
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your licensed securities dealer, registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Finet Group Limited (the “**Company**”), you should at once hand this circular and the accompanying form of proxy to the purchaser or the transferee or to the bank, licensed securities dealer, registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.



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)

**(1) PROPOSED GENERAL MANDATES TO ISSUE
NEW SHARES AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED REFRESHMENT OF THE SHARE OPTION
SCHEME MANDATE LIMIT
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

A notice convening an annual general meeting (“**AGM**”) of the Company to be held on 13 August 2020 at 12:00 p.m., at 30/F, Fortis Tower, 77–79 Gloucester Road, Wanchai, Hong Kong, is set out on pages 15 to 20 of this circular. A form of proxy for use at the AGM is enclosed with this circular.

Whether or not you are able to attend the AGM in person, you are requested to complete and return the enclosed form of proxy in accordance with the instructions printed thereon and deposit it to the Company’s Hong Kong branch share registrar, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the AGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish and in such event, the instrument appointing a proxy shall be deemed to be revoked.

This circular will remain on the website of the GEM of the Stock Exchange at www.hkgem.com on the “Latest Company announcements” page for seven days from the date of its posting and on the website of the Company at www.finet.hk.

15 July 2020

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

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DEFINITIONS

In this circular, the following terms shall have the meanings set out below unless the context requires otherwise:

“AGM”	an annual general meeting of the Company to be held at 30/F, Fortis Tower, 77–79 Gloucester Road, Wanchai, Hong Kong, on 13 August 2020 at 12:00 p.m., a notice of which is set out on pages 15 to 20 of this circular
“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors of the Company
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong
“Bye-laws”	the bye-laws of the Company (as amended from time to time)
“Company”	Finet Group Limited, a company incorporated in the Cayman Islands and continued in Bermuda with limited liability and the Shares of which are listed on the GEM of the Stock Exchange
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules and the word “connected” shall be construed accordingly
“core connected person(s)”	shall have the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the GEM operated by the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“General Mandate”	the general and unconditional mandate proposed to be granted to the Directors at the AGM to issue further new Shares not exceeding 20% of the issued share capital of the Company as at the date of granting the general mandate
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Latest Practicable Date”	2 July 2020, being the latest practicable date prior to the printing of this circular for the purpose of ascertaining certain information contained herein

DEFINITIONS

“New Issue Mandate”	the general and unconditional mandate to allot and issue Shares not exceeding 20% of the aggregate number of issued Shares of the Company as at the date of passing of the resolution approving the New Issue Mandate
“New Share Option Scheme”	the share option scheme currently in force and adopted by the Company on 4 September 2014
“Registrar”	the branch share registrar of the Company in Hong Kong, Computershare Hong Kong Investor Services Limited, at Rooms 17M Floor, Hopewell Centre, 183 Queen’s Road East, Wanchai, Hong Kong
“Repurchase Mandate”	a general and unconditional mandate to the Directors to exercise all powers of the Company to repurchase Shares up to a maximum of 10% of the issued share capital of the Company as at the date of passing the relevant resolution granting such mandate
“Scheme Mandate Limit”	the limit imposed under the rules of the New Share Option Scheme on the total number of Shares which may be issued upon the exercise of all options to be granted under the New Share Option Scheme of the Company, being 10% of the Company’s issued share capital as at the date of adoption of the New Share Option Scheme on 4 September 2014, which may be “renewed”/ “refreshed” pursuant to the rules of the New Share Option Scheme
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholders”	registered holders of the Shares
“Stock Exchange”	the Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it in the GEM Listing Rules
“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs
“%”	per cent



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

(Stock Code: 8317)

Executive Directors:

Ms. Lo Yuk Yee
Mr. Lee Yu Chung

Independent non-executive Directors:

Mr. Wong Wai Kin
Mr. Siu Siu Ling, Robert
Mr. Leung Chi Hung

Registered office:

