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FINSOFT CORPORATION

匯財軟件公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8018)

PROPOSED SHARE SUBDIVISION AND CHANGE OF BOARD LOT SIZE

The Board wishes to put forward to the Shareholders a proposal of Share Subdivision on the basis that every one (1) issued and unissued Share of HK\$0.01 each in the share capital of the Company be subdivided into ten (10) Subdivided Shares of HK\$0.001 each. The Share Subdivision is conditional upon, among other things, the approval of the Shareholders at the EGM.

The Board proposes that subject to and upon the Share Subdivision becoming effective, the board lot size will be changed from 2,500 Shares to 5,000 Subdivided Shares.

A circular containing further details on the Share Subdivision together with a notice of EGM will be despatched to the Shareholders as soon as practicable.

PROPOSED SHARE SUBDIVISION AND CHANGE OF BOARD LOT SIZE

The Board proposes that every one (1) issued and unissued Share of HK\$0.01 each in the share capital of the Company be subdivided into ten (10) Subdivided Shares of HK\$0.001 each.

Conditions of the Share Subdivision

The Share Subdivision is conditional upon the following conditions:

- (i) the passing of the ordinary resolution by the Shareholders to approve the Share Subdivision at the EGM; and
- (ii) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the Subdivided Shares to be in issue upon the Share Subdivision becoming effective.

Effects of the Share Subdivision

As at the date of this announcement, the authorised share capital of the Company is HK\$10,000,000 divided into 1,000,000,000 Shares of par value of HK\$0.01 each, of which 200,000,000 Shares have been allotted and issued as fully paid or credited as fully paid. Upon the Share Subdivision becoming effective and on the basis that no further Shares will be allotted and issued or repurchased prior thereto, the authorised share capital of the Company will remain at HK\$10,000,000 but will be subdivided into 10,000,000,000 Subdivided Shares of par value of HK\$0.001 each, of which 2,000,000,000 Subdivided Shares will be in issue.

Upon the Share Subdivision becoming effective, the Subdivided Shares shall rank pari passu in all respects with each other in accordance with the articles of association of the Company.

Other than the expenses, including professional fees and printing charges, to be incurred in relation to the Share Subdivision, the implementation thereof will not alter the underlying assets, business operations, management or financial position of the Company or result in any change in the rights of the Shareholders.

Listing application

An application will be made by the Company to the Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Subdivided Shares to be in issue upon the Share Subdivision becoming effective. All necessary arrangements will be made for the Subdivided Shares to be admitted into the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited.

Change of board lot size

The Shares are currently traded on the Stock Exchange in board lot size of 2,500 Shares each. The Board proposes that subject to and upon the Share Subdivision becoming effective, the board lot size will be changed from 2,500 Shares to 5,000 Subdivided Shares. The change of board lot size will not affect any of the relative rights of the Shareholders.

Reasons for the Share Subdivision

The Share Subdivision will increase the total number of shares in issue and correspondingly reduce the trading price of each share in the Company so that the market value per board lot of shares in the Company can be reduced to appeal to more investors. Based on the closing price of HK\$6.89 per Share as quoted on the Stock Exchange on the last trading day immediately before the date of this announcement, the market value per board lot of 2,500 Shares is HK\$17,225. The estimated market value per new board lot of 5,000 Subdivided Shares will be theoretically reduced to HK\$3,445 immediately upon the Share Subdivision becoming effective. The Board is of the view that the increase in number of shares of the Company together with the reduction in the trading price as a result of the Share Subdivision may improve the trading liquidity of the Subdivided Shares. Accordingly, the Board considers that the Share Subdivision is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Odd lot arrangements

In order to facilitate the trading of odd lots (if any) of the Subdivided Shares, the Company has appointed Gransing Securities Co., Limited to provide matching service, on a best effort basis, for the sale and purchase of odd lots of the Subdivided Shares arising from the Share Subdivision. Details of such arrangement will be set out in the circular in relation to the Share Subdivision to be despatched to the Shareholders.

