

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

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

If you have sold or transferred all your shares in Aurum Pacific (China) Group Limited, you should at once hand the Prospectus Documents (as defined herein) to the purchaser, the transferee or to the licensed securities dealer, registered institution in securities, the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

A copy of each of the Prospectus Documents, together with copies of the documents specified in the paragraph headed "Documents delivered to the Registrar of Companies in Hong Kong" in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong as required by section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance. The Registrar of Companies in Hong Kong and the Securities and Futures Commission in Hong Kong take no responsibility as to the contents of any of these documents.

Dealing in the Shares and the Offer Shares (as defined herein) may be settled through CCASS (as defined herein) and you should consult your stockbroker or other licensed 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.

Subject to the granting of the listing of, and permission to deal in, the Offer Shares on the Stock Exchange (as defined herein) as well as compliance with the stock admission requirements of HKSCC (as defined herein), the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Offer Shares on the Stock Exchange or such other dates as determined by HKSCC. 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 this prospectus, make no representation as to its 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 this prospectus.

AURUM PACIFIC (CHINA) GROUP LIMITED

奧栢中國集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8148)

**PROPOSED OPEN OFFER
ON THE BASIS OF ONE (1) OFFER SHARE
FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE**

Underwriter to the Open Offer



Terms used in this cover page shall have the same meanings as defined in this Prospectus.

Latest Time for Acceptance is 4:00 p.m. on Monday, 9 May 2016. The procedures for acceptance and payment for the Offer Shares are set out on pages 23 to 24 of this prospectus.

Shareholders should note that the Shares have been dealt in on an ex-entitlement basis commencing from Friday, 15 April 2016. Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Open Offer are subject are fulfilled (which is expected to be at 4:00 p.m. on Tuesday, 10 May 2016) will accordingly bear the risk that the Open Offer may not become unconditional and may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares are advised to consult their own professional adviser.

Shareholders and potential investors should note that the Open Offer is subject to the satisfaction of certain conditions as described under the section headed "Conditions of the Open Offer" of this prospectus. In particular, it is subject to the Underwriter not terminating the Underwriting Agreement (see the section headed "Termination of the Underwriting Agreement" of this Prospectus) on or before the Latest Time for Termination. Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

22 April 2016

CONTENTS

	<i>Page</i>
Characteristics of GEM	ii
Definitions	1
Expected Timetable	4
Termination of the Underwriting Agreement	6
Letter from the Board	8
Appendix I – Financial Information of the Group	I-1
Appendix II – Unaudited Pro Forma Financial Information of the Group	II-1
Appendix III – General Information	III-1

CHARACTERISTICS OF GEM

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

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.

DEFINITIONS

In this prospectus, unless the context requires otherwise, the following expressions have the following meanings:

“Announcement”	the announcement of the Company dated 29 March 2016 in relation to, among other things, the Open Offer
“Application Form”	the form of application to be used by the Qualifying Shareholders to apply for the Offer Shares in the form agreed by the Company and the Underwriter
“Board”	the board of Directors
“Business Day”	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Company”	Aurum Pacific (China) Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Director(s)”	the directors of the Company from time to time
“Excluded Shareholder(s)”	the Overseas Shareholder(s) whose address is/are in a place(s) outside Hong Kong where, the Directors, based on legal opinions provided by legal advisers of the Company, consider it is necessary or expedient on account either of the legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place not to offer the Offer Shares to such Overseas Shareholders
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Committee”	has the meaning ascribed thereto under the GEM Listing Rules
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries

DEFINITIONS

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“HKSCC”	the Hong Kong Securities Clearing Company Limited
“Hong Kong”	The Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) independent of and not connected with the Company and its connected persons
“Latest Practicable Date”	19 April 2016, being the latest practicable date prior to the printing of this prospectus for ascertaining certain information contained herein
“Latest Time for Acceptance”	the latest time for acceptance for the Offer Shares at 4:00 p.m., on Monday, 9 May 2016 or such other time as may be agreed between the Company and the Underwriter
“Latest Time for Termination”	the latest time for terminating the Underwriting Agreement at 4:00 p.m., on Tuesday, 10 May 2016, being the first Business Day after the Latest Time for Acceptance or such later time or date as may be agreed between the Company and the Underwriter
“Offer Shares”	252,000,000 new Shares to be allotted and issued pursuant to the Open Offer
“Open Offer”	the proposed issue by way of Open Offer to the Qualifying Shareholders on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the Underwriting Agreement and the Prospectus Documents
“Overseas Shareholder(s)”	the Shareholder(s) with registered address(es) (as shown in the register of members of the Company on the Record Date) are outside of Hong Kong
“Posting Date”	Friday, 22 April 2016 or such later date as may be agreed between the Underwriter and the Company for the despatch of the Prospectus Documents to the Qualifying Shareholders (or the Prospectus only in case of Excluded Shareholder(s))

DEFINITIONS

“Prospectus”	the document containing details of the Open Offer
“Prospectus Documents”	the Prospectus and the Application Form
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Excluded Shareholders
“Record Date”	Thursday, 21 April 2016, or such other date as may be agreed between the Company and the Underwriter for determining entitlements to the Open Offer
“Registrar”	Tricor Tengis Limited, at Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong, the Hong Kong branch share registrar and transfer office of the Company
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.24 per Offer Share
“Takeovers Code”	The Codes on Takeovers and Mergers and Share Buy-backs
“Underwriter”	Gransing Securities Co., Limited
“Underwriting Agreement”	the underwriting agreement dated 29 March 2016 entered into among the Company and the Underwriter in relation to the underwriting arrangement in respect of the Open Offer
“Underwritten Shares”	252,000,000 Offer Shares being underwritten by the Underwriter pursuant to the terms of the Underwriting Agreement
“%”	per cent

EXPECTED TIMETABLE

Set out below is the expected timetable in relation to the Open Offer:

Last day of dealings in the Shares on a cum-entitlement basis	Thursday, 14 April 2016
First day of dealings in the Shares on an ex-entitlement basis	Friday, 15 April 2016
Latest time for lodging transfer of Shares in order to be qualified for the Open Offer	4:30 p.m. on Monday, 18 April 2016
Register of members of the Company closed (both days inclusive)	Tuesday, 19 April 2016 to Thursday, 21 April 2016
Record Date	Thursday, 21 April 2016
Register of members of the Company re-opens	Friday, 22 April 2016
Despatch of the Prospectus Documents	Friday, 22 April 2016
Latest Time for Acceptance of, and payment for the Offer Shares	4:00 p.m. on Monday, 9 May 2016
Latest time for the Open Offer to become unconditional	4:00 p.m. on Tuesday, 10 May 2016
Announcement of results of acceptance of the Offer Shares	Monday, 16 May 2016
Despatch of certificates for fully-paid Offer Shares on or before	Tuesday, 17 May 2016
Despatch of refund cheques if the Open Offer is terminated	Tuesday, 17 May 2016
Dealings in fully-paid Offer Shares commence	9:00 a.m. on Wednesday, 18 May 2016

All times stated in this Prospectus refer to Hong Kong times. Dates stated in this prospectus for events in the timetable are indicative only and may be extended or varied. Any changes to the anticipated timetable for the Open Offer will be announced as appropriate.

EXPECTED TIMETABLE

EFFECT OF BAD WEATHER ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE OFFER SHARES

The Latest Time for Acceptance will not take place at 4:00 p.m. on Monday, 9 May 2016 if there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning, if such circumstances is:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance, the Latest Time for Acceptance will not take place at 4:00 p.m. on the date of the Latest Time for Acceptance, but will be extended to 5:00 p.m. on the same day instead;
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance, the Latest Time for Acceptance will not take place on the date of the Latest Time for Acceptance, but will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m.

If the Latest Time for Acceptance does not take place on Monday, 9 May 2016, the dates mentioned in this section may be affected. An announcement will be made by the Company in such event.

TERMINATION OF THE UNDERWRITING AGREEMENT

Termination of the Underwriting Agreement

If, prior to the Latest Time for Termination:

- (i) in the absolute opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
 - (a) the introduction of any new law or 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 absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group taken as a whole or is materially adverse in the context of the Open Offer; 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 (whether or not *ejusdem generis* with any of the foregoing), 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 absolute opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group taken as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (ii) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the absolute opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (iii) any change in the circumstances of the Company or any member of the Group occurs which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing, the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (iv) any event of force majeure occurs, including without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or

TERMINATION OF THE UNDERWRITING AGREEMENT

- (v) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group taken as a whole occurs, whether or not ejusdem generis with any of the foregoing; or
- (vi) any matter occurs which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Open Offer; or
- (vii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than 10 consecutive business days occurs, excluding any halt or suspension in connection with the clearance of this announcement or the Prospectus Documents or other announcements or circulars in connection with the Open Offer; or
- (viii) any moratorium, suspension or material restriction on trading of the Shares on the Stock Exchange occurs due to exceptional financial circumstances or otherwise,

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement.

