi market trading in an efficient manner. In view of the Purchaser Group's established customer base and the changing financial market, iAsia will focus on the development and consolidation of its technical strength to explore business opportunities and income streams from both existing and potential customers.

Provision of Other Internet Financial Platforms

During the Period, the other internet financial platforms business division contributed a segment revenue of HK$1,306,000 (six months ended 30 June 2015: HK$808,000) mainly from its money lending platform which was operating in Hong Kong.

By capturing more business opportunities in different spectrums, the Purchaser Group will work at its best to develop other internet financial platforms in order to generate more income and enlarge customer's base in the future.

Provision of Corporate Finance Advisory Services and Referral Services

During the Period, the referral business division team worked closely with the corporate finance advisory business division team in exploring new business opportunities, identifying quality investments with good potentials for clients and expanding the cross-segment client base. As a result, a segment revenue of HK$1,580,000 was generated from this business division for the Period (six months ended 30 June 2015: approximately HK$970,000), representing an increase of approximately 62.89%.

Money Lending Business

During the Period, revenue derived from the money lending business division amounted to approximately HK$567,000 (six months ended 30 June 2015: approximately HK$206,000). The interest rate charged to customers during the Period ranged from 8.0% to 10.0% per annum. No default event occurred as of the date of the interim report and no provision for the impairment of loan receivables was considered necessary during the Period.

Assets Investments

The Purchaser Group continues to adopt a conservative investment approach in trading of listed securities in the Hong Kong stock market. During the Period, a net fair value loss on financial assets at fair value through profit or loss of approximately HK$306,000 (six months ended 30 June 2015: a gain of approximately HK$2,110,000) was recognised from the securities investments. Such unrealised loss was due to the volatile market conditions during the Period. Currently, the Purchaser Group's securities investment portfolio mainly comprises investments in listed securities, which are held for trading purposes.

On 7 March 2016, the Purchaser Group acquired China Universal Limited ("China Universal"), which hold several premises in Hong Kong, to invest in properties market in Hong Kong at the consideration of HK$25,900,000. The properties consist of two retail shops and one private residence, located in the residential area of Siu Sai Wan and Tai Koo Shing, Hong Kong. It is expected that the acquisition will generate stable rental income and improve the Purchaser Group's operating performance in the medium to long run. During the Period, rental income of HK$358,000 was generated.

Property Management and Property Agency Services

The Purchaser Group started to engage in property management and property agency services business after the acquisition of Full Profit Property Services Company Limited on 30 December 2015. Remarkable segment results of net profit after tax amounted to approximately HK$5,585,000 has been recorded during the Period.

Financial Review

Revenue

Revenue of the Purchaser Group for the Period was approximately HK$39,333,000 (six months ended 30 June 2015: approximately HK$24,052,000), representing an increase of approximately HK$15,281,000 or 63.53% as compared with that of the corresponding period in 2015. The increase in revenue was mainly due to the combined effect of (i) the increase in the revenue from the financial trading software solutions business of approximately HK$4,665,000; and (ii) the revenue of approximately HK$11,174,000 contributed by the property management and property agency services business which was newly set up by the Purchaser Group in December 2015.

Gross Profit and Gross Profit Margin

Gross profit of the Purchaser Group for the Period was approximately HK$31,497,000 (six months ended 30 June 2015: approximately HK$18,104,000), representing an increase of approximately 73.98% as compared with that of the corresponding period in 2015. Gross profit margin of the Purchaser Group for the Period was approximately 80.08% (six months ended 30 June 2015: approximately 75.27%).

Administrative Expenses

The Purchaser Group's administrative expenses for the Period amounted to approximately HK$23,850,000 (six months ended 30 June 2015: approximately HK$16,657,000), representing an increase of approximately HK$7,193,000 or 43.18% as compared with that of the corresponding period in 2015. The significant increase was primarily attributable to the combined effect of (i) the increase in administrative staff costs of approximately HK$3,926,000 due to the expansion of the Purchaser Group's business; (ii) the increase in legal and professional fee of approximately HK$1,222,000 as a result of the acquisition and disposal transactions; and (iii) the increase in amortisation costs of HK$2,932,000 due to the increase in intangible assets resulted from the property management and property agency services business started in December 2015, during the Period.

Profit and Total Comprehensive Income for the Period

The Purchaser Group incurred a net profit and total comprehensive income of approximately HK$665,000 (six months ended 30 June 2015: a net loss and total comprehensive loss of approximately HK$1,156,000) for the Period. The net profit and total comprehensive income of the Purchaser Group for the Period as compared with the net loss and total comprehensive loss of the corresponding period in 2015 was mainly attributable to the net effect of (i) the net profit after tax of approximately HK$5,585,000 for the Period contributed by the property management and property agency services business segment; (ii) the share of profit of an associate of approximately HK$1,474,000 for the Period; (iii) the share of loss of a joint venture of approximately HK$1,408,000 for the Period; (iv) the interest expenses of approximately HK$6,061,000 incurred in the Period on the 10% per annum notes ("Loan Notes") in the aggregate principal amount of HK$100.3 million issued by the Purchaser on 18 May 2015; and (v) gain on disposal of subsidiaries.

Liquidity and financial resources

As at 30 June 2016, the Purchaser Group held cash and bank balances of approximately HK$72,648,000 (31 December 2015: approximately HK$78,111,000). Net current assets amounted to approximately HK$60,110,000 (31 December 2015: net current liabilities of approximately HK$3,611,000). Current ratio (defined as total current assets divided by total current liabilities) was approximately 2.14 times (31 December 2015: approximately 0.97 times).

As at 30 June 2016, the Purchaser Group had no outstanding bank borrowings and other borrowings (31 December 2015: Nil), except for the outstanding Loan Notes with the carrying amount of approximately HK$19,227,000 (31 December 2015: approximately HK$99,957,000). The Loan Notes will mature on the day immediately preceding the second anniversary of the date of its issue. The Loan Notes will constitute direct, unconditional, unsubordinated and unsecured obligations of the Purchaser which will rank equally and without any preference amongst themselves and rank pari passu with all other present and future direct, unconditional, unsubordinated and unsecured obligations of the Purchaser. In order to improve the Purchaser Group's liquidity, the Purchaser Group has early settled a part of the Loan Notes in the aggregate principal amount of HK$81,300,000 by utilising proceeds raised from fund raising activities during the Period as detailed in the section headed "Capital Structure" below. As a result, the gearing ratio of the Purchaser Group (defined as total borrowings divided by total assets) improved from approximately 54.1% as at 31 December 2015 to approximately 8.9% as at 30 June 2016.

Foreign exchange exposure

During the Period, the business activities of the Purchaser Group were mainly denominated in Hong Kong dollars. The directors of the Purchaser did not consider the Purchaser Group was exposed to any significant foreign currency exchange risks. The Purchaser Group currently does not have a foreign currency hedging policy. However, the management monitors foreign currency exposure and will consider hedging significant foreign currency exposure should the need arises.

