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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)

**DESPATCH OF CIRCULAR
IN RELATION TO
PROPOSED OPEN OFFER ON THE BASIS OF
ONE OFFER SHARE FOR EVERY EXISTING SHARE
HELD ON THE RECORD DATE;**

APPLICATION FOR WHITEWASH WAIVER;

PROPOSED SHARE CONSOLIDATION;

CHANGE OF BOARD LOT SIZE;

PROPOSED RE-ELECTION OF DIRECTOR;

AND

NOTICE OF EXTRAORDINARY GENERAL MEETING

DESPATCH OF CIRCULAR

The Circular containing, among other things, details of (i) the Open offer; (ii) the Whitewash Waiver; (iii) the recommendation of the Independent Board Committee; (iv) a letter of advice from the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders; (v) the Share Consolidation; (vi) the change of board lot size; (vii) the Re-election of Director; and (viii) a notice of the EGM, together with a form of proxy for use at the EGM will be despatched to the Shareholders on 14 October 2009.

Reference is made to the announcement of the Company dated 25 September 2009 in relation to, among other things, the Open Offer, the Whitewash Waiver and the Re-election of Director and the announcement of the Company dated 30 September 2009 in relation to, among other things, the Share Consolidation and the change of board lot size (collectively, the “Announcements”) respectively. Unless the context requires otherwise, terms used herein shall have the same meaning as defined in the Announcements.

DESPATCH OF CIRCULAR

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EXPECTED TIMETABLE

Despatch of the Circular	Wednesday, 14 October 2009
Last day of dealings in the Shares on a cum-entitlement basis	Thursday, 22 October 2009
Commencement of dealings in the Shares on an ex-entitlement basis	Friday, 23 October 2009
Latest time for lodging transfers of the Shares with the Registrars in order to be qualified for the Open Offer	4:30 p.m. on Tuesday, 27 October 2009
Register of members closes to determine entitlements under the Open Offer (both dates inclusive)	Wednesday, 28 October to Friday, 30 October 2009
Latest time for return of form of proxy for the EGM	4:00 p.m. on Wednesday, 28 October 2009
Record Date	Friday, 30 October 2009
EGM to be held	4:00 p.m. Friday, 30 October 2009
Announcement of the results of the EGM	Not later than 11:00 p.m. on Friday, 30 October 2009
Register of members re-opens	Monday, 2 November 2009
Prospectus Posting Date	Wednesday, 4 November 2009
Latest Time for Acceptance and payment for, the Offer Shares	4:00 p.m. on Thursday, 19 November 2009
The Underwriting Agreement becomes unconditional	4:00 p.m. on Tuesday, 24 November 2009
Announcement of results of the Open Offer to be published	Not later than 11:00 p.m. Tuesday, 24 November 2009

Certificates for the Offer Shares expected to be despatched on or before	Thursday, 26 November 2009
Dealings in Offer Shares commence on	Monday, 30 November 2009
Effective date of the Share Consolidation	Monday, 30 November 2009
First day of free exchange for existing green share certificates for new orange share certificates for Consolidated Shares	Monday, 30 November 2009
Original counter for trading in existing Shares in board lots of 10,000 Shares temporarily closes	9:30 a.m. on Monday, 30 November 2009
Temporarily counter for trading in Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing green share certificates) opens	9:30 a.m. on Monday, 30 November 2009
Original counter for trading in Consolidated Shares in board lots of 5,000 Consolidated Shares (in the form of new orange share certificates) re-opens	Monday, 14 December 2009
Parallel trading in Consolidated Shares (in the form of new orange share certificates and existing green share certificates) commences	9:30 a.m. on Monday, 14 December 2009
Designated broker starts to stand in the market to provide matching services for odd lots of Consolidated Shares	Monday, 14 December 2009
Temporarily counter for trading in Consolidated Shares in board lots of 2,000 Consolidated Shares (in the form of existing green share certificates) closes	4:00 p.m. on Tuesday, 5 January 2010
Parallel trading in Consolidated Shares (in the form of new orange share certificates and existing green share certificates) ends	4:00 p.m. on Tuesday, 5 January 2010
Designated broker ceases to stand in the market to provide matching services for odd lots of Consolidated Shares	4:00 p.m. on Tuesday, 5 January 2010
Last day for free exchange of existing green share certificates for new orange share certificates	Thursday, 7 January 2010

All times in this announcement refer to Hong Kong time. If there is a “black” rainstorm warning or a tropical cyclone warning signal number 8 or above in force in Hong Kong on Thursday, 19 November 2009:

- (i) at any time before 12:00 noon and no longer in force after 12:00 noon, the Latest Time for Acceptance will be postponed to 5:00 p.m. on the same Business Day; or
- (ii) at any time between 12:00 noon and 4:00 p.m., the Latest Time for Acceptance will be postponed to 4:00 p.m. on the next Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

Under such circumstances, the dates mentioned in the expected timetable above (including, without limitation, the Latest Time for Termination) may be affected.

Dates or deadlines stated in this announcement for events in the timetable are indicative only and may be extended or varied between the Company and the Underwriter. Any changes to the expected timetable for the Open Offer will be announced as appropriate.

WARNING OF THE RISKS OF DEALINGS IN THE SHARES

The Shares will be dealt in on an ex-rights basis from Friday, 23 October 2009. If the conditions of the Open Offer are not fulfilled and/or waived on or before the Latest Time for Termination (or such later time and/or date as the Company and the Underwriter may determine), or the Underwriting Agreement is terminated by the Underwriter, the Open Offer will not proceed and the Open Offer will lapse.

Shareholders and potential investors of the Company should therefore exercise extreme caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

By Order of the Board
Yu Gang, George
Chairman

Hong Kong, 13 October 2009

As at the date of this announcement, the executive Directors are Dr. Yu Gang, George and Mr. Lin Peng, Ben and the independent non-executive Directors are Dr. Lam Lee G., Mr. Wu Tak Lung and Mr. Lam Ka Wai, Graham.

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 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.