Clarendon House
2 Church Street
Hamilton HM11
Bermuda

*Head office and Principal place
of business in Hong Kong:*

30/F, Fortis Tower
77–79 Gloucester Road
Wanchai
Hong Kong

15 July 2020

To the Shareholders

Dear Sir or Madam,

**(1) PROPOSED GENERAL MANDATES TO ISSUE
NEW SHARES AND REPURCHASE SHARES;
(2) PROPOSED RE-ELECTION OF DIRECTORS;
(3) PROPOSED REFRESHMENT OF THE SHARE OPTION
SCHEME MANDATE LIMIT
AND
(4) NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with information regarding (i) the proposed new general mandates to issue and allot Shares, (ii) the proposed new general mandate to repurchase Shares, (iii) re-election of Directors, and (iv) the proposed refreshment of the share option scheme mandate limit.

LETTER FROM THE BOARD

This circular contains the explanatory statement in compliance with the GEM Listing Rules and to give all the information reasonably necessary to enable Shareholders to make an informed decision on whether to vote for or against the resolutions.

PROPOSED GENERAL MANDATE TO ISSUE NEW SHARES

At the AGM, an ordinary resolution will be proposed that the Directors be given a general mandate to allot, issue and deal with Shares up to a limit equal to 20% of the issued share capital of the Company at the date of passing of such resolution. Another ordinary resolution will be proposed to increase the limit of this 20% by the number of any Shares repurchased by the Company up to a maximum of 10% of the issued share capital of the Company at the date of passing of the relevant resolution.

As at the Latest Practicable Date, the issued share capital of Company consists of 666,538,774 Shares. Assuming that there being no further issue or repurchase of Shares between the Latest Practicable Date and the date of the AGM, the granting of the General Mandate will authorize the Directors to allot, issue and deal with 133,307,754 Shares.

PROPOSED GENERAL MANDATE TO REPURCHASE SHARES

Another ordinary resolution will be proposed to grant to the Directors the Repurchase Mandate. The Shares which may be repurchased pursuant to the Repurchase Mandate is limited to a maximum of 10% of the issued share capital of the Company as at the date of passing of the resolution approving the Repurchase Mandate.

As at the Latest Practicable Date, the issued share capital of Company consists of 666,538,774 Shares. Assuming that there being no further issue or repurchase of Shares between the Latest Practicable Date and the date of the AGM, the granting of the Repurchase Mandate will authorize the Company to repurchase a maximum of 66,653,877 Shares.

The New Issue Mandate and the Repurchase Mandate shall continue in force during the period from the date of passing the relevant resolution ending on the earliest of (a) the date of the next annual general meeting; or (b) the date by which the next annual general meeting of the Company is required to be held by law or by its articles of association; or (c) the date upon which such authority is revoked or varied by an ordinary resolution of the Shareholders in a general meeting of the Company.

PROPOSED RE-ELECTION OF DIRECTORS

Pursuant to bye-law 84(1) of the Bye-laws, each of Ms. Lo Yuk Yee, Mr. Lee Yu Chung and Mr. Siu Siu Ling, Robert shall retire from office by rotation and shall continue to act as a Director throughout the AGM and, being eligible, will offer himself to be re-elected as a Director at the AGM.

LETTER FROM THE BOARD

Particulars relating to Ms. Lo Luk Yee, Mr. Lee Yu Chung and Mr. Siu Siu Ling are set out in Appendix II to this circular.

PROPOSED REFRESHMENT OF THE SHARE OPTION SCHEME MANDATE LIMIT

The Company adopted the New Share Option Scheme pursuant to an ordinary resolution passed on 4 September 2014 (the “**Adoption Date**”). The New Share Option Scheme is valid and effective for a period of 10 years. The remaining life of the New Share Option Scheme is 4 years. Subject to the approval of the Shareholders in a general meeting and/or such other requirements prescribed under the GEM Listing Rules, the Scheme Mandate Limit may be refreshed to the extent not exceeding 10% of the Shares in issue as at the date of passing of such resolution. At the Adoption Date, the maximum number of Shares which may be issued upon exercise of all Options to be granted under the New Share Option Scheme is 44,081,888 Shares, being 10% of the total number of the shares of the Company in issue on that date. There is no refreshment of the Scheme Mandate Limit since the adoption.

