FINSOFT CORPORATION
匯財軟件公司

(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 8018)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2014

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

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

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

This announcement, for which the directors ("Directors") of Finsoft Corporation ("Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of the Stock Exchange ("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 announcement 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 announcement misleading.

ANNUAL RESULTS

The board of Directors ("Board") of the Company is pleased to announce the audited consolidated results of the Company and its subsidiaries (collectively, "Group") for the year ended 31 December 2014, together with the comparative figures for the year ended 31 December 2013, as follows:

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31 December 2014

	Notes	**2014** ***HK$***	2013 *HK$*
Revenue	*3*	**51,333,947**	33,155,156
Cost of sales		**(10,953,996)**	(9,243,624)
Gross profit		**40,379,951**	23,911,532
Other income	*5*	**218,540**	66,245
Other gains and losses	*6*	**(337,516)**	167,493
Administrative expenses		**(26,223,776)**	(14,634,007)
Share of losses of associates		**(5,655)**	(1,443)
Listing expenses		**–**	(8,063,496)
Profit before tax		**14,031,544**	1,446,324
Income tax expense	*7*	**(2,712,589)**	(2,017,820)
Profit/(loss) and total comprehensive income/(expense) for the year	*8*	**11,318,955**	(571,496)
Profit/(loss) and total comprehensive income/(expense) for the year attributable to:			
Owners of the Company		**11,318,955**	(570,290)
Non-controlling interests		**–**	(1,206)
		11,318,955	(571,496)
			(Restated)
Earnings/(loss) per share			
– Basic and diluted (HK cents per share)	*10*	**0.283**	(0.017)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2014

	Notes	2014 HK$	2013 HK$
Non-current assets			
Property, plant and equipment		**2,793,418**	786,803
Goodwill		**1,670,008**	917,976
Intangible assets		**5,745,431**	2,918,086
Investment in an associate		**–**	1,557
		10,208,857	4,624,422
Current assets			
Trade and other receivables	*12*	**13,976,825**	8,693,549
Loan receivable	*13*	**4,000,000**	–
Financial assets at fair value through profit or loss	*14*	**9,265,212**	–
Current tax assets		**–**	647,177
Cash and cash equivalents		**45,320,755**	48,190,199
		72,562,792	57,530,925
Current liabilities			
Trade and other payables	*15*	**20,502,465**	12,655,951
Current tax liabilities		**959,761**	–
		21,462,226	12,655,951
Net current assets		**51,100,566**	44,874,974
Total assets less current liabilities		**61,309,423**	49,499,396
Non-current liabilities			
Deferred tax liabilities		**1,042,896**	551,824
Net assets		**60,266,527**	48,947,572
Capital and reserves			
Share capital	*16*	**2,000,000**	2,000,000
Reserves		**58,266,527**	46,947,572
Equity attributable to owners of the Company		**60,266,527**	48,947,572
Non-controlling interests		**–**	–
Total equity		**60,266,527**	48,947,572

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2014

	Attributable to owners of the Company						
	Share capital	**Share premium**	**Merger reserve**	**Retained profits**	**Subtotal**	**Attributable to non-controlling interests**	**Total**
	HK$	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*	*HK$*
	(Note 16)						
Balance at 1 January 2013	77,894	–	–	12,830,463	12,908,357	2,367	12,910,724
Loss and total comprehensive expense for the year	–	–	–	(570,290)	(570,290)	(1,206)	(571,496)
Deregistration of a subsidiary *(Note)*	–	–	–	–	–	(1,161)	(1,161)
Reorganisation *(Note 16)*	(77,794)	–	77,794	–	–	–	–
Capitalisation issue *(Note 16)*	1,499,900	(1,499,900)	–	–	–	–	–
Issue of shares by placing *(Note 16)*	500,000	40,500,000	–	–	41,000,000	–	41,000,000
Transaction costs attributable to issue of shares	–	(4,390,495)	–	–	(4,390,495)	–	(4,390,495)
Balance at 31 December 2013	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**
Balance at 31 December 2014	**2,000,000**	**34,609,605**	**77,794**	**23,579,128**	**60,266,527**	**–**	**60,266,527**

Note:

iAsia Online Systems Limited, a wholly-owned subsidiary of the Company, held 96% equity interest of iAsia Online Systems (Macau) Limited, a company incorporated in Macau with limited liability. On 14 January 2013, iAsia Online Systems (Macau) Limited was deregistered according to the applicable Macau laws and regulations and was accordingly dissolved on deregistration.

