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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 and continued in Bermuda with limited liability)

(Stock Code: 8317)

DISCLOSEABLE AND CONNECTED TRANSACTION AND UPDATED INFORMATION ON THE PRINCIPAL PLACE OF BUSINESS

On 25 October 2021, 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 25 October 2021 at a monthly rental of HK\$270,000.

As the highest applicable percentage ratio (as defined in the GEM Listing Rules) in respect of the transactions contemplated under the Tenancy Agreement exceeds 5% but is less than 25%, the entering into the Tenancy Agreement is therefore subject to the reporting and announcement requirements but it is exempted from shareholders' approval requirement under Chapter 19 of the GEM Listing Rules.

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 connected transaction for the Company.

As the highest applicable percentage ratio in respect of the transactions contemplated under the Tenancy Agreement is less than 25% and the consideration amount is less than HK\$10,000,000, the entering into of the Tenancy Agreement is only subject to the reporting and announcement requirements but is exempted from independent shareholders' approval requirement under Chapter 20 of the GEM Listing Rules.

The Premises had been the principal place of business of the Company in Hong Kong since 19 April 2013.

DISCLOSEABLE AND CONNECTED TRANSACTION

INTRODUCTION

The Board wishes to announce that on 25 October 2021, Finet Holdings, an indirect wholly-owned subsidiary of the Company, entered into the new Tenancy Agreement with Cyber Feel in respect of the Premises for a term of twenty-four months commencing 25 October 2021 at a monthly rental of HK\$270,000.

TENANCY AGREEMENT

Date	:	25 October 2021
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 25 October 2021 and expiring on 24 October 2023 (both days inclusive)
Rent	:	HK\$270,000 per calendar month payable in cash in advance (exclusive of rates, management fees, air-conditioning charges and any other outgoings) Total rental for the lease term is HK\$6,480,000
Deposit	:	HK\$540,000 representing two months' rental and is payable upon the signing of the Tenancy Agreement

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 compatible terms and greater flexibility on office rental.

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 for similar leases of comparable properties in the nearby areas 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, advertising and investor relationship services and technology solutions to corporate and retail clients in Hong Kong and the PRC; (ii) provision of brokerage, underwriting and asset management services; (iii) money lending business; and (iv) property investments.

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

GEM LISTING RULES IMPLICATIONS

The Hong Kong Financial Reporting Standard (“HKFRS”) applicable to the Group include HKFRS 16 “Leases” which has come into effect on 1 January 2019. In accordance with HKFRS 16 “Leases”, the Group is expected to recognise the value of the right-of-use assets in the amount of approximately HK\$6.3 million on its balance sheet in connection with the Tenancy Agreement, and this transaction will be regarded as acquisition. As the highest applicable percentage ratio (as defined in the GEM Listing Rules) in respect of the transactions contemplated under the Tenancy Agreement exceeds 5% but is less than 25%, the entering into the Tenancy Agreement is therefore subject to the reporting and announcement requirements but it exempted from shareholders’ approval requirement under Chapter 19 of the GEM Listing Rules.

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 connected transaction for the Company.

As the highest applicable percentage ratio in respect of the transactions contemplated under the Tenancy Agreement is less than 25% and the consideration amount is less than HK\$10,000,000, the entering into of the Tenancy Agreement is only subject to the reporting and announcement requirements but is exempted from independent shareholders’ approval requirement under Chapter 20 of the GEM Listing Rules.

UPDATED INFORMATION ON THE PRINCIPAL PLACE OF BUSINESS

Reference is made to the announcement of the Company dated 19 April 2013 when the Group initially leased the Premises. The Board provides additional information that the principal place of business of the Company in Hong Kong had been changed to the Premises with effect from 19 April 2013.

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”	GEM operated by 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
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“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 25 October 2021, 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 25 October 2021 at a monthly rent of HK\$270,000
“%”	per cent.

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

Hong Kong, 25 October 2021

As at the date of this announcement, the executive Directors are Ms. Lo Yuk Yee and Ms. Chen Weijie; the non-executive Director is Mr. Lin Dongming; 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 Listed Company Information” 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.