The Underwriter shall also be entitled by notice in writing to rescind the Underwriting Agreement if, prior to the Latest Time for Termination:

- (i) any material breach of any of the representations, warranties or undertakings contained in the Underwriting Agreement comes to the knowledge of the Underwriter; or
- (ii) any event or matter which would have rendered any of the warranties in the Underwriting Agreement untrue or incorrect in any material respect comes to the knowledge of the Underwriter.

In the event that the Underwriter terminate the Underwriting Agreement, all obligations of the parties under the Underwriting Agreement shall cease and no party shall have any claim against the other in respect of any matter arising out of or in connection with the Underwriting Agreement except for any antecedent breach.

LETTER FROM THE BOARD

AURUM PACIFIC (CHINA) GROUP LIMITED

奧栢中國集團有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8148)

Executive Directors:

Mr. Chan Wai Kit

Mr. Hung Tat Chi Alan

Mr. Mui Yuk Wah

Ms. Wong Chi Yan

Registered Office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent Non-Executive Directors:

Mr. Leung Man Chun

Mr. Fok Kin Fung Eric

Dr. Lee Nim Wai

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

22/F., Hua Fu Commercial Building

111 Queen's Road West

Hong Kong

22 April 2016

*To the Qualifying Shareholders, and for information only
to the Excluded Shareholders*

Dear Sir/Madam,

**PROPOSED OPEN OFFER
ON THE BASIS OF ONE (1) OFFER SHARE
FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE**

INTRODUCTION

Reference is made to the Announcement in relation to, among others, the Open Offer.

On 29 March 2016, the Company announced that it proposes to raise approximately HK\$60.48 million before expenses by issuing 252,000,000 Offer Shares at the Subscription Price of HK\$0.24 per Offer Share on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date and payable in full upon application.

As at the Latest Practicable Date, the Company had 504,000,000 Shares in issue. Given that the register of members was closed from Tuesday, 19 April 2016 to Thursday, 21 April 2016 and no further Shares were issued or repurchased during the book close period, the total number of issued Shares on the Record Date was the same as the latest time for lodging transfer documents of Shares in order to be qualified for the Open Offer, being 4:30 p.m. on Monday, 18 April 2016. As such, on the basis of one (1) Offer Share for every two (2) existing Shares held on the Record Date, 252,000,000 Offer Shares will be allotted and issued by the Company, which will be underwritten by the Underwriter pursuant to the Underwriting Agreement.

LETTER FROM THE BOARD

The purpose of this Prospectus is to provide you with details regarding the Open Offer, including information on dealing in and application for the Offer Shares, financial and other information in respect of the Group.

PROPOSED OPEN OFFER

Issue Statistics

Basis of the Open Offer	:	one (1) Offer Share for every two (2) existing Shares held on the Record Date
Subscription Price	:	HK\$0.24 per Offer Share
Number of Shares in issue as at the Latest Practicable Date	:	504,000,000 Shares
Number of Offer Shares	:	252,000,000 Offer Shares
		the aggregate nominal value of the Offer Shares will be HK\$10,080,000
Number of enlarged Shares in issue upon completion of the Open Offer	:	756,000,000 Shares
Amount raised before expenses	:	approximately HK\$60.48 million

As at the Latest Practicable Date, there are no other outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convertible or exchangeable into Shares.

The 252,000,000 Offer Shares proposed to be allotted and issued represents approximately 50% of the issued share capital of the Company as at the Latest Practicable Date and approximately 33.33% of the enlarged issued share capital of the Company as enlarged by the allotment and issue of 252,000,000 Offer Shares immediately after completion of the Open Offer.

Subscription Price

The Subscription Price is HK\$0.24 per Offer Share, which will be payable in full upon acceptance of the provisional allotment of the Offer Shares under the Open Offer.

LETTER FROM THE BOARD

The Subscription Price represents:

- (a) a discount of approximately 2.04% to the closing price of HK\$0.245 per Share as quoted on the Stock Exchange on the date of the Underwriting Agreement;
- (b) a discount of approximately 9.37% to the average closing price of approximately HK\$0.2648 per Share quoted on the Stock Exchange for the last five consecutive trading days immediately prior to and including the date of the Underwriting Agreement;
- (c) a discount of approximately 1.23% to the theoretical ex-entitlement price of approximately HK\$0.243 based on the closing price of HK\$0.245 per Share as quoted on the Stock Exchange on the date of the Underwriting Agreement; and
- (d) a discount of approximately 5.88% to the closing price of HK\$0.255 per Share as quoted on the Stock Exchange on the Latest Practicable Date.

The Subscription Price was determined after arm's length negotiation between the Company and the Underwriter with reference to the prevailing market price of the Shares. The Directors consider that under the Open Offer, each Qualifying Shareholder is entitled to subscribe for the Offer Shares at the same price in proportion to his/her/its existing shareholding in the Company and that the discount of the Subscription Price will lower the further investment cost of the Qualifying Shareholders and encourages them to participate in the Open Offer. The Directors (including all the independent non-executive Directors) consider that the terms of the Open Offer, including the Subscription Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders.

To qualify for the Open Offer, the Shareholders must be registered as a member of the Company at the close of business on the Record Date and not be an Excluded Shareholder.

Shareholders whose Share 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. Shareholders with their Shares held by nominee companies are advised to consider whether they would like to arrange for registration of the relevant Shares in the name of the beneficial owner(s) prior to the Record Date.

Overseas Shareholders and Excluded Shareholders

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong. Based on the latest available register of members of the Company, there were 2 Overseas Shareholders situated in the British Virgin Islands and the People's Republic of China.

LETTER FROM THE BOARD

The Company has complied with all necessary requirements specified in Rule 17.41(1) of the GEM Listing Rules (including notes 1 and 2 thereto) and has made enquiry with its legal advisers regarding the feasibility of extending the Open Offer to the Overseas Shareholders under the laws of the relevant place and the requirements of the relevant regulatory body or the stock exchange.

Based on the advice and replies provided by the relevant foreign legal advisers, the Directors are of the view that it is expedient to extend the Open Offer to the Overseas Shareholders in the British Virgin Islands and the People's Republic of China as there are no legal restrictions prohibiting the making of the Open Offer in such jurisdiction and no local legal or regulatory compliance is required to be made nor approval, permit or consent from relevant governmental authorities is required to be obtained in such jurisdiction. Accordingly there are no Excluded Shareholders.

It is the responsibility of the Shareholders, including the Overseas Shareholders, to observe the local legal and regulatory requirements applicable to them for taking up and onward sale (if applicable) of the Offer Shares and to pay any taxes and duties required to be paid in such jurisdiction in connection with the taking up and onward sale of the Offer Shares.

Status of the Offer Shares

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

Share certificates and refund cheques for the Offer Shares

Subject to the fulfillment of the conditions set out in the section headed "Conditions of the Open Offer" in this Prospectus, share certificates for all fully-paid Offer Shares are expected to be posted on or before Tuesday, 17 May 2016 to those entitled thereto by ordinary post at their own risk. If the Open Offer is terminated, refund cheques will be despatched on or before Tuesday, 17 May 2016 by ordinary post at their own risk.

No application for excess Offer Shares

Considering that the Open Offer will give the Qualifying Shareholders an equal and fair opportunity to maintain their respective pro rata shareholding interests in the Company, if application for excess Offer Shares is arranged, the Company will be required to put in additional effort and costs (an estimate of approximately HK\$200,000, including fees to be charged by the share registrar, legal advisers and other professional service providers) to administer the excess application procedures. Accordingly, no excess Offer Shares will be offered to the Qualifying Shareholders and any Offer Shares not taken up by the Qualifying Shareholders will be underwritten by the Underwriter.

LETTER FROM THE BOARD

Fractions of Offer Shares

Fractional entitlements to the Offer Shares will not be issued to the Qualifying Shareholders but will be aggregated, underwritten and taken up by the Underwriter. The Company will not allot any fractions of the Offer Shares.