Contingent liabilities

As at 30 June 2016, the Purchaser Group did not have any contingent liabilities (31 December 2015: Nil).

Capital commitment

As at 30 June 2016, the Purchaser Group did not have any significant capital commitment (31 December 2015: Nil).

Charges on the group's assets

As at 30 June 2016, the Purchaser Group did not have any material charges on assets (31 December 2015: Nil).

Material Acquisitions and Disposals

Investment in Rolaner International Limited ("Rolaner")

On 20 February 2016, Sky View Investment Limited ("Sky View"), Winrange Investments Limited ("Winrange", a wholly-owned subsidiary of the Purchaser) and Amber Rose Holdings Limited ("Amber Rose") entered into an agreement ("Sky View Subscription Agreement") for the subscription of ordinary shares of Sky View ("Sky View Shares") by Winrange and Amber Rose respectively. Pursuant to the Sky View Subscription Agreement, Winrange and Amber Rose have agreed to subscribe for 390 Sky View Shares and 510 Sky View Shares at the subscription price of US$4,948,900 and US$5,151,000 respectively. Immediately before the signing of the Sky View Subscription Agreement, Sky View was 100%-owned by Winrange. Completion of the Sky View Subscription Agreement took place immediately after its signing, Winrange has become interested in 49% of the issued share capital of Sky View and Sky View became the joint venture of Winrange and Amber Rose. It was the intention of Winrange and Amber Rose that Sky View would act as the holding company of their investment in Rolaner to be acquired under the Rolaner Subscription Agreement (as defined below).

After completion of the Sky View Subscription Agreement, Sky View, Rolaner, Ace Choice Ventures Limited, Legend Cosmo Consultants Limited, Mr. Ren Lingfeng, Mr. Chen Rong, 榮浪信息科技(上海)有限公司 (unofficial English name being Rong Lang Information Technology (Shanghai) Co., Limited) and 羅朗網絡科技(上海)有限公司 (unofficial English name being Luo Lang Internet Technology (Shanghai) Co., Limited) entered into an agreement on 20 February 2016 ("Rolaner Subscription Agreement"), pursuant to which, among other things, Sky View shall subscribe for 22,000,000 preferred shares in the share capital of Rolaner, representing approximately 22.9% of the then enlarged share capital of Rolaner (after completion of the subscription of shares of Rolaner by Alibaba Investment Limited and assuming no shares of Rolaner have been issued pursuant to an employee share option program to be adopted by Rolaner after completion of the Rolaner Subscription Agreement) at the price of US$10,000,000. Completion of the Rolaner Subscription Agreement took place on 18 March 2016.

The management believes that the transactions contemplated under the Sky View Subscription Agreement has introduced a strategic partner to invest in Rolaner, whose operating a mobile application "Mei Li Shen Qi (美麗神器)", one of the largest online communities and e-commerce platforms with millions of users for medical beauty industry in the People's Republic of China, in which the management considers to have great market potentials. During the Period, the loss of joint venture shared by the Purchaser Group amounted to approximately HK$1.4 million.

Acquisition of China Universal

On 7 March 2016, a subsidiary of the Purchaser, and Colorful Focus Limited ("Colorful Focus") entered into a sale and purchase agreement, pursuant to which the Purchaser Group conditionally agreed to purchase and Colorful Focus conditionally agreed to sell the entire issued shares of China Universal at the consideration of HK$25,900,000. The principal assets of China Universal are certain residential and retail properties in Hong Kong. The acquisition of China Universal was completed on 16 March 2016.

In the future, it is expected that the portfolio of the Purchaser Group's property investment will generate stable recurring income and cash flow to the Purchaser Group for long term investment purposes.

Disposal of 49% interest in Wise Link International Limited ("Wise Link")

On 12 May 2016, Wise Link, then an indirect wholly-owned subsidiary of the Purchaser, and Billion Centrium Group Holdings Limited ("Billion") entered into an agreement, pursuant to which Billion agreed to subscribe for 490 ordinary shares of Wise Link, representing 49% of the enlarged issued share capital of Wise Link, at the subscription price of HK$3,500,000. Immediately before completion of the subscription, Wise Link was wholly-owned by the Purchaser Group. Immediately after completion, Wise Link is owned as to 51% by the Purchaser Group and 49% by Billion. Completion of the subscription of shares in Wise Link (and the deemed disposal of 49% interest in Wise Link by the Purchaser Group) took place on 12 May 2016.

As at the date of the interim report, save as the foregoing acquisitions and disposals, the Purchaser Group did not have any other concrete plans for material investments or capital assets in the coming future. Nonetheless, if any acquisition opportunity arises and is identified, the Purchaser Group will conduct a feasibility study and prepare implementation plans to consider whether it is beneficial to the Purchaser and its shareholders as a whole.

Other Investments

As at 30 June 2016, the Purchaser Group hold (i) two unlisted fund investments (the "Funds") (year ended 31 December 2015: three) which are private equity funds incorporated in the Cayman Islands with the carrying value amounted to approximately HK$8.66 million (year ended 31 December 2015: HK$20.5 million); and (ii) an unlisted equity investment with the carrying value amounted to HK$1.25 million (year ended 31 December 2015: Nil). The Funds are limited by shares and are managed by their respective fund managers, which mainly invests in the field of multi-media, social media and internet related business. During the Period, the Purchaser Group has recognised (i) an impairment loss of available-for-sales investments of approximately HK$3.3 million with reference to the audited financial statements or statements of accounts of the Funds provided by the fund managers; and (ii) a gain on disposal of available-for-sales investments of approximately HK$2.6 million.

The Purchaser Group will continue optimising its investment portfolios to invest in quality unlisted funds and equity investments so as to create value for the shareholders of the Purchaser.

Capital Structure

Placing of New Shares Under General Mandate

On 14 January 2016, the Purchaser and Convoy Securities Limited (as placing agent) entered into a conditional placing agreement (“Placing Agreement”), pursuant to which the Purchaser had conditionally agreed to place through the placing agent, on a best effort basis, up to 800,000,000 new ordinary shares of par value of HK$0.0005 each in the share capital of the Purchaser (“Placing Shares”), to not less than six placees who and whose ultimate beneficial owners are third parties independent of and not connected with the Purchaser and any of its connected persons or their respective associates, at a price of HK$0.05 per Placing Share (“800M Placing”). The Placing Shares were allotted and issued pursuant to the general mandate granted to the directors of the Purchaser at the annual general meeting of the Purchaser held on 5 May 2015. The nominal value of the Placing Shares was HK$400,000 and the net issue price was HK$0.048 per Placing Share. The closing price of the ordinary shares of the Purchaser on the date of the Placing Agreement was HK$0.059 per share. On 27 January 2016, completion of the 800M Placing took place in accordance with the terms and conditions of the Placing Agreement. Immediately after completion of the 800M Placing, an aggregate of 800,000,000 Placing Shares, representing approximately 16.7% of the issued share capital of the Purchaser (as enlarged by the allotment and issue of the Placing Shares), have been successfully placed to not less than six placees. The Purchaser received net proceeds of approximately HK$38.4 million from the 800M Placing. The directors of the Purchaser were of the view that the 800M Placing represented good opportunities to broaden the shareholders’ base and raise additional funds at a reasonable cost for itself. Up to the date of the interim report, the entire net proceeds has been utilised as to (i) HK$25.9 million had been used for the payment of the total consideration for the acquisition of China Universal; (ii) approximately HK$2.5 million had been used for the settlement of interest incurred on the Loan Notes; (iii) approximately HK$8.5 million had been used for the subscription of 390 shares of Sky View; and (iv) the remaining had been used for the general working capital of the Purchaser Group.

