
THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action to be taken, you should consult a licensed securities dealer, registered institution in securities, a bank manager, solicitor, professional accountant or other professional advisers. Capitalised terms used herein shall have the same meanings as those defined in the section headed “Definitions” in this prospectus, unless otherwise stated.

If you have sold or transferred all your shares in Finsoft Financial Investment Holdings Limited (the “Company”), you should at once forward the Prospectus Documents to the purchaser(s) or other transferee(s) 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(s) or transferee(s).

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed “14. Documents delivered to the Registrar of Companies in Hong Kong” in Appendix III to this prospectus, have been registered by the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong, the Stock Exchange and the SFC take no responsibility for the contents of any of the Prospectus Documents.

You should read the whole of the Prospectus Documents including the discussions of certain risks and other factors as set out in the section headed “Letter from the Board – Warning of the Risks of Dealing in the Shares and Rights Shares in nil-paid form” in this prospectus.

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange, as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement dates of dealings in the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, or such other dates as determined by HKSCC and you should consult a stockbroker or other registered securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of the Prospectus Documents, make no representation as to their accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.

The attention of Shareholders with registered addresses in, and investors who are located or residing in, any of the jurisdictions outside Hong Kong or holding Shares on behalf of beneficial owners of Shares with such addresses is drawn to the section headed “Letter from the Board – Rights Issue – Non-Qualifying Shareholders” in this prospectus.

This prospectus is for information purposes only and shall not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale or purchase of securities in any jurisdictions in which such offer, solicitation or sale would be unlawful. The securities have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or the laws of any state or jurisdiction of the United States, and may not be offered or sold within the United States, absent registration or an exemption from the registration requirements of the Securities Act and applicable state laws. There is no intention to register any portion of the Rights Shares or any securities described herein in the United States or to conduct a public offering of securities in the United States.

FINSOFT FINANCIAL INVESTMENT HOLDINGS LIMITED

匯財金融投資控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8018)

RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

Financial Adviser



Minerva Advisory Global Capital Limited
嘉環球融資顧問有限公司
SFC CE No. BF0684

Placing Agent



Minerva Holding Financial Securities Limited
贏控金融證券有限公司

The Shares have been dealt in on an ex-rights basis from Thursday, 18 January 2024. The nil-paid Rights Shares will be dealt in from Wednesday, 31 January 2024 to Wednesday, 7 February 2024 (both days inclusive). If the conditions of the Rights Issue are not fulfilled, the Rights Issue will not proceed. Any person contemplating dealing in the nil-paid Rights Shares during the period from Wednesday, 31 January 2024 to Wednesday, 7 February 2024 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed. Any person contemplating dealing in the Shares and/or the nil-paid Rights Shares should therefore exercise caution, and is recommended to consult his/her/its own professional adviser(s) if in any doubt about his/her/its own position.

The Rights Issue is on a non-underwritten basis irrespective of the level of acceptance of the provisionally allotted Rights Shares. In the event the Rights Issue is not fully subscribed, any Unsubscribed Rights Shares together with the NQS Unsold Rights Shares will be placed on a best effort basis by the Placing Agent to independent places under the Placing. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares which are not placed under the Placing will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. The Cayman Islands legal adviser of the Company has confirmed that there is no minimum subscription amount required to be raised from the Rights Issue under the laws of Cayman Islands.

The Rights Issue is subject to the fulfilment of the conditions of the Rights Issue as set out in the section headed “Letter from the Board – Rights Issue – Conditions of the Rights Issue” in this prospectus at or prior to the latest time for the Rights Issue to become unconditional (which is currently expected to be 4:00 p.m. on Wednesday, 21 February 2024). If the conditions of the Rights Issue are not fulfilled at or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed. Shareholders and potential investors are advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares up to the date when all the conditions to which the Rights Issue is subject are fulfilled. Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).

The Latest Time for Acceptance is 4:00 p.m. on Thursday, 15 February 2024. The procedures for acceptance and payment and/or transfer are set out on page 18 of this prospectus.

29 January 2024

* For identification purposes only

NOTICE

The Rights Issue is conditional upon the fulfilment of the conditions of the Rights Issue as set out in the section headed “Letter from the Board – Rights Issue – Conditions of the Rights Issue” in this prospectus.

Any Shareholder or other person contemplating transferring, selling or purchasing the Shares and/or the Rights Shares in their nil-paid form is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed.

EXCEPT AS OTHERWISE SET OUT HEREIN, THE RIGHTS ISSUE DESCRIBED IN THIS PROSPECTUS IS NOT BEING MADE TO SHAREHOLDERS WITH REGISTERED ADDRESSES IN JURISDICTIONS OUTSIDE HONG KONG AND NEITHER IS THE RIGHTS ISSUE BEING MADE TO INVESTORS WHO ARE LOCATED OR RESIDING IN ANY OF THE JURISDICTIONS OUTSIDE HONG KONG, UNLESS AN OFFER OF RIGHTS SHARES AND NIL-PAID RIGHTS SHARES INTO SUCH JURISDICTIONS COULD LAWFULLY BE MADE WITHOUT COMPLIANCE WITH ANY REGISTRATION OR OTHER LEGAL OR REGULATORY REQUIREMENTS OR THE OFFER IS MADE IN RELIANCE ON ANY EXEMPTION OR WHERE COMPLIANCE IS NOT UNDULY BURDENSOME.

This prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to acquire, the nil-paid Rights Shares or fully-paid Rights Shares or to take up any entitlements to the nil-paid Rights Shares or fully-paid Rights Shares in any jurisdiction in which such an offer, invitation or solicitation is unlawful. None of the nil-paid Rights Shares, the fully-paid Rights Shares, this prospectus and the PAL have been or will be registered or filed under the securities laws of any jurisdiction or with any securities commission or similar regulatory authority in any jurisdiction other than in Hong Kong and none of the nil-paid Rights Shares, the fully-paid Rights Shares, this prospectus and the PAL will qualify for distribution under any of the relevant securities laws of any of the jurisdictions outside Hong Kong (other than pursuant to any applicable exceptions as agreed by the Company). Accordingly, the nil-paid Rights Shares and the fully-paid Rights Shares may not be offered, sold, pledged, taken up, resold, renounced, transferred or delivered, directly or indirectly, into or within any jurisdictions outside Hong Kong absent registration or qualification under the respective securities laws of such jurisdictions other than in Hong Kong, or exemption from the registration or qualification requirements under applicable rules of such jurisdictions.

NOTICE

Shareholders with registered addresses in, and investors who are located or residing in, any of the jurisdictions outside Hong Kong or who hold Shares on behalf of persons with such addresses should refer to the section headed “Letter from the Board – Rights Issue – Non-Qualifying Shareholders” in this prospectus.

Each person acquiring the nil-paid Rights Shares and/or Rights Shares under the Rights Issue will be required to confirm, or be deemed by his acquisition of the nil-paid Rights Shares and/or Rights Shares to confirm, that he is aware of the restrictions on offers and sales of the nil-paid Rights Shares and/or Rights Shares described in this prospectus.

FORWARD-LOOKING STATEMENTS

All statements in this prospectus other than statements of historical fact are forward-looking statements. In some cases, forward-looking statements may be identified by the use of words such as “might”, “may”, “could”, “would”, “will”, “expect”, “intend”, “estimate”, “anticipate”, “believe”, “plan”, “seek”, “continue”, “illustrate”, “illustration”, “projection” or similar expressions and the negative thereof. Forward-looking statements in this prospectus include, without limitation, statements in respect of the Group’s business strategies, service offerings, market position, competition, financial prospects, performance, liquidity and capital resources, as well as statements regarding trends in the relevant industries and markets in which the Group operates, technological advances, financial and economic developments, legal and regulatory changes and their interpretation and enforcement.

The forward-looking statements in this prospectus are based on management’s present expectations about future events. Management’s present expectations reflect numerous assumptions regarding the Group’s strategy, operations, industry, developments in the credit and other financial markets and trading environment. By their nature, they are subject to known and unknown risks and uncertainties, which could cause actual results and future events to differ materially from those implied or expressed by forward-looking statements. Should one or more of these risks or uncertainties materialise, or should any assumptions underlying forward-looking statements prove to be incorrect, the Group’s actual results could differ materially from those expressed or implied by forward-looking statements. Additional risks not known to the Group or that the Group does not currently consider material could also cause the events and trends discussed in this prospectus not to occur, and the estimates, illustrations and projections of financial performance not to be realised.

Prospective investors are cautioned that forward-looking statements speak only as at the date of publication of this prospectus. Except as required by applicable law, the Group does not undertake, and expressly disclaims, any duty to revise any forward-looking statement in this prospectus, be it as a result of new information, future events or otherwise.

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.

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 of the Stock Exchange 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 Prospectus, unless the context otherwise requires, the following terms or expressions shall have the following meanings:

“actionable corporate communication”	has the meaning ascribed to it under the GEM Listing Rules
“AFRC”	the Accounting and Financial Reporting Council in Hong Kong
“Announcement”	the announcement of the Company dated 5 December 2023 in relation to, among other things, the Increase in Authorised Share Capital, the Rights Issue and the Placing
“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (excluding Saturday, Sunday and any day on which a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“CCASS Operational Procedures”	the Operational Procedures of HKSCC in relation to CCASS, containing the practices, procedures and administrative requirements relating to operations and functions of CCASS, as from time to time
“Circular”	the circular of the Company dated 28 December 2023 in relation to, among other things, the Increase in Authorised Share Capital, the Rights Issue and the Placing
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong)

DEFINITIONS

“Company”	Finsoft Financial Investment Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the GEM of the Stock Exchange (stock code: 8018)
“Compensatory Arrangement”	the placing of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares by the Placing Agent on a best effort basis pursuant to the Placing Agreement in accordance with Rule 10.31(1)(b) of the GEM Listing Rules
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“controlling shareholder(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“corporate communication(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company held on Tuesday, 16 January 2024 in relation to, among other things, the Increase in Authorised Share Capital, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder
“Extreme Conditions”	extreme conditions including but not limited to serious disruption of public transport services, extensive flooding, major landslides or large-scale power outage after super typhoons as announced by the government of Hong Kong
“GEM”	GEM operated by the Stock Exchange
“GEM Listing Committee”	has the meaning ascribed to it under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM of the Stock Exchange

DEFINITIONS

“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“GO Obligation”	the obligation to make a mandatory general offer under the Takeovers Code
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Increase in Authorised Share Capital”	the increase in authorised share capital of the Company from HK\$10,000,000 divided into 200,000,000 Shares with a par value of HK\$0.05 each to HK\$100,000,000 divided into 2,000,000,000 Shares with a par value of HK\$0.05 each by creating an additional 1,800,000,000 unissued Shares
“Last Trading Day”	Tuesday, 5 December 2023, being the last trading day of the Shares on the Stock Exchange immediately prior to the release of the Announcement
“Latest Placing Date”	Tuesday, 20 February 2024, or such later date as the Company and the Placing Agent may agree in writing, being the latest date for the Placing Agent to place the Unsubscribed Rights Shares and NQS Unsold Rights Shares
“Latest Placing Time”	4:00 p.m. on the Latest Placing Date
“Latest Practicable Date”	19 January 2024, being the latest practicable date for the purpose of ascertaining certain information for inclusion in this Prospectus
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 15 February 2024, being the latest time for acceptance of, and payment for the Rights Shares

