



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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31ST MARCH, 2007

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RESULTS HIGHLIGHTS

- The Group reported a turnover of approximately HK\$32,127,000 for the year ended 31st March, 2007, representing an increase of approximately 10% from HK\$29,245,000 of last corresponding year.
- The Group's audited consolidated loss attributable to equity holders for the year ended 31st March, 2007 was approximately HK\$2,589,000.
- The board of Directors does not recommend the payment of dividend for the year ended 31st March, 2007.

ANNUAL RESULTS

The board of Directors (the "Board") of Finet Group Limited (the "Company") is pleased to present the audited consolidated financial statements of the Company and its subsidiaries (the "Group") for the year ended 31st March, 2007, together with the comparative figures for the corresponding year in 2006 as follows:

CONSOLIDATED INCOME STATEMENT

For the year ended 31st March, 2007

	<i>Note</i>	2007 HK\$'000	2006 <i>HK\$'000</i>
Revenue	3	32,127	29,245
Cost of sales		<u>(11,669)</u>	<u>(9,584)</u>
Gross profit		20,458	19,661
Other income and gains	4	2,859	1,749
Selling expenses		(380)	(553)
General and administrative expenses		(24,939)	(21,998)
Other operating expenses		(330)	(360)
Finance costs	6	<u>(257)</u>	<u>(160)</u>
Loss before income tax	7	(2,589)	(1,661)
Income tax expense	8	<u>–</u>	<u>–</u>
Loss for the year		<u>(2,589)</u>	<u>(1,661)</u>
Attributable to:			
Equity holders of the Company		(2,589)	(1,661)
Minority interest		<u>–</u>	<u>–</u>
		<u>(2,589)</u>	<u>(1,661)</u>
Loss per share for loss attributable to the equity holders of the Company during the year	10		
– Basic (in HK cent)		<u>(0.50)</u>	<u>(0.34)</u>
– Diluted (in HK cent)		<u>N/A</u>	<u>N/A</u>

CONSOLIDATED BALANCE SHEET

As at 31st March, 2007

	<i>Note</i>	2007 HK\$'000	2006 <i>HK\$'000</i>
Non-current assets			
Leasehold land and land use rights		2,444	2,499
Property, plant and equipment		15,217	9,841
Available-for-sale financial assets		2,165	–
		19,826	12,340
Current assets			
Financial assets at fair value through profit or loss		22	612
Amount due from a related company		–	25
Accounts receivable	11	2,313	2,387
Prepayments, deposits and other receivables		4,206	4,408
Cash and cash equivalents		37,036	18,632
		43,577	26,064
Total assets		63,403	38,404
Current liabilities			
Accounts payable	12	1,987	1,539
Accruals and other payables		2,528	2,803
Financial liabilities at fair value through profit or loss		18	346
Borrowings		172	159
		4,705	4,847
Net current assets		38,872	21,217
Total assets less current liabilities		58,698	33,557
Non-current liabilities			
Borrowings		3,461	3,635
Net assets		55,237	29,922
Equity			
Capital and reserves attributable to equity holders of the Company			
Share capital	13	5,279	4,980
Reserves		49,863	24,942
		55,142	29,922
Minority interest		95	–
Total equity		55,237	29,922

