

The Stock Exchange of Hong Kong Limited takes no responsibility for the contents of this announcement, makes no representation as to its accuracy or completeness and expressly disclaims any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



財華社
FINET

FINET GROUP LIMITED

財華社集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 8317)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting of the members of Finet Group Limited (the “Company”) will be held at Suite 505-506, 5th Floor, Low Block, Grand Millennium Plaza, 181 Queen’s Road Central, Hong Kong on 31st July, 2006 at 4:00 p.m. for the following purposes:

1. To receive and consider the audited financial statements and the reports of the directors and auditors of the Company and its subsidiaries for the year ended 31st March, 2006.
2. To re-elect directors and to authorize the board of directors to fix the directors’ remuneration.
3. To re-appoint Grant Thornton as the auditors of the Company and to authorize the board of directors to fix their remuneration.
4. To consider and, if thought fit, pass the following resolutions as ordinary resolutions:

ORDINARY RESOLUTIONS

A. “THAT:

- (i) subject to paragraph (iii) of this resolution and the requirements of the Rules Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the “GEM Listing Rules”), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares or securities convertible into shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) of this resolution shall be in addition to any other authorisation given to the directors of the Company and shall authorise the directors of the Company during the Relevant Period (as hereinafter defined) to make or grant offers, agreements, and options which would or might require the exercise of such power during or after the end of the Relevant Period (as hereinafter defined);
- (iii) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to the exercise of options or otherwise) by the directors of the Company pursuant to the approval in paragraph (i) of this resolution, otherwise than pursuant to:
 - (a) a Rights Issue (as hereinafter defined);
 - (b) the grant or exercise of any option under any share option scheme or similar arrangement of the Company for the time being adopted for the grant or issue to eligible participants of shares or rights to acquire shares of the Company;
 - (c) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the Articles of Association of the Company in force from time to time; and
 - (d) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares,

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this Resolution and the said approval in paragraph (i) shall be limited accordingly.

For the purpose of this resolution, “Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company or any applicable laws to be held; and
- (3) the revocation or variation of the authority given to the directors of the Company under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“Rights Issue” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares of the Company on the register on a fixed record date in proportion to their holdings of shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

B. **“THAT:**

- (i) subject to paragraph (ii) of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) or any other stock exchange on which the shares of the Company may be listed and which are recognized for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, in accordance with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange and the Hong Kong Code on Share Repurchases as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of shares of the Company which are authorized to be repurchased by the Company pursuant to the approval in paragraph (i) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the authority granted pursuant to paragraph (i) above shall be limited accordingly.

For the purpose of this resolution, “Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
 - (2) the expiration of the period within which the next annual general meeting of the Company is required by the Articles of Association of the Company, or any applicable laws to be held; and
 - (3) the revocation or variation of the authority given to the directors of the Company under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.”
- (C) **“THAT** conditional upon resolutions numbered 4(A) and 4(B) as set out in the notice convening this meeting being passed, the general mandate granted to the directors of the Company to exercise the powers of the Company to allot, issue and deal with additional shares pursuant to the said resolution numbered 4(A) be and is hereby extended by the addition to the aggregate nominal amount of the share capital of the Company which may be allotted or agreed conditionally or

unconditionally to be allotted and issued by the directors of the Company pursuant to such general mandate of an amount representing the aggregate nominal amount of the share capital of the Company repurchased by the Company under the authority granted to the directors of the Company pursuant to the said resolution numbered 4(B), provided that such an amount shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution.”