As at the Latest Practicable Date, Options carrying right to subscribe for an aggregate of 9,160,000 Shares were granted and remained outstanding under the New Share Option Scheme and 8,000,000 Share Options have been lapsed and none of the Share Option so far granted have been exercised. The aggregate of 9,160,000 Options remained outstanding and not yet exercised, which represent approximately 1.37% of the issued share capital of the Company as at the Latest Practicable Date. Accordingly only Options carrying rights to subscribe for 26,921,888 Shares may be granted under the New Share Option Scheme before the refreshment of the Mandate Limit, representing 4.04% of the Share Capital as at the Latest Practical Date. The Directors consider that it is appropriate for the Company to refresh the Scheme Mandate Limit so as to restore to a sufficient level the available number of underlying Shares comprising in the share options to be further granted under the New Share Option Scheme.

The rules of the New Share Option Scheme provides that, among others, the maximum number of Shares which may be issued upon exercise of all options granted under the New Share Option scheme and any other schemes of the Group must not in aggregate exceed 30% of Shares in issue from time to time. Up to the Latest Practicable Date, the total number of issued Shares was 666,538,774. Subject to the approval of the Refreshment of Scheme Mandate Limit and assuming no further issue or repurchase of Share and any other change in the issued share capital of the Company prior to AGM, the maximum number of Shares which may be issued upon exercise of all options to be granted under the New Share Option Scheme and any other share option schemes will be 26,921,888 shares. The total number of 75,813,877 Shares which may be issued upon exercise of the refreshed Scheme Mandate Limit of 66,653,877 Shares together with all outstanding options as at the Latest Practicable Date carrying the right to subscribe 9,160,000 Shares, represent approximately 11.37% of the total number of Shares in issue as at the date of AGM, thereby, not exceeding the said 30% limit as at the date of AGM.

LETTER FROM THE BOARD

The Directors consider that it will be in the interests of the Company and the Shareholders as a whole to refresh the 10% Scheme Mandate Limit so as to provide the Company with greater flexibility in granting Share Options to eligible participants under the New Share Option Scheme who, in the discretion of the Board, have made or may make contribution to the Group as well as to provide incentives to those persons and help the Group in retaining its existing employees and recruiting additional employees and to provide them with a direct interest in attaining the long term business objectives of the Group. For these reasons, it is proposed that the Board shall seek the approval of the Shareholders by their passing of the Ordinary Resolution for the refreshment of the Scheme Mandate Limit.

The refreshment of the Share Option Scheme Mandate Limit is conditional upon:

- (1) the passing of an ordinary resolution by the Shareholders to approve the refreshment of the Scheme Mandate Limit at the AGM; and
- (2) the Stock Exchange granting the listing of, and permission to deal in, such number of Shares representing 10% of the Shares in issue at the date of the AGM, which may fall to be issued pursuant to the exercise of the share options granted under the “refreshed” Scheme Mandate Limit.

Application will be made to the Stock Exchange for the listing of and the permission to deal in the Shares to be issued pursuant to the exercise of share options granted under the “refreshed” Scheme Mandate Limit.

EXPLANATORY STATEMENT

An explanatory statement containing all relevant information relating to the Repurchase Mandate and pursuant to the GEM Listing Rules, in particular Rule 13.08, is set out in Appendix I to this circular. The information in the explanatory statement is to provide you with the information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution relating to the Repurchase Mandate.

ANNUAL GENERAL MEETING

The notice convening the AGM is set out on pages 15 to 19 of this circular. Shareholders are advised to read the notice and to complete and return the accompanying form of proxy for use at the AGM in accordance with the instructions printed thereon.

VOTING BY POLL

Pursuant to Rule 17.47(4) of the GEM Listing Rules, all votes of the shareholders at the annual general meeting must be taken by poll, except where the chairman, in good faith, decides to allow a resolution which relates purely to a procedural or administrative matter to be voted on by a show of hands. The chairman of the meeting will therefore demand a poll for all resolutions put to the vote at the AGM pursuant to the Bye-laws and the Company will announce the results of the poll in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

LETTER FROM THE BOARD

As no Shareholder has a material interest in the resolutions to be proposed at the AGM, none of them would be required to abstain from voting at the AGM.