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31st March, 2007

	Reserves										
	Share capital	Share premium	Merger reserve	Employee compensation reserve	Translation reserve	Property revaluation reserve	Investment revaluation reserve	Accumulated losses	Total reserves	Minority interest	Total equity
	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000	HK\$'000
Balance at 1st April, 2005	4,938	76,477	4,870	1,284	-	-	-	(60,915)	21,716	-	26,654
Fair value gains on buildings	-	-	-	-	-	2,384	-	-	2,384	-	2,384
Currency translation differences	-	-	-	-	10	-	-	-	10	-	10
Net income recognized directly in equity	-	-	-	-	10	2,384	-	-	2,394	-	2,394
Loss for the year	-	-	-	-	-	-	-	(1,661)	(1,661)	-	(1,661)
Total recognized income and expense for the year	-	-	-	-	10	2,384	-	(1,661)	733	-	733
Issue of shares under share option scheme	42	582	-	-	-	-	-	-	582	-	624
Employee share-based compensation	-	-	-	1,911	-	-	-	-	1,911	-	1,911
Exercise of share options	-	237	-	(237)	-	-	-	-	-	-	-
Balance at 31st March, 2006 and 1st April, 2006	4,980	77,296	4,870	2,958	10	2,384	-	(62,576)	24,942	-	29,922
Fair value gains:											
- Buildings	-	-	-	-	-	4,363	-	-	4,363	-	4,363
- Available-for-sale financial assets	-	-	-	-	-	-	500	-	500	-	500
Currency translation differences	-	-	-	-	131	-	-	-	131	-	131
Net income recognized directly in equity	-	-	-	-	131	4,363	500	-	4,994	-	4,994
Loss for the year	-	-	-	-	-	-	-	(2,589)	(2,589)	-	(2,589)
Total recognized income and expense for the year	-	-	-	-	131	4,363	500	(2,589)	2,405	-	2,405
Issue of shares under share option scheme	57	1,020	-	-	-	-	-	-	1,020	-	1,077
Issue of shares under subscription agreement	242	20,328	-	-	-	-	-	-	20,328	-	20,570
Share issue costs	-	(666)	-	-	-	-	-	-	(666)	-	(666)
Employee share-based compensation	-	-	-	1,834	-	-	-	-	1,834	-	1,834
Exercise of share options	-	308	-	(308)	-	-	-	-	-	-	-
Vested share options lapsed	-	-	-	(94)	-	-	-	94	-	-	-
Disposal of interest in a subsidiary	-	-	-	-	-	-	-	-	-	95	95
Balance at 31st March, 2007	5,279	98,286	4,870	4,390	141	6,747	500	(65,071)	49,863	95	55,237

The merger reserve represents the difference between the share capital and share premium of the Company and the nominal value of shares of a subsidiary acquired pursuant to the reorganization in connection with the preparation for the initial listing of the shares of the Company on the GEM of the Stock Exchange.

NOTES TO THE FINANCIAL STATEMENTS

1. General Information

The Company was incorporated as an exempted company with limited liability in the Cayman Islands under the Companies Law of the Cayman Islands. The Company’s registered office is situated at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands. The Company’s principal place of business is situated at Suite 505-506, 5th Floor, Low Block, Grand Millennium Plaza, 181 Queen’s Road Central, Hong Kong.

The Company’s shares have been listed on the Growth Enterprise Market (“GEM”) of The Stock Exchange of Hong Kong Limited (the “Stock Exchange”) since 7th January, 2005.

2. Basis of Preparation of the Financial Statements

The consolidated financial statements have been prepared in accordance with Hong Kong Financial Reporting Standards (“HKFRS”) issued by the Hong Kong Institute of Certified Public Accountants. In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on the GEM of the Stock Exchange (the “GEM Listing Rules”) and by the Hong Kong Companies Ordinance.

The consolidated financial statements have been prepared under the historical cost convention, as modified by the revaluation of buildings, available-for-sale financial assets, and financial assets and financial liabilities at fair value through profit or loss.

3. Revenue

Revenue, which is also the Group’s turnover, represents total invoiced value of goods supplied and services rendered. Revenue recognized during the year is as follows:

	2007 HK\$’000	2006 HK\$’000
Service income from provision of financial information services	30,965	28,273
Advertising income	1,162	935
Sales of merchandise	—	37
	<u>32,127</u>	<u>29,245</u>

4. Other Income and Gains

	2007 HK\$'000	2006 HK\$'000
Fair value gain on financial assets and liabilities at fair value through profit or loss	648	1,310
Gain on disposal of interest in a subsidiary	105	–
Dividend income from listed investments in financial assets at fair value through profit or loss	16	14
Commission income	31	112
Interest income	784	263
Sundry income	1,275	50
	<u>2,859</u>	<u>1,749</u>

5. Segment Information

Segment information is presented by way of the Group's primary segment reporting by business segment. In determining the Group's geographical segments, revenue is attributed to the segments based on the location of the customers, and assets are attributed to the segments based on the location of the assets.