DEFINITIONS

“Latest Time for Termination”	4:00 p.m. on Wednesday, 21 February 2024, being the latest time for termination of the Placing Agreement and for the Rights Issue to become unconditional
“Net Gain”	the aggregate of any premium (being the aggregate amount paid by the placees after deducting (i) the aggregate amount of the Subscription Price for the Unsubscribed Rights Shares and NQS Unsold Rights Shares placed by the Placing Agent under the Compensatory Arrangements; and (ii) the aggregate amount of the expenses of the Placing Agent and any other related expenses/fees)
“Nil-Paid Rights”	rights to subscribe for Rights Shares (in the form of Rights Shares in nil-paid form) before the Subscription Price is paid
“No Action Shareholders”	those Qualifying Shareholder(s) who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or their renounces, or such persons who hold any Nil-Paid Rights at the time such Nil-Paid Rights are lapsed, or Non-Qualifying Shareholders (as the case may be)
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Issue to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“NQS Unsold Rights Share(s)”	the Rights Share(s) which would otherwise has/have been provisionally allotted to the Non-Qualifying Shareholder(s) in nil-paid form that has/have not been sold by the Company
“Overseas Shareholder(s)”	Shareholder(s) whose address(es) on the register of members of the Company on the Record Date are outside Hong Kong
“PAL(s)”	the provisional allotment letter(s) to be used in connection with the Rights Issue in such form as the Company may approve

DEFINITIONS

“Placee(s)”	professional, institutional, corporate or other investor(s), procured by the Placing Agent to subscribe for any of the Unsubscribed Rights Shares and/or NQS Unsold Rights Shares pursuant to the Placing Agreement
“Placing”	the offer by way of private placing of the Unsubscribed Rights Shares and NQS Unsold Rights Shares by the Placing Agent and/or its sub-placing agent(s) to the Placees on the terms and subject to the conditions of the Placing Agreement under the Compensatory Arrangements
“Placing Agent”	Minerva Holding Financial Securities Limited (previously known as Minerva Securities Limited), a corporation licensed to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO
“Placing Agreement”	the placing agreement dated 5 December 2023 and entered into between the Company and the Placing Agent in relation to the Placing on a best effort basis
“Placing Completion Date”	Friday, 23 February 2024, being the third Business Day after the Latest Placing Time or such other date as the Company and the Placing Agent may agree in writing, being the date of completion of the Placing
“Placing Period”	the period commencing from the first Business Day after the Latest Time for Acceptance, which is expected to be Friday, 16 February 2024, and ending at the Latest Placing Time
“Placing Share(s)”	the Unsubscribed Rights Share(s) and the NQS Unsold Rights Share(s)
“PRC”	the People’s Republic of China, which for the purpose of this Prospectus, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	this prospectus to be made available to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus, PAL and any supplementary prospectus or supplementary provisional allotment letter(s) (if required)

DEFINITIONS

“Prospectus Posting Date”	Monday, 29 January 2024 or such other date as may be determined by the Company, being the date the Prospectus Documents will be made available and/or sent (as the case may be) to the Qualifying Shareholders (or in case of Non-Qualifying Shareholder(s), the Prospectus only)
“Public Float Requirement”	the public float requirement under Rule 11.23(7) of the GEM Listing Rules
“Qualifying Shareholder(s)”	Shareholder(s), whose names appear on the register of members of the Company as at the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	Friday, 26 January 2024 or such other date as the Company may determine, being the date by reference to which entitlements to the Rights Issue will be determined
“Registrar”	the branch share registrar and transfer office of the Company in Hong Kong, being Union Registrars Limited, at Suites 3301-04, 33/F, Two Chinachem Exchange Square, 338 King’s Road, North Point, Hong Kong
“Rights Issue”	the issue of up to 378,174,702 Rights Shares at the Subscription Price on the basis of three (3) Rights Shares for every one (1) Share held at the close of business on the Record Date payable in full on acceptance
“Rights Share(s)”	up to a maximum of 378,174,702 new Shares proposed to be allotted and issued by the Company pursuant to the Rights Issue, assuming no further issue of new Share(s) and no repurchase of Share(s) on or before the Record Date
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of par value HK\$0.05 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	the Stock Exchange of Hong Kong Limited

DEFINITIONS

“Subscription Price”	HK\$0.074 per Rights Share
“substantial shareholder(s)”	has the meaning as ascribed to it under the GEM Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Unsubscribed Rights Shares”	the Rights Shares that are not subscribed by the Qualifying Shareholders of the Company as described in the subsection headed “Non-Qualifying Shareholders” in the Prospectus
“%”	per cent

EXPECTED TIMETABLE

The expected timetable for the Rights Issue and the Placing set out below is for indicative purposes only and it has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled. The expected timetable is subject to change. Further announcement(s) will be made in the event of any changes to the timetable as and when appropriate.

All time and date references contained in this Prospectus shall refer to Hong Kong local time and dates.

Event	Date (Hong Kong time)
First day of dealings in nil-paid Rights Shares	Wednesday, 31 January 2024
Latest time for splitting of nil-paid Rights Shares	4:00 p.m. on Friday, 2 February 2024
Last day of dealings in nil-paid Rights Shares	Wednesday, 7 February 2024
Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the payment of Net Gain	
	4:00 p.m. on Thursday, 15 February 2024
Latest Time for Acceptance of and payment for the Rights Shares	
	4:00 p.m. on Thursday, 15 February 2024
Announcement of the number of Unsubscribed Rights Shares and NQS Unsold Rights Shares subject to the Compensatory Arrangements	Friday, 16 February 2024
Commencement of placing of Unsubscribed Rights Shares and NQS Unsold Rights Shares by the Placing Agent	Friday, 16 February 2024
Latest time of placing of Unsubscribed Rights Shares and NQS Unsold Rights Shares by the Placing Agent	4:00 p.m. on Tuesday, 20 February 2024
Latest time to terminate the Placing Agreement and for the Rights Issue to become unconditional	4:00 p.m. on Wednesday, 21 February 2024
Rights Issue Settlement Date and Placing Completion Date	Friday, 23 February 2024

EXPECTED TIMETABLE

Event	Date (Hong Kong time)
Announcement of results of the Rights Issue (including results of the placing of Unsubscribed Rights Shares and NQS Unsold Rights Shares by the Placing Agent and the amount of the Net Gain per Rights Share under the Compensatory Arrangements)	Tuesday, 27 February 2024
Despatch of certificates for fully-paid Rights Shares and refund cheques, if any	Wednesday, 28 February 2024
Commencement of dealings in the fully-paid Rights Shares	9:00 a.m. on Thursday, 29 February 2024
Payment of Net Gain to relevant No Action Shareholders (if any)	Friday, 15 March 2024

All times and dates specified in this Prospectus refer to the Hong Kong times and dates. This timetable is indicative only and any subsequent changes to the expected timetable will be announced by the Company as and when appropriate.

Pursuant to Rule 16.04A of the GEM Listing Rules and the Company's Articles of Association, the Company will make available its corporate communications to its Shareholders by electronic means and a notification of the publication of the corporate communications will be provided to the Shareholders when the Company publishes any such corporate communications on websites of the Company and the Stock Exchange. On 8 January 2024, the Company sent One-Time Notification Letters to its registered and non-registered shareholders (being such person or company whose Shares are held in CCASS) respectively to make an election (i) to receive an email notification of the publication of the corporate communications on the websites of the Company at www.finsofthk.com and the Stock Exchange at www.hkexnews.hk (collectively the "Websites") ("Email Option"); or (ii) to receive a printed notification letter of the publication of the corporate communications on the Websites. Shareholders who wish to receive a printed copy of the corporate communications published on the Websites, should send a request in writing to the Company through its Registrar or by email to 8018-corpcomm@unionregistrars.com.hk.

EXPECTED TIMETABLE

The Prospectus will be made available to the Shareholders by way of publication on the Websites and a notification will be provided in the manner elected by the relevant Shareholder. For registered shareholders, if no election is received by 17 January 2024 or if an election for the Email Option is received containing a non-functional email address which results in a “non-delivery message” when sending the notification of publication, a printed form of the notification letter will be sent by post to the registered Shareholder notifying them of the publication of the Prospectus on the Websites. For non-registered shareholders, if no email address has been provided via HKSCC, a printed form of the notification letter will be sent to them by post at their address as provided by HKSCC.

The PAL, as actionable corporate communication, shall be sent to the Qualifying Shareholders in printed form.

EFFECT OF BAD WEATHER OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE AND PAYMENT FOR THE RIGHTS SHARES

Whenever any part of the expected timetable of the Rights Issue may be interrupted by a typhoon, a black rainstorm warning or Extreme Conditions, the Company shall properly inform the Shareholders of the corresponding contingency arrangements, which contingency arrangements shall include the Latest Time for Acceptance and payment for the Rights Shares not taking place on the time as scheduled:

- (a) if a tropical cyclone warning signal no. 8 or above, a black rainstorm warning and/or Extreme Conditions is in force in Hong Kong at any local time before 12:00 noon but no longer in force after 12:00 noon on the day on which the Latest Time for Acceptance and payment for the Rights Shares is initially scheduled to fall, the Latest Time for Acceptance and payment for the Rights Shares be extended to 5:00 p.m. on the same Business Day; or
- (b) if a tropical cyclone warning signal no. 8 or above, a black rainstorm warning and/or Extreme Conditions is in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the day on which the Latest Time for Acceptance and payment for the Rights Shares is initially scheduled to fall, the Latest Time for Acceptance and payment for the Rights Shares be extended to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance and payment for the Rights Shares does not take place on or before 4:00 p.m. on Thursday, 15 February 2024, the dates mentioned herein may be affected. The Company will notify the Shareholders by way of announcement(s) on any change to the expected timetable of the Rights Issue as soon as practicable.

LETTER FROM THE BOARD

FINSOFT FINANCIAL INVESTMENT HOLDINGS LIMITED

匯財金融投資控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8018)

Executive Directors:

Ms. Tin Yat Yu Carol (*Chairman*)
Ms. Liu Mung Ting (*Chief Executive Officer*)
Ms. Lin Ting

Registered Office:

Windward 3, Regatta Office Park
P.O. Box 1350
Grand Cayman, KY1-1108
Cayman Islands

Independent Non-executive Directors:

Mr. Hon Ming Sang
Ms. Lee Kwun Ling, May Jean
Mr. Tang Shu Pui Simon

*Head office and Principal Place of Business
in Hong Kong:*

Unit 708, 7th Floor, Capital Centre
151 Gloucester Road
Wanchai, Hong Kong

29 January 2024

To the Qualifying Shareholders and, for information purpose only, the Non-Qualifying Shareholders

Dear Sir or Madam,

**RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES
FOR EVERY ONE (1) SHARE
HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS**

INTRODUCTION

Reference is made to the Announcement and the Circular in relation to, among other things, the Increase in Authorised Share Capital, the Rights Issue and the Placing. The Board announced that the Company proposed to raise up to approximately HK\$27.98 million (before expense) by issuing up to 378,174,702 Rights Shares to the Qualifying Shareholders by way of the Rights Issue at the Subscription Price of HK\$0.074 per Share with nominal value of HK\$0.05 each on the basis of three (3) Rights Shares for every one (1) Share held on the Record Date.

The purpose of this Prospectus is to provide you with, among other things, (i) further details of the Rights Issue, including the procedures for acceptance and payment and/or transfer of the Rights Shares provisionally allotted to you; (ii) certain financial information of the Group; and (iii) other information in respect of the Group.

* *For identification purposes only*

LETTER FROM THE BOARD

At the EGM held on Tuesday, 16 January 2024, the necessary resolutions for approving, among other things, the Increase in Authorised Share Capital, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder, were duly passed by the Shareholders or the Independent Shareholders (as the case may be). The Increase in Authorised Share Capital became effective on Tuesday, 16 January 2024. Please refer to the announcement of the Company dated 16 January 2024 in relation to, among others, the poll results of the EGM and the effective date of the Increase in Authorised Share Capital for further details.