COMPETING INTERESTS

At as the Latest Practicable Date, the Company is not aware of any Directors or substantial shareholders of the Company or any of their respective associates engaging in any business that competes or may compete with the business of the Group or has any other conflict of interests with the Group.

RECOMMENDATIONS

The Directors are of the opinion that (i) the proposed grant of general mandates to issue new Shares and to repurchase Shares; (ii) the proposed re-election of Directors; and (iii) the proposed refreshment of the share option scheme mandate limit; are in the best interests of the Company and the Shareholders as a whole. Accordingly, the Directors recommend the Shareholders to vote for the relevant resolutions to be proposed at the AGM.

RESPONSIBILITY STATEMENT

This circular, 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: (1) the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive; and (2) there are no other matters the omission of which would make any statement in this circular misleading.

Yours faithfully,
For and on behalf of
Finet Group Limited
Lo Yuk Yee
Chairman and executive Director

This is an explanatory statement given to all Shareholders relating to the resolution to be proposed at the AGM authorizing the Repurchase Mandate. It contains all the relevant information required pursuant to Rule 13.08 of the GEM Listing Rules which is set out as follows:

1. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 666,538,774 Shares of HK\$0.01 each.

Subject to the passing of the resolution in relation to the Repurchase Mandate and on the basis that no further Shares are issued or repurchased by the Company prior to the AGM, the Company will be allowed under the Repurchase Mandate to repurchase a maximum of 66,653,877 Shares equivalent to 10% of the issued share capital of the Company. The repurchased Shares will be cancelled and the Company's issued share capital will be reduced accordingly by the nominal value of the Shares repurchased.

2. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate will provide the Company the flexibility to make such repurchases when appropriate and beneficial to the Company and the Shareholders. Such repurchases may, depending on market conditions and funding arrangements at the relevant time, lead to an enhancement of the net asset value per Share of the Company and/or earnings per Share.

3. FUNDING OF REPURCHASES

Repurchase of Shares will be funded out of funds legally available for such purpose in accordance with the Bye-laws, the applicable laws and regulations of Bermuda and the GEM Listing Rules.

There might be a material adverse impact on the working capital or the gearing position of the Group as compared with the position disclosed in the audited financial statements for the year ended 31 March 2020, being the date to which the latest published audited consolidated financial statements of the Company were made up, in the event that the Repurchase Mandate is exercised in full. However, the Directors do not propose to exercise the Repurchase Mandate to such an extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Group or on the gearing positions which in the opinion of the Directors are from time to time appropriate for the Group.

4. SHARE PRICES

The highest and lowest prices at which Shares have been traded on GEM in each of the past twelve months on and preceding the Latest Practicable Date were as follows:

	Share Price	
	Highest HK\$	Lowest HK\$
2019		
July	0.460	0.450
August	0.450	0.325
September	0.375	0.330
October	0.430	0.330
November	0.500	0.410
December	0.460	0.430
2020		
January	0.445	0.400
February	0.400	0.330
March	0.400	0.380
April	0.430	0.380
May	0.425	0.300
June	0.390	0.390
July (Up to the Latest Practicable Date)	0.390	0.380

5. UNDERTAKING OF THE DIRECTORS

The Directors have undertaken to the Stock Exchange that they will exercise the power of the Company to make repurchases pursuant to the proposed resolution in accordance with the GEM Listing Rules, the Bye-laws and any applicable laws of Bermuda.

None of the Directors nor, to the best of the knowledge and belief of the Directors having made all reasonable enquires, any of the associates of any of the Directors has any present intention, in the event that the proposed Repurchase Mandate is approved by the Shareholders, to sell Shares to the Company.

As at the Latest Practicable Date, no connected person of the Company has notified the Company that he/she has a present intention to sell Shares to the Company nor has he/she undertaken not to sell any of the Shares held by him/her to the Company in the event that the Company is authorized to make repurchases of Shares.