Notes:

1. GENERAL INFORMATION AND BASIS OF PRESENTATION

The Company 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 with effect from 26 September 2013. Its immediate holding company is Luster Wealth Limited, a company incorporated in the British Virgin Islands ("BVI") and its ultimate holding company is Woodstock Management Limited, a company incorporated in the BVI and wholly-owned by Mr. Chan Sek Keung, Ringo, the controlling shareholder and a non-executive director of the Company and the chairman of the Board.

The address of the Company's registered office is Clifton House, 75 Fort Street, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands. The address of the Company's principal place of business in Hong Kong is 23/F, W Square, 318 Hennessy Road, Wanchai, Hong Kong. The Company is an investment holding company. The 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.

Prior to the corporate reorganisation undertaken in preparation for the listing of the Company's shares on the GEM of the Stock Exchange ("Reorganisation"), the group entities were under the control of Mr. Chan Sek Keung, Ringo. Through the Reorganisation, the Company became the holding company of the companies now comprising the Group on 28 August 2013. Accordingly, for the purpose of the preparation of the consolidated financial statements of the Group, the Company has been considered as the holding company of the companies now comprising the Group throughout the year ended 31 December 2013. The Group comprising the Company and its subsidiaries resulting from the Reorganisation is regarded as a continuing entity. The Group was under the control of Mr. Chan Sek Keung, Ringo prior to and after the Reorganisation.

The consolidated financial statements have been prepared as if the Company had been the holding company of the Group throughout the year ended 31 December 2013 in accordance with Accounting Guideline 5 *Merger Accounting for Common Control Combinations* issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). The consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31 December 2013, which include the results, changes in equity and cash flows of the companies now comprising the Group, have been prepared as if the current group structure had been in existence throughout the year ended 31 December 2013, or since their respective dates of incorporation, where this is a shorter period.

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

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the HKICPA. In addition, the consolidated financial statements include applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies Ordinance, which for the current financial year continues to be those disclosures required under the predecessor Companies Ordinance (Cap. 32), in accordance with transitional and saving arrangements for Part 9 of the Hong Kong Companies Ordinance (Cap. 622), "Accounts and Audit", which are set out in sections 76 to 87 of Schedule 11 of that Ordinance.

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

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

The Group has applied for the first time in the current year the following new interpretation ("Interpretation") and amendments to HKFRSs issued by the HKICPA.

Amendments to HKFRS 10, HKFRS 12 and HKAS 27 (2011)	Investment Entities
Amendments to HKAS 32	Offsetting Financial Assets and Financial Liabilities
Amendments to HKAS 39	Novation of Derivatives and Continuation of Hedge Accounting
HK(IFRIC) – Int 21	Levies

The Group has applied the amendments to HKAS 32 *Offsetting Financial Assets and Financial Liabilities* for the first time in the current year. The amendments to HKAS 32 clarify the requirements relating to the offset of financial assets and financial liabilities. Specifically, the amendments clarify the meaning of 'currently has a legally enforceable right of set-off' and 'simultaneous realisation and settlement'.

The amendments have been applied retrospectively. As the Group does not have any financial assets and financial liabilities that qualify for offset, the application of the amendments has had no impact on the disclosures or on the amounts recognised in the Group's consolidated financial statements.

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

New and revised HKFRSs in issue but not yet effective

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

Amendments to HKFRSs	Annual Improvements to HKFRSs 2010-2012 Cycle[2]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2011-2013 Cycle[1]
Amendments to HKFRSs	Annual Improvements to HKFRSs 2012-2014 Cycle[3]
HKFRS 9 (2014)	Financial Instruments[6]
HKFRS 14	Regulatory Deferral Accounts[4]
HKFRS 15	Revenue from Contracts with Customers[5]
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 11	Accounting for Acquisitions of Interests in Joint Operations[3]
Amendments to HKAS 16 and HKAS 38	Clarification of Acceptable Methods of Depreciation and Amortisation[3]
Amendments to HKAS 16 and HKAS 41	Agriculture: Bearer Plants[3]
Amendments to HKAS 19 (2011)	Defined Benefit Plans: Employee Contributions[1]
Amendments to HKAS 27	Equity Method in Separate Financial Statements[3]

1 Effective for annual periods beginning on or after 1 July 2014, with earlier application permitted.

2 Effective for annual periods beginning on or after 1 July 2014, with limited exceptions. Earlier application is permitted.

3 Effective for annual periods beginning on or after 1 January 2016, with earlier application permitted.

4 Effective for first annual HKFRS financial statements beginning on or after 1 January 2016, with earlier application permitted.

