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*This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities.*



**FINET GROUP LIMITED**  
**財華社集團有限公司**

*(incorporated in the Cayman Islands with limited liability)*

**LISTING ON THE GROWTH ENTERPRISE MARKET  
OF THE STOCK EXCHANGE OF HONG KONG LIMITED  
BY WAY OF PLACING**

**Number of Placing Shares :** 128,000,000 Shares comprising 115,200,000  
New Shares and 12,800,000 Sale Shares

**Placing Price :** HK\$0.25 per Placing Share

**Nominal Value :** HK\$0.01 each

**Stock Code :** 8317

**Sponsor**



**Hantec Capital Limited**

**Bookrunner and Lead Manager**



**Hantec International Finance Group Limited**

**Underwriters**

**Taiwan Securities (Hong Kong) Company Limited**  
**FB Gemini Securities Limited**  
**Okasan International (Asia) Limited**

**Financial Adviser**

**Japan Asia Capital Limited**

- The Placing Price has been fixed at HK\$0.25 per Share, excluding brokerage of 1%, Stock Exchange trading fee of 0.005%, SFC transaction levy of 0.005% and SFC investor compensation levy of 0.002%.
- The Directors announce that the total number of 128,000,000 Placing Shares initially available for subscription under the Placing have been fully subscribed and were conditionally allocated to 140 professional, institutional and individual investors.
- Of the 128,000,000 Placing Shares, 1,000,000 Shares, representing approximately 0.78% of the total Placing Shares and approximately 0.20% of the enlarged issued share capital of the Company upon completion of the Placing and the Capitalisation Issue, have been allotted to Okasan International (Asia) Limited, one of the Underwriters of the Placing. 2,560,000 Placing Shares, representing approximately 2% of the total Placing Shares and approximately 0.52% of the enlarged issued share capital of the Company upon completion of the Placing and the Capitalisation Issue, have been allotted to FB Gemini Securities Limited, one of the Underwriters of the Placing. In addition, 17,310,000 Shares, representing approximately 13.52% of the total Placing Shares and approximately 3.51% of the enlarged issued share capital of the Company upon completion of the Placing and the Capitalisation Issue, have been allotted to Ms. Hu Jwo Jun, a director and a substantial shareholder of 富林國際證券投資顧問股份有限公司 (Fulland Securities Consultant Company Limited\*), being a fellow subsidiary of Hantec Capital Limited and Hantec International Finance Group Limited. Save as disclosed above, the Company confirms that Okasan International (Asia) Limited, FB Gemini Securities Limited and Ms. Hu Jwo Jun do not have any other equity interest in the Company. Save as disclosed above, all other placees are independent of and not connected with any of the Directors, chief executive, substantial Shareholders and Initial Management Shareholders or any of their respective associates or any person or group of persons as referred to in Rule 10.12(4) of the GEM Listing Rules.
- Immediately after the completion of the Placing and the Capitalisation Issue, the public float of the Company will be approximately 25.92% of the enlarged issued share capital of the Company.
- Dealings in the Shares on GEM are expected to commence at 9:30 a.m. on Friday, 7 January 2005 (Hong Kong time).
- Investors should be aware that there is a high concentration of Shares held by a small number of Shareholders, which may affect the liquidity of the Shares in the secondary market. Consequently, Shareholders and potential investors are advised to exercise extreme caution in dealing in the Shares.

Unless otherwise defined herein, the terms used in this announcement shall have the same meanings as defined in the prospectus of Finet Group Limited (the “Company”) dated 31 December 2004 (the “Prospectus”).

\* *for identification purpose only*

## **PLACING PRICE**

The Placing Price was fixed at HK\$0.25 per Share, excluding brokerage of 1%, Stock Exchange trading fee of 0.005%, SFC transaction levy of 0.005% and SFC investor compensation levy of 0.002%. The net proceeds of the New Issue, after deducting related expenses payable by the Company, are estimated to amount to approximately HK\$18.7 million.

## **LEVEL OF INTEREST**

The Directors announce that the total number of 128,000,000 Placing Share initially available for subscription under the Placing were fully subscribed and were conditionally allocated to 140 professional, institutional and individual investors.