RIGHTS ISSUE

The Board proposes to conduct the Rights Issue on the basis of three (3) Rights Shares for every one (1) Share held on the Record Date. Set out below are the details of the Rights Issue statistics.

Issue statistics

Basis of the Rights Issue	:	Three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date
Subscription Price	:	HK\$0.074 per Rights Share
Net price per Rights Share (the aggregate Subscription Price of the maximum number of Rights Shares to be issued less costs and expenses estimated to be incurred in the Rights Issue divided by the maximum number of Rights Shares to be issued)	:	Approximately HK\$0.069 per Rights Share
Number of Shares in issue as at the Latest Practicable Date	:	126,058,234 Shares
Total number of Rights Shares to be issued pursuant to the Rights Issue	:	Up to 378,174,702 Rights Shares
Aggregate nominal value of the Rights Shares	:	HK\$18,908,735.10
Total number of Shares in issue upon completion of the Rights Issue	:	Up to 504,232,936 Shares
Gross proceeds from the proposed Rights Issue	:	Up to approximately HK\$27.98 million

LETTER FROM THE BOARD

Net proceeds from the Rights Issue	:	Up to approximately HK\$26.2 million
Right of excess applications	:	As the Compensatory Arrangements are in place, there will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 10.31(1)(a) of the GEM Listing Rules.

The 378,174,702 Rights Shares proposed to be allotted and issued pursuant to the terms of the Rights Issue represents (i) 300% of the total number of Shares in issue as at the Latest Practicable Date; and (ii) 75.00% of the total number of issued Shares as enlarged by the issue of the Rights Shares immediately upon completion of the Rights Issue.

As at the Latest Practicable Date, the Company does not have any derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares. The Company also has no intention to issue or grant any convertible securities, options and/or warrants on or before the Record Date.

Non-underwritten basis

Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. In the event that the Rights Issue is not fully subscribed, the Rights Shares not taken up by the Qualifying Shareholders together with the NQS Unsold Rights Shares will be placed to independent Places under the Compensatory Arrangements. Any Unsubscribed Rights Shares or NQS Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum amount to be raised under the Rights Issue. As advised by the Cayman Islands' legal advisers, there is also no statutory requirement regarding minimum subscription level in respect of the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, Shareholders who apply to take up all or part of their entitlements under the PALs may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which does not trigger an obligation on part of the relevant Shareholder to make a general offer under the Takeovers Code in accordance to the note to Rule 10.26(2) of the GEM Listing Rules.

As at the Latest Practicable Date, the Company has not received any undertaking from any substantial shareholder of the Company of any intention as to whether such Shareholder will take up his/her/its entitlements under the Rights Issue (or otherwise).

LETTER FROM THE BOARD

The Subscription Price

The Subscription Price of HK\$0.074 per Rights Share is payable in full by a Qualifying Shareholder upon acceptance of the relevant provisional allotment of the Rights Shares under the Rights Issue, and, where applicable, when a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

- (i) a discount of approximately 28.16% to the closing price of HK\$0.103 per Share as quoted on the Stock Exchange on the Last Trading Day;
- (ii) a discount of approximately 33.93% to the closing price of HK\$0.112 per Share as quoted on the Stock Exchange on the Latest Practicable Date;
- (iii) a discount of approximately 26.00% to the average closing price of approximately HK\$0.100 per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day;
- (iv) a discount of approximately 26.73% to the average closing price of approximately HK\$0.101 per Share as quoted on the Stock Exchange for the last ten consecutive trading days up to and including the Last Trading Day;
- (v) a discount of approximately 8.92% to the theoretical ex-entitlement price of approximately HK\$0.081 per Share based on the closing price of approximately HK\$0.103 per Share as quoted on the Stock Exchange on the Last Trading Day and the number of Shares as enlarged by the Rights Shares;
- (vi) a discount of approximately 85.31% to the audited consolidated net asset value per Share attributable to the Shareholders as at 31 December 2022 of approximately HK\$0.5038 per Share, which is calculated by dividing the audited consolidated net assets of the Group attributable to the Shareholders of approximately HK\$63,503,000 as at 31 December 2022 as set out in the annual report of the Company for the year ended 31 December 2022 by the number of Shares in issue as at the Latest Practicable Date; and
- (vii) a discount of approximately 83.12% to the unaudited consolidated net asset value per Share attributable to the Shareholders as at 30 June 2023 of approximately HK\$0.4385 per Share, which is calculated by dividing the unaudited consolidated net assets of the Group attributable to the Shareholders of approximately HK\$55,277,000 as at 30 June 2023 as set out in the interim report of the Company for the six months ended 30 June 2023 by the number of Shares in issue as at the Latest Practicable Date.

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The net Subscription Price per Rights Share (after deducting the relevant expenses) will be approximately HK\$0.069 per Rights Share.

The Subscription Price was determined with reference to, among other factors, (i) the prevailing market price and recent trading performance of the Shares which includes the daily closing price and daily trading volume of the Shares during the 6 months prior to the Last Trading Day, where the closing price of the Shares demonstrated an overall downward trend from HK\$0.171 per Share on 6 June 2023 to HK\$0.103 per Share on the Last Trading Day with an average daily trading volume amounting to approximately 0.97% of the total issued Shares as at the Last Trading Day, which indicated a lack of liquidity and demand for the Shares; (ii) the latest business performance and financial position of the Group, particularly the consecutive loss-making performance of the Group; (iii) the current bearish Hong Kong stock market condition, which is evidenced by the continuous downward trend of the Hang Seng Index from approximately 19,099 on 6 June 2023 to approximately 16,327 on the Last Trading Day and onwards; (iv) the Directors' view that it is reasonable to set the Subscription Price at a discount to the closing price per Share on the Last Trading Day and the consolidated net asset value per Share attributable to the Shareholders as described above in order to enhance the attractiveness of the Rights Issue and encourage the Qualifying Shareholders and investors to participate, given that the challenging market conditions, unfavourable price trend and lack of liquidity of the Shares; (v) the relatively large fundraising size when compared with the market capitalisation of the Company as at the Last Trading Day; and (vi) the reasons and benefits of the Rights Issue as discussed in the section headed "Reasons for the Rights Issue and Use of Proceeds" in this Prospectus.

In view of the above, and having considered that all the Qualifying Shareholders will be offered equal opportunity to subscribe for the Rights Shares by way of provisional allotment, the Directors consider that the terms of the Rights Issue and the Placing Agreement, including the Subscription Price, are fair and reasonable and in the best interests of the Company and the Shareholders as a whole.

The theoretical dilution price, the benchmarked price and the theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) for the Rights Issue are approximately HK\$0.081 per Share, HK\$0.103 per Share and approximately 21.12% respectively. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

Basis of provisional allotments

The basis of the provisional allotments shall be three (3) Rights Shares (in nil-paid form) for every one (1) Share held by the Qualifying Shareholders as at the close of business on the Record Date. The PAL relating to the Rights Shares will be posted to the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares.

LETTER FROM THE BOARD

Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by lodging a duly completed PAL and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

Status of Rights Shares

The Rights Shares, when allotted and fully paid, will rank *pari passu* in all respects with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions, which are declared, made or paid, on the record date of which is after the date of allotment of the Rights Shares in their fully-paid form.

Qualifying Shareholders

To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be a Non-Qualifying Shareholder.

Investors whose Shares are held by nominee companies should note that the Board will regard a nominee company as a single Shareholder according to the register of members of the Company.

In order to be registered as members of the Company at the close of business on the Record Date, any relevant transfer documents (together with the relevant share certificates) must be lodged with the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong for registration no later than 4:00 p.m. on Friday, 19 January 2024.

The last day of dealings in the Shares on a cum-rights basis was Wednesday, 17 January 2024 and the Shares have been dealt with on an ex-rights basis from Thursday, 18 January 2024.

The Company will dispatch the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date.

LETTER FROM THE BOARD

Pursuant to Rule 16.04A of the GEM Listing Rules and the Company's Articles of Association, the Company will make available its corporate communications to its Shareholders by electronic means and a notification of the publication of the corporate communications will be provided to the Shareholders when the Company publishes any such corporate communications on websites of the Company and the Stock Exchange. On 8 January 2024, the Company sent One-Time Notification Letters to its registered and non-registered shareholders (being such person or company whose Shares are held in CCASS) respectively to make an election (i) to receive an email notification of the publication of the corporate communications on the websites of the Company at www.finsofthk.com and the Stock Exchange at www.hkexnews.hk (collectively the "Websites") ("Email Option"); or (ii) to receive a printed notification letter of the publication of the corporate communications on the Websites. Shareholders who wish to receive a printed copy of the corporate communications published on the Websites, should send a request in writing to the Company through its Registrar or by email to 8018-corpcomm@unionregistrars.com.hk.

The Prospectus will be made available to the Shareholders by way of publication on the Websites and a notification will be provided in the manner elected by the relevant Shareholder. For registered shareholders, if no election is received by 17 January 2024 or if an election for the Email Option is received containing a non-functional email address which results in a "non-delivery message" when sending the notification of publication, a printed form of the notification letter will be sent by post to the registered Shareholder notifying them of the publication of the Prospectus on the Websites. For non-registered shareholders, if no email address has been provided via HKSCC, a printed form of the notification letter will be sent to them by post at their address as provided by HKSCC.

The PAL, as actionable corporate communication, shall be sent to the Qualifying Shareholders in printed form.

Application for all or any part of a Qualifying Shareholder's entitlement to the Rights Shares should be made by completing the PAL and lodging the same with a cheque drawn on an account with, or a banker's cashier order issued by, a licensed bank in Hong Kong for the Rights Shares being applied for with the Registrar at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong on or before the Latest Time for Acceptance.

The Qualifying Shareholders who take up their pro-rata entitlement in full will not experience any dilution to their interests in the Company. **If a Qualifying Shareholder does not take up any of his/ her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.**

For Shareholders with an address outside Hong Kong on the register of members of the Company at the close of business on the Record Date, please refer to the paragraph headed "Non-Qualifying Shareholders" below.

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Non-Qualifying Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. As at the Latest Practicable Date, there were no Overseas Shareholders with registered addresses outside Hong Kong. Since the register of members has been closed from Monday, 22 January 2024 to Friday, 26 January 2024, there will be no Non-Qualifying Shareholders and NQS Unsold Rights Shares for the purposes of the Rights Issue.

Procedures for acceptance and payment or transfer

A PAL has been posted to the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein. If a Qualifying Shareholder wishes to take up his/her/its provisional allotment of Rights Shares in full, he/she/it must lodge the whole of this PAL intact and in accordance with the instructions printed thereon with the Registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong together with a remittance for the full amount payable on acceptance, so as to be received by the Registrar not later than 4:00 p.m. on Thursday, 15 February 2024. All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by banker's cashier orders which must be issued by, a licensed bank in Hong Kong and made payable to "**FINSOFT FINANCIAL INVESTMENT HOLDINGS LIMITED – PAL**" and crossed "**ACCOUNT PAYEE ONLY**".

It should be noted that unless the PAL, together with the appropriate remittance, has been received by the Registrar as described above by not later than 4:00 p.m. on Thursday, 15 February 2024, the PAL and all rights and entitlements hereunder will be deemed to have been declined and the relevant nil-paid Rights Shares will lapse. The Company may (at its sole and absolute discretion) treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or to transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL, or to transfer all or part of his/her/its rights to more than one person, the original PAL must be surrendered and lodged for cancellation by not later than 4:00 p.m. on Friday, 2 February 2024 with the Registrar, Union Registrars Limited, at Suites 3301-04, 33/F., Two Chinachem Exchange Square, 338 King's Road, North Point, Hong Kong, who will cancel the original PAL and issue new PALs in the denominations as required. The new PALs will be available for collection from the Registrar at the above address after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

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The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders.