Share Consolidation and Change of Board Lot Size

On 3 March 2016, the board of the Purchaser proposed that every ten existing shares ("Old Shares") of HK$0.0005 each in the issued and unissued share capital of the Purchaser be consolidated into one consolidated share ("Consolidated Share(s)") of HK$0.005 each in the issued and unissued share capital of the Purchaser ("2016 Share Consolidation"). The 2016 Share Consolidation had been approved by the shareholders of the Purchaser at the extraordinary general meeting on 18 April 2016 and became effective on 19 April 2016, upon which the issued share capital of the Purchaser was HK$2,400,000 divided into 480,000,000 Consolidated Shares of HK$0.005 each. The board lot size of the Consolidated Shares was changed from 5,000 Old Shares to 10,000 Consolidated Shares upon the 2016 Share Consolidation taking effect. Details of the 2016 Share Consolidation and change of board lot size are detailed in the Purchaser's announcements dated 3 March 2016, 18 March 2016, 18 April 2016 and the Purchaser's circular dated 24 March 2016.

Rights Issue

On 24 March 2016, the Purchaser proposed to issue, by way of rights, on the basis of one rights share ("Rights Share") for every two shares in issue held on the record date (i.e. 28 April 2016) at the subscription price of HK$0.324 per Rights Share ("Rights Issue").

The Purchaser intended to apply the net proceeds from the Rights Issue for the early redemption of the Loan Notes and the payment of the interests accrued thereon. As at 25 April 2016 (being the latest practicable date to the issue of the prospectus in connection with the Rights Issue), the Purchaser had already received notices from holders of the Loan Notes to redeem the Loan Notes in an aggregate principal amount of HK$4.9 million, which shall be redeemed by the Purchaser in May or June 2016. The directors of the Purchaser considered that it was prudent and reasonable to conduct the Rights Issue. On the other hand, the directors of the Purchaser considered that it was in the interest of the Purchaser to early redeem the Loan Notes which bears interests at the rate of 10% per annum. The directors of the Purchaser considered that it was prudent to finance the Purchaser Group's long term growth by way of the Rights Issue which would enhance its financial position without increasing finance costs, and that the Rights Issue would provide existing shareholders the opportunity to participate in the equity financing exercise on a fair and pro rata basis and lessen the dilution impact brought about by a placing.

Completion of the Rights Issue took place on 24 May 2016, where an aggregate of 240,000,000 Rights Shares, representing approximately 33.33% of the issued share capital of the Purchaser (as enlarged by the allotment and issue of the Rights Shares), have been issued. The aggregate nominal amount of the Rights Shares was HK$1,200,000.

The Purchaser received net proceeds of approximately HK$74 million from the Rights Issue. Up to the date of the interim report, the entire net proceeds has been utilised for the early redemption of a part of the Loan Notes and the payment of the interest accrued thereon as intended.

Dividend

The board of the Purchaser does not recommend the payment of an interim dividend for the six months ended 30 June 2016 (six months ended 30 June 2015: Nil).

Employee and Remuneration Policy

As at 30 June 2016, the Purchaser Group had 63 employees (31 December 2015: 60). The Purchaser Group continues to maintain and upgrade the capability of its workforce by providing them with adequate and regular training. The Purchaser Group remunerates its employees mainly based on industry practices and individual's performance and experience. On top of regular remuneration, discretionary bonus and share options may be granted to eligible staff by reference to the Purchaser Group's performance as well as individual's performance.

Outlook

Technology is advancing at a tremendous pace and dependence of internet in all aspects continues to rise. Using technologies such as online trading and finance on one hand increases working efficiency, and on the other hand create more opportunities for the Purchaser Group.

iAsia, the Purchaser Group's subsidiary and a trading solution pioneer in the market, remains the Purchaser Group's major operating subsidiary running the core business. Leveraging years of experience and professional knowledge in the financial sectors in Hong Kong, the Purchaser Group was able to swiftly react to the market changes by innovative trading solution inventions. The Purchaser Group looks forward to the long-anticipated establishment of Shenzhen-Hong Kong Stock Connect, which is likely to commence within this year. Shenzhen-Hong Kong Stock Connect will provide an unprecedented opportunity for iAsia and the Purchaser Group is financially prepared and committed to enriching our product portfolio for further business development.

In consideration of a fluctuating equity market and the global economic recession, diversification of the Purchaser Group's business divisions is believed to safeguard a stable growth of the Purchaser Group. Great potential of smartphone application development emerges from people's pursuit of efficiency of which the directors of the Purchaser consider as one of the growth engine in the foreseeable future. Besides, mobile application provides an effective promotion platform for the Purchaser Group which will further strengthen its reputation in Hong Kong, the People's Republic of China and other Asian regions. Therefore, the Purchaser Group will continue to devote in mobile application development business through investments in potential business.

Looking ahead, the Purchaser Group will strive to enhance its competitiveness in the market by further strengthening its core business, creating strategic value and actively diversifying its business segments. Meanwhile, the Purchaser Group will also continue to strike for sustainable growth through implementation of strict risk control policies to improve its internal control and risk management capabilities.

Change in auditors

The Purchaser announced on 28 October 2016 that the auditors of the Purchaser, HLB Hodgson Impey Cheng Limited, has resigned as the auditors of the Purchaser with effect from 28 October 2016 as the Purchaser and HLB could not reach a mutual agreement in respect of the audit fee for the financial year ending 31 December 2016. The Purchaser further announced that PKF Hong Kong was appointed as the new auditor of the Purchaser with effect from 28 October 2016 to fill the vacancy following the resignation of HLB Hodgson Impey Cheng Limited and to hold office until the conclusion of the next annual general meeting of the Purchaser.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquires, confirm that to the best of their knowledge and belief the information contained in this circular 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 contained herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(i) Interests of Directors

As at the Latest Practicable Date, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO) which (i) 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 and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to the Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by directors were as follows:

Long position in the Shares and underlying Shares

Name of Director	Capacity	Number of Shares/underlying Shares held	Approximate percentage of total issued share capital of the Company *(Note 1)*
Kuang Hao Kun Giovanni (“**Mr. Kuang**”)	Beneficial owner	1,231,000 *(Note 2)*	0.42%
Xue Qiushi (“**Mr. Xue**”)	Interest of a controlled corporation *(Note 3)*	59,342,036 *(Note 4)*	20.03%

Notes:

1. The total number of 296,298,825 Shares in issue as at the Latest Practicable Date has been used for the calculation for the approximate percentage.