5 Effective for annual periods beginning on or after 1 January 2017, with earlier application permitted.

6 Effective for annual periods beginning on or after 1 January 2018, with earlier application permitted.

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 further amended 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 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 of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding, are 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 of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

- 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. However, 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 effectiveness test has been overhauled and replaced with the principle of an 'economic relationship'. Retrospective assessment of hedge effectiveness is also no longer required. Enhanced disclosure requirements about an entity's risk management activities have also been introduced.

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

HKFRS 15 Revenue from Contracts with Customers

In July 2014, 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 anticipate that the application of HKFRS 15 in the future may have an impact on the amounts reported and disclosures made in the Group’s consolidated financial statements. However, it is not practicable to provide a reasonable estimate of the effect of HKFRS 15 until the Group performs a detailed review.

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 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 to HKFRS 11 apply prospectively for annual periods beginning on or after 1 January 2016. The Directors do not anticipate that the application of these amendments to HKFRS 11 will have a material impact on the 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 prohibit entities from using a revenue-based depreciation method for items of property, plant and equipment. The amendments to HKAS 38 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 Group uses the straight-line method for depreciation and amortisation for its property, plant and equipment, and intangible assets respectively. The Directors 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 do not anticipate that the application of these amendments to HKAS 16 and HKAS 38 will have a material impact on the Group's consolidated financial statements.

Amendments to HKAS 27 Equity Method in Separate Financial Statements

The amendments allow an entity to account for investments in subsidiaries, joint ventures and associates in its separate financial statements:

- at cost;

- in accordance with HKFRS 9 *Financial Instruments* (or HKAS 39 *Financial Instruments: Recognition and Measurement* for entities that have not yet adopted HKFRS 9); or

- using the equity method as described in HKAS 28 *Investments in Associates and Joint Ventures*.

The accounting option must be applied by category of investments.

The amendments also clarify that when a parent ceases to be an investment entity, or becomes an investment entity, it shall account for the change from the date when the change in status occurred.

In addition to the amendments to HKAS 27, there are consequential amendments to HKAS 28 to avoid a potential conflict with HKFRS 10 *Consolidated Financial Statements* and to HKFRS 1 *First-time Adoption of Hong Kong Financial Reporting Standards*.

The Directors do not anticipate that the application of these amendments to HKAS 27 will have an impact on the 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

Amendments to HKAS 28 (2011):

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

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

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

Amendments to HKFRS 10:

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

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

The Directors do not anticipate that the application of these amendments to HKFRS 10 and HKAS 28 (2011) will have a material impact on the Group's consolidated financial statements.

Annual Improvements to HKFRSs 2010-2012 Cycle, HKFRSs 2011-2013 Cycle and HKFRSs 2012-2014 Cycle

The *Annual Improvements to HKFRSs 2010-2012 Cycle, HKFRSs 2011-2013 Cycle* and *HKFRSs 2012-2014 Cycle* issued in 2014 sets out amendments to a number of HKFRSs. The Directors have not yet performed a detailed analysis of the impact of the application of these standards and hence have not yet quantified the extent of the impact.

The Directors anticipate that the application of the other new and revised HKFRSs, and amendments to HKFRSs, will not have a material impact to the amounts recognised or disclosures in these consolidated financial statements.

In addition, the applicable disclosure requirements of Part 9, "Accounts and Audit", of the new Hong Kong Companies Ordinance (Cap. 622 of the Laws of Hong Kong) ("New Companies Ordinance") come into operation as from the Company's first financial year commencing on or after 3 March 2014 (i.e. the Company's financial year which began on 1 January 2015). The Group is in the process of making an assessment of the expected impact of the changes in the New Companies Ordinance on the consolidated financial statements in the period of initial application of Part 9 of the New Companies Ordinance. So far it has concluded that the impact is unlikely to be significant and will primarily only affect the presentation and disclosure of information in the consolidated financial statements.

3. REVENUE

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

	2014	2013
	HK$	*HK$*
Sales of hardware	**1,284,009**	873,647
Sales of technology software systems	**8,270,121**	4,930,400
System customisation and network support	**2,853,289**	3,052,469
Software maintenance services	**8,916,971**	9,253,189
Software licensing fee	**12,483,518**	11,289,655
Hosting and related services fee	**1,458,853**	1,555,796
Referral services fee	**9,608,092**	2,200,000
Interest income on loan financing	**243,260**	–
Internet financial platform service income	**6,160,000**	–
Net fair value gain on financial assets at fair value through profit or loss	**55,834**	–
	51,333,947	33,155,156

4. SEGMENT INFORMATION

Information reported to the Directors, 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.

