FINSOFT FINANCIAL INVESTMENT HOLDINGS LIMITED
匯財金融投資控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8018)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2015

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 (the "Directors") of Finsoft Financial Investment Holdings Limited (the "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 (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquires, confirm that, to the best of their knowledge and belief the information contained in this 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.

* *for identification purpose only*

ANNUAL RESULTS

The board of Directors (the "Board") of the Company announces the audited consolidated results of the Company and its subsidiaries (collectively, the "Group") for the year ended 31 December 2015, together with the comparative figures for the year ended 31 December 2014, as follows:

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For the year ended 31 December 2015

	Notes	2015 HK$	2014 HK$
Revenue	3	**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	5	**52,827**	218,540
Other gains and losses	6	**836,207**	(337,516)
Administrative expenses		**(38,733,455)**	(26,223,776)
Finance costs	7	**(8,685,355)**	–
Share of losses of associates		**(124,861)**	(5,655)
Profit/(loss) before tax		**(13,539,632)**	14,031,544
Income tax expense	8	**(2,729,452)**	(2,712,589)
Profit/(loss) and total comprehensive income/(loss) for the year	9	**(16,269,084)**	11,318,955
Profit/(loss) and total comprehensive income/(loss) for the year attributable to:			
Owners of the Company		**(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)	11	**(0.397)**	0.283

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2015

	Notes	2015 HK$	2014 HK$
Non-current assets			
Property, plant and equipment		**2,920,492**	2,793,418
Goodwill		**1,872,978**	1,670,008
Intangible assets		**5,722,164**	5,745,431
Investments in associates		**19,862,139**	–
Available-for-sale investments		**20,500,000**	–
Total non-current assets		**50,877,773**	10,208,857
Current assets			
Intangible assets		**2,932,000**	–
Trade and other receivables, deposits and prepayments	*12*	**13,817,686**	13,976,825
Loans receivable	*13*	**26,200,000**	4,000,000
Financial assets at fair value through profit or loss		**12,671,740**	9,265,212
Cash and cash equivalents		**78,111,106**	45,320,755
Total current assets		**133,732,532**	72,562,792
Current liabilities			
Trade and other payables and accruals	*14*	**31,489,967**	20,502,465
Current tax liabilities		**2,565,045**	959,761
Loan notes	*15*	**99,957,082**	–
Contingent consideration payable		**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
Non-current liabilities			
Deferred tax liabilities		**1,493,102**	1,042,896
Net assets		**45,773,943**	60,266,527
Capital and reserves			
Share capital	*16*	**2,000,000**	2,000,000
Reserves		**42,560,059**	58,266,527
Equity attributable to owners of the Company		**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 Company						
	Share capital *HK$* (note 16)	**Share premium** *HK$*	**Merger reserve** *HK$*	**Retained profits** *HK$*	**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	**–**	**–**	**–**	**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**

NOTES:

1. GENERAL INFORMATION AND BASIS OF PREPARATION

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 were listed on the GEM of the Stock Exchange on 26 September 2013. As at 31 December 2015, the Company 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. 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.

By a special resolution passed on 4 June 2015, the name of the Company was changed from "Finsoft Corporation" to "Finsoft Financial Investment Holdings Limited", and the Chinese translation of the Company'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 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 Company.

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA"). In addition, the consolidated financial statements include applicable disclosures required by the GEM Listing Rules and by the Hong Kong Companies 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.

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 Group incurred a net loss of HK$16,269,084 during the year ended 31 December 2015 and, as of that date, the Group's current liabilities exceeded its current assets by HK$3,610,728.

Nevertheless, the Directors of the Company had adopted the going concern basis in the preparation of the consolidated financial statements of the Group based on the fact that subsequent to the end of the reporting period, the 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 Company and received net proceeds of approximately HK$38,500,000 from the placing.

Provided that these measures can successfully improve the liquidity of the Group, the Directors of the Company are satisfied that the 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.

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 amendments to HKFRSs issued by the 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 Group's financial performance and positions for the current and prior years and/or on the disclosures set out in the Group's 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:

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 Company 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

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 Company 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 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 Company do not anticipate that the application of these amendments to HKAS 1 will have a material impact on the amounts recognised in 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 *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 Group uses the straight-line method for depreciation and amortisation for its property, plant and equipment, and intangible assets respectively. The Directors of the Company 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 Company 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.

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 Company do not anticipate that the application of these amendments will have a material effect on the amounts recognised in 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

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 Company anticipate that the application of these amendments to HKFRS 10 and HKAS 28 may have an impact on the 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 Company do not anticipate that the application of these amendments to HKFRS 10, HKFRS 12 and HKAS 28 will have a material impact on the Group's consolidated financial statements as the 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 Company do not anticipate that the application of these amendments to HKFRS 11 may have an impact on the Group's consolidated financial statements in future periods should such transactions arise.