2. Based on the Director's/Chief Executive's Notice – Interests in Shares of Listed Corporation filed by Mr. Kuang dated 5 July 2016, these 1,231,000 underlying Shares had an exercise period from 15 July 2015 to 14 July 2018 with an exercise price of HK$2.755 per Share.

3. Ace Source International Limited ("**Ace Source**") is wholly and beneficially owned by Mr. Xue. As such, Mr. Xue was deemed to be interested in all the Shares/underlying Shares held by Ace Source pursuant to Part XV of the SFO. Mr. Xue was deemed to be interested in all the 59,342,036 Shares/underlying Shares in which Ace Source had an interest as the beneficial owner or in other capacity by virtue of the SFO.

4. Based on the Director's/Chief Executive's Notice – Interests in Shares of Listed Corporation filed by Mr. Xue dated 7 October 2016, among these 59,342,036 Shares/underlying Shares, 29,210,976 of which were underlying Shares having a conversion period from 31 December 2015 to 31 December 2017 with a conversion price of HK$1.50 per Share.

Aggregate long positions in shares and underlying shares of associated corporations of the Company

Name of Director	Name of the associated corporation	Capacity in which the shares are held	Number of shares	Approximate percentage of the associated corporation's issued share capital
Mr. Xue	Apperience Corporation ("**Apperience**")	Interest of a controlled corporation *(Note)*	3,882,391	18.79%
Mr. Xue	Boom Max	Interest of a controlled corporation *(Note)*	11,657	11.66%

Note: Ace Source is wholly and beneficially owned by Mr. Xue. As such, Mr. Xue was deemed to be interested in all the shares held by Ace Source in Apperience and Boom Max (both being associated corporations of the Company) pursuant to Part XV of the SFO.

Aggregate long positions in the debentures of the Company

Name of Director	Capacity in which the debentures are held	Exercise period	Amount of debentures
Mr. Xue	Interest of a controlled corporation *(Note)*	31 December 2015 to 31 December 2017	HK$43,816,465

Note: Ace Source was interested in debentures of the Company in the amount of HK$43,816,465 with an exercise period from 31 December 2015 to 31 December 2017 with a conversion price of HK$1.5 per Share. Mr. Xue is a director of Ace Source and Ace Source is wholly and beneficially owned by Mr. Xue. As such, Mr. Xue was deemed to be interested in all the debentures in which Ace Source had interest pursuant to Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company had or was deemed to have any interests and short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which (i) 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 and short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors.

(ii) Interests of substantial Shareholders

As at the Latest Practicable Date, so far as was known to the Directors, the following persons, other than the Directors or chief executive of the Company, had or were deemed or taken to have interests or short positions in the Shares or underlying Shares, which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO:

Name	**Capacity**	**Number of Shares and underlying Shares held** *(Note 1)*	**Approximate percentage of total issued share capital of the Company** *(Note 2)*	*Notes*
Fastek Investments Limited ("**Fastek**")	Beneficial owner	23,720,000 (L)	8.01%	3
Rosy Lane Investments Limited ("**Rosy Lane**")	Interest of controlled corporations	31,912,157 (L)	10.77%	3
Hong Kong Education (Int'l) Investments Limited	Interest of controlled corporations	31,912,157 (L)	10.77%	3
Access Magic Limited ("**Access Magic**")	Beneficial owner	35,219,879 (L)	11.89%	4
Dong Yuguo ("**Mr. Dong**")	Interest of a controlled corporation	35,219,879 (L)	11.89%	4,5
Universe International Financial Holdings Limited (formerly known as Universe International Holdings Limited) ("**Universe**")	Interest of controlled corporations	49,383,000 (L)	16.67%	6
Ace Source	Beneficial owner	59,342,036 (L)	20.03%	7
Lung Chung Chi	Beneficial owner	32,705,000 (L)	11.04%	
First Credit Limited	Person having a security interest in shares	50,138,799 (L)	16.92%	8
First Credit Finance Group Limited	Interest of controlled corporations	50,138,799 (L)	16.92%	8

Notes:

1. "L" denotes a long position.

2. The total number of 296,298,825 Shares in issue as at the Latest Practicable Date has been used for the calculation for the approximate percentage.

3. Wise Action Limited ("**Wise Action**") and Fastek are wholly and beneficially owned by Rosy Lane. Rosy Lane is wholly owned by Hong Kong Education (Int'l) Investments Limited (the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1082)). Each of Hong Kong Education (Int'l) Investments Limited and Rosy Lane was deemed to be interested in 8,192,157 Shares and 23,720,000 Shares held by Wise Action and Fastek respectively pursuant to Part XV of the SFO.

4. Access Magic was interested in 35,219,879 Shares/underlying Shares in the capacity of beneficial owner. Among these 35,219,879 Shares/underlying Shares, 17,285,215 of which were underlying Shares.

5. Access Magic is wholly and beneficially owned by Mr. Dong, a director of some of the subsidiaries of the Company. As such, Mr. Dong was deemed to be interested in all the Shares/underlying Shares held by Access Magic pursuant to Part XV of the SFO.

6. Based on the record of the Company, Weluck Development Limited held 49,383,000 Shares. Weluck Development Limited is wholly owned by Fragrant River Entertainment Culture (Holdings) Limited ("**Fragrant River**"), which is in turn wholly owned by Universe (the shares of which are listed on the Main Board of the Stock Exchange (stock code: 1046)). Accordingly, each of Fragrant River and Universe was deemed to be interested in all the Shares owned by Weluck Development Limited pursuant to Part XV of the SFO.

7. Ace Source was interested in 59,342,036 Shares/underlying Shares in the capacity as the beneficial owner. Among these 59,342,036 Shares/underlying Shares, 29,210,976 of which were underlying Shares. Ace Source is wholly and beneficially owned by Mr. Xue. As such, Mr. Xue was deemed to be interested in all the Shares/underlying Shares held by Ace Source. Mr. Xue is a director of Ace Source. Mr. Xue's interests in the Shares/underlying Shares are disclosed in the subsection headed "Long position in the Shares and underlying Shares" under the section headed "Interests of Directors" above.

8. Based on the corporate substantial shareholder notice filed on 18 November 2016 by First Credit Limited and First Credit Finance Group Limited respectively, First Credit Limited was interested in 50,138,799 underlying Shares in the capacity as person having a security interest and First Credit Finance Group Limited was interested in 50,138,799 underlying Shares in the capacity of interest of a controlled corporation. First Credit Limited was wholly owned by First Holdings Consortium Limited, which is in turn wholly owned by First Credit Finance Group Limited. As such, each of First Holdings Consortium Limited and First Credit Finance Group Limited was deemed to be interested in all the underlying Shares held by First Credit Limited pursuant to Part XV of the SFO.