During the year, the Group has commenced new businesses in money lending, securities investments, provision of other internet financial platforms and advising on corporate finance. Accordingly, the 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 electronic commerce ("e-commerce") platforms and other online consultancy services;

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

(d) Money lending – provision of loan financing;

(e) Securities investments – trading of listed securities; and

(f) Corporate finance – provision of corporate finance advisory services.

Segment revenue and results

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

For the year ended 31 December 2014

	Financial trading software solutions HK$	Other internet financial platforms HK$	Referral HK$	Money lending HK$	Securities investments HK$	Corporate finance HK$	Elimination HK$	Total HK$
Segment revenue								
Revenue from external customers	**35,266,761**	**6,160,000**	**9,608,092**	**243,260**	**55,834**	**–**	**–**	**51,333,947**
Inter-segment sales*	**88,533**	**–**	**–**	**–**	**–**	**–**	**(88,533)**	**–**
	35,355,294	**6,160,000**	**9,608,092**	**243,260**	**55,834**	**–**	**(88,533)**	**51,333,947**
Segment profit/(loss)	**11,774,410**	**4,603,194**	**1,149,386**	**147,311**	**24,954**	**(1,035,382)**	**–**	**16,663,873**
Other income								**181,488**
Other 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.*

For the year ended 31 December 2013

	Financial trading software solutions HK$	Other internet financial platforms HK$	Referral HK$	Money lending HK$	Securities investments HK$	Corporate finance HK$	Elimination HK$	Total HK$
Segment revenue								
Revenue from external customers	30,955,156	–	2,200,000	–	–	–	–	33,155,156
Inter-segment sales	–	–	–	–	–	–	–	–
	30,955,156	–	2,200,000	–	–	–	–	33,155,156
Segment profit	10,048,966	–	977,612	–	–	–	–	11,026,578
Other income								18,942
Share of losses of associates								(1,443)
Listing expenses								(8,063,496)
Central administration costs								(1,534,257)
Profit before tax								1,446,324

The accounting policies of the operating segments are the same as the Group's accounting policies. Segment profit/(loss) represents the profit earned/loss incurred by each segment without allocation of interest income on bank deposits, loss on dissolution of an associate, share of losses of associates, listing expenses and central administration costs. This is the measure reported to the CODM for the purposes of resource allocation and assessment of segment performance.

Segment assets and liabilities

As at 31 December 2014

	Financial trading software solutions *HK$*	**Other internet financial platforms** *HK$*	**Referral** *HK$*	**Money lending** *HK$*	**Securities investments** *HK$*	**Corporate finance** *HK$*	**Total** *HK$*
Segment assets	**13,819,858**	**7,485,283**	**2,044,296**	**4,312,315**	**9,265,212**	**23,872**	**36,950,836**
Corporate and unallocated assets							**45,820,813**
Consolidated assets							**82,771,649**
Segment liabilities	**19,489,639**	**279,441**	**633,162**	**35,550**	**–**	**23,000**	**20,460,792**
Corporate and unallocated liabilities							**2,044,330**
Consolidated liabilities							**22,505,122**

As at 31 December 2013

	Financial trading software solutions *HK$*	Other internet financial platforms *HK$*	Referral *HK$*	Money lending *HK$*	Securities investments *HK$*	Corporate finance *HK$*	Total *HK$*
Segment assets	9,070,525	–	3,826,470	–	–	–	12,896,995
Corporate and unallocated assets							49,258,352
Consolidated assets							62,155,347
Segment liabilities	11,939,119	–	675,617	–	–	–	12,614,736
Corporate and unallocated liabilities							593,039
Consolidated liabilities							13,207,775

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, cash and cash equivalents, current tax assets 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 and other corporate and unallocated liabilities.

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

For the year ended 31 December 2014

	Financial trading software solutions *HK$*	Other internet financial platforms *HK$*	Referral *HK$*	Money lending *HK$*	Securities investments *HK$*	Corporate finance *HK$*	Total *HK$*
Depreciation	**399,688**	**85,930**	**139,975**	**844**	**–**	**2,836**	**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**	**747,201**	**15,200**	**–**	**18,907**	**6,698,692**
Unallocated additions							**11,937**
Total additions to non-current assets *(Note)*							**6,710,629**

Note: Non-current assets excluded investment in an associate.