(a) Primary reporting format – business segments

The Group is principally engaged in the development, production and provision of financial information services and technology solutions to corporate clients and retail investors. Accordingly, no separate business segment information is prepared.

(b) Secondary reporting format – geographical segments

For the year ended 31st March, 2007, over 90% of the Group's revenue is derived from customers located in Hong Kong. An analysis of the Group's assets and capital expenditure by geographical segments is as follows:

	2007 HK\$'000	2006 HK\$'000
<i>Carrying amounts of segment assets</i>		
PRC	22,141	8,238
Hong Kong	41,262	30,166
	<u>63,403</u>	<u>38,404</u>
 <i>Capital expenditure</i>		
PRC	256	5,756
Hong Kong	2,472	3,081
	<u>2,728</u>	<u>8,837</u>

6. Finance Costs

	2007 HK\$'000	2006 HK\$'000
Interest expense on bank borrowings not wholly repayable within five years	<u>257</u>	<u>160</u>

7. Loss Before Income Tax

Loss before income tax is arrived at after charging:

	2007 HK\$'000	2006 HK\$'000
Operating lease payments in respect of rented premises	1,089	1,199
Amortization of leasehold land and land use rights	55	41
Depreciation of property, plant and equipment	1,715	1,303
Net fair value loss on financial assets at fair value through profit or loss	330	360
Auditors' remuneration	<u>268</u>	<u>274</u>

8. Income Tax

The Company was incorporated in the Cayman Islands as an exempted company and, accordingly, is exempted from payment of Cayman Islands income tax.

The Company's subsidiary established in the British Virgin Islands is exempted from payment of the British Virgin Islands income tax.

No Hong Kong profits tax has been provided for the year ended 31st March, 2007 (2006: Nil) as the Group had no assessable profit for the year.

No income tax was provided for the year ended 31st March, 2007 (2006: Nil) for a subsidiary of the Company established in the People's Republic of China ("PRC") as the subsidiary had no assessable profit for the year.

9. Dividend

The Board does not recommend the payment of dividend for the year ended 31st March, 2007 (2006: Nil).

10. Loss Per Share

The basic loss per share is calculated by dividing the loss attributable to equity holders of the Company for the year ended 31st March, 2007 of HK\$2,589,000 (2006: HK\$1,661,000) by the weighted average number of 517,428,849 (2006: 494,450,384) ordinary shares in issue during the year.

The computation of diluted loss per share did not assume the exercise of the Company's share options outstanding during the years ended 31st March, 2006 and 2007 since their exercise would result in a decrease in loss per share.

11. Accounts Receivable

The credit terms granted by the Group to its customers range from 10 days to 90 days. At 31st March, 2007, the ageing analysis of the accounts receivable was as follows:

	2007 HK\$'000	2006 HK\$'000
0 – 30 days	1,502	1,768
31 – 60 days	306	393
61 – 90 days	125	73
Over 90 days	380	153
	<hr/>	<hr/>
	2,313	2,387
	<hr/>	<hr/>

The directors consider that the carrying amounts of accounts receivable approximate their fair values.

12. Accounts Payable

At 31st March, 2007, the ageing analysis of the accounts payable was as follows:

	2007 HK\$'000	2006 HK\$'000
0 – 30 days	823	1,094
31 – 60 days	497	164
61 – 90 days	150	90
Over 90 days	517	191
	<hr/>	<hr/>
	1,987	1,539
	<hr/>	<hr/>

The directors consider that the carrying amounts of accounts payable approximate their fair values.

13. Share Capital

	2007		2006	
	Number of shares	Amount (HK\$'000)	Number of shares	Amount (HK\$'000)
Ordinary shares of HK\$0.01 each				
Authorized:				
At beginning and end of the year	<u>1,000,000,000</u>	<u>10,000</u>	<u>1,000,000,000</u>	<u>10,000</u>
Issued and fully paid:				
At beginning of the year	498,000,000	4,980	493,840,000	4,938
Issue of shares under share option scheme	5,755,000	57	4,160,000	42
Issue of shares under subscription agreement	<u>24,200,000</u>	<u>242</u>	<u>–</u>	<u>–</u>
At end of the year	<u>527,955,000</u>	<u>5,279</u>	<u>498,000,000</u>	<u>4,980</u>