Takeovers Code

If as a result of a repurchase of Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purpose of Rule 32 of the Takeovers Code. Accordingly, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rules 26 and 32 of the Takeovers Code.

As at the Latest Practicable Date, according to the register maintained by the Company under Section 336 of the SFO, the following interests in the Shares were recorded:

Long Positions in the Shares and Underlying Shares of the Company

Name of Shareholders	Capacity	Number of Shares held	Number of Underlying Shares held (Note 2)	Total Number of Shares	Approximate percentage of existing shareholding (Note 3)
Substantial shareholders					
Ms. LO (Note 1)	Beneficial Owner	43,458,058 (L)	660,000	435,715,736 (L)	65.37%
	Interest of Controlled Corporation	391,597,678 (L)			
Pablos (Note 1)	Interest of Controlled Corporation	343,997,678 (L)	—	343,997,678 (L)	51.61%
Maxx Capital (Note 1)	Beneficial Owner	343,997,678 (L)	—	343,997,678 (L)	51.61%
Broadgain International Limited	Beneficial Owner	43,800,000 (L)	—	43,800,000 (L)	6.57%
Li Wenjun	Beneficial Owner	39,000,000 (L)	—	39,000,000 (L)	5.85%

(L) denotes long positions

Notes:

- 343,997,678 ordinary shares of HK\$0.01 each were held by Maxx Capital, which was wholly-owned by Pablos and Pablos was wholly-owned by Ms. LO, a director of the Company. Ms. LO is a director of each of Maxx Capital and Pablos.
- Ms. Lo was granted 660,000 share options on 17 April 2019 under the New Share Option Scheme of the Company adopted on 4 September 2014 and deemed to be interested in 660,000 underlying shares in respect of the share options granted.
- As at the Latest Practicable Date, the Company had 666,538,774 ordinary Shares of HK\$0.01 each in issue.

Public Float

The Directors will not repurchase the Shares on GEM if the repurchase would result in the number of the listed securities which are in the hands of the public falling below 25%, being the relevant minimum prescribed percentage for the Company as required by the GEM Listing Rules.

6. SHARE REPURCHASE MADE BY THE COMPANY

No Shares were repurchased by the Company, whether on the GEM or otherwise, in the last six months prior to the Latest Practicable Date.

Ms. Lo Yuk Yee (“Ms. Lo”)

Executive Director and chairman of the Board, chairman of the nomination committee and a member of the remuneration committee of the Company

Ms. Lo, aged 60, is an experienced investor in cutting-edge technology and venture capital in the past 25 years, her experience covers a broad range of industries crossing biotechnology, internet business, and finance field in the PRC, United States of America and Hong Kong. Ms. Lo also worked in the banking, insurance and finance fields before she became an entrepreneur.

She was the chief executive officer and chairman of a listed company in Hong Kong between 2002 and 2006. Ms. Lo is a director of Maxx Capital International Limited and Pablos International Limited, which have an interest in the share capital of the Company that are required to be disclosed under the provision in Division 2 and 3 of Part XV of the Securities and Futures Ordinance (Cap 571 of the Laws of Hong Kong) (“SFO”). Ms. LO joined our Group in October 2010.

A service agreement has been entered into between the Company and Ms. Lo. The appointment of Ms. Lo is for a term of two years and Ms. Lo is subject to retirement by rotation and re-election at the general meeting in accordance with the Bye-laws. As at the Latest Practicable Date, Ms. Lo was entitled to HK\$100,000 per month which was determined by the remuneration committee of the Company with reference to her duties and responsibilities in the Company and the market benchmark. Ms. Lo is the chairman of the nomination committee and a member of the remuneration committee of the Company.

As at the Latest Practicable Date, Ms. Lo, as the sole beneficial owner of Maxx Capital and Wise Capital Limited, was deemed to be interested in 435,715,736 Shares as interest in a controlled corporation within the meaning of Part XV of the SFO.