Share certificates of the Rights Shares and refund cheques for the Rights Issue

Subject to fulfilment of the conditions of the Rights Issue, share certificate for the fully-paid Rights Shares are expected to be sent on Wednesday, 28 February 2024 to those entitled thereto by ordinary post, at their own risk, to their registered addresses. Each allottee will receive one share certificate for all allotted Rights Shares.

If the Rights Issue does not become unconditional, refund cheques, without interest, in respect of application monies received are expected to be despatched on or before Wednesday, 28 February 2024 by ordinary post at the respective Shareholders' own risk to the registered address of the relevant applicant, or in case of joint applicants, to the address of the first-named person.

Fractional entitlement to the Rights Shares

On the basis of the provisional allotment of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

Application for listing

An application has been made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) to be issued and allotted pursuant to the Rights Issue, upon the Rights issue becoming effective.

Dealing in the Rights Shares in both their nil-paid and fully-paid forms which are registered in the register of members of the Company in Hong Kong will be in the board lots of 10,000 Rights Shares.

Rights Shares will be eligible for admission into CCASS

Subject to the granting of the listing of, and the permission to deal in, the Rights Shares (in both their nil-paid and fully-paid forms) on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares (in both their nil-paid and fully-paid forms) will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from their respective commencement dates of dealings on the Stock Exchange, or such other dates as determined by HKSCC.

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Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their licensed securities dealer(s) or other professional adviser(s) for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Stamp duty and other applicable fees and charges

Dealings in the Rights Shares in both nil-paid and fully-paid forms will be subject to the payment of stamp duty, the Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy or any other applicable fees and charges in Hong Kong.

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the fully-paid Rights Shares and, regarding Non-Qualifying Shareholders, their receipt of the net proceeds, if any, from sales of the nil-paid Rights Shares on their behalf.

Procedures in respect of the Unsubscribed Rights Shares, the NQS Unsold Rights Shares and the Compensatory Arrangements

Pursuant to Rule 10.31(1)(b) of the GEM Listing Rules, the Company has made arrangements to dispose of the Unsubscribed Rights Shares, comprising the Rights Shares that are not subscribed by the Qualifying Shareholders, and the NQS Unsold Rights Shares, by offering the Unsubscribed Rights Shares and NQS Unsold Rights Shares to independent placees who are not Shareholders by way of a placing for the benefit of the relevant No Action Shareholders. As the Compensatory Arrangements are in place, there will be no excess application arrangements in relation to the Rights Issues as stipulated under Rule 10.31(1)(a) of the GEM Listing Rules.

The Company has appointed the Placing Agent to place the Unsubscribed Rights Shares and the NQS Unsold Rights Shares after the Latest Time for Acceptance to independent placees on a best efforts basis, and any premium over the aggregate amount of (i) the Subscription Price for those Rights Shares; and (ii) the expenses of the Placing Agent (including any other related expenses or fees), that is realised from the Placing will be paid to those No Action Shareholders. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Tuesday, 20 February 2024, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares and the NQS Unsold Rights Shares at a price not less than the Subscription Price. Any Unsubscribed Rights Shares and/or NQS Unsold Rights Shares which are not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly.

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Net Gain (if any) will be paid on pro-rata basis (on the basis of all Unsubscribed Rights Shares and NQS Unsold Rights Shares) to the No Action Shareholders (but rounded down to the nearest cent) as set out below:

- (1) the Qualifying Shareholders who did not subscribe for the Rights Shares (whether partially or fully) under the PALs and their renounees;
- (2) such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed; and
- (3) the Non-Qualifying Shareholders in respect of the NQS Unsold Rights Shares.

It is proposed that the Net Gain to any of the No Action Shareholder(s) mentioned in (1) to (3) above which is in an amount equal to or greater than HK\$100 will be paid to them in Hong Kong Dollars only and the Company will retain individual amounts of less than HK\$100 for its own benefit.

Conditions of the Rights Issue

The Rights Issue will be conditional upon:

- (i) the passing by the Shareholders (or the Independent Shareholders, as the case may be) at the EGM of the necessary resolution(s) to approve the Increase in Authorised Share Capital, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by no later than the Prospectus Posting Date;
- (ii) the Increase in Authorised Share Capital of the Company having become effective;
- (iii) the submission to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other accompanying documents required) and otherwise in compliance with the GEM Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Prospectus Posting Date;
- (iv) to the extent permitted under all applicable laws and regulations and the Company's constitutional documents, the Prospectus being made available on the Company's website and the Stock Exchange's website and the sending of provisional allotment letter to the Qualifying Shareholders on or before the Prospectus Posting Date;

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- (v) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in all the Rights Shares (in their nil-paid and fully-paid forms); and
- (vi) the Placing Agreement not being terminated.

The Company shall use all reasonable endeavours to procure the fulfilment of all the above conditions by the respective dates specified above. If any of the conditions above are not fulfilled, the Rights Issue will not proceed.

The conditions are incapable of being waived. If any of the above conditions is not satisfied at or prior to the respective time stipulated therein, the Rights Issue will not proceed.

As at the Latest Practicable Date, conditions (i) and (ii) have been satisfied and conditions (iii) and (iv) above are expected to have been fulfilled on the Prospectus Posting Date.

THE PLACING AGREEMENT

On 5 December 2023 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to procure Placee(s), on a best efforts basis, to subscribe for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares as part of the Compensatory Arrangements.

Details of the Placing Agreement are summarised as follows:

- Date : 5 December 2023 (after trading hours of the Stock Exchange)
- Issuer : The Company
- Placing Agent : Minerva Holding Financial Securities Limited was appointed as the Placing Agent to procure, on a best efforts basis, Placees to subscribe for the Unsubscribed Rights Shares and the NQS Unsold Rights Shares.

The Placing Agent confirmed that each of it and its ultimate beneficial owner(s) is independent of and not connected with the Company and its connected persons or any of their respective associates.
- Placing fee : 3.5% of the aggregate placing price of the Unsubscribed Rights Shares successfully placed by or on behalf of the Placing Agent.

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Placing price : The placing price of each of the Unsubscribed Rights Shares and/or the NQS Unsold Rights Shares (as the case may be) shall be not less than the Subscription Price.

The determination of the final price is dependent on the demand and market conditions for the Unsubscribed Rights Shares and/or the NQS Unsold Rights Shares during the process of Placing.

Placees : The Unsubscribed Rights Shares and the NQS Unsold Rights Shares are expected to be placed to the Placee(s) who and whose ultimate beneficial owner(s) shall be the Independent Third Party(ies).

Ranking : Unsubscribed Rights Shares and the NQS Unsold Rights Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the Shares then in issue.

Conditions precedent : The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled (or being waived by the Placing Agent in writing, if applicable):

- (1) the passing by the Shareholders (or the Independent Shareholders, as the case may be) at the EGM of the necessary resolution(s) to approve the Increase in Authorised Share Capital, the Rights Issue, the Placing Agreement and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by no later than the Prospectus Posting Date;
- (2) the Increase in Authorised Share Capital having become effective;
- (3) the GEM Listing Committee of the Stock Exchange having granted or having agreed to grant the listing of, and permission to deal in the Rights Shares;
- (4) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of the Placing Agreement and the transactions contemplated thereunder having been obtained;

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- (5) the Placing Agreement not having been terminated in accordance with the provisions thereof, including provisions regarding the force majeure events; and
- (6) to the extent permitted under all applicable laws and regulations and the Company's constitutional documents, the Prospectus being made available on the Company's website and the Stock Exchange's website and sending of the PAL to the Qualifying Shareholders.

Placing Completion Date : The third Business Day after the Latest Placing Time or such other date as the Company and the Placing Agent may agree in writing.

Termination : If, prior to the Latest Placing Time:

- (1) in the reasonable opinion of the Placing Agent, the success of the Placing would be materially and adversely affected by:
 - (a) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Placing Agent materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Placing; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof), of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or

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- (c) any materially adverse change in the business or in the financial or trading position of the Group as a whole; or
 - (d) there occurs or comes into effect the imposition of any moratorium, suspension or material restriction on trading in the Shares generally on the Stock Exchange due to exceptional financial circumstances or otherwise; or
- (2) any material adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or restriction of trading in securities, and a change in currency conditions which includes a change in the system under which the value of the Hong Kong currency is pegged with that of the currency of the United States of America) occurs in Hong Kong, the United States of America or the PRC which in the reasonable opinion of the Placing Agent makes it inexpedient or inadvisable to proceed with the Placing,

the Placing Agent shall be entitled, without any liability to the Company, by notice in writing to the Company served prior to the Latest Placing Time, to terminate the Placing Agreement.

The terms of the Placing Agreement (including the placing commission) were determined after arm's length negotiation between the Placing Agent and the Company and are on normal commercial terms with reference to, among other things, (i) the prevailing market rate of placing commission as announced by other listed companies on the Stock Exchange; (ii) the lack of interest from other placing agents to take part in the exercise given the existing financial position of the Group, the size of the Rights Issue, and the current and expected bearish market conditions in Hong Kong; and (iii) the Group's existing finance cost on debt financing.

The Placing Agent shall ensure that the Placing Shares are placed (i) only to institutional, corporate or individual investors who and whose ultimate beneficial owners shall be Independent Third Parties; (ii) such that the Placing will not have any implication under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing; and (iii) such that the Placing will not result in the Company

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incapable of complying with the Public Float Requirements under the GEM Listing Rules immediately following the Placing. The Company will continue to comply with the Public Float Requirements under Rule 11.23(7) of the GEM Listing Rules and the Placing will not have any implication under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing.

Given that the Compensatory Arrangements would provide (1) a distribution channel of the Unsubscribed Rights Shares and the NQS Unsold Rights Shares to the Company; (2) a channel of participation in the Rights Issue for independent investors; and (3) a compensatory mechanism for No Action Shareholders, the Directors consider that the Compensatory Arrangements are fair and reasonable and would provide adequate safeguard to protect the interest of the Company's minority Shareholders.

SHAREHOLDING STRUCTURE OF THE COMPANY

For illustration purposes only, assuming there is no change in the number of Shares in issue from the Latest Practicable Date and up to and including the date of completion of the Rights Issue, the table below sets out the shareholding structure of the Company immediately before and after the completion of the Rights Issue:

	As at the Latest Practicable Date		Immediately after completion of the Rights Issue assuming all Shareholders take up their respective entitlements to the Rights Shares in full		Immediately after completion of the Rights Issue assuming none of the Shareholders have taken up any of their entitlement to Rights Shares with all the Placing Shares placed to Independent Third Parties under the Placing	
	Number of Shares held	Approximate %	Number of Shares held	Approximate %	Number of Shares held	Approximate %
Ms. Tin Yat Yu Carol (Note 1)	36,467,000	28.93%	145,868,000	28.93%	36,467,000	7.23%
Mr. Chan Sek Keung Ringo (Note 2)	6,768,000	5.37%	27,072,000	5.37%	6,768,000	1.34%
Placees (Note 3)	-	-	-	-	378,174,702	75.00%
Other Public Shareholders	<u>82,823,234</u>	<u>65.70%</u>	<u>331,292,936</u>	<u>65.70%</u>	<u>82,823,234</u>	<u>16.43%</u>
Total	<u>126,058,234</u>	<u>100.00%</u>	<u>504,232,936</u>	<u>100.00%</u>	<u>504,232,936</u>	<u>100.00%</u>

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Notes:

1. Ms. Tin is the chairman of the Board and an executive Director of the Company directly interested in 36,467,000 Shares.
2. Mr. Chan is interested in (i) 6,168,000 Shares as a beneficial owner; and (ii) 600,000 Shares held by Woodstock Management Limited, a company incorporated in the British Virgin Islands which is wholly-owned by Mr. Chan. By virtue of the SFO, Mr. Chan is deemed or taken to be interested in all the Shares of the Company held by Woodstock Management Limited.
3. Pursuant to the terms of the Placing Agreement, the Placing Shares are expected to be placed to placee(s), who and whose ultimate beneficial owner(s) shall be Independent Third Party(ies). The Placing Agent will conduct the Placing in a manner so that the Company will be in compliance with the Public Float Requirements and that no Shareholder will, as a result of the Placing, trigger any GO Obligation.
4. The above percentage figures are subject to rounding adjustments.