Notes:

- (a) Share options were exercised by option-holders during the year ended 31st March, 2007 to subscribe for a total of 5,755,000 shares in the Company by payment of subscription monies of approximately HK\$1,077,000, of which HK\$57,000 was credited to share capital and the balance of HK\$1,020,000 was credited to the share premium account.
- (b) Pursuant to the subscription agreement dated 30th June, 2006, the Company issued and allotted a total of 24,200,000 new shares (the “Subscription Shares”) at a subscription price of HK\$0.85 per Subscription Share to the subscribers on 13th July, 2006 (the “Subscription”) following the completion of the placing agreement for the placing of 24,200,000 existing shares (the “Placing”). The Company raised a net sum of approximately HK\$19.9 million through the Placing and the Subscription and the fund would be used as general working capital for media network and future acquisition of the Group. The Subscription Shares were issued pursuant to the general mandate to allot, issue and deal with shares granted to the directors of the Company by resolution of the shareholders passed at the annual general meeting of the Company held on 29th July, 2005.

14. Events After the Balance Sheet Date

- (a) On 8th May, 2007, the Company entered into a sale and purchase agreement (the “Agreement”) with Graceful Sincere Enterprises Limited and Sun Wishing Technology Limited (collectively referred to as the “Vendors”), and Mr. Guo Yu, Ms. Shi Mingping, Mr. Ning Zihai, Ms. Lu Jiangmei, Ms. Tang Xingqin, Mr. Cai Guoping and Ms. Zhang Huidi (collectively referred to as the “Vendors’ Guarantors”) pursuant to which the Company agreed to acquire the entire issued share capital of East Treasure Limited (“East Treasure”) from the Vendors for an aggregate cash consideration of RMB150,000,000 (approximately HK\$156,250,000), subject to adjustments pursuant to the Agreement (the “Acquisition”).

East Treasure is a limited liability company incorporated in the Republic of Seychelles. It holds 100% of the equity interest in 杭州笑傲數碼科技有限公司 (Hangzhou Xiaobao Digital Technology Company Limited) (“Xiaobao”), a wholly foreign owned enterprise incorporated in the PRC. Xiaobao has entered into operative agreements with 杭州天暢網絡科技有限公司 (Hangzhou Tianchang Network Technology Company Limited), a limited liability company incorporated in the PRC which is beneficially owned by the Vendors’ Guarantors, in connection with the ownership, development and operations of online games in the PRC.

The Company intends to hold East Treasure through a new intermediate holding company, China Game & Digital Entertainment Limited (“China Game Company”), a company incorporated in the Cayman Islands with limited liability on 11th May, 2007. Completion of the Acquisition is conditional upon, inter alia, the terms and conditions of the Agreement.

- (b) On 1st June, 2007, the Company entered into a share subscription agreement (the “Share Subscription Agreement”) with The Pride of Treasure Fund (“POTF”), an investment fund established under the laws of the Cayman Islands, pursuant to which the Company agreed to transfer to POTF and POTF agreed to acquire from the Company 12% of the issued share capital of China Game Company for an aggregate cash consideration of US\$4,000,000 (approximately HK\$31,200,000). The Pride Investments Group Limited, a fund manager of POTF, is interested in approximately 9.899% of Finet Pride Asset Management Limited, a non-wholly owned subsidiary of the Company.

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS REVIEW

2006 marked as an exciting year of Finet transitioning into a new era. While we continue to invest in financial information business, we solidify our presence in Greater China by expanding our team, upgrading our system, forming strategic alliance and acquiring corporate assets in order to deliver better, faster and more reliable services to our corporate clients and retail customers.

Strengthening Our Core

After being listed on GEM for over a year, we raised about HK\$20 million in July 2006. The success of the placement signified the confidence and recognition of investors on Finet's commitment in financial information business and overall strategy in growing the company through investment and acquisition. The additional funding improved the group's capital flexibility to execute its acquisition and investment strategies, which target at companies or opportunities that will significantly expand the group's customer base. Since then, Finet has also intensified its search for potential targets in Mainland China to create substantial strategic opportunities and reinforce the group's growth.