Save as disclosed in this circular, Ms. Lo is a director of various subsidiaries of the Company. Save as aforesaid, as at the Latest Practicable Date, Ms. Lo did not (i) hold any other positions with the Company and other members of the Group; (ii) have any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and/or other major appointments and professional qualifications; and (iii) have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Saved as disclosed in this circular, the Board is not aware of any matters which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and any other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Ms. Lo, as a Director.

Mr. Lee Yu Chung (“Mr. Lee”)*Executive Director of the Company*

Mr. Lee, aged 60, the Head of IT of the Company, has over 29 years of experience in areas of IT Management, Enterprise Level Project Management, Business Reengineering, IT Consulting and Solutions Selling. He graduated with Bachelor of Computer Science degree from Queen Mary College, University of London. He holds a Master degree in Business Administration from Asia International Open University (Macau) (renamed as City University of Macau) by distance learning. Mr. Lee joined our Group in July 2011 as Head of IT of the Company and subsequent appointed as the Head of Internal Audit for the period from June 2016 to February 2019.

A letter of appointment has been entered into between the Company and Mr. Lee. The appointment of Mr. Lee is for a term of one year subject to retirement by rotation and re-election at the general meeting in accordance with the Bye-laws. As at the Latest Practicable Date, Mr. Lee is entitled to HK\$10,000 per month which was determined by the remuneration committee of the Company with reference to his duties and responsibilities in the Company and the market benchmark.

Save as disclosed in this circular, Mr. Lee is a director of various subsidiaries of the Company. Save as aforesaid, as at the Latest Practicable Date, Mr. Lee did not (i) hold any other positions with the Company and other members of the Group; (ii) have any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and/or other major appointments and professional qualifications; and (iii) have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company.

Save as disclosed in this circular, the Board is not aware of any matters which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and no other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Lee as a Director.

Mr. Siu Siu Ling, Robert (“Mr. Siu”)*Independent non-executive Director, the chairman of the remuneration committee and a member of the audit committee, nomination committee and corporate governance committee of the Company*

Mr. Siu Siu Ling, Robert (“Mr. Siu”), aged 68, has been appointed as independent non-executive Director of the Company with effect from 13 September 2010. He is a sole proprietor of the firm, Messrs. Robert Siu & Co., Solicitors. He is an independent non-executive director of Central Wealth Financial Group Limited (formerly known as China For You Group Company Limited) (stock code: 0572) and Skyway Securities Group Limited (formerly known as Mission Capital Holdings Limited (stock code: 1141), a company listed on the Main Board of the Stock Exchange, and independent non-executive director of Kaisun Energy Group Limited (stock code: 8203) is listed on the Growth Enterprise Market of the Stock Exchange. Mr. Siu was a director of MBMI Resources Inc. during the period from November 2012 to March 2015, a company listed on the Toronto

Stock Exchange. Mr. Siu holds a bachelor's degree in laws from University of London in the United Kingdom and a postgraduate certificate in laws from The University of Hong Kong and a master degree in laws from University of Greenwich. He has been admitted as a solicitor in Hong Kong since 1992 and has been admitted as a solicitor in England and Wales since 1993. His legal practice is mainly in the field of commercial and corporate finance.

A letter of appointment has been entered into between the Company and Mr. Siu. The appointment of Mr. Siu is for a term of one year subject to retirement by rotation and re-election at the general meeting in accordance with the Bye-laws. As at the Latest Practicable Date, Mr. Siu is entitled to HK\$10,000 per month which was determined by the remuneration committee of the Company with reference to his duties and responsibilities in the Company and the market benchmark.

Save as disclosed in this circular, as at the Latest Practicable Date, Mr. Siu did not (i) hold any other positions with the Company and other members of the Group; (ii) have any other directorships in the last three years in public companies the securities of which are listed on any securities market in Hong Kong or overseas and/or other major appointments and professional qualifications; and (iii) have any relationships with any Directors, senior management, substantial shareholders or controlling shareholders of the Company. As at the Latest Practicable Date, Mr. Siu did not have any interests in the shares of the Company within the meaning of Part XV of the SFO.