Application for listing

The Company will apply to the GEM Listing Committee for the listing of and permission to deal in, the Offer Shares. Dealings in the Offer Shares on the Stock Exchange will be subject to the payment of stamp duty (if any) in Hong Kong and any other applicable fees and charges in Hong Kong.

Subject to the granting of the approval for the listing of, and permission to deal in, the Offer Shares on the Stock Exchange, the Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the respective commencement date of dealings in the Offer Shares on the Stock Exchange or such other date as determined by HKSCC. 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.

No part of the securities of the Company is listed or dealt in or on which listing or permission to deal is being or is proposed to be sought on any other stock exchange.

Conditions of the Open Offer

The Open Offer is subject to the Underwriting Agreement having become unconditional and not being terminated in accordance with its terms. In addition, the Open Offer is conditional upon the following conditions being fulfilled:

- (A) the delivery to the Stock Exchange for authorisation and registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors as having been approved by resolution of the Directors (and all other documents required to be attached thereto) not later than the Posting Date and otherwise in compliance with the GEM Listing Rules and the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);
- (B) the posting of the Prospectus Documents to Qualifying Shareholders and the posting of the Prospectus stamped "For Information Only" to the Excluded Shareholders, if any, for information purpose only on or before the Posting Date;
- (C) the Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, the Offer Shares, either unconditionally or subject to such conditions which the Underwriter in its opinion accept and satisfy (if any);

LETTER FROM THE BOARD

- (D) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement;
- (E) the Underwriting Agreement not being terminated by the Underwriter in accordance with its terms prior to the Latest Time for Termination;
- (F) none of the warranties in the Underwriting Agreement being breached, untrue, inaccurate or misleading in any material respect; and
- (G) (if necessary) compliance with any other requirements under the applicable laws and regulations of Hong Kong and the Cayman Islands.

None of the Company and the Underwriter may waive the conditions above. If the conditions are not satisfied on or before the Latest Time for Termination, the Underwriting Agreement shall terminate and no party will have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent rights or obligations.

If the Underwriting Agreement is terminated, the Open Offer will not proceed.

REASONS FOR THE OPEN OFFER AND USE OF PROCEEDS

The Company is an investment holding company. The Group is principally engaged in the businesses of (i) developing and marketing of the patented server based technology and the provision of communications software platform and software related services with primary focus in the government industry sector; (ii) the provision of website development, education and communications software platform which focuses on the development of syllabus and contents for Chinese Language teaching and learning in primary and secondary schools and enterprises; (iii) the provision of software platform such as the custom-made software development services including urban grid management system, internet marketing and other projects; and (iv) money lending business.

The Board has been actively exploring business opportunities in order to further develop the Group's existing money lending businesses. The Board considers these businesses and investments are capital intensive and are seeking to meet the capital requirements by conducting the Open Offer. In view of these, the Board proposes the Open Offer to strengthen its capital base and provide sufficient surplus capital to support future business development of the Group.

The Board has considered other fund raising alternatives before resolving to the Open Offer, including but not limited to debt financing and rights issue. Debt financing will result in additional interest burden, higher gearing ratio of the Group and subject the Group to repayment obligations. Although rights issue can provide a way out to those Shareholders who do not wish to take up the entitlements by selling nil-paid rights, rights issue will involve extra administrative work and cost (an estimate of approximately HK\$100,000, including fees to be charged by the share registrar, legal advisers and other professional service providers) for the trading arrangements in relation to the nil-paid

LETTER FROM THE BOARD

rights. In view of the above, the Board considered that raising funds by way of the Open Offer is more cost effective and efficient and beneficial to the Company and its Shareholders as a whole.

Based on the Subscription Price of HK\$0.24 per Offer Share and assuming no change in the issued share capital of the Company from the Latest Practicable Date to the Record Date, the gross proceeds to be raised by the Company from the Open Offer will amount to approximately HK\$60.48 million (before expenses). The net proceeds to be raised by the Company from the Open Offer will amount to approximately HK\$57.78 million (after expenses). The net price raised per Offer Share is estimated at approximately HK\$0.2293.

The Group intends to apply the net proceeds from the Open Offer (assuming no change in the issued share capital of the Company from the Latest Practicable Date to the Record Date) as to (i) approximately HK\$40 million, will be utilized for the development of money lending business and (ii) the remaining, will be utilized for general working capital.

Furthermore, the Board considers that the Open Offer is in the interest of the Company and the Shareholders as a whole as it offers all the Qualifying Shareholders an equal opportunity to participate in the enlargement of the capital base of the Company and to allow Qualifying Shareholders an equal opportunity to maintain their proportionate interests in the Company and continue to participate in the future development of the Group should they wish to do so.

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 does not limit to, the following:

Risk factors relating to the operation of the Group

a. Reliance on the major customers

For the year ended 31 December 2013, 2014 and 2015, the sales to our largest customer in the respective periods accounted for approximately 15%, 15% and 18%, respectively of our total revenue, and the sales to our five largest customers together accounted for approximately 38%, 37% and 45%, respectively of our total revenue for the respective periods.

The Group does not have any long-term sales agreement with these customers and the future revenue of the Group may be uncertain. In the event that the Group fails to secure new businesses from these existing customers or is unable to find new customers, our business, financial condition and results of operations may be adversely affected.

LETTER FROM THE BOARD

b. Dependent upon hiring and retaining qualified personnel

The Group relies on the management skills of its key management. For instance, Mr. Chan Wai Kit, the deputy Chairman, authorised representative and compliance officer, and an executive Director, has extensive experience in the information technology, accounting, finance, corporate governance, strategic planning; Mr. Hung Tat Chi Alan, an executive Director, has more than 10 years of experience in China and established extensive network with government officials and executives, investors, entrepreneurs, professionals and academics in Asia, America, Europe and the Middle East; Mr. Mui Yuk Wah, an executive Director and the company secretary, has extensive experience in financial reporting, auditing, mergers and acquisitions and initial public offerings. Ms. Wong Chi Yan, an executive Director and authorised representative, has extensive experience in auditing accounting and financing as well as merger and acquisition.

If these senior management cease to serve us in the future and the Group fails to find suitable replacements, the business of the Group may be materially and adversely affected.

c. Failure to obtain additional capital

The Directors believe that the current cash and cash equivalents, cash flow from operations will be sufficient to meet our anticipated cash needs for the foreseeable future. The Group may, however, require additional cash resources due to changed business conditions or other future business developments. If these resources are insufficient to satisfy the cash requirements, the Group may seek to issue additional equity or debt securities or obtain a credit facility. The Group's ability to obtain external financing in the future is subject to a variety of uncertainties, including its future financial condition, results of operations and cash flow, share price performance and the liquidity of international capital markets. In addition, the issuance of additional equity securities could result in additional dilution to the Shareholders. Incurring indebtedness would result in increased debt service obligations and could result in operating and financing covenants that would restrict the Group's operations. There can be no assurance that financing will be available in a timely manner or in amounts or on terms acceptable to the Group, if at all.

Risks relating to software platform

a. Failure to meet customers' requirements

The Group's software and solutions are previously custom designed with significant investment of time and expertise to employ complex technology so that not only industry and government standards but also customers' specifications can be adequately addressed. In the cases if the Group lose the ability to incorporate its software and solutions to meet the customers' requirements, the reputation and relationships with the existing and prospective customers may be damaged, which could have a material and adverse effect on the revenue growth.

LETTER FROM THE BOARD

b. Failure to provide technical supports

The customer profile encompasses companies in diverse industries, including but not limited to governments and international banks, and the information on their websites are occasionally accessible to audience in a global basis. In the events where the audiences who are living in different countries and time zones than the Group's, might be hard to receive technical support when needed. The failure to response quickly and immediately to the audiences and customers can affect their satisfaction towards the software and solutions provided by the Group and which could result in an adverse effect on its reputation.

c. Failure to match the rapid pace of technological development

The IT industry is characterized by its fast evolving nature and the Group needs to maintain an edge of technology over its competitors to maintain competitiveness. If the Group fails to keep up with the most up-to-date technology, the Group may become less competitive and the profitability of the Group may be adversely affected.

d. Failure of operation system and resources

The IT industry relies heavily on necessary skilled personnel to provide technical services and deployment of new machinery to develop new software, solutions and technologies to keep up with technological trend and to maintain competitive to gain shares of the market. On occasion, it is common that such technological services may not be able to meet customers' requirements due to a number of factors including the lack of technology, machinery, skills, expertise or man power. Timely recruitment and professional trainings are often required for skilled personnel and to do their work efficiently.

