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財華社
FINET

FINET GROUP LIMITED

財華社集團有限公司

(Continued in Bermuda with limited liability)

(Stock code: 08317)

CONTINUING CONNECTED TRANSACTION

On 12 June 2015, Finet Holdings, an indirect wholly-owned subsidiary of the Company, entered into the Tenancy Agreement with Cyber Feel in respect of the Premises for a term of twenty-four months commencing on 1 July 2015 at a monthly rental of HK\$307,181 with an option granted to Finet Holdings to renew the leasing arrangement for a further term of three years.

Cyber Feel is wholly-owned by Ms. Lo, the ultimate controlling Shareholder, the chairman and an executive Director of the Company. Accordingly, Cyber Feel is a connected person of the Company under Chapter 20 of the GEM Listing Rules and the entering into of the Tenancy Agreement constitutes a continuing connected transaction for the Company.

As the applicable percentage ratios for each of the annual caps in respect of the Tenancy Agreement are less than 25% and the aggregate annual rental payable for each of the financial years and relevant period during the term of the Tenancy Agreement is less than HK\$10,000,000, pursuant to Rule 20.74(2)(b) of the GEM Listing Rules, the entering into of the Tenancy Agreement is only subject to the reporting and announcement requirements and annual review requirements but is exempted from independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

INTRODUCTION

The Board wishes to announce that on 12 June 2015, Finet Holdings, an indirect wholly-owned subsidiary of the Company, entered into the Tenancy Agreement with Cyber Feel in respect of the Premises for a term of twenty-four months commencing on 1 July 2015.

TENANCY AGREEMENT

Date : 12 June 2015

Parties : (i) Cyber Feel as landlord; and
(ii) Finet Holdings as tenant

Premises : 30th Floor, Fortis Tower, 77–79 Gloucester Road, Wanchai, Hong Kong

Term	:	Twenty-four months commencing on 1 July 2015 and expiring on 30 June 2017 (both days inclusive)
Rent	:	HK\$307,181 per calendar month payable in cash in advance (exclusive of rates, management fees, air-conditioning charges and any other outgoings)
Deposit	:	HK\$614,362 representing two months' rental and is payable upon the signing of the Tenancy Agreement
Option	:	An option is granted to Finet Holdings to renew the Tenancy Agreement for a further term of three years term at market rent. Such option can be exercised during the period after 1 October 2016 but prior to the one month period immediately preceding the expiry of the Tenancy Agreement (" Option Period "). Finet Holdings shall be entitled to terminate the Tenancy Agreement during the Option Period by giving two months' notice in writing to Cyber Feel.

Pursuant to a tenancy agreement entered into between Cyber Feel and Finet Holdings dated 19 April 2013 ("**Previous Tenancy Agreement**"), Finet Holdings had rented the Premises from Cyber Feel for a term of 24 months from 1 April 2013 to 31 March 2015, details of which were disclosed in the announcement of the Company dated 19 April 2013. Following the expiry of the Previous Tenancy Agreement, Cyber Feel agreed that Finet Holdings could continue to occupy the Premises free of charge during the period between 1 April 2015 to 30 June 2015.

ANNUAL CAPS

The annual caps payable by the Group to Cyber Feel under the Tenancy Agreement, excluding management fee and government rates, for each of the two financial years of the Company ending on 31 March 2016 and 31 March 2017 will be HK\$2,764,629 and HK\$3,686,172 respectively and for the three month period from 1 April 2017 to 30 June 2017 will be HK\$921,543.

REASONS FOR AND BENEFITS OF THE TRANSACTION

The purpose of entering into the Tenancy Agreement is to obtain the lease of the Premises for office use by the Group and the Board considers that it would provide a stable office environment to the Company.

The terms of the Tenancy Agreement have been arrived at arm's length negotiations and are on normal commercial terms. The amounts of rent, management fee and air-conditioning charges have been determined with reference to the rent and outgoing charges chargeable by Cyber Feel for similar leases in the same building and the prevailing market conditions.

The Directors, including the independent non-executive Directors, consider that the Tenancy Agreement has been entered into in the ordinary and usual course of business of the Company, on normal commercial terms which are fair and reasonable, and in the interest of the Company and the Shareholders as a whole. Ms. Lo, being the ultimate controlling Shareholder, the chairman, an executive Director of the Company and the sole shareholder of Cyber Feel, is considered to have a material interest in the Tenancy Agreement, and therefore she has abstained from voting on the board resolution approving the Tenancy Agreement.

GENERAL INFORMATION

The Group is principally engaged in (i) the development, production and provision of financial information services and technology solutions to corporate and retail clients in Hong Kong and the PRC; and (ii) the securities and future business that specializes in the provision of online securities and futures trading.

Cyber Feel is principally engaged in property investment for letting purposes.

GEM LISTING RULES IMPLICATIONS

Cyber Feel is wholly-owned by Ms. Lo, the ultimate controlling Shareholder, the chairman and an executive Director of the Company and hence a connected person of the Company. Accordingly, under Chapter 20 of the GEM Listing Rules, Cyber Feel is an associate of Ms. Lo and hence a connected person of the Company and the entering into of the Tenancy Agreement constitutes a continuing connected transaction for the Company.

As the applicable percentage ratios for each of the annual caps in respect of the Tenancy Agreement are less than 25% and the aggregate annual rental payable for each of the financial years and period during the term of the Tenancy Agreement is less than HK\$10,000,000, pursuant to Rule 20.74(2)(b) of the GEM Listing Rules, the entering into of the Tenancy Agreement is only subject to the reporting and announcement requirements and annual review requirements but is exempted from independent shareholders' approval requirements under Chapter 20 of the GEM Listing Rules.

The Group will take into account the then prevailing market conditions when considering whether to exercise the option to renew the Tenancy Agreement and will comply with the relevant requirements under Chapter 20 of the GEM Listing Rules if the Group chooses to exercise the option to renew the term.

DEFINITIONS

In this announcement, the following expressions have the meaning set out below unless the context requires otherwise:

“Board”	the board of Directors of the Company
“Company”	Finet Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liabilities and the issued Shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Cyber Feel”	Cyber Feel Limited, a company incorporated in Hong Kong with limited liability and wholly-owned by Ms. Lo
“Director(s)”	the director(s) of the Company
“Finet Holdings”	Finet Holdings Limited, a company incorporated in Hong Kong with limited liability and is an indirect wholly-owned subsidiary of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange

“GEM Listing Rules”	Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Ms. Lo”	Ms. Lo Yuk Yee, the ultimate controlling Shareholder, the chairman, an executive Director of the Company, a director and the sole beneficial owner of the entire share capital of Cyber Feel
“Premises”	30th Floor, Fortis Tower, 77–79 Gloucester Road, Wanchai, Hong Kong
“Shares”	Ordinary share(s) of HK\$0.01 each in the issued share capital of the Company
“Shareholder(s)”	the shareholder(s) of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Tenancy Agreement”	the Tenancy Agreement dated 12 June 2015, entered into between Finet Holdings as tenant and Cyber Feel as landlord in relation to the Premises for a term of twenty-four months commencing on 1 July 2015 at a monthly rent of HK\$307,181
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“%”	per cent.

By order of the Board
Finet Group Limited
Lo Yuk Yee
Chairman and Executive Director

Hong Kong, 12 June 2015

As at the date of this announcement, the executive Directors are Ms. Lo Yuk Yee, 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.

This announcement will remain on the “Latest Company Announcements” page of the GEM website at www.hkgem.com for at least seven days from the day of its posting and on the website of the Company at www.finet.hk.