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財華社
FINET

FINET GROUP LIMITED

財華社集團有限公司

(Incorporated in the Cayman Island and continued in Bermuda with limited liability)

(Stock code: 8317)

DISCLOSEABLE TRANSACTION GRANT OF REVOLVING LOAN FACILITY

GRANT OF THE REVOLVING LOAN FACILITY

The Board announces that, after trading hours on 16 June 2017, the Lender entered into the Loan Agreement with the Borrower, pursuant to which the Lender agreed to grant to the Borrower the Revolving Loan Facility in an aggregate sum of not exceeding HK\$6,600,000, at an interest rate of 7% per annum during the Availability Period.

LISTING RULES IMPLICATIONS

As the relevant applicable percentage ratio (as defined in the GEM Listing Rules) with respect to the grant of the Revolving Loan Facility exceeds 5% but is less than 25%, the grant of the Revolving Loan Facility constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the GEM Listing Rules but exempt from the Shareholders' approval requirement.

GRANT OF THE REVOLVING LOAN FACILITY

The Board of the Company announces that, after trading hours on 16 June 2017, the Lender, an indirect wholly-owned subsidiary of the Company entered into the Loan Agreement with the Borrower pursuant to which the Lender agreed to grant the Revolving Loan Facility in an aggregate sum of not exceeding HK\$6,600,000 to the Borrower for a period of one (1) year from the date of the Loan Agreement.

THE LOAN AGREEMENT

The principal terms of the Loan Agreement are summarised as follows:

Date of Loan Agreement	16 June 2017 (after trading hours).
Lender	Finet Finance Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Company. The Lender is a licensed money lender in Hong Kong under the Money Lenders Ordinance (Chapter 163 of the laws of Hong Kong).
Borrower	Mr. Chang Tin Duk, Victor. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Borrower is a third party independent of the Company and its connected persons (as defined in the GEM Listing Rules).
Advance	The amount drawdown each time under the Revolving Loan Facility.
Availability Period	The period within one (1) year commencing from the date of the Loan Agreement (or such other period as the Borrower and the Lender may agree).
Revolving Loan Facility	A revolving loan facility of up to HK\$6,600,000 to be made available to the Borrower by the Lender upon the terms and conditions of the Loan Agreement.
Final Repayment Date	One (1) year from the date of the Loan Agreement when the Advance amount and all the outstanding accrued interest are due to be re-paid in full by the Borrower to the Lender.
Repayment	The Borrower shall repay the Advance amount and other monies outstanding in connection with the Revolving Loan Facility in full on the Final Repayment Date. Any amount repaid may be reborrowed.
Prepayment	The Borrower may prepay all or any part of an Advance prior to the Final Repayment Date without penalty. Any prepayment of an Advance will refresh the available amount of the Revolving Loan Facility for drawing within the Availability Period
Interest	Interest shall accrue on the outstanding balance of an Advance at the rate of 7% per annum and payable on a monthly basis.
Commitment fee	The Borrower shall pay the Lender a commitment fee at the rate of 1% per annum on any undrawn portion of the Revolving Loan Facility during the Availability Period on a monthly basis.

The Advances to be drawn under the Revolving Loan Facility will be funded by internal resources of the Group. The terms of the Loan Agreement have been arrived by the Lender and the Borrower after arm's length negotiation, having regard to the market conditions.

INFORMATION ON THE GROUP

The Group is principally engaged in development, production and provision of financial information services and technology solutions, media and investors' relationship business, securities and futures business and money lending.

INFORMATION ON THE BORROWER

To the best of the knowledge, information and belief of the Directors and after having made all reasonable enquiries, the Borrower is an Independent Third Party and not connected with the Company and its subsidiaries.

The Revolving Loan Facility is unsecured, carries interest at the interest rate of 7% per year which was determined with reference to factors including, among others, (i) the usual practice of the Group comparing to the Group's other clients; and (ii) the rules under section 24 of the Money Lending Ordinance (Cap. 163 of the laws of Hong Kong) which says the maximum effective rate of interest must not exceed 60% per annum.

REASONS FOR AND BENEFITS OF THE GRANT OF THE REVOLVING LOAN FACILITY

The Directors are of the view that the entering into of the Loan Agreement is in the Group's ordinary and usual course of business; and on normal commercial terms within the meaning of the GEM Listing Rules. The Directors consider that the terms of the Loan Agreement are fair and reasonable and thus the entering into of the Loan Agreement is in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As the relevant applicable percentage ratio (as defined in the GEM Listing Rules) with respect to the grant of the Revolving Loan Facility exceeds 5% but is less than 25%, the grant of the Revolving Loan Facility constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the notification and announcement requirements under the GEM Listing Rules but exempt from the Shareholders' approval requirement.

DEFINITIONS

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

“Advance”	the amount drawdown each time under the Revolving Loan Facility
“Board”	the Board of Directors
“Borrower”	Mr. Chang Tin Duk, Victor, an Independent Third Party and not connected with the Company and its subsidiaries
“Company”	Finet Group Limited (Stock code: 08317), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability, the shares of which are listed on GEM
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party”	person(s) who or company(ies) together with its/their ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, is/are third party(ies) independent of the Company and its connected person(s)
“Lender”	Finet Finance Limited, a company incorporated in Hong Kong with Limited Liability and an indirect wholly owned subsidiary of the Company
“Loan Agreement”	the revolving loan agreement dated 16 June 2017 entered into between the Lender and the Borrower
“Revolving Loan Facility”	the revolving loan facility of up to HK\$6,600,000 to be made available to the Borrower by the Lender upon the terms and conditions of the Loan Agreement dated 16 June 2017
“Shareholder(s)”	the holder(s) of the Shares
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Stock Exchange” The Stock Exchange of Hong Kong Limited

“%” per cent

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

Hong Kong, 19 June 2017

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.finnet.hk.