For the year ended 31 December 2013

	Financial trading software solutions *HK$*	Other internet financial platforms *HK$*	Referral *HK$*	Money lending *HK$*	Securities investments *HK$*	Corporate finance *HK$*	Total *HK$*
Depreciation of property, plant and equipment	284,168	–	8,658	–	–	–	292,826
Reversal of impairment losses on trade receivables	(167,775)	–	–	–	–	–	(167,775)
Additions to non-current assets *(Note)*	1,995,841	–	1,386,632	–	–	–	3,382,473

Note: Non-current assets excluded investment in an associate.

Geographical information

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

Information about major customers

Revenue from customers contributing over 10% of the Group's total revenue is as follows:

	2014 *HK$*	2013 *HK$*
Customer A	**N/A**[1]	3,593,673[2]
Customer B	**6,000,000**[3]	N/A[1]

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

[2] Revenue was from the financial trading software solutions segment.

[3] Revenue was from the other internet financial platforms segment.

5. OTHER INCOME

	2014 *HK$*	2013 *HK$*
Interest income on bank deposits	**181,488**	18,942
Sundry income	**37,052**	47,303
	218,540	66,245

6. OTHER GAINS AND LOSSES

	2014 *HK$*	2013 *HK$*
Impairment loss on trade receivables	**(165,000)**	–
Impairment loss on other receivables	**(49,880)**	–
Loss on disposal of property, plant and equipment	**(119,724)**	–
Loss on dissolution of an associate	**(6,830)**	–
Net foreign exchange gain/(loss)	**3,918**	(282)
Reversal of impairment losses on trade receivables	**–**	167,775
	(337,516)	167,493

7. INCOME TAX EXPENSE

	2014 HK$	2013 HK$
Current tax:		
– Hong Kong Profits Tax	**2,207,074**	1,484,598
– Under/(over) provision in prior years	**14,443**	(18,602)
	2,221,517	1,465,996
Deferred taxation	**491,072**	551,824
Total income tax recognised in profit or loss	**2,712,589**	2,017,820

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.

8. PROFIT/(LOSS) FOR THE YEAR

	2014 HK$	2013 HK$
Profit/(loss) for the year has been arrived at after charging/(crediting):		
Auditors' remuneration	**420,000**	400,000
Amortisation of intangible assets (included in cost of sales)	**375,441**	–
Depreciation of property, plant and equipment	**629,472**	292,826
Dividend income from listed equity securities (included in revenue)	**(2,880)**	–
Operating lease payments in respect of rented premises	**3,041,080**	1,849,941
Employee benefits expense *(Note)*:		
Salaries and other benefits	**22,145,839**	17,362,093
Contributions to retirement benefits scheme	**762,423**	536,051
Total employee benefits expense, including directors' emoluments	**22,908,262**	17,898,144
Less: Amounts capitalised in development costs	**(2,822,786)**	(1,776,181)
	20,085,476	16,121,963

Note:

During the year ended 31 December 2014, total employee benefits expense amounting to HK$6,407,303 (2013: HK$7,558,760) is included in cost of sales and amounting to HK$13,678,173 (2013: HK$8,563,203) is included in administrative expenses.

9. DIVIDEND

No dividend was paid or proposed for the years ended 31 December 2014 and 2013, nor has any dividend been proposed since the end of the reporting period.

10. EARNINGS/(LOSS) PER SHARE

	2014	2013
	HK$	*HK$*
Earnings/(loss)		
Profit/(loss) for the year attributable to owners of the Company for the purpose of basic earnings/(loss) per share	**11,318,955**	(570,290)

	2014	2013
		(Restated)
Number of shares		
Weighted average number of ordinary shares for the purpose of basic earnings/(loss) per share	**4,000,000,000**	3,265,753,420

The weighted average number of shares for the purpose of basic earnings per share for the year ended 31 December 2014 of 4,000,000,000 shares, being the number of shares in issue during the year and assuming that both of the First Share Subdivision and the Second Share Subdivision (as defined respectively in the sub-section headed "Share Subdivisions and Change of Board Lot Size" under "CAPITAL STRUCTURE" on page 25 of this announcement) were conducted at the beginning of the year on 1 January 2014.

The weighted average number of shares for the purpose of basic loss per share for the year ended 31 December 2013 of 3,265,753,420 shares, (i) being 10,000 shares in issue and 149,990,000 shares issued under the capitalisation issue, deemed to have been issued at the beginning of the year on 1 January 2013; (ii) the effects of 50,000,000 shares issued by way of placing as described in Note 16 and (iii) assuming both of the First Share Subdivision and the Second Share Subdivision (as defined respectively in the sub-section headed "Share Subdivisions and Change of Board Lot Size" under "CAPITAL STRUCTURE" on page 25 of this announcement) were conducted at the beginning of the year on 1 January 2013.