5. To consider and, if thought fit, pass the following resolution as an ordinary resolution:
- (A) “**THAT** the share option scheme as adopted and approved by the Company on 16th December, 2004 (the “Post-IPO Share Option Scheme”) be amended by adding the following new clause as the last clause of the Post-IPO Share Option Scheme:
- “16.12 This Scheme shall be construed and interpreted in accordance with the supplementary guidance attached to the letter from The Stock Exchange of Hong Kong Limited dated 5th September, 2005.”
- (B) “**THAT** all outstanding options granted under the pre-IPO share option scheme as adopted and approved by the Company on 23rd July, 2004 (the “Pre-IPO Share Option Scheme”) and the Post-IPO Share Option Scheme (save for those options which are held by the Relevant Option Holders, as defined in the circular to shareholders dated 30th June, 2006) shall be subject to the interpretation of the supplementary guidance attached to the letter from The Stock Exchange of Hong Kong Limited dated 5th September, 2005.”
6. To consider and, if thought fit, pass the following resolution as a special resolution:

SPECIAL RESOLUTION

“**THAT** the Articles of Association of the Company be amended in the following manner:

- (A) By adding the following new paragraph at the end of Article 66:

“Notwithstanding any other provisions of these Articles, (a) if the aggregate proxies held by the chairman of a particular meeting and the Directors account for 5 per cent. or more of the total voting rights at that meeting, and (b) if on a show of hands in respect of any resolution the shareholders at the meeting vote in the opposite manner to that instructed in the proxies referred to in (a) above, then the chairman of the meeting and/or any Director holding the proxies referred to above shall demand a poll. However, if it is apparent from the total proxies held by the persons referred to in (a) above that a vote taken on a poll will not reverse the vote taken on a show of hands, then no poll shall be required.”

(B) By deleting Article 68 in its entirety and replacing it with the following:

“68. If a poll is duly demanded the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded. The Company shall only be required to disclose the voting figures on a poll if such disclosure is required by the rules of the Designated Stock Exchange.”

(C) By deleting the words “special resolution” in Article 86(5) and replacing it with the words “ordinary resolution”.

(D) By deleting Article 87 in its entirety and replacing it with the following:

“87. (1) Every Director shall retire from office no later than the third annual general meeting after he was last elected or re-elected.

(2) At each annual general meeting, if the number of Directors retiring under Article 87(1) is less than one-third (or the number nearest to but not exceeding one-third if the total number of Directors is not three or a multiple of three) of the Directors for the time being, then additional Directors shall retire from office by rotation under this Article 87(2) to make up the shortfall. The Directors to retire by rotation shall include (so far as necessary to ascertain the number of directors to retire by rotation) any Director who wishes to retire and not to offer himself for re-election. Any further Directors so to retire shall be those Directors who have been longest in office since their last re-election or appointment and so that as between persons who became or were last re-elected Directors on the same day those to retire shall (unless they otherwise agree among themselves) be determined by lot. Any Director appointed pursuant to Article 86(2) or Article 86(3) shall not be taken into account in determining which particular Directors or the number of Directors who are to retire by rotation.

(3) A retiring Director shall be eligible for re-election.”

By Order of the Board
Yu Gang, George
Chairman

Hong Kong, 30th June, 2006

Registered office:
Century Yard
Cricket Square
Hutchins Drive
PO Box 2681 GT
George Town
Grand Cayman
Cayman Islands

Head office and principal place of business:
Suite 505-506, 5th Floor, Low Block
Grand Millennium Plaza
181 Queen's Road Central
Hong Kong

Notes:

1. A member of the Company entitled to attend and vote at the meeting convened by the above notice is entitled to appoint one or more proxies to attend and vote instead of such member. A proxy need not be a member of the Company.
2. In order to be valid, the form of proxy together with a power of attorney or other authority (if any) under which it is signed or a certified copy thereof, must be deposited at the Company's branch share registrar, Computershare Hong Kong Investor Services Limited, at 46th Floor, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof. Completion and return of the form of proxy will not preclude any member from attending and voting in person at the meeting or any adjournment thereof should he so wishes.
3. Explanatory statements containing further details regarding resolution numbered 4, above as required by the GEM Listing Rules will be made available to the members of the Company on the GEM website at www.hkgem.com on the "Latest Company Announcements" page for 7 days from its posting.

As at the date of this announcement, the executive directors of the Company 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 Dr. Lam Lee G., Mr. Wu Tak Lung and Mr. William Hay.

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance GEM with the 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: (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 will remain on the "Latest Company Announcements" page of the GEM website for at least seven days from the day of its posting and on the website of the Company at www.e-finet.com.