In addition, there is no assurance that these skilled personnel will not be lured to the competitors and become their forces after the Group provided the required training and time. As a result, the Group may be exposed to the risk of having higher labour costs for the reason to obtain its labour. Labour disruptions of any form or scale may cause negative impacts on the Group's operations and any material increase in labour costs which the Group cannot be passed onto the customers may adversely affect on its profit.

e. Failure to deliver finished products on a timely basis

The IT services that the Group provides, for example, Unicode migration and translation, are typically part of a time consuming process. As such, the Group often may need to deliver their services according to a pre-agreed master schedule in order for the integration work to be completed as planned. Any delays in the delivery of the finished products or material disruptions to the supply and/or delivery of the services which are responsible to the Group after the relevant purchase orders are made may expose the Group to possible claims and materially and adversely affect its profits and reputation.

LETTER FROM THE BOARD

f. Competition

In respect of its software products, the Group faces intensive competition from both local and overseas competitors which develop and distribute other software similar to those being offered by the Group. The competition could affect the current and future market share of the Group, which might lead to price reductions of the Group's software products and increase in expenditure in marketing and product development.

In addition, the software industry is characterized by rapid technological changes. If any of the competitors of the Group adapts to the technological advances faster, develops new products and services in a more cost effective manner and/or takes a more aggressive pricing strategy than the Group does, the Group's profitability may be adversely affected.

g. Potential shortage of skilled staff

The Group's performance depends upon our ability to continue to attract, retain and motivate skilled personnel, especially IT engineers. The Group may have to offer better salaries, incentive packages and training opportunities to attract and retain sufficient skilled staff to sustain the Group's operations and growth, which may increase our costs and reduce our profit margins. The Group cannot assure you that the Group will continue to be able to attract and retain a sufficient number of skilled staff for the Group's existing and planned business operations. In the event that the Group cannot attract and retain a sufficient number of skilled staff for the Group's existing and planned business operations, or at all, the Group's business operations and financial performance may be materially and adversely affected.

h. Risk of infringement of proprietary rights claimed by others

In developing the Group's technologies, products and services, the Group has used various technologies or know-how which it believes are in the public domain, licenses to the Group or it otherwise has the right to use. There can be no assurance, however, that third parties will not institute patent or other intellectual property infringement claims against the Group with respect to such technologies, products and services.

As at the Latest Practicable Date, the Directors are not aware of any alleged claims of infringement of patents, copyrights or other intellectual property rights held by third parties in respect of the products marketed by the Group.

i. Failure of the software, hardware or systems failure

The software development operation of the Group depends heavily on the performance of its hardware and software as well as the services provided by various internet and telecommunications service providers. Any significant or prolonged breakdown of or disruptions in the use of the hardware and software of the Group or the internet or telecommunications service, whether as a result of computer viruses, power supply or connection failure or otherwise, may adversely affect the software development operations of the Group. In addition, the computer network or system of the Group is vulnerable to unauthorized access (generally known as "hacking") which may jeopardize

LETTER FROM THE BOARD

the security of confidential information stored in it. In the event that the computer network or system of the Group is subject to hacking and the Group is unable to develop timely and effective remedial measures, it may cause losses to the Group or deter potential customers from purchasing or subscribing for its products or services, which could have a material adverse effect on the operations of the Group.

Computer viruses may also cause delays or other service interruptions on the Group's systems. In addition, the inadvertent transmission of computer viruses could expose to a risk of loss or litigation and possible liability. The Group may be required to expend significant capital and other resources to protect its systems against the threat of such computer viruses and hackers and to alleviate any problems caused by computer viruses or hackers. Moreover, if a computer virus affecting its system is highly publicized, the Group's reputation could be materially damaged, which could result in a material and adverse effect on its business. Furthermore, the damages or losses caused by computer viruses to users may lead to litigation and result in additional liabilities to the Group.

j. Failure to obtain all required intellectual properties rights

The Group's success depends heavily on its ability to protect its proprietary technologies and processes. The Group relies upon patents, copyrights, and trade secret laws and will also rely upon confidentiality and non-disclosure agreements and other measures to establish and protect its proprietary rights to its technologies, products and services. Such protection may not be able to preclude competitors from infringing the Group's intellectual property rights in its technologies, products and services. Despite such precaution, it may be possible for a third party to copy or otherwise obtain and use such contents and technology without the Group's authorization, or to develop similar technology independently. There can also be no assurance that other companies will not obtain patents similar to or challenge the patents obtained by the Group. In addition, policing unauthorized use of the Group's proprietary contents and technology is difficult and there can be no assurance that the steps taken by the Group will prevent misappropriation or infringement of its rights. In addition, legal proceedings may be necessary in the future to enforce the Group's intellectual property rights, to protect its trade secrets and confidential information or to determine the validity and scope of the proprietary rights of others. This could result in substantial costs and diversion of the Group's resources and could have a material adverse effect on its business, financial condition and results of operations. If a significant portion of the Group's intellectual property is copied, reproduced or used without the Group's authorization, the Group's business may be adversely affected.

k. Politics, economics and regulations uncertainties

The business operations of the Group are primarily based in the People's Republic of China and Hong Kong. Accordingly, the Group's operating results, financial position and prospects could be adversely affected by economic, political and legal developments in these jurisdictions. There is no assurance that economic, political and legal developments in these jurisdictions will not be adversely affected. If there is any material adverse change in the general economic, political and legal developments in these jurisdictions, the Group's operations and financial position may be adversely affected.

LETTER FROM THE BOARD

Risks relating to money lending business

a. Failure to renew our Money Lenders License

The Group may fail to renew the Money Lenders License under the Money Lenders Ordinance, it is requisite for the Licensing Court to grant the Group a Money Lenders License in order for the Group to carry on the money lending business and the Group is required to renew such license on a yearly basis upon satisfying all the licensing conditions set out in the Money Lenders Ordinance.

There is no assurance that the Money Lenders Licence can be renewed in a timely manner. As such, operations of the Group may be materially affected. In case of non-compliance with the Money Lenders Ordinance, the Group may be subject to penalty charges and breaches may constitute a criminal offence, which may lead to suspension or revocation of the Group's Money Lenders Licence resulting in termination of money lending business of the Group.

b. Competition

The money lender market is highly fragmented due to the large number of players competing within a relatively small territory. Given the relatively low entry barrier to money lending business in Hong Kong, the Group encounters competition from diverse competitors including both licensed money lenders and authorised institutions in different ways such as diverse loan products, low interest rates and quick loan approval procedures. The competition could affect the current and future market share of the Group, which might lead to reductions of interest rate on loans granted to our customers and increase in expenditure in marketing.

c. Changes in laws and rules applicable to the money lending industry

Business operation of the Group is regulated under the Money Lenders Ordinance and full compliance with such regulation and all applicable laws is essential for the Group to carry on the business. Notwithstanding this, the relevant regulatory authorities may from time to time amend existing laws and regulations or adopt new laws and regulations applicable to licensed money lenders in Hong Kong. The Group's operation, financial performance and business prospects may be materially and adversely affected if we are not able to comply with any of the new changes and/or requirements in the relevant and applicable laws and regulations for the money lending industry in Hong Kong.

d. Failure of or deficiency in the Group's internal control system to detect procedural errors, fraud and misconducts will affect operations of the Group

In order to prevent and detect procedural errors, fraud and misconducts of the Group's employees to ensure strict compliance with all relevant regulations applicable to business of the Group, the Group has established and implemented an internal control system, where the management are responsible for reviewing all relevant financial, operational, compliance controls and risk management functions. Despite the internal control procedures, credit policies and operation manual in place, the Group's current

LETTER FROM THE BOARD

management information systems and operating procedures may not be capable of identifying or capturing all procedural errors, suspicious transactions, and the Group's employees may fail to carry out proper reporting procedures. In addition, in view of the growth of the business and changing financial and regulatory environment, there is no assurance that our internal control system is at all times adequate and effective in dealing with all the possible compliance risks and management risks. Any failure of or deficiency in the Group's internal control system may affect the Group's operations and therefore may adversely impact on the Group's reputation and prospects.

e. Default of payment by our customers

At as 31 December 2015, loan receivable, apart from a loan with principal amount of approximately HK\$35 million which is secured by personal guarantee from the borrowers' guarantor, was unsecured. In cases of default, the Group's operations and financial position may be adversely affected.