FUND RAISING ACTIVITIES OF THE COMPANY IN THE PAST 12 MONTHS

The Company has not conducted any equity fund raising activities in the past 12 months immediately before the date of this Prospectus.

RISK FACTORS

In compliance with the GEM Listing Rules, the Company sets out below the risk factors of the Group for the Shareholders' attention. The Directors believe that there are certain risks involved in the operations of the Group, which includes but is not limited to, the following:

Reliance on financial trading software solution business

The Group's revenue is mainly derived from the provision of financial trading software solutions with the principal products being trading and settlement systems of financial products for financial institutions. The Group's ability to maintain its revenue stream depends on its capability to continue the existing contracts as well as secure new contracts. Accordingly, the Group's revenue will fluctuate depending on the number of contracts secured by it.

The Group has entered into service contracts with its customers for the licensing, maintenance and customization of its software systems. However, the Group cannot assure that the existing customers will continue to engage the Group's trading software systems for their business. If the Group fails to continue the existing contracts or secure additional contracts from these customers, and the Group is unable to enter into contracts with new customers on comparable terms or at all, the Group's business, results of operations and financial condition could be adversely affected.

LETTER FROM THE BOARD

Concentration of expertise within the Group

The Group's success depends considerably on its experienced technical staff members, including but not limited to, those staff members responsible for the development and enhancement of the Group's products. Such staff members are continuously in great demand in the labour market as the financial software products industry is highly competitive. Therefore, the Group's future success depends on its ability to continue to attract and retain highly qualified technical and managerial staff with the appropriate technical expertise and domain knowledge of the financial industry. In the event that the Group's competitors offer more attractive compensation packages, the Group may not be able to retain them to sustain its business growth, or its staff expenses in relation thereto may increase substantially, both of which could have a material adverse effect on the Group's business and financial result.

Competition within the financial and brokerage industry

The Group currently develops, sells and leases its products and services to market participants in the financial and brokerage industry. The financial and brokerage industry is characterised by intensive competition, especially with the lifting of the minimum commission fee restrictions. Intensive competition in the financial and brokerage industry will inevitably affect the profit margins of market participants and may consequently affect such participants' willingness to invest in new technologies or to expand their current usage of existing technologies. This may adversely affect the Group's business development. Traditional small-to-medium sized brokerage firms, including the Group's target customers, may face competition from larger brokers that have more capital, resources or experience. The possible emergence of consolidation of the brokerage industry in Hong Kong may lead to reduction in the number of the players in the industry. Should the number of the Group's potential and existing customers or their size of operations decrease, the Group's existing business and future growth potential may be adversely affected.

Protection of the Group's intellectual property rights

The Group's business development and continuous success depends to a large extent on its ability to protect its intellectual property rights. It may be possible for a third party to copy or otherwise obtain and use the Group's proprietary technology without its authorisation, or to develop similar technology independently. Policing unauthorised use of the Group's proprietary technology is difficult and the Group cannot assure Shareholders that the steps to be taken by the Group will prevent misappropriation or infringement of the Group's proprietary technology. In addition, litigation may be necessary in the future to enforce the Group's intellectual property rights, protect the Group's trade secrets or determine the validity and scope of the proprietary rights of others, all of which could result in substantial costs, diversion of the Group's resources and the Group management's time and, as a result, significantly harm the Group's business.

LETTER FROM THE BOARD

Risks which are relevant to the macro environment which may affect the Group's businesses

The business operations of the Group are primarily based in Hong Kong. Accordingly, the Group's operating results, financial position and prospects could be adversely affected by economic, political and legal developments in Hong Kong. Any changes in the economic or political environment of Hong Kong (including, but not limited to, government policies, political instability, expropriation, laws, labour activism, war, civil unrest, terrorism, and changes in interest rates, foreign exchange rates, taxation, environmental regulations and import and export duties and restrictions) may adversely affect the Group's business and results of operations as well as its ability to sustain its expansion strategies and thus future growth.

Credit risk of money lending business

The Group's money lending business is exposed to risks due to the inability and unwillingness of customers or counterparties to meet their respective contractual obligations on payment of interest and/or principal.

The risks of losses will be higher for unsecured loans in the event of default. In addition, the exposure to risks associated with the fluctuation of interest rates and change of monetary policies, which may be affected by external factors, such as the economic, political and social conditions both locally and globally, are beyond the Group's control.

Volatility and uncertainties of the securities market in Hong Kong

For the Group's business of trading of securities in Hong Kong, the Group aims at maximising the profits of the Company for the Shareholders and will revamp its investment strategy and explore securities investment opportunities with due care and diligence. Due to the volatility and uncertainties of the securities market in Hong Kong, the Company may suffer loss on securities trading if the investment strategy that the Group has adopted does not fit the current market conditions.

Trends in property market in Hong Kong

For the Group's property investment in Hong Kong, the trends in the property market sentiment and conditions, political developments, governmental regulations and changes in planning or tax laws or levels of interest rates Hong Kong may affect the property value and rental values of the properties owned by the Group and thus may pose risks to the Group's businesses, financial condition, results of operations or growth prospects.

LETTER FROM THE BOARD

Risks relating to the Share price

The price and trading volume of the Shares are determined by demand and supply of investors for the Shares in the public market and may be highly volatile. Factors such as variations in the Group's revenue, earnings and cash flows, changes in or challenges to its business, announcements of new investments, acquisitions or disposals, the depth and liquidity of the market for the Shares, investors' perceptions of the Group and general political, economic, social and market conditions both globally and in Hong Kong could cause the market price of the Shares to change substantially.

Risk relating to the Rights Issue

Under the Placing Agreement, the Placing Agent is entitled to terminate its obligations by giving notice in writing to the Company upon the occurrence of certain events under the Placing Agreement on or before the Latest Time for Termination. Should the Rights Issue proceed as intended, the shareholding interest of the existing Shareholders in the Company will be diluted if they do not or cannot subscribe for the Rights Shares which they are entitled to. Additional risks and uncertainties not presently known to the Directors, or not expressed or implied above, or the Directors currently deem immaterial, may also adversely affect the Group's business, operating results and financial condition in a material aspect.

REASONS FOR THE RIGHTS ISSUE AND USE OF PROCEEDS

The Company is principally engaged in investment holding and the Group is principally engaged in provision of financial trading software solutions, provision of other IT and internet financial platforms services, money lending business and asset investments in Hong Kong.

The estimated net proceeds of the Rights Issue (after deduction of expenses) if the Rights Issue is subscribed in full is expected to amount to approximately HK\$26.2 million (assuming no change in the number of Shares in issue on or before the Record Date).

Apart from the Rights Issue, the Directors have considered other debt or equity fundraising alternatives such as bank borrowings, placing or an open offer. The Directors note that bank borrowings, if available, carry additional interest costs and create pressure to the liquidity of the Company, and placing of new shares dilutes the interests of existing Shareholders without giving them the opportunity to take part in the exercise. As opposed to an open offer, the Rights Issue enables the Shareholders to sell the Nil-Paid Rights in the market. The Rights Issue will give the Qualifying Shareholders the opportunity to maintain their respective pro-rata shareholding interests in the Company and to continue to participate in the future development of the Group. Having considered the above alternatives, the Directors are of the view that the Rights Issue is in the best interests of the Company and the Shareholders as a whole and that the Rights Issue is an appropriate fundraising method to strengthen the capital base of the Company, which in turn will support the Company's continuing development and business growth, while allowing the Qualifying Shareholders to maintain their proportional shareholdings in the Company.

LETTER FROM THE BOARD

Assuming full subscription under the Rights Issue, the Company intends to apply the net proceeds of approximately HK\$26.2 million as follows:

- (i) approximately HK\$9.4 million will be utilised to support the research and development centre in Qianhai, PRC (“**Qianhai R&D Centre**”). This budget will be deployed for various operating costs for recruitment of staff, office rental, system customisation and integration between Hong Kong and the Qianhai R&D Centre, business development and marketing as well as equipment and infrastructure for the Qianhai R&D Centre.

The Group has long been suffering from high employee turnover rate for its Hong Kong staff. Based on the management’s experience, retaining high calibre technical staff in Hong Kong has been costly given that the Group’s remuneration packages have to stay competitive to keep up with offers received by local staff from other competing technology companies, large investment banks or securities firms. The Group had already set up a trial research and development site in Qianhai since April 2023 through a human resources agency to evaluate if talent in the PRC would fit the Group’s requirement and the result was satisfactory. The management of the Group considers that formally setting up the Qianhai R&D Centre is in the interest of the growth and development of the Group.

The primary objectives for formally establishing the Qianhai R&D Centre are as follows: (i) expanding the scale of the IT and consultancy team in the PRC, under the supervision and technical backup of Hong Kong team, to better support the Group’s existing banking and securities firm clients in a more cost effective manner; (ii) upgrading the Group’s IT system in the PRC and developing products that fulfill the requirements of diverse potential clientele; and (iii) alleviate the challenge of recruiting and retaining high calibre technical staff in Hong Kong. Qianhai has been chosen by the Group as the location for several reasons: (1) skilled programmers and labour with relevant experience and education in Qianhai are relatively cost-effective compared to local talents in Hong Kong; (2) a larger pool of potential candidates are eager to join as demonstrated during the Group’s recruitment exercises in Qianhai; (3) office rental space in Qianhai is more affordable, contributing to cost savings; and (4) establishing a research and development centre in the PRC would enhance the Group’s access to the Greater Bay Area and potentially expand its client base. By strategically replicating and migrating the Group’ presence from Hong Kong into Qianhai, the Group aims to leverage the advantages of cost-effectiveness, talent availability, and geographical reach. The move will ultimately support the Group’s growth and enable it to meet the evolving needs of its clients.

LETTER FROM THE BOARD

- (ii) approximately HK\$7.1 million will be devoted to expanding the customer support, product development, and research and compliance teams in Hong Kong and supporting these teams with relevant equipment and infrastructure. This budget will be dedicated to (i) hiring additional personnel to support the growth and development of these teams; and (ii) acquiring new hardware and software to support the existing Hong Kong operations, including purchasing new units of developer PCs, servers, and software licenses. By increasing the headcount, the Group will be able to improve response times, address customer inquiries more efficiently, and ensure a higher level of customer satisfaction. Allocating resources to the product development team signifies our commitment to cover innovative financial products accepted by market as well as local regulators, including but not limited to wealth management, crypto and blockchain related products. The additional staff members will contribute their expertise and fresh perspectives to drive the development of new features, enhancements, and solutions that meet the evolving needs of the market. Investing in the research and compliance team is essential for staying at the forefront of industry trends, explore technological advancements and identify opportunities for product improvement and future growth while fulfilling the relevant compliance requirements.
- (iii) approximately HK\$7.2 million will be allocated to developing new IT system products to explore business opportunities in other geographical locations, such as Southeast Asia. Based on feedback from potential customers, the Group sees potential for creating products tailored to the needs of banking clients in the region. Areas of interest include system software for integrated back office systems, US stock option trading, fractional share trading, and bank integration. These products aim to address the unique requirements of banking clients and provide them with enhanced efficiency and capabilities. By investing in the development of these new IT system products, the Group aims to tap into the potential market in Southeast Asia and meet the evolving requirements of banking clients in the region.
- (iv) the remaining balance of the net proceeds from the Rights Issue would be used for the general working capital of the Group.