Save as disclosed above, the Directors were not aware of any person, other than the Directors or chief executive of the Company, who, as at the Latest Practicable Date, had or was deemed or taken to have interests or short positions in the Shares or underlying Shares, which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or, which were recorded in the register required to be kept by the Company under Section 336 of the SFO.

As at the Latest Practicable Date, save for Mr. Xue who is the director of Ace Source, none of the Directors was a director of a company which has an interest or short position in the Shares or underlying Shares of the Company which would fall to be disclosed to the Company under the provisions of Division 2 and 3 of Part XV of the SFO.

3. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business of the Group) have been entered into by members of the Group within two years immediately preceding the date of this circular, which are or may be material:

(a) the memorandum of understanding dated 2 February 2015 and entered into between GET Financial Group (International) Limited ("**GET Financial**") (formerly known as Fast Yield Holdings Limited) (a wholly-owned subsidiary of the Company) and Mr. Leung Wai Hon ("**Mr. Leung**") (the spouse of a substantial shareholder and director of a subsidiary of the Company as at the date of the memorandum of understanding) in relation to the acquisition of 100% of the issued share capital of Trendmode Holdings Limited ("**Trendmode Acquisition**");

(b) the placing agreement dated 5 February 2015 entered into between the Company as issuer and GEO Securities Limited as placing agent in relation to the 6% unsecured loan notes ("**Feb 2015 Notes**") to be issued by the Company in an aggregate principal amount of up to HK$50,000,000 maturing on the second anniversary of the issue date of the Feb 2015 Notes at the placing price equal to 100% of the principal amount of the Feb 2015 Notes;

(c) the underwriting agreement dated 24 February 2015 ("**Underwriting Agreement**") entered into between the Company and Astrum Capital Management Limited, a corporation licensed to carry out business in type 1 (dealing in securities), type 2 (dealing in futures contracts), type 6 (advising on corporate finance) and type 9 (asset management) regulated activities under the SFO ("**Underwriter**"), in relation to the underwriting arrangement in respect of the proposed issue ("**Rights Issue**") of 586,237,461 Shares ("**Rights Shares**", each a "**Rights Share**") on the basis of three Rights Shares for every one Share held on the relevant record date, at the issue price of HK$0.35 per Rights Share and the supplemental agreements to the Underwriting Agreements dated 20 March 2015 and 10 April 2015 made between the Company and the Underwriter to revise certain dates in connection with the Rights Issue, details of which are set out in the announcements of the Company dated 20 March 2015 and 10 April 2015 and the prospectus of the Company dated 22 May 2015;.

(d) the agreement dated 12 March 2015 entered into between GET Financial as purchaser and certain individuals as vendors (who were independent third parties immediately before the signing of the agreement) in relation to the acquisition of 51% of the issued share capital of GEO Finance Limited ("**GEO Finance**"), a company principally engaged in money lending business in Hong Kong and its key product is personal loan with subordinate property mortgage loan;

(e) the sale and purchase agreement dated 1 April 2015 ("**Trendmode Acquisition Agreement**") entered into between GET Financial as purchaser and Mr. Leung as vendor in relation to the Trendmode Acquisition at the maximum aggregate amount of the consideration being HK$52,000,000 (subject to adjustments upon completion and after completion);

(f) the placing agreement dated 22 June 2015 entered into between the Company as issuer and Win Fung Securities Limited as placing agent in relation to the placing of up to 39,080,000 new Shares at a price of HK$0.49 per Share;

(g) the placing agreement dated 26 June 2015 entered into between the Company as issuer and GEO Securities Limited as placing agent in relation to the Jun 2015 Notes to be issued by the Company in an aggregate principal amount of up to HK$30,000,000 maturing on the second anniversary of the issue date of the Jun 2015 Notes at the placing price equal to 100% of the principal amount of the Jun 2015 Notes;

(h) the sale and purchase agreement dated 31 July 2015 entered into between the Company as purchaser and China New Economy Fund Limited (the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 80)) as vendor in relation to the acquisition of 27,298,000 ordinary shares of the Target at a consideration of HK$60,000,000 to be satisfied by the allotment and issue of 146,699,266 new shares by the Company;

(i) the provisional sale and purchase agreement dated 8 August 2015 entered into between Bonus First Group Limited (a then wholly-owned subsidiary of the Company) ("**Bonus First**") as purchaser and Century Best Limited (an independent third party) as vendor in relation to the acquisition of a property in Hong Kong at a cash consideration of HK$53,900,000;

(j) the conditional sale and purchase agreement dated 13 August 2015 entered into by and among the Company as purchaser, Well Peace Global Limited, Wealthy Hope Limited, Ace Source and Access Magic collectively as vendors (the "**Vendors**") and Mr. Dong, Mr. Xue, Mr. Lian Ming and Mr. Chen Liang collectively as warrantors (the "**Warrantors**"), pursuant to which the Company agreed to buy and the Vendors agreed to sell 14,677 ordinary shares of Boom Max at the consideration of HK$180,416,400 (the "**Original Acquisition Agreement**");

(k) the placing agreement dated 20 August 2015 entered into between the Company as issuer and Jun Yang Securities Company Limited as placing agent in relation to the Aug 2015 Notes to be issued by the Company in an aggregate principal amount of up to HK$300,000,000 maturing on the second anniversary after the issue date of the Aug 2015 Notes at the placing price equal to 100% of the principal amount of the Aug 2015 Notes;

(l) the supplemental agreement dated 16 September 2015 entered into by and among the Company as purchaser, the Vendors and the Warrantors to vary and supplement the Original Acquisition Agreement (the "**Supplemental Agreement**");

(m) the letter agreement dated 30 September 2015 entered into between GET Financial and Mr. Leung to extend the long stop date of the Trendmode Acquisition Agreement from 30 September 2015 (or such later date as GET Financial and Mr. Leung may agree in writing) to 31 December 2015 (or such later date as GET Financial and Mr. Leung may agree in writing);

(n) the sale and purchase agreement dated 6 October 2015 entered into between the Company as vendor and AMCO United Holding Limited as purchaser (the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 630)) in relation to the disposal of 100% of the issued share capital of Bonus First at a consideration of HK$62,000,000;

(o) the subscription agreement dated 31 October 2015 entered into between Lujolujo Asia Limited ("**Lujolujo**", a non-wholly owned subsidiary of the Company immediately before the completion of the subscription) and Muller Capital as subscriber in relation to the subscription of 50,000 ordinary shares of Lujolujo at a cash consideration of HK$8,500,000;

(p) the sale and purchase agreement dated 11 March 2016 entered into between Lucky Famous Limited ("**Lucky Famous**") as purchaser and a company incorporated in the British Virgin Islands (which is an Independent Third Party) as vendor in relation to the acquisition of 100% of the issued share capital and shareholder's loan of Million Worldwide Investment Limited at a cash consideration of HK$20,000,000;