As at the Latest Practicable Date, the Directors are not aware of any default repayment of principal and interest overdue records.

Risk relating to the Open Offer

The Underwriter is entitled to terminate its obligations under the Underwriting Agreement

Under the Underwriting Agreement, the Underwriter is entitled to terminate its obligations by giving notice in writing to the Company upon the occurrence of any of the events stated in the paragraph headed "Termination of the Underwriting Agreement" in this Prospectus on or before the Latest Time for Termination.

UNDERWRITING AGREEMENT

Date	:	29 March 2016 (after trading hours of the Stock Exchange)
Underwriter	:	Gransing Securities Co., Limited
Number of Underwritten Shares	:	252,000,000 Offer Shares
Commission	:	2.5% of the aggregate of Subscription Price of the maximum number of the Underwritten Shares

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiries, the Underwriter and their respective ultimate beneficial owners are Independent Third Parties. As at the date of the Underwriting Agreement, the Underwriter is not interested in any Shares.

LETTER FROM THE BOARD

The Company will pay the Underwriter an underwriting commission of 2.5% of the aggregate of Subscription Price of the maximum number of the Underwritten Shares. The commission rate was determined after arm's length negotiation between the Company and the Underwriter by reference to the market rate, the size of the Open Offer and the current and expected market condition. The Directors are of the view that the terms of the Underwriting Agreement, including the commission, are fair and reasonable so far as the Company and the Shareholders are concerned.

SHAREHOLDING STRUCTURE OF THE COMPANY

The shareholding structure of the Company immediately before and after completion of the Open Offer is set out below (for illustration purposes only):

	As at the Latest Practicable Date		Upon completion of the Open Offer (assuming all Offer Shares are subscribed for by the Qualifying Shareholders)		Upon completion of the Open Offer (assuming none of the Offer Shares are subscribed for by the Qualifying Shareholders)	
	No. of Shares	Approximate	No. of Shares	Approximate	No. of Shares	Approximate
		%		%		%
The Underwriter (Note)	–	0.00	–	0.00	252,000,000	33.33
Public Shareholders	504,000,000	100.00	756,000,000	100.00	504,000,000	66.67
Total	504,000,000	100.00	756,000,000	100.00	756,000,000	100.00

Note:

The Underwriter irrevocably undertakes to the Company as follows:

- (A) the Underwriter will not trigger a mandatory offer obligation under Rule 26 of Takeovers Code on the part of the Underwriter in respect of performing its obligations hereunder;
- (B) the Underwriter shall use its reasonable endeavours to ensure that the subscribers for Underwritten Shares shall be third parties independent of and not connected with the Company and its connected persons and their respective associates and the subscribers for Underwritten Shares are not acting in concert with the Company and its associates;
- (C) none of the persons to be procured by the Underwriter to subscribe for the Underwritten Shares will be a substantial shareholder of the Company holding 10% or more shareholding in the Company as a result of the subscription of the Underwritten Shares; and
- (D) the Underwriter shall and shall cause the sub-underwriters to procure independent subscribers and/or placees to take up such number of Underwritten Shares as necessary to ensure that the Company will comply with the public float requirement under the GEM Listing Rules upon completion of the Open Offer.

As at the Latest Practicable Date, the Underwriter has entered into sub-underwriting agreements with 3 sub-underwriters, being Mr. Chu To Johnathan, Mr. Tang Jay and Luk Fook Securities (HK) Limited, who have agreed to take up a maximum of 36,000,000 Offer Shares, 75,000,000 Offer Shares and 141,000,000 Offer Shares respectively (in aggregate a maximum of 252,000,000 Offer shares), and such Offer Shares if any will be allocated to these sub-underwriters on a pro-rata basis. Each of these sub-underwriters and their respective ultimate beneficial owners (if applicable) are Independent Third Parties.

LETTER FROM THE BOARD

EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS

Date of announcement	Fund raising activity	Net proceeds	Intended use of net proceeds	Actual use of net proceeds
26 October 2015	Placing of 840,000,000 new Shares of HK\$0.004 each at the placing price of HK\$0.10 per placing share pursuant to the placing agreement between the Company and Kingston Securities Limited as placing agent dated 26 October 2015	Approximately HK\$81.6 million	General working capital of the Group	Approximately HK\$55.2 million used for money lending business which is one of the principal activities of the Group The remaining proceeds used for the general working capital of the Group
20 April 2015	Placing of 600,000,000 new Shares of HK\$0.004 each at the placing price of HK\$0.10 per placing share pursuant to the placing agreement between the Company and One China Securities Limited as placing agent dated 20 April 2015	Approximately HK\$58.9 million	General working capital of the Group and/or future investments of the Group	Approximately HK\$56.6 million used for money lending business which is one of the principal activities of the Group Approximately HK\$2.3 million used for the legal and professional fees regarding the proposed acquisition of the entire equity interest in 北京艾普智城網絡科技有限公司 (Beijing iPole Smart City Network Technology Company Limited). The acquisition was terminated in 7 October 2015

Save as disclosed above, the Company has not conducted any equity fund raising activity in the past 12 months immediately preceding the Latest Practicable Date.

TAXATION

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

LETTER FROM THE BOARD

It is emphasised that none of the Company, the Directors nor any other parties involved in the Open Offer accepts responsibility for any tax effects on, or liabilities of, any person resulting from subscribing for, purchasing, holding, disposal of, dealings in or exercising any rights in relation to the Shares or the Offer Shares.

PROCEDURES FOR ACCEPTANCE AND PAYMENT FOR THE OFFER SHARES

The Application Form is enclosed with this Prospectus which entitles the Qualifying Shareholders to whom it is addressed to subscribe for the number of Offer Shares as shown therein subject to payment in full by the Latest Time for Acceptance. Qualifying Shareholders should note that they may subscribe for any number of Offer Shares only up to the number set out in the Application Form.

If Qualifying Shareholders wish to exercise their rights to subscribe for all the Offer Shares offered to them as specified in the Application Form or to exercise their rights to subscribe for any number less than their entitlements under the Open Offer, they must complete, sign and lodge the Application Form in accordance with the instructions printed thereon, together with remittance for the full amount payable in respect of such number of Offer Shares they have subscribed for with the Registrar, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by not later than 4:00 p.m. on Monday, 9 May 2016. All remittance(s) must be made in Hong Kong dollars and cheques must be drawn on an account with, or cashier's orders must be issued by, a licensed bank in Hong Kong and made payable to "AURUM PACIFIC (CHINA) GROUP LIMITED – OPEN OFFER ACCOUNT" and crossed "**Account Payee Only**".

It should be noted that unless the duly completed and signed Application Form, together with the appropriate remittance, have been lodged with the Registrar, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, by not later than 4:00 p.m. on Monday, 9 May 2016, the relevant assured allotment of Offer Shares and all rights and entitlements in relation thereto shall be deemed to have been declined and will be cancelled.

The Application Form contains full information regarding the procedures to be followed if you wish to accept the whole or part of your assured entitlement. All cheques or cashier's orders accompanying completed Application Form will be presented for payment upon receipt and all interests earned on such monies (if any) will be retained for the benefit of the Company. Completion and return of an Application Form with a cheque and/or cashier's order, will constitute a warranty by the applicant(s) that the cheque and/or cashier's order will be honoured on first presentation. Any application in respect of which the cheque or cashier's order is dishonoured on first presentation is liable to be rejected, and in that event the assured entitlement and all rights thereunder will be deemed to have been declined and will be cancelled.

LETTER FROM THE BOARD

If the conditions of the Open Offer are not fulfilled and/or the Underwriting Agreement is terminated in accordance with its terms before the Latest Time for Termination, the monies received in respect of acceptance of Offer Shares will be refunded, without interests, by sending a cheque made out to the applicant (or in the case of joint applicants, to the first named applicant) and crossed “Account Payee Only”, through ordinary post at the risk of the applicant(s) to the address specified in the register of members of the Company.