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 2014 and 2013.

11. PROFIT/(LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY

The profit attributable to owners of the Company is dealt with in the financial statements of the Company to the extent of HK$69,995 (2013: loss of HK$9,278,322).

12. TRADE AND OTHER RECEIVABLES

	2014	2013
	HK$	*HK$*
Trade receivables	**11,631,467**	6,677,327
Allowance for doubtful debts	**–**	–
	11,631,467	6,677,327
Other receivables	**82,708**	154,784
Deposits and prepayments	**2,262,650**	1,861,438
	13,976,825	8,693,549

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:

	2014	2013
	HK$	*HK$*
0 – 30 days	**9,075,172**	2,560,056
31 – 60 days	**1,434,205**	3,197,741
61 – 90 days	**790,852**	32,800
91 – 120 days	**168,638**	80,250
Over 120 days	**162,600**	806,480
Total	**11,631,467**	6,677,327

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

13. LOAN RECEIVABLE

	2014	2013
	HK$	*HK$*
Loan receivable from money lending business	**4,000,000**	–

The Group seeks to maintain strict control over its outstanding loan receivables 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.

At 31 December 2014, the loan receivable was charging on interest rate mutually agreed with the contracting party at 8.50% per annum, secured by a guarantee given by the borrower's holding company and was entered with contractual maturity within 6 months.

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

	2014	2013
	HK$	*HK$*
Within 4 months	**4,000,000**	–

14. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2014	2013
	HK$	*HK$*
Held-for-trading investments		
Equity securities listed in Hong Kong	**9,265,212**	–

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

15. TRADE AND OTHER PAYABLES

	2014	2013
	HK$	*HK$*
Trade payable	**400,000**	–
Receipts in advance	**9,719,278**	4,791,512
Customers deposit	**5,118,330**	3,846,510
Other payables and accruals	**5,264,857**	4,017,929
	20,502,465	12,655,951

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

	2014	2013
	HK$	*HK$*
31 – 60 days	**400,000**	–

16. SHARE CAPITAL

	Number of shares	**Share capital**
		HK$
Authorised:		
At 1 January 2013, ordinary shares of HK$0.01 each	38,000,000	380,000
Increase in authorised share capital *(Note (ii))*	962,000,000	9,620,000
At 31 December 2013, ordinary shares of HK$0.01 each	1,000,000,000	10,000,000
First Share Subdivision *(Note (v))*	9,000,000,000	–
At 31 December 2014, ordinary shares of HK$0.001 each	**10,000,000,000**	**10,000,000**
Issued and fully paid:		
At 1 January 2013, ordinary shares of HK$0.01 each	1	–
Issue of shares pursuant to Reorganisation *(Note (i))*	9,999	100
Issue of shares upon capitalisation issue *(Note (iii))*	149,990,000	1,499,900
Issue of shares by placing *(Note (iv))*	50,000,000	500,000
At 31 December 2013, ordinary shares of HK$0.01 each	200,000,000	2,000,000
First Share Subdivision *(Note (v))*	1,800,000,000	–
At 31 December 2014, ordinary shares of HK$0.001 each	**2,000,000,000**	**2,000,000**

Notes:

(i) Pursuant to the Reorganisation and as consideration for the acquisition by the Company of the entire issued share capital of Infinite Capital Ventures Limited from Luster Wealth Limited and Efficient Channel Limited on 28 August 2013, (a) the one nil paid share held by Luster Wealth Limited was credited as fully paid; and (b) 9,249 shares and 750 shares were allotted and issued to Luster Wealth Limited and Efficient Channel Limited, respectively, and were credited as fully paid.

(ii) Pursuant to the written resolution of the shareholders passed on 10 September 2013, the authorised share capital of the Company was increased from HK$380,000 to HK$10,000,000 by the creation of an additional of 962,000,000 shares of HK$0.01 each, each ranking *pari passu* with the shares then in issue in all respects.

(iii) Pursuant to the written resolution of the shareholders passed on 10 September 2013, the directors were authorised to capitalise the amount of HK$1,499,900 standing to the credit of the share premium account of the Company and to appropriate such amount as to capital to pay up in full at par 149,990,000 shares for allotment and issue to the then existing shareholders of the Company, each ranking *pari passu* in all respects with the then existing issued shares. On 26 September 2013, the Company allotted and issued such shares as aforesaid and gave effect to the capitalisation issue.

(iv) On 26 September 2013, the Company issued 50,000,000 shares pursuant to the Company's listing on the GEM of the Stock Exchange by way of placing at a price of HK$0.82 per share.