Save as disclosed in this circular, the Board is not aware of any matters which are required to be disclosed pursuant to paragraphs (h) to (v) of Rule 17.50(2) of the GEM Listing Rules and no other matters that need to be brought to the attention of the Shareholders in relation to the proposed re-election of Mr. Siu as a Director.



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(Stock Code: 8317)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the annual general meeting of Finet Group Limited (the “**Company**”) will be held at 12:00 p.m. on 13 August 2020, at 30/F, Fortis Tower, 77–79 Gloucester Road, Wanchai, Hong Kong to transact the following ordinary businesses:

ORDINARY RESOLUTIONS

1. To receive, consider and adopt the audited consolidated financial statements and the reports of the directors and auditors of the Company and its subsidiaries for the year ended 31 March 2020.
2.
 - (a) To re-elect Ms. Lo Yuk Yee as an executive Director of the Company.
 - (b) To re-elect Mr. Lee Yu Chung as an executive Director of the Company.
 - (c) To re-elect Mr. Siu Siu Ling, Robert as an independent non-executive Director of the Company.
 - (d) To authorize the board of directors of the Company to fix the remuneration of the directors of the Company.
3. To re-appoint HLB Hodgson Impey Cheng Limited as the auditors of the Company and to authorize the board of directors of the Company to fix their remuneration.
4. To consider and, if thought fit, pass, with or without amendments, as an ordinary resolution:

“THAT:

- (i) subject to paragraph (iii) of this resolution and the requirements of the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (“**GEM Listing Rules**”), the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares or

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securities convertible into shares in the capital of the Company and to make or grant offers, agreements and options which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (ii) the approval in paragraph (i) of this resolution shall be in addition to any other authorization given to the directors of the Company and shall authorize the directors of the Company during the Relevant Period to make or grant offers, agreements, and options which would or might require the exercise of such power during or after the end of the Relevant Period;
- (iii) the aggregate nominal amount of share capital allotted, issued or dealt with or agreed conditionally or unconditionally to be allotted, issued or dealt with (whether pursuant to the exercise of options or otherwise) by the directors of the Company pursuant to the approval in paragraph (i) above of this resolution, otherwise than pursuant to:
 - (a) a Rights Issue (as hereinafter defined);
 - (b) the grant or exercise of any option under any share option scheme or similar arrangement of the Company for the time being adopted for the grant or issue to participants of shares or rights to acquire shares of the Company;
 - (c) any scrip dividend or similar arrangement providing for the allotment of shares in lieu of the whole or part of a dividend on shares of the Company in accordance with the bye-laws of the Company in force from time to time; and
 - (d) the exercise of rights of subscription or conversion under the terms of any warrants issued by the Company or any securities which are convertible into shares;

shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue as at the date of passing this resolution and the said approval in paragraph (i) shall be limited accordingly.

For the purpose of this resolution,

“Relevant Period” means the period from the date of passing of this resolution until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by the bye-laws of the Company or any applicable laws to be held; and

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- (3) the revocation or variation of the authority given to the directors of the Company under this resolution by an ordinary resolution of the shareholders of the Company in general meeting.

“**Rights Issue**” means an offer of shares in the Company, or offer or issue of warrants, options or other securities giving rights to subscribe for shares open for a period fixed by the directors of the Company to holders of shares of the Company on the register on a fixed record date in proportion to their holdings of shares (subject to such exclusions or other arrangements as the directors of the Company may deem necessary or expedient in relation to fractional entitlements, or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

5. To consider and, if thought fit, pass the following resolution, with or without amendments, as an ordinary resolution:

“**THAT:**

- (i) subject to paragraph (ii) below of this resolution, the exercise by the directors of the Company during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase its shares in the capital of the Company on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) or any other stock exchange on which the shares of the Company may be listed and which are recognized for this purpose by the Securities and Futures Commission of Hong Kong and the Stock Exchange, in accordance with all applicable laws and/or the requirements of the Stock Exchange or of any other stock exchange and the Code on Share Repurchases as amended from time to time, be and is hereby generally and unconditionally approved;
- (ii) the aggregate nominal amount of shares of the Company which are authorized to be repurchased by the Company pursuant to the approval in paragraph (i) above during the Relevant Period shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of passing this resolution, and the authority granted pursuant to paragraph (i) above shall be limited accordingly.