In the event of an undersubscription of the Rights Issue, the net proceeds will be utilised on a pro-rata basis as set out above.

LETTER FROM THE BOARD

GEM LISTING RULES IMPLICATIONS

As the Rights Issue will increase the issued share capital of the Company by more than 50%, in accordance with Rule 10.29(1) of the GEM Listing Rules, the Rights Issue must be made conditional on, among other things, the approval by the Independent Shareholders in general meeting by a resolution at which any controlling shareholders and their associates or where there are no controlling shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the Rights Issue.

As at the Latest Practicable Date, the Company has no controlling shareholder, and as such the Directors (excluding the independent non-executive Directors) and the chief executive of the Company, and their respective associates shall abstain from voting in favour of the proposed resolution approving the Rights Issue in accordance with Rule 10.29(1) of the GEM Listing Rules. As at the Latest Practicable Date, Ms. Tin Yat Yu Carol, the chairman of the Board and an executive Director, owns approximately 28.93% of the issued Shares. Accordingly, Ms. Tin was required to abstain from voting in favour of the proposed resolution to approve the Rights Issue and the Placing Agreement at the EGM. Save for Ms. Tin's interest in the Shares, no other Director or chief executive of the Company and their respective associates are interested in any Shares as at the Latest Practicable Date.

The resolution approving the Rights Issue, Placing Agreement and the transactions contemplated thereunder was duly passed at the EGM by the independent Shareholders by way of poll (with Ms. Tin abstaining from voting on the resolution).

The Company has not conducted any rights issue or open offer within the 12-month period immediately preceding the Latest Practicable Date, or prior to such 12-month period where dealing in respect of the Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities within such 12-month period.

The Rights Issue does not result in a theoretical dilution effect of 25% or more on its own. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

TAXATION

Shareholders are advised to consult their professional advisers if they are in doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the Nil-Paid Rights or the fully paid Rights Shares and, regarding the Non-Qualifying Shareholders, their receipt of the Net Gain, if any, from sales of the Nil-Paid Rights on their behalf.

LETTER FROM THE BOARD

WARNING OF THE RISKS OF DEALING IN SHARES AND RIGHTS SHARES IN NIL-PAID FORM

The Rights Issue is conditional upon the fulfilment of certain conditions, including, among others, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed “Letter from the Board – Conditions of the Rights Issue” in this Prospectus.

Shareholders and potential investors of the Company should note that each of the Rights Issue and the Placing is subject to the fulfilment of certain conditions. If any of the conditions of the Rights Issue and/or the Placing are not fulfilled, the Rights Issue and/or the Placing will not proceed.

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. Subject to fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed regardless of the ultimate subscription level. In the event the Rights Issue is undersubscribed, any Unsubscribed Rights Shares will be placed to independent Placees under the Compensatory Arrangements. Any Unsubscribed Rights Shares not placed under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. Investors are advised to exercise caution when dealing in the Consolidated Shares.

Any party (including Shareholders and potential investors of the Company) who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s). Any Shareholder or other person dealing in the Shares or in the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Prospectus.

By order of the Board of
Finsoft Financial Investment Holdings Limited
Ms. Tin Yat Yu Carol
Chairman

1. SUMMARY OF FINANCIAL INFORMATION OF THE GROUP

The audited financial information of the Company are disclosed in the annual reports of the Company for the three financial years ended 31 December 2020, 2021 and 2022 and the unaudited financial information of the Company are disclosed in the quarterly report of the Company for the three months ended 31 March 2021, the interim report for the six months ended 30 June 2023 and third quarterly report of the Company for the nine months ended 30 September 2023. The above-mentioned financial information have been published and is available on the website of the Stock Exchange (www.hkex.com.hk) and the Company's website (<https://www.finsofthk.com>):

- a) annual report of the Company for the year ended 31 December 2020 published on 30 March 2021 (pages 57 to 167)

(<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0330/2021033000660.pdf>)
- b) annual report of the Company for the year ended 31 December 2021 published on 30 March 2022 (pages 64 to 179)

(<https://www1.hkexnews.hk/listedco/listconews/gem/2022/0330/2022033000868.pdf>)
- c) annual report of the Company for the year ended 31 December 2022 published on 29 March 2023 (pages 66 to 183)

(<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0329/2023032900692.pdf>)
- d) quarterly report of the Company for the three months ended 31 March 2023 published on 12 May 2023 (pages 2 to 10)

(<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0512/2023051200915.pdf>)
- e) interim report of the Company for the six months ended 30 June 2023 published on 11 August 2023 (pages 2 to 26)

(<https://www1.hkexnews.hk/listedco/listconews/gem/2023/0811/2023081101000.pdf>)
- f) third quarterly report of the Company for the nine months ended 30 September 2023 published on 10 November 2023 (pages 2 to 10)

(<https://www1.hkexnews.hk/listedco/listconews/gem/2023/1110/2023111000698.pdf>)

2. INDEBTEDNESS OF THE GROUP

As at the close of business on 30 November 2023, being the latest practicable date for the purpose of ascertaining information contained in this statement of indebtedness prior to the publication of this prospectus, the details of the Group's indebtedness are as follows:

	As at 30 November 2023 <i>HK\$'000</i>
Current	
Lease liabilities	HK\$3,358
Non-current	
Lease liabilities	<u>HK\$2,266</u>
	<u><u>HK\$5,624</u></u>

Save as aforesaid or as otherwise disclosed herein, and apart from intra-group liabilities and normal payables and accruals in the ordinary course of business, the Group did not have any bank overdrafts or loans, or other similar indebtedness, guarantees, material capital commitment or other material contingent liabilities outstanding as at the close of business on 30 November 2023.

3. WORKING CAPITAL STATEMENT

Taking into account the financial resources available to the Group including the estimated net proceeds from the Rights Issue of approximately HK\$26.2 million, cash and cash equivalents on hand, cash flows from operating activities and available banking facilities, the Directors are of the opinion that the Group will have sufficient working capital for its present requirements for at least the next twelve months from the date of this prospectus.

The Company has obtained the relevant confirmation as required under Rule 19.66(13) of the GEM Listing Rules.

4. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since 31 December 2022, being the date to which the latest published audited consolidated financial statements of the Group were made up.

5. BUSINESS TREND AND FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Company is principally engaged in investment holding and the Group is principally engaged in provision of financial trading software solutions, provision of other IT and internet financial platforms services, money lending business and asset investments in Hong Kong.

The Group's principal operating subsidiary, iAsia Online Systems Limited (“iAsia”), which engaged in the financial trading software solutions business division, has built up a reputation in the financial trading software solutions industry in Hong Kong and has a well-established client base of sizeable banks and brokerage firms.

During the nine months ended 30 September 2023, the financial trading software solutions business division remained the key source of income of the Group. The unaudited segment revenue from external customers contributed by iAsia amounted to approximately HK\$39,668,000 representing a decrease of 5.7% as compared to approximately HK\$42,070,000 for the same period in previous year.

In order to maintain the Group's competitiveness in the market, the Group will continue to keep up with market trends and industry requirements and focus on improving its operational efficiency. The Board believes that the establishment of the Qianhai R&D Centre and other development plans as discussed in the section headed “Reasons for the Rights Issue and Use of Proceeds” in this prospectus would enable the Group to improve its future financial performance. The Group will continue to review and implement its business plan to enhance its market share, image, recognition and market reputation.

A. STATEMENT OF UNAUDITED PRO FORMA ADJUSTED CONSOLIDATED NET TANGIBLE ASSETS OF THE GROUP

The unaudited pro forma statement of adjusted consolidated net tangible assets of the Group attributable to owners of the Company (the “**Unaudited Pro Forma Financial Information**”) as at 31 December 2022 has been prepared by the Directors in accordance with paragraph 7.31 of the GEM Listing Rules to illustrate the effect of the proposed Rights Issue on the unaudited consolidated net tangible assets of the Group attributable to owners of the Company as if the Rights Issue had taken place on 31 December 2022.

The Unaudited Pro Forma Financial Information is prepared for illustrative purposes only, and because of its hypothetical nature, it may not reflect a true picture of the unaudited consolidated net tangible assets of the Group attributable to owners of the Company immediately after the completion of the Rights Issue.

The Unaudited Pro Forma Financial Information is prepared based on the consolidated net tangible assets of the Group attributable to owners of the Company derived from the consolidated statement of financial position of the Group as at 31 December 2022, as extracted from the published annual report of the Company for the year ended 31 December 2022, after incorporating the adjustments described in the accompanying notes.

	Estimated net proceeds from Rights Issue (Note 2) HK\$'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to equity holders of the Company after the completion of the Rights Issue (Note 4) HK\$'000	Consolidated net tangible assets per Share attributable to equity holders of the Company as at 31 December 2022 (Note 3) HK\$	Unaudited pro forma adjusted consolidated net tangible assets per Share attributable to equity holders of the Company after the completion of the Rights Issue (Note 4) HK\$
Rights Issue of 378,174,702 Rights Shares to be issued at the Subscription Price of HK\$0.074 per share	63,503	26,232	89,735	0.504
	0.178			0.178

Notes:

- 1) The amount is determined based on the consolidated net tangible assets of approximately HK\$63,503,000 after deducting non-controlling interests of approximately HK\$2,325,000 as at 31 December 2022, which is extracted from the consolidated statement of financial position of the Group as at 31 December 2022 in the published annual report of the Company.
- 2) The estimated net proceeds from the Rights Issue are based on the number of 378,174,702 Rights Shares to be issued at the Subscription Price of HK\$0.074 per Rights Share, after deduction of the estimated related expenses, including among others, transaction fees, which are directly attributable to the Rights Issue, of approximately HK\$1,753,000.
- 3) The calculation of the consolidated net tangible assets per Share attributable to equity holders of the Company as at 31 December 2022 is determined based on the consolidated net tangible assets of the Group attributable to equity holders of the Company of approximately HK\$63,503,000 divided by the number of Shares of 126,058,234 as at 31 December 2022.
- 4) The unaudited pro forma adjusted consolidated net tangible assets of the Group after the completion of the Rights Issue per share is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company as at 31 December 2022 for the Rights Issue of approximately HK\$89,735,000 divided by 504,232,936 shares which comprise 126,058,234 shares in issue as at 31 December 2022 and 378,174,702 Rights Shares to be issued after the completion of the Rights Issue.
- 5) No adjustments have been made to the Unaudited Pro Forma Financial Information to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2022.

**B. INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE
COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

10/F., 8 Observatory Road,
Tsim Sha Tsui,
Kowloon,
Hong Kong

To the Board of Directors of Finsoft Financial Investment Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Finsoft Financial Investment Holdings Limited (the “**Company**”) and its subsidiaries (hereinafter collectively referred to as the “**Group**”) by the directors of the Company (the “**Directors**”) for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma consolidated net tangible assets as at 31 December 2022, and related notes (the “**Unaudited Pro Forma Financial Information**”) as set out on pages II-1 to II-2 of the prospectus dated 29 January 2024 issued by the Company (the “**Prospectus**”). The applicable criteria on the basis of which the Directors have compiled the Unaudited Pro Forma Financial Information are described in the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the Directors to illustrate the impact of the proposed rights issue of 378,174,702 rights shares at the subscription price of HK\$0.074 per rights share on the basis of three rights shares for every one existing share of the Company held on the record date (the “**Rights Issue**”) on the Group’s financial position as at 31 December 2022 as if the Rights Issue had taken place as at 31 December 2022. As part of this process, information about the Group’s net tangible assets has been extracted by the Directors from the Group’s consolidated statement of financial position as at 31 December 2022, on which an annual report has been published.