The Prospectus Documents will not be registered or filed under the applicable securities law of any jurisdiction other than Hong Kong. Accordingly, no person receiving this Prospectus and/or the Application Form in any territory outside Hong Kong may treat it as an offer or invitation to apply for the Offer Shares, unless in a territory where such an offer or invitation could lawfully be made without compliance with any registration or other legal and regulatory requirements thereof. It is the responsibility of anyone receiving this Prospectus and/or Application Form outside Hong Kong wishing to make an application for the Offer Shares to satisfy himself/herself/itself before subscribing for the assured allotted Offer Shares, as to the full observance of the laws and regulations of all relevant jurisdictions, including the obtaining of any governmental or other consents, and to pay any taxes and duties required to be paid in any such jurisdiction in connection therewith. Completion and return of the Application Form by any person outside Hong Kong will constitute a warranty and representation by the relevant applicant(s) to the Company that all registration, legal and regulatory requirements of all relevant territories in connection with the acceptance of the Offer Shares have been duly complied with by such applicant(s). For the avoidance of doubt, neither HKSCC nor HKSCC Nominees Limited is subject to any of the representations and warranties. If any Shareholders are in any doubt as to their position, they should consult their professional advisers. The Company reserves the right to refuse to accept any application for the Offer Shares where it believes that doing so would violate the applicable securities or other laws or regulations of any jurisdiction. No application for the Offer Shares will be accepted from any person who is an Excluded Shareholder.

The Company will not allot and accept applications for any fractions of the Offer Shares. The Application Form is for use only by the person(s) name therein and is not transferable. No receipt will be issued in respect of any application monies received.

WARNING OF THE RISK OF DEALINGS IN SHARES

Shareholders and potential investors should note that the Open Offer is subject to the satisfaction of certain conditions as described under the section headed “Conditions of the Open Offer” of this Prospectus. In particular, it is subject to the Underwriter not terminating the Underwriting Agreement (see the section headed “Termination of the Underwriting Agreement” of this Prospectus) on or before the Latest Time for Termination. Accordingly, the Open Offer may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their professional advisers.

LETTER FROM THE BOARD

Shareholders should note that the Shares were dealt in on an ex-entitlement basis commencing from Friday, 15 April 2016. Any Shareholder or other person dealing in Shares up to the date on which all conditions to which the Open Offer are subject to be fulfilled (which is expected to be on Tuesday, 10 May 2016), will accordingly bear the risk that the Open Offer may not become unconditional and may not proceed. Any Shareholders or other persons contemplating any dealings in the Shares are advised to consult their own professional advisers.

GENERAL

As the Open Offer would not increase either the issued share capital or the market capitalisation of the Company by more than 50% within the 12 month period immediately preceding the Latest Practicable Date, the Open Offer is not subject to the Shareholders' approval under the GEM Listing Rules.

ADDITIONAL INFORMATION

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

Yours faithfully
By order of the Board
Aurum Pacific (China) Group Limited
Mui Yuk Wah
Executive Director

1. FINANCIAL INFORMATION

The financial information of the Group for each of the three financial years ended 31 December 2013, 2014 and 2015 were disclosed in the annual reports of the Company for the years ended 31 December 2013 (pages 35 to 119), 31 December 2014 (pages 38 to 119) and 31 December 2015 (pages 44 to 139). The aforementioned financial information of the Group has been published on both the website of the Stock Exchange (www.hkex.com.hk) and the website of the Company (www.aurumpacific.com.hk).

2. INDEBTEDNESS STATEMENT

As at 29 February 2016, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Prospectus, the Group had outstanding borrowings as follows:

Borrowings

	As at 29 February 2016 HK\$
Financial assistance from government (<i>Note</i>)	371,000

Note: The Innovation and Technology Fund (“ITF”) of the Hong Kong Special Administrative Region government has provided financial assistance to the Group to assist in a specific product development. The funding is unsecured, interest-free and repayable to ITF when revenue is generated from the specific product. The amount repaid, if any, will be in stages and calculated with reference to the revenue generated and received

Apart from as disclosed above and intra-group liabilities, the Group did not have at the close of business on 29 February 2016 any debt securities authorized or created but unissued, issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees, or other material contingent liabilities.

Pledge of assets and contingent liabilities

As at 29 February 2016, the Group did not have any pledge of assets and substantial contingent liabilities.

3. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

Reference is made to the announcement of the Company dated 9 March 2016. On 9 March 2016, the Company, as vendor, and Mix Billion Holdings Limited, as purchaser, have entered into a conditional sale and purchase agreement, pursuant to which the Company has conditionally agreed to sell and Mix Billion Holdings Limited has conditionally agreed to acquire the entire issued share capital of Native Hope Limited, a subsidiary of the Group, and all outstanding amount owed by Native Hope Limited to the remaining Group as at the date of completion of disposal at the consideration of HK\$93,750,000 payable by Mix Billion Holdings Limited to the Company. Native Hope Limited, together with its subsidiaries, are mainly engaged in the provision of software platform such as (i) the development services of the urban grid management system; (ii) internet marketing of online peer-to-peer (P2P) lending system; and (iii) other projects such as writing and programming of applications. The Company is in the course of preparation of the related circular which contain, among others, further details of such disposal and the notice to convene the extraordinary general meeting by the Company for the Shareholders to consider and, if thought fit, approve such disposal. For further information of such disposal, please refer to the announcement of the Company dated 9 March 2016.

Subject to the completion of the disposal of Native Hope Limited and its subsidiaries set out in the announcement of the Company dated 9 March 2016, the Group will focus its resources and business development primarily on (i) developing and marketing of the patented server based technology and the provision of communications software platform and software related services with primary focus in the government industry sector; (ii) the provision of website development, education and communications software platform which focuses on development of syllabus and contents for Chinese Language and learning in primary and secondary schools and enterprises; and (iii) money lending business.

In respect of the developing and marketing of the patented server based technology and the provision of communications software platform and software related services with primary focus in the government industry sector, the Group will continuously upgrades the products and services to maintain the existing market sharing and explores new markets.

In respect of the provision of website development, education and communications software platform which focuses on development of syllabus and contents for Chinese Language and learning in primary and secondary schools and enterprises, the Group is optimistic on growth in the education market. The Group will continue to invest resource such as staff costs in developing a wide range of electronic software products to fit requirements of difference customers.

In respect of the money lending business, the Group has commenced the money lending business and began giving out loans since October 2015. Since then and up to the Latest Practicable Date, the Group has granted 13 loans of an aggregate principal amount of approximately HK\$116.8 million with terms ranging from 6 months to 1 year at the interest rate of 10% per annum to 13 borrowers, who and whose ultimate beneficial owners are independent third parties to the Company and its connected person.

In view of (i) the mature market conditions of Hong Kong financing market, (ii) the substantial growth of the loan portfolio of the Group and (iii) the stable interest income generated from the money lending business, the Company intends to expand its money lending business, which is principally the provision of secured loans and personal loans upon due and careful consideration of the customer's background, credit risk, market condition and economic return to the Company.

When conducting the money lending business, the Group is exposed to a number of credit risks, such as, but not limited to, (1) default on the loan by our customers; and (2) net proceeds from the realisation of security may be insufficient to cover the outstanding loan in default. In view of the above, the Group has taken prudent approaches and adopted a number of mechanism to mitigate the credit risks. Loan applications will be reviewed and approved by the Directors and the management of the Group who (i) have extensive years of experience in, among others, investment activities, financing and accounting; (ii) consist of members of the Hong Kong Institute of Certified Public Accountants; and (iii) hold/held directorship(s) of listed companies on the Stock Exchange.

In addition, the Group has set up money lending policy as internal guidelines to the directors, management and officers of the Group in handling credit risks and monitoring the procedures pursuant to the applicable laws and regulations. For instance, the Directors and the management of the Group are primarily responsible for reviewing and approval of loan applications, such as, among other things, reviewing the loan amount applied, the credit history and profile of the applicant, security provided by applicant (if any), background of the guarantor (if any), and the prevailing market conditions, etc. This procedure reduces the chance of granting loans to customers with poor credit history thus the occurrence of defaults. The Directors and the management of the Group will also ensure that the interest rates applicable to each approved loan justify the cost of funding and commensurate against the risks undertaken by the Company. In the event that customers do not make timely settlement of loan principal or interest payment, our staff will contact the customers and remind them of their repayment obligations and the consequences of a default. Continued defaults will result in appropriate actions to be taken against the customers, including but not limited to legal proceedings or the engagement of professional debt collection agents for recovery. In respect of secured loans, the Company will regularly review the security provided by customers. If the estimated realisable value of the security falls below the outstanding loan amount, the Company reserves the right to demand further security from the customers.

The Board believes that the money lending business will provide the Group an opportunity to obtain a higher return for the fund under the current low interest rate environment and will generate satisfactory revenue for the Group. The Group is optimistic that the software platform and money lending business will have positive impact on the profitability of the Group.