To improve competitiveness and maintain our position as a leading Chinese financial information provider, we made a few investments in Hong Kong and China to improve the IT infrastructure. With the strategy in growing our business in China, we successfully completed the upgrade of the data center in Shenzhen by first quarter of 2007. We have increased the number of headcounts and hired more IT professionals in China. The additional manpower allowed us to shift part of our Hong Kong operation into lower-cost China offices and enabled the network system in China to operate independently and provide additional support to the Hong Kong office. At the end of 2006, we set up a contingency site in Hong Kong to make sure our clients would have minimum services disruption in case of emergency or possibly but unlikely breakdown in our systems. Our clients have substantially benefited from the investment and received smoother services while we increase productivity and efficiency with a lower cost structure in the long run.

Finet's team continues to research and develop new products and services for our growing client base. Being excel in providing Chinese financial information in text and report format, we have explored other multimedia options to deliver our content and reach out to more audience online. In May 2006, we launched our innovative "Finet Talk" channel (財華視頻), the first of its kind in Greater China's online financial information sector, and broadcasted on Finet's website. On a daily basis, we interview finance experts and professionals from renowned brokerage firms and financial institutions to give market commentary and opinions on stocks, derivatives, bonds, foreign currencies, mutual funds and insurance products. We believe this new line of service will notably improve our brand and products awareness in both financial professional and individual investor communities.

Diversifying our business

The Group have precisely identified the promising opportunities in China's Internet related segment and establish the online Chinese financial information business. To broaden our scope of business and take the Group to the next phase, we would like to leverage our expertise and diversify into China's Internet, Media and Mobile (IMM) markets as our new mission for the near future.

In November 2006, Finet announced that it would acquire a 50% stake in China PRNews Limited (“PRNews.cn”), the No. 1 online media distribution network in China.

In May 2007, the Company announced its acquisition of Hangzhou Tianchang Network Technology Co. Ltd. (杭州天暢網絡科技有限公司) (“Tianchang”), a leading online game company in China with strong game development and operating capabilities. This is the first acquisition in China’s massive multiple online role playing game (“MMORPG”) sector. Through the acquisition, Finet immediately gains a solid foothold in China’s fast growing online gaming market that has proven to be highly profitable and scalable, and reaches a key milestone in executing its Internet, Media and Mobile (IMM) growth strategy in China.

FINANCIAL REVIEW

Turnover of the Group for the year ended 31st March, 2007 was approximately HK\$32,127,000 (2006: HK\$29,245,000), which represented an increase of approximately 10% as compared to the previous financial year. Turnover of the Group continued to experience steady growth during the year under review.

Other operating income of the Group for the year ended 31st March, 2007 was approximately HK\$2,859,000 (2006: HK\$1,749,000), which mainly comprised the gain on dealing in securities; bank interest income and management fee income.

Cost of sales of the Group for the year ended 31st March, 2007 was approximately HK\$11,669,000 (2006: HK\$9,584,000), representing an increase of approximately 22% as compared to the previous financial year. The increase in the cost of sales was mainly resulted in the increase in the sales. Cost of sales represented cost of financial information represented cost payable to various stock exchanges and information providers in connection with the provision of relevant services.

Selling expenses of the Group for the year ended 31st March, 2007 was approximately HK\$380,000 (2006: HK\$553,000), which represented a decrease of approximately 31% as compared to the previous financial year.

General and administrative expenses of the Group for the year ended 31st March, 2007 was approximately HK\$24,939,000 (2006: HK\$21,998,000), which represented an increase of approximately 13% as compared to the previous financial year. During the year ended 31st March, 2007, the Group incurred staff costs (including directors’ emoluments) of approximately HK\$13,473,000 (2006 restated: HK\$12,515,000), which represented an increase of approximately 8% as compared to the previous financial year and approximately 54% (2006 restated: 57%) of the total general and administrative expenses. The increase in staff costs resulted from workforce expansion both in Hong Kong and the PRC.

Finance cost of the Group for the year ended 31st March, 2007 was approximately HK\$257,000 (2006: HK\$160,000), which represented the interest charges on bank loans for acquisition of the properties and the leasehold land and land use rights in the PRC.

