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



FINET GROUP LIMITED
財華社集團有限公司

(incorporated in the Cayman Islands with limited liability)
(Stock code: 8317)

DISCLOSEABLE TRANSACTION

The Directors announce that on 13 May 2005, the Company entered into the Agreement with the Vendor for the sale and purchase of the Property. The consideration for the acquisition of the Property is HK\$5,585,295 (equivalent to approximately RMB5,919,240). The Property is intended to be used by the Group for business operations in the PRC.

The transaction contemplated under the Agreement constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules.

A circular in connection with the acquisition of the Property will be despatched to the shareholders of the Company as soon as practicable.

THE AGREEMENT

Date : 13 May 2005

Vendor : Shenzhen Anlian Investment Company Limited. To the best of the knowledge, information and belief of the Directors having made all reasonable enquires, each of the vendor and its ultimate beneficial owners is an Independent Third Party

Purchaser : The Company

Property

A property situated at Suite A03 and A04, 12th Floor, Anlian Plaza, Intersection of Jintian Road and Fuzhong Road, Futain District, Shenzhen, the PRC with a total gross floor area of approximately 493 square metres located in an office/commercial building.

Consideration

The consideration for acquisition of the Property is HK\$5,585,295 (equivalent to approximately RMB5,919,240) and shall be paid in cash by the Company in the following manner:

- (1) an initial deposit of HK\$100,000 has been paid by the Company to the Vendor's banker as stakeholder upon signing of the Agreement;
- (2) a further deposit of HK\$1,585,295 will be payable to the Vendor's banker as stakeholder upon signing of a formal agreement for the sale and purchase of the Property on or before 20 May 2005; and
- (3) the balance of the consideration of HK\$3,900,000 will be payable upon completion of the sale and purchase of the Property on or before 6 June 2005.

The Directors confirm that the consideration for the Property have been determined after arm's length negotiations between the parties by reference to the asking prices of similar properties in the same location recently quoted by property agent.

The acquisition will be funded by internal resources and long-term bank financing, which is expected to be in the proportion of approximately 30% and 70% respectively. As at the date of this announcement, the Group does not has any borrowing.

REASONS FOR AND BENEFITS OF THE ACQUISITION

It is the intention of the Group to acquire the Property for self-use. After completion, the Property is intended to be used as the Group's principal place of business in the PRC which will provide a more spacious meeting area and office for efficient operation of the Group and further expansion for the PRC operation.

GENERAL

The Group is principally engaged in the development, production and provision of financial information services and technology solutions to corporate clients and retail investors.

The Vendor is principally engaged in property development in the PRC.

The Directors are of the view that the acquisition of the Property is in the interest of the Company and the terms of the Agreement are on normal commercial terms, which are fair and reasonable as far as the shareholders of the Company are concerned.

The transaction contemplated under the Agreement constitutes a discloseable transaction for the Company under Chapter 19 of the GEM Listing Rules.

A circular in connection with the acquisition of the Property will be despatched to the shareholders of the Company as soon as practicable.

DEFINITIONS

In this announcement, the following expressions have the meanings set out below unless the context requires otherwise:

“Agreement”	the provisional agreement dated 13 May 2005 entered into between the Vendor and the Company for the sale and purchase of the Property;
“Company”	Finet Group Limited, a company incorporated in Cayman Islands and the shares of which are listed on GEM;
“Directors”	the directors of the Company;
“GEM”	the Growth Enterprise Market of the Stock Exchange;
“GEM Listing Rules”	The Rules Governing the Listing of Securities on GEM;
“Group”	the Company and its subsidiaries;
“HK\$”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Independent Third Party”	a third party independent of the Company and its connected persons (as defined in the GEM Listing Rules);
“PRC”	the People’s Republic of China, which for the purpose of this announcement excludes Hong Kong, Macau and Taiwan;
“Property”	Suite A03 and A04, 12th Floor, Anlian Plaza, Intersection of Jintian Road and Fuzhong Road, Futain District, Shenzhen, PRC;

“RMB”	Renminbi, the lawful currency of the PRC, and the exchange rate for RMB into HK\$ for the purpose of this announcement is RMB1.059 = HK\$1.00;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Vendor”	Shenzhen Anlian Investment Company Limited, a company incorporated in the PRC and each of it and its ultimate beneficial owner is an Independent Third Party

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

Hong Kong, 13 May 2005

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

This announcement will remain on the “Latest Company Announcement” page of the GEM website for 7 days from the date of its publication.