3. REVENUE

An analysis of the 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

4. SEGMENT INFORMATION

Information reported to the Directors of the Company, 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 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 Group's internal reporting, assesses the performance and allocates the resources of the 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 Group acquired a subsidiary and the CODM has identified a new operating segment as property management and property agency services.

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 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 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 Group's accounting policies. 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 *HK$*	Other internet financial platforms *HK$*	Money lending *HK$*	Securities investments *HK$*	Referral and corporate finance *HK$*	Property management and property agency services *HK$*	Total *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 *HK$*	Other internet financial platforms *HK$*	Money lending *HK$*	Securities investments *HK$*	Referral and corporate finance *HK$*	Property management and property agency services *HK$*	Total *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 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 contributed to 10% or more of the Group's total revenue is as follows:

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

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

2 Revenue was from the other internet financial platforms segment

5. OTHER INCOME

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

6. OTHER GAINS AND LOSSES

	2015 HK$	2014 HK$
Gain on disposal of a subsidiary	**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)

7. FINANCE COSTS

	2015 HK$	2014 HK$
Interest expense on loan notes (note 15)	**8,684,082**	–
Other interest expense	**1,273**	–
	8,685,355	–

8. INCOME TAX EXPENSE

	2015 HK$	2014 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	**(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.

9. 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	**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.

10. 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.

11. EARNINGS/(LOSS) PER SHARE

	2015	2014
	HK$	*HK$*
Earnings/(loss)		
Profit/(loss) for the year attributable to owners of the Company 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 16) 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.

12. 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 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 Group and individual customers. No interest is charged on trade receivables.

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**	–

13. LOANS RECEIVABLE

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

The 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

14. 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

15. LOAN NOTES

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

On 18 May 2015, the Company 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 Company and the noteholder 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 Company 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.

16. 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 Company 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 Company 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 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.

(ii) Pursuant to the ordinary resolution passed by the shareholders of the Company 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 Company 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 Company 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.

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, 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 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 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 Group will grasp this opportunity for further expansion and ensure its profitability.

In addition, the 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 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 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 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 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 this announcement and no provision for the impairment of loans receivable was considered necessary during the Year. The 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 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 Group will continue to seek investment opportunities to enhance the return to shareholders of the Company.

Property Management and Property Agency Services

The 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 Company’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 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 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 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 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 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 Company 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 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 Group of approximately HK$9,106,000 as compared to the last financial year.

LIQUIDITY AND FINANCIAL RESOURCES

As at 31 December 2015, the 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 Group (defined as total borrowings divided by total assets) was 54.1% (2014: Nil).

As at 31 December 2015, the 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 Company. 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 Company 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 Company.

FOREIGN EXCHANGE EXPOSURE

During the years ended 31 December 2015 and 2014, 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 2015, the Group did not have any contingent liabilities (2014: Nil).

CAPITAL COMMITMENT

As at 31 December 2015, the Group did not have any significant capital commitments (2014: Nil).

CHARGES ON THE GROUP'S ASSETS

As at 31 December 2015, the Group did not have any material charge on assets (2014: Nil).

MATERIAL ACQUISITIONS AND DISPOSALS

(1) Investment in FDIL

On 11 December 2015, the 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 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 Company dated 11 December 2015.

The DSE Subscription was completed on 11 December 2015 and DSE became a 92.5% owned subsidiary of the Group on the same date. Upon the completion of the FDIL Subscription on 17 December 2015, FDIL Group became an associate of the 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 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 Group. Details of the acquisition of Full Profit are set out in the announcement of the Company dated 30 December 2015.

CAPITAL STRUCTURE

As at 31 December 2015, the 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 Company comprises ordinary shares only.

Changes in Shareholding of the Controlling Shareholder

On 31 March 2015, the Company was informed by Mr. Chan Sek Keung, Ringo, the non-executive Director and chairman of the Board and Luster Wealth Limited ("Luster Wealth"), the controlling shareholder of the Company (as defined in the GEM Listing Rules), that on 31 March 2015, Luster Wealth disposed of 64,112,500 shares ("Shares") of the Company ("First Sale Shares") to a third party who and whose ultimate beneficial owner are independent of and not connected with the Company 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 Company. 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 Company. Details of the First Disposal are set out in the Company's announcement dated 31 March 2015.

On 21 September 2015, the Company 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 Company 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 Company. 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 Company. Details of the Second Disposal are set out in the Company's announcement dated 21 September 2015.

Issue of Loan Notes

On 10 April 2015, the Company, 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 Company 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 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 and as of 10 June 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").

The intended use of the Notes Net Proceeds has been changed and is intended to be used for funding the Group's money lending business in Hong Kong and future potential acquisitions, investments and treasury management purposes. As at the date of this announcement, all the Notes Net Proceeds have been utilised for the abovementioned purposes.