For the purposes of this resolution,

“**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:

- (1) the conclusion of the next annual general meeting of the Company;
- (2) the expiration of the period within which the next annual general meeting of the Company is required by law to be held; or

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- (3) the date on which the authority set out in this resolution is revoked or varied by an ordinary resolution of the shareholders in general meeting of the Company.”
6. As special business, to consider and, if thought fit, pass the following resolution, with or without amendments, as an ordinary resolution:

“THAT:

subject to the passing of the resolution numbered 4 and 5 set out in the notice convening this meeting, the general mandate granted to the Directors of the Company to allot, issue and deal with additional shares pursuant to resolution numbered 4 set out in the notice convening this meeting be and is hereby extended by the addition thereto of an amount representing the aggregate nominal amount of shares in the capital of the Company repurchased by the Company under the authority granted pursuant to resolution numbered 5 set out in the notice convening this meeting, provided that such amount of shares so repurchased shall not exceed 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the said resolution.”

7. **“THAT** subject to and conditional upon the Listing Committee of the Stock Exchange granting listing of and permission to deal in the Shares to be issued upon the exercise of options which may be granted under the Company’s share option scheme adopted by the Company on 4 September 2014 (the **“New Share Option Scheme”**), the existing scheme mandate limit in respect of the granting of options to subscribe for Shares under the New Share Option Scheme be refreshed and renewed provided that the total number of Shares which may be allotted and issued pursuant to the grant or exercises of the options under the New Share Option Scheme (excluding options previously granted, outstanding, cancelled, lapsed or exercised under the New Share Option Scheme) shall not exceed 10% of the shares of the Company in issue as at the date of passing this resolution (the **“Refreshed Limit”**) and that the Directors be and are hereby authorized, subject to compliance with the Listing Rules, to grant options under the New Share Option Scheme up to the Refreshed Limit and to exercise all the powers of the Company to allot, issue and deal with the Shares pursuant to the exercise of such options and to do such acts and execute such documents for or incidental to such purpose.”

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

Hong Kong, 15 July 2020

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Registered office:
Clarendon House
2 Church Street
Hamilton HM 11
Bermuda

*Head office and Principal place
of business in Hong Kong:*
30/F, Fortis Tower
77–79 Gloucester Road
Wanchai
Hong Kong

Notes:

1. Any shareholder of the Company entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his/her/it proxy to attend and vote instead of him. A shareholder who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his/her/its behalf at a general meeting of the Company or at a class meeting. A proxy need not be a member.
2. Where there are joint holders of any share any one of such joint holder may vote, either in person or by proxy, in respect of such share as if he were solely entitled thereto, but if more than one of such joint holders be present at any meeting the vote of the senior who tenders a vote whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding. Several executors or administrators of a deceased shareholder in whose name any share stands shall be deemed joint holders thereof.
3. To be valid, the form of proxy duly completed and signed in accordance with the instructions printed thereon together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof must be delivered to the branch share registrar of the Company, Computershare Hong Kong Investor Services Limited at 17M Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the meeting or any adjournment thereof.
4. Whether or not you propose to attend the meeting in person, you are requested to complete and return the form of proxy in accordance with the instructions printed thereon. Completion and return of the form of proxy will not preclude you from attending the meeting and voting in person if you so wish. In the event that you attend the meeting after having lodged the form of proxy, the appointment of the proxy will be deemed to have been revoked.
5. In compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited, all resolutions to be proposed at the meeting convened by this notice will be voted on by way of poll.

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As at the date of this notice, the board of directors of the Company comprises the following Directors:

Executive Directors:

Ms. Lo Yuk Yee (*Chairman*)

Mr. Lee Yu Chung

Independent non-executive Directors:

Mr. Wong Wai Kin

Mr. Siu Siu Ling, Robert

Mr. Leung Chi Hung