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財華社
FINET

FINET GROUP LIMITED

財華社集團有限公司

(Incorporated in Cayman Islands with limited liability)

(Stock Code: 8317)

**CLARIFICATION ANNOUNCEMENT
AND
RESUMPTION OF TRADING**

The Board makes this announcement in response to certain online publications relating to possible acquisition of 深圳市瓦爾雷思科技開發有限公司 (Shenzhen Wireless Technology Development Co., Ltd.) by the Company.

Trading of the Shares remained suspended from 3:09 p.m. on 23 March 2010 pending the release of this announcement. An application has been made by the Company for resumption of trading in the Shares on The Stock Exchange of Hong Kong Limited with effect from 9:30 a.m. on 24 March 2010.

The board (the “**Board**”) of directors (the “**Directors**”) of Finet Group Limited (the “**Company**”) noted that there have been certain online publications relating to possible acquisition of 深圳市瓦爾雷思科技開發有限公司 (Shenzhen Wireless Technology Development Co., Ltd.) (the “**Target Company**”) by the Company (the “**Proposed Acquisition**”).

Memorandum of Understanding

The Board confirms that the Company has been in discussion since November 2009 about the possible acquisition of the Target Company.

The Board has in an earlier announcement made on 7 January 2010 indicated that it was in discussion with independent third party relating to this acquisition. However, as the parties have not yet reached any agreement on the matter, it was inappropriate for the Company to make any announcement at that stage.

On 26 January 2010, the Company entered into a non-legally binding memorandum of understanding with eight individuals (the “**Vendors**”) in the People’s Republic of China (the “**PRC**”), in relation to the Proposed Acquisition (the “**Memorandum of Understanding**”). The Vendors are independent of and not connected with the Company and any of its connected persons (as defined in the Rules (the “**GEM Listing Rules**”) Governing the Listing of Securities on The Growth Enterprise Market of The Stock Exchange of Hong Kong Limited).

Pursuant to the Memorandum of Understanding, the Company intends to acquire all the assets of, and interests in, the Target Company, which is a limited liability company incorporated under the laws of the PRC. The Target Company and its subsidiaries carry on the business of operating one of the largest mobile application platforms in the PRC, which provides mobile games, music, e-reading and other popular mobile internet applications to over 100 million mobile phones in the PRC. The consideration for the Proposed Acquisition is approximately HK\$220 million, subject to certain adjustments and based on performance benchmarks.

The Memorandum of Understanding is non-legally binding (save for the provisions relating to the confidentiality undertakings and the exclusivity undertakings and certain boilerplate provisions) and is subject to the execution of definitive and legally binding agreement(s) as are required to give effect to the Proposed Acquisition. If it materialises, the Proposed Acquisition may constitute a very substantial acquisition for the Company in which case the Company will comply with the relevant requirements under the GEM Listing Rules.

Shareholders of the Company and/or potential investors should note that, at the date of this announcement, no formal legally binding documentation has been executed between the parties and the Proposed Acquisition may or may not materialise. **Accordingly, shareholders of the Company and/or potential investors are advised to exercise caution when dealing in the securities of the Company.**

RESUMPTION OF TRADING

Trading of the existing share(s) of HK\$0.05 each in the share capital of the Company (the “Shares”) remained suspended from 3:09 p.m. on 23 March 2010 pending the release of this announcement. An application has been made by the Company for resumption of trading in the Shares on The Stock Exchange of Hong Kong Limited with effect from 9:30 a.m. on 24 March 2010.

By Order of the Board
FINET GROUP LIMITED
Yu Gang, George
Chairman

Hong Kong, 23 March 2010

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.