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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)**

### CLARIFICATION ANNOUNCEMENT

Reference is made to the announcement (the “**Announcement**”) of Finet Group Limited (the “**Company**”) dated 21 March, 2011. Capitalised terms used herein and not defined shall have the same meaning as in the Announcement unless the context otherwise requires.

The Company wishes to confirm that the Acquisition is not related to the refund of approximately HK\$4.7 million alleged to be due by Dr. Yu Gang, George (“**Dr. Yu**”) to, inter alia, the Group under an entrustment arrangement with Dr. Yu as disclosed in the Company’s third quarterly report dated 9 February, 2011 for the financial year 2010/2011 (“**Third Quarterly Report**”). As mentioned in the Company’s Third Quarterly Report, the Company has been looking for new opportunities to expand its business. Since the Group has a securities and futures arm, it is prudent for the Group to be able to explore new business opportunities and expansion in the securities and futures segment and the Acquisition will enable the Group to engage in Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO as growth potential in these sectors has seen high since the global financial crisis in 2008. The Group determines that the fastest and most efficient way for the Group to expand into those sectors is to conduct an acquisition of a suitable target with relevant licences. Accordingly, the Group entered into negotiations with Dr. Yu regarding the Acquisition.

The Group noted that Dr. Yu acquired the entire issued share capital of the Target Company between 2008 and 2011 at a total cost of HK\$380,000. However, the cost of HK\$380,000 to Dr. Yu was not used as a reference in coming to an agreement on the Consideration. The Consideration was arrived at on an arm’s length basis, taking into account the market rate for companies with Type 4 and Type 9 licences and the length of time and costs involved in setting up a new company with Type 4 and Type 9 licences.

By Order of the Board  
**Finet Group Limited**  
**Wong Ka Man**  
*Company Secretary*

Hong Kong, 24 March, 2011

*As at the date of this announcement, the executive Directors are Ms. Lo Yuk Yee, Mr. Lum Chor Wah, Richard, Mr. Chow Wing Chau and Mr. Yiu Wing Hei, and the independent non-executive Directors are Mr. Wong Wai Kin, Mr. Siu Siu Ling, Robert and Mr. Leung Chi Hung.*

*This announcement, for which the Directors of the Company 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 the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading or deceptive.*

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