(q) the sale and purchase agreement dated 29 March 2016 entered into between Lucky Famous (a wholly-owned subsidiary of the Company) as purchaser and Talent Gain International Limited (which is an Independent Third Party) as vendor in relation to the acquisition of an aggregate of 51% of the issued share capital of Dragon Oriental Investment Limited at a cash consideration of HK$17,340,000;

(r) the sale and purchase agreement dated 13 June 2016 entered into between Lucky Famous as purchaser, Fragrant River as vendor and Universe (the shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 1046)) as guarantor in relation to the acquisition of 51% of the issued share capital of AP Group Investment Holdings Limited at a consideration of HK$20,400,000 to be satisfied by the allotment and issue of 40,800,000 new Shares by the Company;

(s) the subscription agreement dated 13 June 2016 entered into between the Company as issuer and Weluck Development Limited (a wholly-owned subsidiary of Fragrant River) as subscriber in relation to the subscription of 8,583,000 new Shares by Weluck Development Limited at the subscription price of HK$0.50 per subscription share;

(t) the sale and purchase agreement dated 19 August 2016 entered into between Lucky Famous (a wholly-owned subsidiary of the Company) as purchaser and Jun Yang Financial Holdings Limited ("**Jun Yang**") (the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 397)) as vendor in relation to the acquisition of approximately 30% of the issued share capital of Jun Yang Solar Power Investment Holdings Limited ("**JY Solar**") at a cash consideration of HK$34,500,000;

(u) the SP Agreement;

(v) the sale and purchase agreement dated 1 November 2016 entered into between Lucky Famous (a wholly-owned subsidiary of the Company) as purchaser and Jun Yang as vendor in relation to the acquisition of approximately 5% of the issued share capital of JY Solar at a cash consideration of HK$5,790,000;

(w) the equity transfer agreement dated 14 November 2016 entered into between Act Point Limited and an Independent Third Party in relation to the disposal of the entire equity interest of 深圳領袖家企業管理諮詢有限公司 (a non-wholly owned subsidiary of the Company) at a cash consideration of HK$342,082;

(x) the instrument of transfer and bought and sold notes dated 21 November 2016 executed by GET Financial as transferor and an Independent Third Party as transferee in relation to the transfer of 51% of the issued share capital of GEO Finance at a cash consideration of HK$825,000; and

(y) the loan agreement dated 21 November 2016 entered into by and among the Company as lender, GEO Finance as borrower and Mr. Leung as guarantor in relation to the provision of loan in the principal amount of HK$7,545,657.53.

4. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contract with any member of the Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation other than statutory compensation).

5. EXPERTS AND CONSENTS

The following are the qualifications of the experts who have been named in this circular or have given opinions, letter or advice contained in this circular:

Name	Qualification
RSM Hong Kong	Certified Public Accountants, being the reporting accountant for the unaudited pro forma financial information of the Enlarged Group

RSM Hong Kong has given and has not withdrawn its written consent to the issue of this circular with the inclusion therein of its advice, letter and/or reports, and reference to its name and/or logo, in the form and context in which they appear.

As at the Latest Practicable Date, RSM Hong Kong was not beneficially interested in the share capital of any member of the Group nor had any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor did it have any interest, either directly or indirectly, in the assets which have been acquired or disposed of by or leased to any members of the Group since 31 December 2015, being the date to which the latest published audited consolidated financial statements of the Group were made up.

6. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and there was no litigation or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

7. COMPETING BUSINESS

To the best knowledge of the Directors, as at the Latest Practicable Date, none of the Directors, their respective close associates nor the controlling Shareholders had any interests in a business, which competes or is likely to compete either directly or indirectly with the business of the Group which would be required to be disclosed under Rule 11.04 of the GEM Listing Rules, if the Directors were controlling Shareholders.

8. DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENTS

成都奧畢信息技術有限公司 (Chengdu AOBI Information Technology Co., Ltd.) (the "**PRC Company**") as licensor, Apperience and Both Talent International Limited ("**Both Talent**") as licensee, entered into an agreement (the "**New Copyright Licence Agreement**") on 1 July 2014 in relation to the grant of licence to use the copyright of "Advanced SystemCare" (the "**Copyright**") registered in the name of the PRC Company in the PRC for a period from the date of the New Copyright Licence Agreement to the later of (i) the completion of registration of the assignment of the Copyright to Both Talent in the PRC; or (ii) the completion of registration of the Copyright in the name of Both Talent in the United States as part of the Group's internal reorganisation at nil consideration to rationalise the structure of business units of the Group. Since the PRC Company is owned as to 35% by Mr. Xue, an executive Director, Mr. Xue is interested in the New Copyright Licence Agreement through his shareholding in the PRC Company.

Save for the New Copyright Licence Agreement, the Original Acquisition Agreement (as varied and supplemented by the Supplemental Agreement) and, the issue of the convertible notes in the principal amount of HK$43,816,465 conferring rights to Ace Source (wholly and beneficially owned by Mr. Xue) for the Shares at an initial conversion price of HK$0.3 per Share (as later adjusted to HK$1.50 per Share after the capital reorganisation of the Company becoming effective on 24 May 2016 and subject to further adjustment) (the details of which are disclosed in the announcements of the Company dated 13 August 2015 and 16 September 2015 and the circular of the Company dated 23 November 2015), none of the Directors was materially interested in any contract or arrangement subsisting as at the Latest Practicable Date which is significant in relation to the business of the Group, nor had any Director had any direct or indirect interests in any assets which have been acquired or disposed of by or leased to, or are proposed to be acquired or disposed of by or leased to, any member of the Group since 31 December 2015, being the date to which the latest published audited consolidated financial statements of the Group were made up.

9. MATERIAL ACQUISITIONS

Save as disclosed below, none of the members of the Group had acquired or agreed to acquire or was proposing to acquire a business or an interest in the share capital of a company whose profits or assets make or will make a material contribution to the figures in the auditor's report of the Group as at 31 December 2015 (being the date to which the latest published audited financial statements of the Group were made up) or the next published accounts of the Group:-

(a) pursuant to a sale and purchase agreement dated 11 March 2016 entered into between Lucky Famous as purchaser and a company incorporated in the British Virgin Islands (which is an Independent Third Party) as vendor, Lucky Famous acquired the entire issued share capital in, and the loan owed by Million Worldwide Investment Limited at an aggregate consideration of HK$20,000,000. The consideration for such acquisition was funded partly by the net proceeds raised by the Company from the rights issue in accordance with the prospectus of the Company dated 22 May 2015 of 586,237,461 rights shares at HK$0.35 per rights share on the basis of three rights shares for every one share held on the relevant record date and partly by the internal resources of the Group. Million Worldwide Investment Limited is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in investment holding and owns the entire issued shares of Talent Vision Limited which legally and beneficially owns a property located in Hong Kong. The aggregate of the remuneration payable to and benefits in kind receivable by the directors of Million Worldwide Investment Limited was not and will not be varied in consequence of such acquisition by the Group;