(v) Pursuant to the ordinary resolution passed by the shareholders of the Company at the extraordinary general meeting of the Company held on 30 April 2014, the First Share Subdivision (as defined in the sub-section headed "Share Subdivisions and Change of Board Lot Size" under "CAPITAL STRUCTURE" on page 25 of this announcement) was approved with effect from 2 May 2014 in which every one (1) share issued and unissued ordinary share of HK$0.01 each in the share capital of the Company was subdivided into ten (10) subdivided shares having a par value of HK$0.001 per subdivided share. Immediately after the First Share Subdivision, the authorised share capital of the Company 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.

BUSINESS REVIEW

Overview

The 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 ("Year"), the 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 Company 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 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.

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 e-commerce/mobile-commerce and the increasing use of mobile applications, during the Year, the 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 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 this announcement 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 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) in late October 2014. This division has successfully signed certain contracts with the clients since January 2015.

FINANCIAL REVIEW

Revenue

The 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 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 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 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 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 Group (defined as total borrowings divided by total assets) was nil (2013: Nil).

As at 31 December 2014, the 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 Group were mainly denominated in Hong Kong dollars. The Directors did not consider the Group was exposed to any significant foreign currency exchange risks.

CONTINGENT LIABILITIES

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

CAPITAL COMMITMENT

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

CHARGES ON THE GROUP'S ASSETS

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

MATERIAL ACQUISITIONS AND DISPOSALS

On 22 August 2014, the Group acquired the entire equity interest of Well In Technology Development Limited, 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.

SIGNIFICANT AND POTENTIAL INVESTMENTS

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

On 9 January 2014, the 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 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 Group to the JV Company was HK$4,861,530 and the Group held 30% of the issued share capital of the JV Company. With the consent of the 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 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 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 Group to the JV Company remained to be HK$4,861,530 and the 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 this announcement, 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 Company'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 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 Group and CIL Group in the Southeast Asia region. Pursuant to the Cooperation Framework Agreement, each of the 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 Company'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 proposed that every one (1) issued and unissued ordinary share of HK$0.01 each in the share capital of the Company ("Un-subdivided Share(s)") be subdivided into ten (10) subdivided shares ("Shares") of HK$0.001 each ("First Share Subdivision"). The Board 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 Shares. The First Share Subdivision was approved by the shareholders of the Company ("Shareholders") at the extraordinary general meeting of the Company 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 Company'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 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 at the extraordinary general meeting of the Company 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 Company'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 Company 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 ("Chairman"), had entered into two sale and purchase agreements with two independent third parties ("Purchasers") respectively on the same date, pursuant to which the 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 Company holding 69.375% of the issued share capital of the Company 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 this announcement, the transaction has been completed. Details of the transaction are set out in the Company's announcement dated 19 May 2014.

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

As at 31 December 2014 and at the date of this announcement, the capital of the company comprised ordinary shares only.

FUTURE PLAN FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

As at the date of this announcement, the 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 Group will perform feasibility studies and prepare implementation plans to consider whether it is beneficial to the Group and the Shareholders as a whole to carry out the same.

DIVIDEND

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

EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2014, the Group had 57 employees (2013: 48). The Group continues to maintain and upgrade the capabilities of its workforce by providing them with adequate and regular training. The 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 Group's performance as well as individual's performance.

OUTLOOK

The 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 Group expects that there will be a robust growth in trading activities and thus the number of clients. iAsia, the core subsidiary of the Company 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 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 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 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 Group's business operations, the 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 Group will dedicate its efforts to further the development of quality financial trading software solutions. Looking ahead, the 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 Group's products and services in a bid to reap maximum returns for Shareholders in the long run.

USE OF PROCEEDS FROM THE PLACING

The Company was listed on the GEM of the Stock Exchange by way of Placing (as defined in the prospectus of the Company ("Prospectus")) on 26 September 2013. 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 Group from the Latest Practicable Date (as defined in the Prospectus) up to 31 December 2014:

Use of net proceeds	**Planned amount as stated in the Prospectus** *HK$ million*	**Actual amount utilised up to 31 December 2014** *HK$ million*	**Actual balance as at 31 December 2014** *HK$ million*
Enhancing product development by developing new products and improving its existing products	12.3	9.7	2.6
Expanding the customer base	2.5	2.5	–
Possible acquisition of an IT company *(Note)*	1.2	1.2	–
General working capital *(Note)*	12.6	4.6	8.0
Total	28.6	18.0	10.6

Note:

As disclosed in the Company's announcement dated 26 November 2014, the Board 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 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 finance advisory services.