4. WORKING CAPITAL

The Directors are of the opinion that, after taking into account the present available resources and the estimated net proceeds from the Open Offer, the Group has sufficient working capital for its normal business for at least the next twelve months from the date of this Prospectus in the absence of unforeseeable circumstances.

5. MATERIAL ADVERSE CHANGE

The Directors are not aware of any material adverse change in the financial or trading position of the Group since 31 December 2015, being the date to which the latest published audited consolidated accounts of the Group were made up.

A. UNAUDITED PRO FORMA STATEMENT OF 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 Company (the “Unaudited Pro Forma Statement”) has been prepared by the directors of the Company in accordance with paragraph 7.31 of the GEM Listing Rules to illustrate the effects of the Open Offer on the audited consolidated net tangible assets of the Group as if the Open Offer had taken place on 31 December 2015.

The Unaudited Pro Forma Statement has been prepared for illustrative purposes only, based on the judgements and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the financial position of the Group following completion of the Open Offer.

The Unaudited Pro Forma Statement has been prepared based on the audited consolidated net assets of the Group as at 31 December 2015 and adjusted to reflect the effects of the Open Offer. Unless otherwise defined, capitalised terms used in the following text shall have the same meaning of those defined in this Prospectus.

	Audited consolidated net assets of the Group attributable to owners of the Company as at 31 December 2015 (Note 1) HK\$'000	Less intangible assets and goodwill attributable to owners of the Company as at 31 December 2015 (Note 2) HK\$'000	Audited consolidated net tangible assets of the Group attributable to owners of the Company as at 31 December 2015 HK\$'000	Estimated net proceeds from the Open Offer (Note 3) HK\$'000	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company immediately after the completion of the Open Offer HK\$'000
Based on 252,000,000 Offer Shares to be issued	230,949	98,989	131,960	57,780	189,740

HK\$

Audited consolidated net tangible assets of the Group attributable to owners of the Company per Share before the completion of the Open Offer (*Note 5*) 0.26

Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share immediately after the completion of the Open Offer (assuming no repurchase of shares) (*Note 6*) 0.25

Notes:

1. The audited consolidated net assets of the Group attributable to owners of the Company as at 31 December 2015 is extracted from the published audited consolidated statement of financial position of the Group as at 31 December 2015.
2. The intangible assets and goodwill of the Group attributable to owners of the Company as at 31 December 2015 were approximately HK\$8,479,000 (being the carrying amount of HK\$13,065,000 less non-controlling interests of HK\$4,586,000) and HK\$90,510,000 respectively. The carrying amount are extracted from the published audited consolidated statement of financial position of the Group as at 31 December 2015.
3. The estimated net proceeds from the Open Offer of approximately HK\$57,780,000 is calculated based on 252,000,000 Offer Shares to be issued (assuming no repurchase of shares) at the Subscription Price of HK\$0.24 per Offer Share after deduction of estimated related commission and expenses of approximately HK\$2,700,000.
4. By an ordinary resolution passed at the extraordinary general meeting on 19 February 2016, every ten issued and unissued ordinary shares of HK\$0.004 each were consolidated into one new ordinary share of HK\$0.04 each. Following the share consolidation which became effective on 22 February 2016, 504,000,000 ordinary shares ("Consolidated Shares") were in issue and fully paid.
5. The audited consolidated net tangible assets of the Group attributable to owners of the Company per Share before the completion of the Open Offer is calculated based on HK\$131,960,000 divided by 504,000,000 Consolidated Shares, being the adjusted number of Shares in issue as at 31 December 2015.
6. The unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to owners of the Company per Share immediately after the completion of the Open Offer (assuming no repurchase of shares) is calculated based on HK\$189,740,000 divided by 756,000,000 Shares, comprising 504,000,000 Consolidated Shares, being the number of Shares in issue as at 31 December 2015, and 252,000,000 Offer Shares to be issued.
7. No adjustments have been made to reflect any trading results or other transactions of the Group entered into subsequent to 31 December 2015.

B. ACCOUNTANTS' REPORT ON UNAUDITED PRO FORMA INFORMATION OF THE GROUP

The following is the text of a report, prepared for inclusion in this prospectus, received from the independent reporting accountants of the Company, Baker Tilly Hong Kong Limited, Certified Public Accountants, Hong Kong, in relation to the Group's unaudited pro forma financial information.



2nd Floor
625 King's Road
North Point
Hong Kong

**INDEPENDENT REPORTING ACCOUNTANT'S ASSURANCE REPORT ON
THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL
INFORMATION****TO THE BOARD OF DIRECTORS OF AURUM PACIFIC (CHINA) GROUP
LIMITED**

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Aurum Pacific (China) Group Limited (the "Company") and its subsidiaries (together the "Group") by the directors for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible assets of the Group as at 31 December 2015 as set out on pages II-1 to II-2 of the prospectus issued by the Company (the "Unaudited Pro Forma Financial Information"). The applicable criteria on the basis of which the directors have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 to II-2 of the prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the directors to illustrate the impact of the proposed Open Offer (the "Proposed Transactions") on the Group's consolidated net tangible assets as at 31 December 2015 as if the Proposed Transactions had taken place as at 31 December 2015. As part of this process, information about the Group's financial position has been extracted by the directors from the Group's consolidated financial statements for the year ended 31 December 2015, on which an audit 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 the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") and with reference to Accounting

Guideline (“AG”) 7, Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars issued by the Hong Kong Institute of Certified Public Accountants (“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.

The firm applies Hong Kong Standard on Quality Control 1 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 Accountant’s Responsibilities

Our responsibility is to express an opinion, as required by paragraph 7.31(7) of the GEM Listing Rules, on the 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 accountant 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 issued by the HKICPA.

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 a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction 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 event or transaction as at 31 December 2015 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 event or transaction, 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 accountant's judgment, having regard to the reporting accountant's understanding of the nature of the Group, the event or transaction 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 purposes of the Unaudited Pro Forma Financial Information as disclosed pursuant to paragraph 7.31(1) of the GEM Listing Rules.

Baker Tilly Hong Kong Limited

Certified Public Accountants

Hong Kong, 22 April 2016

Tong Wai Hang

Practising certificate number P06231

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

- (A) The authorised and issued share capital of the Company as at the Latest Practicable Date are as follows:

<i>Authorised:</i>		HK\$
3,000,000,000	Shares at HK\$0.04 each	120,000,000.00
<i>Fully paid Shares in issue:</i>		
504,000,000	Shares in issue and fully paid as at the Latest Practicable Date	20,160,000.00

- (B) The authorised and issued share capital of the Company and immediately following the completion of the Open Offer are as follows (assuming that there is no change in shareholding structure of the Company from the Latest Practicable Date up to the completion of the Open Offer):

<i>Authorised:</i>		HK\$
3,000,000,000	Shares at HK\$0.04 each	120,000,000.00
<i>Fully paid Shares in issue:</i>		
504,000,000	Shares in issue and fully paid as at the Latest Practicable Date	20,160,000.00
252,000,000	Offers Shares to be issued pursuant to the Open Offer	10,080,000.00
756,000,000	Shares in issue and fully paid immediately upon completion of the Open Offer	30,240,000.00

As at the Latest Practicable Date, the Company has no outstanding convertible securities, options or warrants in issue which confer any right to subscribe for, convert or exchange into Shares.

No capital of any member of the Group was under option, or agreed conditionally or unconditionally to be put under option as at the Latest Practicable Date. All Shares in issue rank *pari passu* in all respects with each other including rights to dividends, voting and return of capital. There is no arrangement under which future dividends will be waived or agreed to be waived.

The issued Shares are listed and traded on GEM. None of the securities of the Company is listed, or dealt in, on any other stock exchange, nor is any listing of or permission to deal in the securities of the Company being, or proposed to be, sought on any other stock exchange.

3. DISCLOSURE OF INTERESTS

(a) Directors' and chief executive's interests in the Company

As at Latest Practicable Date, none of the Directors nor the chief executive of the Company had or was deemed to have any interests or short positions in the Shares, underlying Shares or debentures of the Company and 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 to be notified to the Company and the Stock Exchange pursuant to the Rules 5.46 to 5.67 of the GEM Listing Rules.