(b) pursuant to a sale and purchase agreement dated 29 March 2016 entered into between Lucky Famous as purchaser and Talent Gain International Limited as vendor, Lucky Famous acquired 51% interest of Dragon Oriental Investment Limited at a consideration of HK$17,340,000, which was funded by the Group's internal resources. Dragon Oriental Investment Limited is a company incorporated in the British Virgin Islands with limited liability and is principally engaged in property investment and its principal asset is a property located in Hong Kong. The aggregate of the remuneration payable to and benefits in kind receivable by the directors of Dragon Oriental Investment Limited was not and will not be varied in consequence of such acquisition by the Group;

(c) pursuant to the sale and purchase agreement dated 13 June 2016 entered into between Lucky Famous as purchaser, Fragrant River as vendor and Universe as guarantor, Lucky Famous acquired 51% interest of AP Group Investment Holdings Limited at a consideration of HK$20,400,000, which was satisfied by the allotment and issue of 40,800,000 new Shares by the Company. AP Group Investment Holdings Limited is principally engaged in the provision of education and training programs in relation to self-improvement and self-enhancement in Hong Kong and PRC. The aggregate of the remuneration payable to and benefits in kind receivable by the directors of AP Group Investment Holdings Limited was not and will not be varied in consequence of such acquisition by the Group;

(d) pursuant to the sale and purchase agreement dated 19 August 2016 entered into between Lucky Famous as purchaser and Jun Yang as vendor, Lucky Famous acquired approximately 30% of the issued share capital of JY Solar at a consideration of HK$34,500,000, which was funded by the internal resources of the Group. JY Solar is a company incorporated in the Cayman Islands with limited liability and is principally engaged in investment holding. JY Solar and its subsidiaries in the British Virgin Islands, Hong Kong and the PRC are principally engaged in the solar energy business with a focus on development, construction, operation and maintenance of power station projects in the PRC. The aggregate of the remuneration payable to and benefits in kind receivable by the directors of JY Solar was not and will not be varied in consequence of such acquisition by the Group; and

(e) pursuant to the SP Agreement, the Vendor had agreed to sell the Sale Shares to the Purchaser at the Consideration of HK$35,498,817, which shall be satisfied by the allotment and issue by the Purchaser of 186,492,340 Consideration Shares to the Vendor. The aggregate of the remuneration payable to and benefits in kind receivable by the directors of the Purchaser will not be varied in consequence of such acquisition by the Group.

10. GENERAL

(a) The registered office of the Company is at Clarendon House, 2 Church Street, Hamilton HM11, Bermuda.

(b) The Company's head office and principal place of business in Hong Kong is situated at Room 1703, 17/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong.

(c) The company secretary of the Company is Mr. Lau Siu Cheong, who is a member of CPA Australia and a member of Hong Kong Institute of Certified Public Accountants.

(d) The Company's branch share registrar and transfer office in Hong Kong is Tricor Tengis Limited at Level 22, Hopewell Center, 183 Queen's Road East, Hong Kong.

(e) The Company's compliance officer is Mr. Kuang Hao Kun Giovanni, who obtained a Bachelor's Degree of Economics from La Trobe University in Australia and is a member of CPA Australia.

(f) The English text of this circular shall prevail over the Chinese text.

11. AUDIT COMMITTEE

The Company established the audit committee with written terms of reference in accordance with Rules 5.28 to 5.33 of the GEM Listing Rules. The audit committee currently comprises three independent non-executive Directors, namely, Professor Chui Tsan Kit (Chairman), Ms. Xiao Yiming and Professor Lee T.S.. The audit committee's principal duties are to review and supervise the financial reporting process, risk management and internal control procedures of the Group.

Biographical information of each member of the Audit Committee is set out below:

Professor Chui Tsan Kit ("**Professor Chui**"), aged 47, obtained a Postgraduate Diploma in Finance (with Distinction) from The Chinese University of Hong Kong, a Master of Business Administration Degree from The Chinese University of Hong Kong, a Master of Science Degree in Engineering (Electronic Commerce) from The University of Hong Kong, a Master of Science Degree in Investment Management from The Hong Kong University of Science and Technology and a Master of Laws Degree in Chinese Business Law from The Chinese University of Hong Kong. He is also a Certified Financial Consultant of The Institute of Financial Consultants and a Chartered Wealth Manager of the International Academy of Financial Management. He was an honorary assistant professor of the Department of Computer Science, Faculty of Engineering at The University of Hong Kong and an adjunct associate professor of the Department of Marketing, Faculty of Business Administration at The Chinese University of Hong Kong. Professor Chui is the chairman of the audit committee and a member of the remuneration committee and the nomination committee.

Professor Chiu was the director of Investment Services of ICBC International Holdings Limited, a wholly-owned subsidiary of Industrial and Commercial Bank of China Limited (Stock Code: 1398) whose shares are listed on the Main Board of the Stock Exchange from January 2010 to December 2010. Professor Chui was the Head of Warrant Marketing of Bank of China (HK) Ltd, a wholly-owned subsidiary of BOC Hong Kong (Holdings) Limited (Stock Code: 2388) whose shares are listed on the Main Board of the Stock Exchange from October 2007 to February 2009. He was also the Head of Wealth Management of China Galaxy International Financial Holdings Company Limited and the Chief Executive Officer of China Galaxy International Wealth Management (Hong Kong) Co., Limited, both being wholly-owned subsidiaries of China Galaxy Securities Co., Ltd. whose shares are listed on the Main Board of the Stock Exchange (Stock Code: 6881) from October 2012 to May 2014. From July 2005 to September 2007, Professor Chui was also the Associate Director of Retail Operations and the director of Investment Education of Sun Hung Kai Financial Limited, a subsidiary of Sun Hung Kai & Co. Limited (Stock Code: 86) whose shares are listed on the Main Board of the Stock Exchange.

Professor Chui is currently the Chief Strategic Officer of Zhongtai Financial International Limited, a wholly-owned subsidiary of Zhongtai Securities Co., Ltd. (State-owned securities firm in China), and the Managing Director of Zhongtai International Wealth Management Ltd. He is also an independent non-executive director of GR Properties Limited (stock code: 108), shares of which are listed on the Main Board of the Stock Exchange. Professor Chui possesses the appropriate professional qualifications or accounting or related financial management expertise as required under Rule 5.05(2) of the GEM Listing Rules.