Of the 128,000,000 Placing Shares, 1,000,000 Shares, representing approximately 0.78% of the total Placing Shares and approximately 0.20% of the enlarged issued share capital of the Company upon completion of the Placing and the Capitalisation Issue, have been allotted to Okasan International (Asia) Limited, one of the Underwriters of the Placing. 2,560,000 Placing Shares, representing approximately 2% of the total Placing Shares and approximately 0.52% of the enlarged issued share capital of the Company upon completion of the Placing and the Capitalisation Issue, have been allotted to FB Gemini Securities Limited, one of the Underwriters of the Placing.. In addition, 17,310,000 Shares, representing approximately 13.52% of the total Placing Shares and approximately 3.51% of the enlarged issued share capital of the Company upon completion of the Placing and the Capitalisation Issue, have been allotted to Ms. Hu Jwo Jun, a director and a substantial shareholder of 富林國際證券投資顧問股份有限公司 (Fulland Securities Consultant Company Limited), being a fellow subsidiary of Hantec Capital Limited and Hantec International Finance Group Limited. Save as disclosed above, the Company confirms that Okasan International (Asia) Limited, FB Gemini Securities Limited and Ms. Hu Jwo Jun do not have any other equity interest in the Company. Save as disclosed above, all other placees are independent of and not connected with any of the Directors, chief executive, substantial Shareholders and Initial Management Shareholders or any of their respective associates or any person or group of person as referred to in Rule 10.12(4) of the GEM Listing Rules.

## RESULTS OF ALLOCATION

128,000,000 Placing Shares have been conditionally allocated to a total of 140 placees pursuant to the Placing. The table below sets out the details of the Placing:

	<b>Aggregate number of Placing Shares held</b>	<b>Approximate percentage of the Placing Shares</b>	<b>Approximate percentage of shareholder over the entire issued share capital of the Company immediately after the completion of the Placing and the Capitalisation Issue</b>
Top placee	35,350,000	27.62%	7.16%
Top 5 placees	93,910,000	73.37%	19.02%
Top 10 placees	113,600,000	88.75%	23.00%
Top 25 placees	126,520,000	98.84%	25.62%

<b>Number of Placing Shares</b>	<b>Number of placees</b>	<b>Approximate percentage of the Placing Shares</b>
10,000 to 100,000	118	1.33%
100,001 to 200,000	2	0.31%
200,001 to 500,000	3	1.17%
500,001 to 1,000,000	3	2.34%
1,000,001 to 2,000,000	5	7.66%
2,000,001 to 5,000,000	3	7.58%
5,000,001 or 10,000,000	3	20.22%
10,000,001 or above	3	59.39%
Total	<u>140</u>	<u>100%</u>

**Investors should be aware that there is a high concentration of Shares held by a small number of Shareholders, which may affect the liquidity of the Shares in the secondary market. Consequently, Shareholders and potential investors are advised to exercise extreme caution in dealing in the Shares.**

## MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(1) of the GEM Listing Rules, a public float of not less than 25% of its issued share capital is required to be maintained by the Company at the time of listing on GEM and at all times thereafter. Immediately after completion of the Placing and the Capitalisation Issue, the public float of the Company will be approximately 25.92% of the then enlarged issued share capital of the Company.

## **DEPOSIT OF SHARE CERTIFICATES INTO CCASS**

Subject to the granting of the listing of, and permission to deal in, the Shares on GEM as well as compliance with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The share certificates issued in respect of the Placing Shares will be deposited into CCASS on or before 6 January 2005 for credit to the respective CCASS participants' stock accounts designated by the Underwriters and the places.

All necessary arrangements have been made for the Shares to be admitted into CCASS.

## **COMMENCEMENT OF DEALINGS**

Dealings in the Shares on GEM, in board lots of 10,000 Shares, are expected to commence at 9:30 a.m. (Hong Kong time) on Friday, 7 January 2005.

## **GENERAL**

As at the date of this announcement, the executive Directors are Dr. Yu Gang, George and Mr. Au Siu Lun, Allen; the non-executive Director is Dr. Kwan Pun Fong, Vincent; and the independent non-executive Directors are Mr. Ng Ching Wo, Dr. Lam Lee G and Mr. Wu Tak Lung.

By order of the Board  
**Finet Group Limited**  
**Yu Gang, George**  
*Chairman*

Hong Kong, 5 January 2005

*This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief, (i) the information contained in this announcement is accurate and complete in all material respects and not misleading; (ii) there are no other matters the omission of which would make any statement in this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement and a copy of the Prospectus will remain on the GEM website at [www.hkgem.com](http://www.hkgem.com), and in the case of this announcement, on the "Latest Company Announcements" page for at least 7 days from the date of its posting.*