No Hong Kong profits tax was provided for the year ended 31st March, 2007 (2006: Nil) as the Group had no assessable profit for the year. No PRC income tax was provided for the year ended 31st March, 2007 (2006: Nil) for a subsidiary of the Company incorporated in the PRC as it had no assessable profits for the year ended 31st March, 2007.

The audited consolidated loss attributable to equity holders of the Company for the year ended 31st March, 2007 was approximately HK\$2,589,000 (2006: HK\$1,661,000).

LIQUIDITY AND FINANCIAL RESOURCES

As at 31st March, 2007, the total assets of the Group increased by approximately HK\$24,999,000 to approximately HK\$63,403,000 as compared to approximately HK\$38,404,000 as at the end of the previous financial year, representing an increase of approximately 65%.

As at 31st March, 2007, the total liabilities of the Group decreased by approximately HK\$316,000 to approximately HK\$8,166,000 as compared to approximately HK\$8,482,000 as at the end of the previous financial year, representing a decrease of approximately 4%.

As at 31st March, 2007, the total equity of the Group increased by approximately HK\$25,315,000 to approximately HK\$55,237,000 as compared to approximately HK\$29,922,000 as at the end of the previous financial year, representing an increase of approximately 85%.

During the year ended 31st March, 2007, the Group continued to maintain a high level of liquidity.

GEARING RATIO

As at 31st March, 2007, the Group's gearing ratio was approximately 7% (2006: 13%), based on total borrowings of approximately HK\$3,633,000 (2006: HK\$3,794,000) and total equity of the Company of approximately HK\$55,237,000 (2006: HK\$29,922,000).

ACQUISITIONS AND DISPOSAL OF SUBSIDIARIES

For the purpose of business development, the Group had increased the capital investment in Finet Group Technology (Shenzhen) Limited, being a wholly-owned subsidiary of the Company, by HK\$10,000,000 and disposed of the 9.899% equity interest in Finet Pride Asset Management Limited (formerly known as Finet Investment Advisers Limited), being a subsidiary of the Company, for a cash consideration of HK\$200,000 to an independent third party during the year ended 31st March, 2007. Save as disclosed above, the Group had no other acquisitions and disposals of subsidiaries during the year ended 31st March, 2007.

CHARGES OF ASSETS

As at 31st March, 2007, the properties and the leasehold land and land use rights with an aggregate carrying value of HK\$12,236,000 (2006: HK\$8,047,000) were pledged as securities for the borrowing facilities of the Group.

CONTINGENT LIABILITIES

As at 31st March, 2007, the Group had no contingent liabilities (2006: Nil).

STAFF

The Group had 75 (2006: 71) full-time employees in Hong Kong and the PRC as of 31st March, 2007.

During the year, the Group incurred staff costs (including directors' emoluments) of approximately HK\$13,473,000 (2006: HK\$12,515,000), representing approximately 54% (2006: 57%) of the total general and administrative expenses for the respective year.

CORPORATE GOVERNANCE PRACTICE

The Board is committed to maintaining a high standard of corporate governance. The corporate governance principles of the Company emphasize a quality board, sound internal control, transparency and accountability to all shareholders.

The Board has reviewed the Company's corporate governance practices and is of the opinion that the Company has met the code provisions set out in the Code of Corporate Governance Practices (the "CG Code") contained in Appendix 15 of the Listing Rules except that: (1) the roles of chairman and chief executive officer are not separate and are performed by the same individual; and (2) the non-executive Directors are not appointed for a specific term but are subject to retirement by rotation and re-election pursuant to the Company's articles of association (the "Articles").

AUDIT COMMITTEE

The audited financial statements for the year ended 31st March, 2007 have been reviewed by the audit committee.

PURCHASE, SALE OR REDEMPTION OF SHARES

Neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the Company's listed shares during the year ended 31st March, 2007 and up to the date of this report.

By Order of the Board
Yu Gang, George
Chairman

Hong Kong, 20th June, 2007

As at the date of this announcement, the executive Director is Dr. Yu Gang, George, the non-executive Directors are Dr. Kwan Pun Fong, Vincent and Mr. Brendan McMahon, 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 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.finet.hk.