The unused net proceeds have been placed as interest bearing deposits with licensed bank in Hong Kong and save for the Adjustment, as at the date of this announcement, the remaining balance of the net proceeds is intended to be utilised in the same manner as set out in the Prospectus (as adjusted by the Adjustment).

PURCHASE, SALE OR REDEMPTION OF LISTED SECURITIES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed securities during the Year.

COMPETING INTERESTS

Mr. Tai Man Hin, Tony, an independent non-executive Director, is also an independent non-executive director of First Credit Finance Group Limited ("First Credit") (stock code: 8215), which is a company listed on the GEM of the Stock Exchange. First Credit and its subsidiaries are principally engaged in money lending business.

Save as disclosed above, as at 31 December 2014, none of the Directors, their respective associates and the substantial Shareholders had any business or interests in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

EVENT AFTER THE REPORTING PERIOD

On 31 December 2014, the Board proposed that every one (1) issued and unissued Share of HK$0.001 each be further subdivided into two (2) Subdivided Shares of HK$0.0005 each. The Second Share Subdivision was approved by the Shareholders at the 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 Company's announcement, circular and poll result announcement of the 2015 EGM dated 31 December 2014, 29 January 2015 and 16 February 2015 respectively.

DIRECTORS' SECURITIES TRANSACTIONS

The Company has adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. Having made specific enquiry of all Directors, all Directors have confirmed that they have complied with the required standard of dealings and the code of conduct regarding securities transactions by Directors adopted by the Company during the Year.

CORPORATE GOVERNANCE PRACTICES

During the Year, the Company has complied with the Corporate Governance Code ("CG Code") as set out in Appendix 15 to the GEM Listing Rules, except for the deviation as disclosed in the following paragraph.

According to code provision A.2.1 of the CG Code, the roles of the chairman and the chief executive officer should be separate and should not be performed by the same individual. During the Year, the role of the Chairman is performed by Mr. Chan Sek Keung, Ringo while the office of the chief executive officer of the Company is vacated. The Board will keep reviewing the current structure of the Board from time to time and should candidate with suitable knowledge, skill and experience be identified, the Company will make appointment to fill the post as appropriate.

AUDIT COMMITTEE

The Company established an audit committee ("Audit Committee") on 10 September 2013 with written terms of reference in accordance with the code provisions set out in the CG Code which are posted on the websites of the GEM of the Stock Exchange and of the Company. The primary duties of the Audit Committee are, among other matters, to review and supervise the financial reporting process and internal control system of the Group. The chairman of the Audit Committee is Mr. Tai Man Hin, Tony and other members include Ms. Lee Kwun Ling, May Jean and Mr. Yuen Shiu Wai, both being independent non-executive Directors.

REVIEW OF THE RESULTS ANNOUNCEMENT

The Group's audited consolidated results for the Year have been reviewed by the Audit Committee. The figures in respect of the preliminary announcement of the Group's results for the Year have been agreed by the Group's auditors, HLB Hodgson Impey Cheng Limited, to the amounts set out in the Group's consolidated financial statements for the Year. The work performed by HLB Hodgson Impey Cheng Limited in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA and consequently no assurance has been expressed by HLB Hodgson Impey Cheng Limited on the preliminary announcement.

AGM AND CLOSURE OF REGISTER OF MEMBERS

The forthcoming annual general meeting of the Company ("AGM") will be held on Tuesday, 5 May 2015. In order to determine the entitlement of the Shareholders to attend the AGM, the register of members of the Company will be closed from Thursday, 30 April 2015 to Tuesday, 5 May 2015 (both days inclusive), during which no transfer of shares of the Company can be registered. To qualify for the attendance at the AGM, Shareholders must ensure that all transfer documents accompanied by the relevant share certificates are lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited at A18/F., Asia Orient Tower, Town Place, 33 Lockhart Road, Wanchai, Hong Kong no later than 4:00 p.m. on Wednesday, 29 April 2015.

On behalf of the Board
Finsoft Corporation
Mr. Chan Sek Keung, Ringo
Chairman

Hong Kong, 17 March 2015

As at the date of this announcement, the Board consists of Mr. Li Hoi Kong and Mr. Lawrence Tang being the executive Directors, Mr. Chan Sek Keung, Ringo being the non-executive Director and Chairman and Ms. Lee Kwun Ling, May Jean, Mr. Tai Man Hin, Tony and Mr. Yuen Shiu Wai being the independent non-executive Directors.

This announcement will remain on the "Latest Company Announcements" page of the website of the GEM of the Stock Exchange at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.finsoftcorp.com.