Details of the Loan Notes are set out in the Company's announcements dated 10 April 2015, 18 May 2015, 11 June 2015, 23 July 2015, 14 August 2015, 19 August 2015, 26 August 2015 and 30 December 2015.

FURTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

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 when it is beneficial to the Group and the shareholders of the Company as a whole.

DIVIDEND

The Board does not recommend the payment of a final dividend for the Year (2014: Nil).

EMPLOYEE AND REMUNERATION POLICY

As at 31 December 2015, the Group had 60 employees (2014: 57). 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.

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) 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 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** *HK$ million*	**Actual amount utilised up to 31 December 2015** *HK$ million*	**Actual balance as at 31 December 2015** *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 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 financial advisory services.

OUTLOOK

In the view of the insecure global and domestic economic forecast, the Group will remain cautious in future developments and at the same time maintain financial technology as the core business.

iAsia, the 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 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 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 Four Directions Investment Limited which engages in the principal business of providing information technology and smartphone applications development services, the Group is able to expand its investment into information technology industry in respect of development of smartphone applications, which the Directors consider to have great market potentials and to be able to strengthen our competitive edge. The Group will continue to commit in mobile applications development through investments in potential businesses. For example, in February 2016, the 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 (a company incorporated in the Cayman Islands) and the entering into of certain contractual arrangements with the operating company in the PRC. The Directors believe that such expansion in client base will enhance cross-sale among various business divisions of the Group.

IT is a service oriented industry and it relies on high quality personnel. As such, the 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 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 Group's money lending business has achieved an encouragingly increase in revenue in 2015. Hence, the 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 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 Group's prosperity and stability.

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

As at 31 December 2015, none of the Directors, the controlling shareholders and their respective close associates had any business or interests in a business which competes or is likely to complete, either directly or indirectly, with the business of the Group.

EVENTS AFTER THE REPORTING PERIOD

Placing of new shares under general mandate

Subsequent to the Year, on 14 January 2016, the Company and Convoy Securities Limited (a placing agent) entered into a conditional placing agreement (“Placing Agreement”), pursuant to which the Company 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 Company (“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 Company 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 at the annual general meeting of the Company 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 Company’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 Company (as enlarged by the allotment and issue of the Placing Shares), have been successfully placed to not less than six placees. The Company received net proceeds of approximately HK$38,500,000 from the 800M Placing.

The Directors were of the view that the placing represents good opportunities to broaden the shareholders’ base and raise additional funds at a reasonable cost for itself. It was expected that the net proceeds from the placing will be used for financing the Group’s money lending business in Hong Kong, future potential acquisitions, investments and treasury management purposes and general working capital of the Group. Details of the 800M Placing are set out in the Company’s announcement dated 14 January 2016 and 27 January 2016. As at the date of this announcement, all net proceeds from the 800M Placing have been utilised for the general working capital of the Group.

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 Company) 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 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, 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. As at the date of this announcement, 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 Company's announcements dated 12 January 2016 and 21 February 2016.

Proposed share consolidation

On 3 March 2016, the Board proposed that every ten (10) existing shares ("Existing Shares") of HK$0.0005 each in the issued and unissued share capital of the Company be consolidated into one (1) consolidated share ("Consolidated Share") of HK$0.005 in the issued and unissued share capital of the Company. As at the date of this announcement, 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 announcement up to the date of the extraordinary general meeting to be convened for the Shareholders 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.

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

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 Company, and Colorful Focus Limited ("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 Company's announcement dated 7 March 2016.

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 all the applicable code provisions as set out in the Corporate Governance Code ("CG Code") set out in Appendix 15 to the GEM Listing Rules, except for the deviations mentioned 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 but the office of the chief executive officer of the Company is vacated. However, 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.

According to code provision E.1.2, the chairman of the Board should attend the annual general meeting. Due to other commitments which must be attended by Mr. Chan Sek Keung, Ringo, he was unable to attend the annual general meeting of the Company held on 5 May 2015.

AUDIT COMMITTEE

The Board established the 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. As at the date of this announcement, the chairman of the Audit Committee is Mr. Lam Kai Yeung and other members include Ms. Lee Kwun Ling, May Jean and Mr. Yuen Shiu Wai, all 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 Thursday, 5 May 2016. In order to determine the entitlement of the Shareholders to attend the AGM, the register of members of the Company will be closed from Tuesday, 3 May 2016 to Thursday, 5 May 2016 (both days inclusive), during which period 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 (which will be relocated to Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong with effect from 5 April 2016) no later than 4:00 p.m. on Friday, 29 April 2016.

On behalf of the Board
Finsoft Financial Investment Holdings Limited
Mr. Chan Sek Keung, Ringo
Chairman

Hong Kong, 17 March 2016

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, Ms. Lee Kwun Ling, May Jean, Mr. Yuen Shiu Wai and Mr. Lam Kai Yeung 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.finsofthk.com.