Exchange of share certificates

Should the Share Subdivision become effective, Shareholders may, during the period from 2 May 2014 to 11 June 2014 (both days inclusive), submit existing certificates in light yellow for the Shares to the Company's branch share registrar and transfer office in Hong Kong, Union Registrars Limited ("**Share Registrar**") of 18th Floor, Fook Lee Commercial Centre, Town Place, 33 Lockhart Road, Wanchai, Hong Kong for exchange, at the expense of the Company, for new share certificates for the Subdivided Shares. It is expected that the new certificates for the Subdivided Shares will be available for collection within 10 Business Days from the submission of the existing share certificates to the Share Registrar for exchange. Thereafter, certificates for existing Shares will be accepted for exchange only on payment of a fee of HK\$2.50 (or such other amount as may from time to time be allowed by the Stock Exchange) for each certificate for the Subdivided Shares issued or each certificate for the Shares submitted for cancellation, whichever the number of certificates involved is higher. Existing certificates for the Shares will cease to be good for delivery but will continue to be good evidence of legal title and may be exchanged for certificates for the Subdivided Shares at any time at the expense of the Shareholders.

EXPECTED TIMETABLE

The expected timetable of the proposed Share Subdivision is as follows:

2014

Despatch date of circular with notice of the EGM	on or before Friday, 11 April
Latest time for lodging forms of proxy for the EGM	11:00 a.m. on Monday, 28 April
Date and time of the EGM.	11:00 a.m. on Wednesday, 30 April
Announcement of voting results of the EGM.	Wednesday, 30 April
Effective date of the Share Subdivision.	Friday, 2 May
First day of free exchange of existing share certificates for new share certificates for the Subdivided Shares	9:00 a.m. on Friday, 2 May
Dealings in Subdivided Shares commence.	9:00 a.m. on Friday, 2 May

Original counter for trading in the Shares
in board lots of 2,500 Shares temporarily closes 9:00 a.m. on Friday, 2 May

Temporary counter for trading in the Subdivided Shares
in board lots of 25,000 Subdivided Shares
(in the form of existing share certificates) opens 9:00 a.m. on Friday, 2 May

Original counter for trading in the Subdivided Shares
in new board lots of 5,000 Subdivided Shares
(in the form of new share certificates) re-opens 9:00 a.m. on Monday, 19 May

Parallel trading in the Subdivided Shares
(in form of new share certificates and
existing share certificates) commences 9:00 a.m. on Monday, 19 May

Designated broker starts to stand in the market
to provide matching services for odd
lots of the Subdivided Shares. 9:00 a.m. on Monday, 19 May

Temporary counter for trading in the Subdivided Shares
in board lots of 25,000 Subdivided Shares
(in the form of existing share certificates) ends 4:00 p.m. on Monday, 9 June

Parallel trading in the Subdivided Shares
(in form of new share certificates and
existing share certificates) ends 4:00 p.m. on Monday, 9 June

Designated broker ceases to stand in the market
to provide matching services for odd
lots of the Subdivided Shares. 4:00 p.m. on Monday, 9 June

Last day for free exchange of existing share certificates
for new share certificates for the Subdivided Shares 4:00 p.m. on Wednesday, 11 June

GENERAL

A circular containing further details on the Share Subdivision together with a notice of EGM will be despatched to the Shareholders as soon as practicable.

DEFINITIONS

Unless otherwise specified, the following terms have the following meanings in this announcement:

“Board”	the board of Directors
“Business Day(s)”	a day on which the Stock Exchange is open for business of dealing in securities
“Company”	Finsoft Corporation, a company incorporated in the Cayman Islands with limited liability and the Shares of which are listed on the Growth Enterprise Market of the Stock Exchange
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be held to consider the ordinary resolution to be proposed to approve the Share Subdivision
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Share Subdivision”	the proposed subdivision of every one (1) issued and unissued Share into ten (10) Subdivided Shares of HK\$0.001 each
“Share(s)”	ordinary share(s) of HK\$0.01 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subdivided Shares”	subdivided ordinary shares of HK\$0.001 each in the issued and unissued share capital of the Company upon completion of the Share Subdivision

By order of the Board
Finsoft Corporation
Chan Sek Keung, Ringo
Chairman

18 March 2014

As at the date of this announcement, the Board consists of Mr. Li Hoi Kong, and Mr. Lawrence Tang being the executive Directors, Mr. Chan Sek Keung, Ringo being the non-executive Director and Chairman and Ms. Lee Kwun Ling, May Jean, Mr. Tai Man Hin, Tony and Mr. Yuen Shiu Wai being the independent non-executive Directors.

This announcement, 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 announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.

This announcement will remain on the “Latest Company Announcements” page of the website of the Growth Enterprise Market of the Stock Exchange at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.finsoftcorp.com.