Directors’ responsibility for the Unaudited Pro Forma Financial Information

The Directors are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and with reference to Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” (“**AG 7**”) issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

Our independence and quality control

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Control 1 “Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements” issued by the HKICPA, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting accountants’ responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the Directors have compiled the Unaudited Pro Forma Financial Information in accordance with paragraph 7.31 of the GEM Listing Rules and with reference to AG 7.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of Unaudited Pro Forma Financial Information included in the Prospectus is solely to illustrate the impact of the Rights Issue on unadjusted financial information of the Group as if the Rights Issue had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Rights Issue would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the Directors in the

compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the Rights Issue, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the Rights Issue in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Financial Information has been properly compiled on the basis stated;
- (b) such basis is consistent with the accounting policies of the Group; and
- (c) the adjustments are appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 7.31(1) of the GEM Listing Rules.

Yours faithfully,

Elite Partners CPA Limited
Certified Public Accountants
Hong Kong, 29 January 2024

Siu Jimmy
Practising Certificate Number: P05898

1. RESPONSIBILITY STATEMENT

This Prospectus, 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, the information contained in this Prospectus 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 Prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company (a) as at the Latest Practicable Date; and (b) immediately following the completion of the Rights Issue (assuming there is no change in the number of issued Shares and that the Rights Issue is fully subscribed or placed pursuant to the Placing Agreement) are as follows:

(a) As at the Latest Practicable Date

	Number of Shares	Nominal value of Shares
<i>Authorised:</i>	2,000,000,000 Shares of HK\$0.05 each	HK\$100,000,000.00
<i>Issued and fully paid:</i>	126,058,234 Shares of HK\$0.05 each	HK\$6,302,911.70

(b) Immediately after the completion of the Rights Issue (assuming there is no change in the number of issued Shares and that the Rights Issue is fully subscribed or placed pursuant to the Placing Agreement)

	Number of Shares	Nominal value of Shares
<i>Authorised:</i>	2,000,000,000 Shares of HK\$0.05 each	HK\$100,000,000.00
<i>Issued and fully paid:</i>	504,232,936 Shares of HK\$0.05 each	HK\$25,211,646.80

The Rights Shares, when issued and fully-paid, will be free from all liens, charges, encumbrances and third-party rights, interests or claims of any nature whatsoever and shall rank *pari passu* in all respects with the Shares then in issue, including as to the right to receive all dividends and distributions which may be declared, made or paid on or after the date of allotment of the fully-paid Rights Shares.

The Company did not have any options outstanding under any share option scheme of the Company or any other derivatives, options, warrants and conversion rights or other similar rights which are convertible or exchangeable into Shares as at the Latest Practicable Date.

The Rights Shares to be issued will be listed on the Stock Exchange. No part of the share capital or any other securities of the Company is listed or dealt in on any stock exchange other than the Stock Exchange and no application is being made or is currently proposed or sought for the Shares or the Rights Shares or any other securities of the Company to be listed or dealt in on any other stock exchange.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

3. DISCLOSURE OF INTERESTS

a) Director's and chief executive's interests and short positions in the Shares, underlying Shares and Debentures of the Company

As at the Latest Practicable Date, the interests of the Directors and the chief executives of the Company in the shares, underlying shares and debentures of the Company or any of its associated corporation (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO) or, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or which were required to be notified to the Company and the Stock Exchange, pursuant to the GEM Listing Rules relating to securities transactions by the Directors were as follows.

Long position in the Shares:

Name of Director	Capacity/nature of interest	Number of Shares interested	Approximate percentage shareholding as at the Latest Practicable Date
Ms. Tin Yat Yu Carol	Beneficial owner	36,467,000	28.93

Note: The percentage was calculated based on 126,058,234 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors or chief executive of the Company and/or any of their respective associates had or was deemed to have any interest or short position in the Shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required, pursuant to Rule 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

b) Substantial Shareholders' and other persons' interests and short positions in Shares and underlying Shares

As far as was known to any Director or chief executive of the Company, as at the Latest Practicable Date, the persons or companies (not being a Director or chief executive of the Company) who had interests or short positions in the Shares or underlying Shares which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were directly or indirectly deemed to be interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group, or any other substantial shareholders whose interests or short positions were recorded in the register required to be kept by the Company under Section 336 of the SFO were as follows.

Long position in the Shares:

Name of Director	Capacity/nature of interest	Number of Shares interested	Approximate percentage shareholding as at the Latest Practicable Date
Mr. Chan Sek Keung	Beneficial owner	6,168,000	4.89
Ringo (<i>Note 1</i>)	Interest in a controlled corporation	600,000	0.48

Notes:

- (1) Mr. Chan is interested in (i) 6,168,000 Shares as a beneficial owner; and (ii) 600,000 Shares held by Woodstock Management Limited, a company incorporated in the British Virgin Islands which is wholly-owned by Mr. Chan. By virtue of the SFO, Mr. Chan is deemed or taken to be interested in all the Shares of the Company held by Woodstock Management Limited.
- (2) The percentage was calculated based on 126,058,234 Shares in issue as at the Latest Practicable Date.

Save as disclosed above, as at the Latest Practicable Date, the Directors are not aware of any interests or short positions owned by any persons (other than the Directors or chief executives of the Company) in the shares or underlying shares of the Company which were required to be disclosed to the Company under Divisions 2 and 3 of Part XV of the SFO or which were required to be recorded in the register of the Company required to be kept under section 336 of the SFO.

4. DIRECTORS' INTERESTS IN CONTRACTS AND ASSETS

None of the Directors was materially interested, directly or indirectly, in any contract or arrangement entered into by any member of the Group which was subsisting as at the Latest Practicable Date and which was significant in relation to the business of the Group. As at the Latest Practicable Date, none of the Directors has or had any direct or indirect interest in any assets which have been acquired or disposed of by or leased to any member of the Group or are proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2022, being the date to which the latest published audited consolidated accounts of the Group were made up.

5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors has any existing or proposed service contracts with any member of the Group which is not expiring or determinable by the Group within one (1) year without payment of any compensation, other than statutory compensation.

6. COMPETING INTERESTS

Ms. Tin Yat Yu Carol, an executive Director and the chairman of the Board, is also a director of Delta Wealth Finance Limited (which was principally engaged in money lending business from 1 January 2023 to 12 June 2023) and Delta Wealth Credit Limited (which is principally engaged in money lending business).

Save as disclosed above, as at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or controlling shareholders or their respective close associates had any business or interest which competes or may compete with the business of the Group, or have or may have any other conflicts of interest with the Group.

7. LITIGATION

Neither the Company nor any other member of the Group was engaged in any litigation or arbitration of material importance and no litigation or claim of material importance was known to the Directors to be pending or threatened against the Company or any other member of the Group as at the Latest Practicable Date.

8. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirm there is no material adverse change in the financial or trading position of the Group since 31 December 2022, being the date to which the latest published audited consolidated financial statements of the Group were made up.

9. MATERIAL CONTRACTS

The following material contracts (not being contracts entered into in the ordinary course of business carried on or intended to be carried on by the Group) were entered into by the members of the Group during the two years preceding the date of this Prospectus:

- (1) the Placing Agreement;
- (2) the agreement for sale and purchase dated 26 May 2022 entered into between Jolly World Limited, as the vendor and Finsoft Investment Management Limited, as the purchaser, in relation to the acquisition of the car parking space Nos. 10, Car Park Level CP3, Towers 26, 27, 28, 29, 30, 31, 32 and 33, No. 31 Grandeur Road, Parc Oasis, Kowloon, Hong Kong;
- (3) the agreement for sale and purchase dated 26 May 2022 entered into between Grace World Investment Limited, as the vendor and Finsoft Investment Management Limited, as the purchaser, in relation to the acquisition of the car parking space Nos. 3, Car Park Level CP3, Towers 26, 27, 28, 29, 30, 31, 32 and 33, No. 31 Grandeur Road, Parc Oasis, Kowloon, Hong Kong; and
- (4) the deed of settlement dated 30 June 2023 entered into between the Company, Oceanic Elite Holdings Limited and Ms. Chung Elizabeth Ching Yee.

10. EXPERTS AND CONSENTS

The following are the qualifications of the experts who have given their opinions, letters or advices which are contained in this Prospectus:

Name	Qualification
Elite Partners CPA Limited	Certified Public Accountants

As at the Latest Practicable Date, the Expert named above (i) has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion therein of its letter and references to its name and/or its advice in the form and context in which they respectively appear; (ii) was not beneficially interested in any share of any member of the Group nor did it have any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group; and (iii) did not have any direct or indirect interest in any assets which have been acquired, or disposed of by, or leased to any member of the Group, or are proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2022 (being the date to which the latest published audited consolidated financial statements of the Group were made up).

11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

Board of Directors

Executive Directors

Ms. Tin Yat Yu Carol

Ms. Liu Mung Ting

Ms. Lin Ting

Independent non-executive Directors

Mr. Hon Ming Sang

Ms. Lee Kwun Ling, May Jean

Mr. Tang Shu Pui Simon

Registered Office

Windward 3, Regatta Office Park

P.O. Box 1350

Grand Cayman, KY1-1108

Cayman Islands

Headquarter, head office and principal place of business in Hong Kong

Unit 708, 7th Floor, Capital Centre

151 Gloucester Road

Wanchai, Hong Kong

Compliance officer

Ms. Liu Mung Ting

Authorised representatives

Ms. Liu Mung Ting

Mr. Yu Kwan Nam Gabriel

Company Secretary

Mr. Yu Kwan Nam Gabriel (CPA)

Legal adviser to the Company	<i>As to Hong Kong law:</i> CFN Lawyers in association with Broad and Bright Room 4101-4104, 41/F, Sun Hung Kai Centre 30 Harbour Road, Wan Chai, Hong Kong <i>As to Cayman Islands law:</i> Appleby Suites 4201-03 & 12 42/F, One Island East Taikoo Place 18 Westlands Road
Reporting accountants	Elite Partners CPA Limited <i>Certified Public Accountants</i> 10/F, 8 Observatory Road Tsim Sha Tsui, Kowloon, Hong Kong
Placing Agent	Minerva Holding Financial Securities Limited Unit 1804C, 18/F Far East Finance Centre 16 Harcourt Road, Hong Kong
Hong Kong branch share registrar and transfer office	Union Registrars Limited Suites 3301-04, 33/F. Two Chinachem Exchange Square 338 King's Road, North Point, Hong Kong
Principal share registrar and transfer office in the Cayman Islands	Ocorian Trust (Cayman) Limited Windward 3, Regatta Office Park P.O. Box 1350 Grand Cayman, KY1-1108 Cayman Islands
Principal Banker	Bank of China (Hong Kong) Limited Bank of China Tower 1 Garden Road Central Hong Kong
Stock Code	8018
Company website	www.finsofthk.com

12. PARTICULARS OF DIRECTORS AND SENIOR MANAGEMENT**Executive Directors**

Ms. Tin Yat Yu Carol (“**Ms. Tin**”) (former name as Tin Yuen Sin Carol), aged 58, is an executive Director of the Company and the chairman of the Board. Ms. Tin obtained a degree of doctor of business administration honoris causa from the International American University in March 2009. Ms. Tin is an entrepreneur operating businesses including money lending business and fine dining business. Ms. Tin also has extensive experience in trading business in Hong Kong and the PRC. Ms. Tin was an executive director of Carnival Group International Holdings Limited (“**Carnival**”, formerly known as Oriental Ginza Holding Limited and CASH Retail Management Group Limited, a company listed on the Main Board of the Stock Exchange with Stock Code: 996) for the period from September 2005 to August 2011. Ms. Tin also served as the chairperson of Carnival from November 2006 to August 2011 and was responsible for the overall strategic planning and policy making. Ms. Tin served as a director of Yan Oi Tong from 2017 to 2018. She has been an executive director of Virtual Mind Holding Company Limited (a company listed on the Main Board of the Stock Exchange with Stock Code: 1520) since October 2019 and its chairman from January 2021 to January 2022. Ms. Tin is currently a director of Delta Wealth Finance Limited and Delta Wealth Credit Limited. She has been appointed as an executive director, a member of the investment committee of InvesTech Holdings Limited (a company listed on the Main Board of the Stock Exchange with Stock Code: 1087) since April 2022 and the vice-chairman of the board of directors since June 2023.