Ms. Xiao Yiming ("**Ms. Xiao**"), aged 36, has been appointed as an independent non-executive Director since January 2014. She is the chairman of the nomination committee and a member of the audit committee and the remuneration committee of the Board. She graduated from the Harbin Institute of Technology with a bachelor's degree in Business Administration in Management. Ms. Xiao has over 10 years' experience in the field of public relations. Ms. Xiao was a senior manager of investor relations of a hotel chain in China. She was a consultant of corporate communications and investor relations of a subsidiary ("**PR Company**") of a company whose shares are listed on the GEM of the Stock Exchange and whose subsidiaries are principally engaged in, among others, the provision of advertising and public relations services. Ms. Xiao is currently the chief representative of the Beijing Representative Office of the PR Company and is responsible for offering consulting services in corporate communications and investor relations to companies listed in Hong Kong as well as to clients in initial public offering projects. The PR Company has been providing consulting services in corporate communications and investor relations to the Group since 2012. Nevertheless, Ms. Xiao is not a director, partner or principal of the PR Company and Ms. Xiao is not or has not been involved in providing such consulting services to the Group.

Professor Lee T.S., alias, Lee Tien-sheng ("**Professor Lee**"), aged 67, has been appointed as an independent non-executive Director since September 2015. He obtained a Bachelor of Science Degree in Electronic Engineering and a Master of Science Degree in Management Science from The Chiao-Tung University, Taiwan, a Master of Business Administration Degree and a Doctor of Philosophy Degree in Operations Management from The University of Missouri-Columbia, the United States of America. He was the Chairman and Associate Professor of Management at The University of Utah, the United States of America, a Senior Lecturer, Professor and the Chairman of the Department of Decision Sciences & Managerial Economics at The Chinese University of Hong Kong and a Professor and the Dean of the Faculty of Business Administration at The Chinese University of Hong Kong. He was the Vice-President (Academic & Research), Professor and Programme Director and the Head of the Department of Supply Chain and Information Management (formerly known as the Department of Supply Chain Management) at The Hang Seng Management College, Hong Kong. He is currently the Professor Emeritus of the Department of Supply Chain and Information Management at The Hang Seng Management College, Hong Kong. He is also certified in Production and Inventory Management and a member of Beta Gamma Sigma. He is also the Chair Professor at Feng China University, Taiwan. Professor Lee is currently an independent non-executive director of Embry Holdings Limited (Stock Code: 1388) whose shares are listed on the Main Board of the Stock Exchange.

12. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection during normal business hours (Saturdays and public holidays excepted) from 10:00 a.m. to 1:00 p.m. and from 2:00 p.m. to 5:00 p.m. at the office of Sit, Fung, Kwong & Shum, Solicitors at 9th Floor, York House, The Landmark, 15 Queen's Road Central, Hong Kong from the date of this circular and up to and including the date of the SGM:

(a) the memorandum of continuance and the bye-laws of the Company;

(b) the annual reports of the Company for the three financial years ended 31 December 2013, 2014 and 2015 and the interim report of the Company for the six months ended 30 June 2016;

(c) the annual reports of the Purchaser for the three financial years ended 31 December 2013, 2014 and 2015 and the interim report of the Purchaser for the six months ended 30 June 2016;

(d) the unaudited pro forma financial information of the Enlarged Group issued by RSM Hong Kong as set out in Appendix II to this circular;

(e) the written consent referred to in the section headed "Experts and Consents" in this appendix;

(f) the material contracts referred to in the section headed "Material Contracts" in this appendix; and

(g) this circular.

GET HOLDINGS LIMITED
智易控股有限公司*

(Incorporated in the Cayman Islands and continued in Bermuda with limited liability)

(Stock code: 8100)

NOTICE OF THE SPECIAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the special general meeting (the "**SGM**") of GET Holdings Limited (the "**Company**") will be held at 5/F., Euro Trade Centre, 13-14 Connaught Road Central, Hong Kong on Monday, 12 December 2016 at 4:00 p.m. to consider and, if thought fit, pass the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

"**THAT:**

(a) the sale and purchase agreement dated 27 September 2016 (the "**SP Agreement**", a copy of which is marked "A" and signed by the chairman of the meeting for identification purpose has been tabled at the meeting) entered into between Perfect Growth Limited as vendor and Finsoft Financial Investment Holdings Limited as purchaser in respect of the disposal of the Sale Shares (as defined in the circular of the Company dated 24 November 2016 (the "**Circular**"), a copy of which is marked "B" and signed by the chairman of the meeting for identification purpose has been tabled at the meeting) and the taking up of the Consideration Shares (as defined in the Circular) be and is hereby approved, confirmed and ratified and the transactions contemplated thereunder be and is hereby approved; and

(b) any one of the directors of the Company (the "**Directors**") be and is hereby authorised to do all such acts and things, to sign and execute such documents or agreements or deeds on behalf of the Company and to do such other things and to take all such actions as he/she considers necessary, appropriate, desirable and expedient for the purposes of giving effect to or in connection with the SP Agreement and all transactions contemplated thereunder, and to agree to such variation, amendments or waiver or matters relating thereto (including any variation, amendments or waiver of such documents or any terms thereof, which are not fundamentally different from those as provided in the SP Agreement) as are, in the opinion of such Director, in the interests of the Company and its shareholders as a whole."

On behalf of the Board
GET HOLDINGS LIMITED
Kuang Hao Kun Giovanni
Chairman

Hong Kong, 24 November 2016

* *For identification purposes only*

Registered office:
Clarendon House
2 Church Street
Hamilton HM11
Bermuda

Head office and Principal place of business in Hong Kong:
Room 1703, 17/F
Harcourt House
39 Gloucester Road
Wanchai, Hong Kong

Notes:

1. The resolution to be proposed at the SGM will be taken by poll pursuant to the Rules Governing the Listing of Securities on the Growth Enterprise Market ("**GEM**") of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") and the results of the poll will be published on the websites of GEM and the Company in accordance with the GEM Listing Rules.
2. Any member of the Company entitled to attend and vote at the SGM shall be entitled to appoint another person as his/her proxy to attend and vote instead of him/her. A member who is the holder of two or more shares may appoint more than one proxy to represent him/her and vote on his/her behalf at the SGM. A proxy needs not be a member of the Company. On a poll, votes may be given either personally or by proxy.
3. The instrument appointing a proxy shall be in writing under the hand of the appointor or of his/her attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
4. To be valid, the instrument appointing a proxy and (if required by the board of Directors (the "**Board**") the power of attorney or other authority (if any) under which it is signed, or a certified copy of such power or authority, shall be delivered to the office of the branch share registrar and transfer office of the Company in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the SGM or any adjournment thereof.
5. Where there are joint holders of any shares, any one of such joint holders may vote at the SGM, either in person or by proxy, in respect of such share as if he/she was solely entitled thereto, but if more than one of such joint holders be present at the SGM, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the SGM or any adjournment thereof if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.

As at the date of this notice, the Board consists of two executive Directors, namely Mr. Kuang Hao Kun Giovanni and Mr. Xue Qiushi, and three independent non-executive Directors, namely Professor Lee T.S., Ms. Xiao Yiming and Professor Chui Tsan Kit.

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this notice 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 notice misleading.

This notice will remain on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for at least 7 days from the date of its publication and on the website of the Company at www.geth.com.hk.