Ms. Tin is the mother of Ms. Liu Mung Ting.

Ms. Liu Mung Ting (“**Ms. Liu**”), aged 25, is an executive Director and chief executive officer of the Company. Ms. Liu obtained a degree of Bachelor of Science (Economics) from the University College London in July 2019 and a degree of Master of Science in International Business from the Hult International Business School in August 2020. Ms. Liu was a director of Wine Master Holdings Limited, a company principally engaged in wine procurement, sales, and inventory management functions from April 2020 to September 2022. She also worked as an analyst in relation to real estate private equity at M3 Capital Partners (HK) Limited, the Hong Kong office of M3 Capital Partners LLC, a global private equity capital advisory firm which advises real asset companies and fund managers on investment and private equity fund structures and strategic decisions, including restructuring, recapitalization and mergers and acquisitions, from September 2020 to July 2023, whereby she was involved in capital raising for multiple real estate private equity deals across China, Japan, Hong Kong and Vietnam totalling more than US\$3.5 billion equity raised while working with multiple clients and investors including large sovereign wealth funds, pension funds, etc.

Ms. Liu is a daughter of Ms. Tin Yat Yu Carol.

Ms. Lin Ting (“**Ms. Lin**”), aged 53, is an executive Director of the Company. Ms. Lin graduated from Shanghai University of Engineering Science (上海工程技術大學) with a Bachelor degree in Industrial Enterprise Management in 1992. She also obtained a Master degree in Technology Management in Information Technology from the Hong Kong University of Science and Technology in 2004. Ms. Lin was qualified as a project management professional by the Project Management Institute in March 2014. Ms. Lin joined the China Cargo Airlines Co., Ltd. (中國貨運航空有限公司) in August 1998 and has served as deputy general manager of the business development department since March 2009. She then joined Eastern Airlines Logistics Co., Ltd. (東方航空物流有限公司) in November 2012 as the general manager of the information department. Ms. Lin then served as general manager in the logistics product department of China Eastern Airlines Co., Ltd. (中國東方航空股份有限公司), a joint stock limited company incorporated in the PRC with limited liability whose H shares are listed on the Stock Exchange (Stock Code: 670), A shares are listed on the Shanghai Stock Exchange (Stock Code: 600115) and American depositary shares are listed on the New York Stock Exchange, Inc., and the holding company of Eastern Airlines Logistics Co., Ltd., from April 2013 to June 2015. From 7 December 2015 to 22 June 2016, Ms. Lin was an independent non-executive director of HTY Group. Ms. Lin has been appointed as an independent non-executive director of UJU Holding Limited (“**UJU Holding**”, a company listed on the Main Board of the Stock Exchange with Stock Code: 1948) since October 2021. She has been appointed as an independent non-executive director and a member of each of the audit committee, nomination committee, remuneration committee and risk management committee of Tibet Water Resources Ltd. (a company listed on the Main Board of the Stock Exchange with Stock code: 1115) since July 2022.

Independent non-executive Directors

Mr. Hon Ming Sang (“**Mr. Hon**”), aged 45, is an Independent non-executive Director and the chairman of the Audit Committee, the Remuneration Committee and Nomination Committee of the Company. Mr. Hon is a committee member of the 11th Luoding Committee of Chinese People’s Political Consultative Conference, was appointed as an independent non-executive Director and the chairman of the Audit Committee, the Remuneration Committee and the Nomination Committee on 24 June 2020. Mr. Hon graduated with an honor degree of Professional Accountancy in the School of Accountancy from The Chinese University of Hong Kong.

Mr. Hon is a CFA charterholder. He is also a member of the Hong Kong Society of Financial Analysts, a member of the Hong Kong Institute of Certified Public Accountants, a fellow member of the Association of Chartered Certified Accountants, an associate member of The Hong Kong Chartered Governance Institute and The Chartered Governance Institute. Mr. Hon has previously worked in an international audit firm and has over 14 years of

working experience in listed companies and financial institutions. He has extensive experience in corporate finance, merger and acquisition, investment and financial management and compliance services.

Mr. Hon had been an independent non-executive director of SFund International Holdings Limited (a company listed on the main board of the Stock Exchange with stock code: 1367, listing of which was cancelled on 20 September 2022) (“**SFund**”) from November 2016 to February 2017 and was re-designated as its executive director from February 2017 to August 2022. He had also been appointed as SFund’s company secretary, authorized representative and process agent from July 2017 to August 2022. Mr. Hon has been an independent non-executive director of Virtual Mind Holding Company Limited (a company listed on the Main Board of the Stock Exchange with Stock Code: 1520) since November 2016. Mr. Hon has been an independent non-executive director of Asia Energy Logistics Group Limited (a company listed on the Main Board of the Stock Exchange with Stock Code: 351) since November 2020. Mr. Hon has been appointed as an independent non-executive Director, a member of each of the audit committee and the investment committee, and the chairman of each of the compensation and benefits committee and the nomination committee of InvesTech Holdings Limited (a company listed on the Main Board of the Stock Exchange with Stock Code: 1087) with effect from 31 January 2023. Mr. Hon has been appointed as the chief financial officer and the company secretary of China Gas Industry Investment Holdings Co. Ltd. (a company listed on the Main Board of the Stock Exchange with Stock Code: 1940) since August 2022 and October 2022.

Ms. Lee Kwun Ling, May Jean (“**Ms. Lee**”) aged 62, is an Independent non-executive Director, a member of the Audit Committee, Remuneration Committee and the Nomination Committee of the Company. Ms. Lee obtained a degree of Master of Business Administration (Executive) at the City University of Hong Kong in October 2014. Ms. Lee also obtained her Doctor of Business Administration from the City University of Hong Kong in November 2018. From December 2006 to October 2012, Ms. Lee worked for King Fook Holdings Limited and her last position was director of sales and brand development, Greater China. From October 2012 to January 2015, Ms. Lee worked for Boucheron Hong Kong Limited as a retail director. Ms. Lee was a director of Yan Oi Tong, a registered nonprofit charitable organisation, from 2010 to 2014 and from 2017 to the present. Ms. Lee has been an independent non-executive director of China Brilliant Global Limited (“**China Brilliant**”) (a company listed on GEM with Stock Code: 8026) since February 2018. Ms. Lee resigned as an independent non-executive director, the chairman of the nomination committee and a member of each of the audit committee and the remuneration committee of China Brilliant with effect from 1 October 2023.

Mr. Tang Shu Pui Simon (“**Mr. Tang**”), aged 58, an Independent non-executive Director, a member of the Audit Committee, Remuneration Committee and the Nomination Committee of the Company. Mr. Tang is a practising solicitor and an accredited mediator with the Hong Kong International Arbitration Centre. He is a partner of P. C. Woo & Co., a

firm of solicitors with over 70 years of service in Hong Kong. Mr. Tang is a panel member of the Insurance Appeals Tribunal, legal advisor of the General Agents and Managers Association of Hong Kong, vice president of the Hong Kong Institute of Patent Attorneys Limited, senior legal adviser to Hong Kong Brands Protection Alliance Limited, founding member, board member and honorary legal counsel of Hong Kong-ASEAN Economic Cooperation Foundation, member of the Standing Committee on Standards and Development of the Law Society of Hong Kong, legal advisor to Kitchee (Sports Management) Limited, a co-opted member of the Executive Board of Hong Kong Air Cadet Corps, fellow member of the Hong Kong Institute of Directors, board member of Monte Jade Science and Technology Association of Hong Kong and member of Disciplinary Panel A of the Hong Kong Institute of Certified Public Accountants.

Mr. Tang has been appointed as an independent non-executive director of Virtual Mind Holding Company Limited (formerly known as Runway Global Holdings Company Limited and CEFC Hong Kong Financial Investment Company Limited, a company listed on the Main Board of the Stock Exchange with Stock Code: 1520) (“**Virtual Mind**”) since August 2016. Mr. Tang has been appointed as a member of each of the audit committee, the nomination committee, and the corporate governance committee of Virtual Mind since November 2016. Mr. Tang was a member of the remuneration committee of Virtual Mind from November 2016 to January 2021, and he has been appointed as the chairman of the remuneration committee of Virtual Mind since January 2021.

Audit Committee

The Audit Committee of the Board comprises three members, all being independent non-executive Directors. The chairperson of the committee is Mr. Hon and the other members are Ms. Lee and Mr. Tang. The primary duties of the Audit Committee are, among other matters, to review the Company’s financial information and to monitor the Company’s financial reporting system, risk management and internal control systems. The Audit Committee is also tasked with making recommendations to the Board in relation to the appointment, re-appointment and removal of external auditors, effectiveness of the internal audit functions, audit plans and relationship with external auditors and reviewing the Group’s financial and accounting policies and practices.

Senior Management

Company Secretary

Mr. Yu Kwan Nam Gabriel (“**Mr. Yu**”), graduated with a Bachelor of Business Administration in Accountancy from City University of Hong Kong. He is a member of the Hong Kong Institute of Certified Public Accountants. Mr. Yu worked in one of the major international accounting firms in Hong Kong and has over 10 years of working experience in professional accounting, financial reporting and various corporate finance projects such as initial public offerings.

Business address of the Directors

The business address of the Directors is the same as the Company's principal place of business in Hong Kong.

13. EXPENSES

The expenses in connection with the Rights Issue, including financial advisory fees, placing commission, printing, registration, translation, legal and accountancy charges are estimated to be approximately HK\$1.75 million, which are payable by the Company.

14. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents, and the written consent as referred to in the paragraph headed "10. Experts and Consents" in this appendix, have been submitted to the Registrar of Companies in Hong Kong for registration as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

15. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (<https://www.finsofthk.com/>) for 14 days from the date of this Prospectus:

- (i) the letter issued by the reporting accountants regarding the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this Prospectus;
- (ii) the material contracts referred to in the paragraph headed "9. Material Contracts" in this appendix; and
- (iii) the written consent from the expert as referred to in the paragraph headed "10. Experts and Consents" in this appendix.

16. MISCELLANEOUS

- (i) As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (ii) As at the Latest Practicable Date, the Group had no exposure to foreign exchange liabilities.

- (iii) The English text of this Prospectus and the accompanying form of proxy shall prevail over the Chinese text in the event of inconsistency.

17. BINDING EFFECT

The Prospectus Documents, and all acceptances of any offer or application contained in such documents, are governed by and shall be construed in accordance with the laws of Hong Kong. Where an application is made in pursuance of any such documents, the relevant document(s) shall have the effect of rendering all persons concerned bound by the provisions, other than the penal provisions, of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, so far as applicable.