(b) Substantial shareholders and other persons' interests in Shares and underlying Shares

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

Name of Shareholder	Capacity	Number of Shares and underlying Shares held (Note 1)	Approximate percentage of the total issued share capital of the Company	Note
Mr. Zhang Weijie	Beneficial owner	43,840,000 (L)	8.70%	(2)
Gransing Securities Co., Limited	Beneficial owner	252,000,000 (L) 252,000,000 (S)	33.33% 33.33%	(3)
Gransing Financial Holdings Limited	Interest of a controlled corporation	252,000,000 (L) 252,000,000 (S)	33.33% 33.33%	(3)
Mr. Kwok Shun Tim	Interest of a controlled corporation	252,000,000 (L) 252,000,000 (S)	33.33% 33.33%	(3)
Ms. Yip Nga Wan	Interest of spouse	252,000,000 (L) 252,000,000 (S)	33.33% 33.33%	(3)
Mr. Tang Jay	Beneficial owner	75,000,000 (L)	9.92%	

Notes:

1. "L" denotes a long position whilst "S" denotes a short position.
2. The number of shares stated in the table above and is adjusted by the Company taking into account the effect of the completion of share consolidation on 22 February 2016.
3. The total of 252,000,000 Shares represent the Underwritten Shares that the Underwriter has agreed to underwrite pursuant to the terms of the Underwriting Agreement. Based on the notices of disclosure of interests of the Underwriter, Gransing Financial Holdings Limited, Mr. Kwok Shun Tim and Ms. Yip Nga Wan filed with the Stock Exchange on 1 April 2016, the Underwriter is wholly-owned by Gransing Financial Holdings Limited, which is in turn 95.24% owned by Mr. Kwok Shun Tim. Ms. Yip Nga Wan is the spouse of Mr. Kwok Shun Tim.

Save as disclosed in the preceding paragraph and so far as is known to the Directors or chief executive of the Company, there is no person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO.

As at the Latest Practicable Date, so far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or a chief executive of the Company) who were directly or indirectly interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying voting rights to vote in all circumstances at general meeting of any other member of the Group, were as follows:

Name	Name of Group member	Capacity	Paid up capital	Approximately percentage of shareholding
Mr. He Jiangtao	Shenzhen Zhouju Internet Technology Company Limited	Beneficial Owner	HK\$490,000	49%

Save as disclosed above, and so far as is known to the Directors or chief executive of the Company, there is no person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the Shares and underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying rights to vote in all circumstances at general meeting of any other member of the Group.

4. DIRECTORS' SERVICE CONTRACTS

All executive Directors and independent non-executive Directors are subject to retirement by rotation and re-election at the Company's annual general meeting in accordance with the Articles of Association of the Company.

As at the Latest Practicable Date, none of the Directors had entered, or proposed to enter into a service contract with any member of the Group which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

5. DIRECTORS' INTERESTS IN ASSETS AND CONTRACTS OF THE COMPANY

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 member of the Group since 31 December 2015, being the date to which the latest published audited consolidated financial statements of the Group were made up.

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.

6. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors or substantial shareholders of the Company or any of their respective associates (as defined in the GEM Listing Rules) had any interest in a business which competes or may compete with the business of the Group nor does any of them has or may have any other conflicts of interest with the Group.

7. CORPORATE INFORMATION

Board of Directors

Executive Directors

Mr. Chan Wai Kit
Mr. Hung Tat Chi Alan
Mr. Mui Yuk Wah
Ms. Wong Chi Yan

Independent non-executive Directors

Mr. Leung Man Chun
Mr. Fok Kin Fung Eric
Dr. Lee Nim Wai

Audit Committee

Mr. Leung Man Chun (*Chairman*)
Dr. Lee Nim Wai
Mr. Fok Kin Fung Eric

Remuneration Committee

Mr. Leung Man Chun (*Chairman*)
Dr. Lee Nim Wai
Mr. Fok Kin Fung Eric
Mr. Chan Wai Kit

	<i>Nomination Committee</i> Mr. Leung Man Chun (<i>Chairman</i>) Dr. Lee Nim Wai Mr. Fok Kin Fung Eric Mr. Chan Wai Kit
Registered office	Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Head office and principle place of business in Hong Kong	22/F., Hua Fu Commercial Building 111 Queen's Road West Hong Kong
Company secretary	Mr. Mui Yuk Wah
Authorised representatives	Mr. Chan Wai Kit and Ms. Wong Chi Yan
Compliance Officer	Mr. Chan Wai Kit
Auditor	Baker Tilly Hong Kong Limited Certified Public Accountants
Principal share registrar and transfer office	Codan Trust Company (Cayman) Limited Cricket Square Hutchins Drive P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Hong Kong branch share registrar and transfer office	Tricor Tengis Limited Level 22, Hopewell Centre 183 Queen's Road East Hong Kong

Principal bankers	Bank of China (Hong Kong) Limited Bank of China Tower 1 Garden Road, Central Hong Kong
	Nanyang Commercial Bank, Limited 151 Des Voeux Road Central Hong Kong
	Bank of Communications Co., Ltd 20 Pedder Street, Central Hong Kong

8. PARTIES INVOLVED IN THE OPEN OFFER

The Company	Aurum Pacific (China) Group Limited 22/F., Hua Fu Commercial Building 111 Queen's Road West Hong Kong
Underwriter	Gransing Securities Co., Limited Room 805-6, Far East Consortium Building 121 Des Voeux Road Central Hong Kong
Financial adviser to the Company	Amasse Capital Limited Room 1201, 12th Floor Prosperous Building 48-52 Des Voeux Road Central Hong Kong
Legal adviser to the Company	TANG TSO & LAU Solicitors Room 209, 2/F China Insurance Group Building 141 Des Voeux Road Central Hong Kong
Reporting accountants	Baker Tilly Hong Kong Limited <i>Certified Public Accountants</i> 2nd Floor 625 King's Road North Point Hong Kong

Hong Kong branch share registrar and transfer office	Tricor Tengis Limited Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong
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9. AUDIT COMMITTEE

The Company established the audit committee of the Company with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules and paragraph C.3.3 of the Corporate Governance Code and Corporate Governance Report as set out in Appendix 15 of the GEM Listing Rules. The primary duties of the audit committee of the Company are mainly to make recommendation to the Board on the appointment and removal of external auditor; review the financial statements and material advice in respect of financial reporting; and oversee risk management and internal control procedures of the Company.

As at the Latest Practicable Date, the audit committee of the Company has three members comprising Mr. Leung Man Chun, Dr. Lee Nim Wai and Mr. Fok Kin Fung Eric, of whom Mr. Leung Man Chun, who has the appropriate professional qualification, has been appointed as the chairman of the audit committee of the Company.

10. LITIGATIONS

The Group may from time to time be involved in litigations concerning personal injuries by its employees or third party claimants. In the opinion of the Directors, the Group did not any significant contingent liabilities arising from these litigations at the Latest Practicable Date as all potential claims made by these employees and third party claimants are accounted for in the consolidated financial statements of the Group and covered by insurance protection.

As at the Latest Practicable Date, no member of the Group was engaged in any other litigation or claim of material importance and no other litigation or claim of material importance is known to the Directors to be pending or threatened by or against any member of the Group.

11. MATERIAL CONTRACTS

The following contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within two years immediately preceding the Latest Practicable Date:

- (i) On 23 June 2014, Star Regal Investments Limited, a subsidiary of the Company, and Refine Skill Limited entered into a sales and purchase agreement in relation to the acquisition of the entire equity interest in KanHan Education Services Limited and its subsidiaries;
- (ii) On 26 September 2014, the Company entered into a placing agreement with the placing agent, One China Securities Limited, pursuant to which the

Company has conditionally agreed to place through the placing agent, on a best effort basis, up to 50,000,000 placing shares at the placing price of HK\$0.65 per placing share;

- (iii) On 7 November 2014, the Company entered into a placing agreement with the placing agent, One China Securities Limited, pursuant to which the Company has conditionally agreed to place through the placing agent, on a best effort basis, up to 50,000,000 placing shares at the placing price of HK\$0.65 per placing share;
- (iv) On 11 December 2014, the Group and Mix Billion Holdings Limited entered into a sales and purchase agreement in relation to the acquisition of the entire equity interest in Native Hope Limited and its subsidiaries (collectively as “NH Group”);
- (v) On 20 April 2015, the Company entered into a placing agreement with the placing agent, One China Securities Limited, pursuant to which the Company has conditionally agreed to place through the placing agent, on a best effort basis, up to 600,000,000 placing shares at the placing price of HK\$0.10 per placing share;
- (vi) On 6 June 2015, the Company, Beijing Enterprises Medical Health Resources Company Limited and Starry Chance Investments Limited entered into a subscription agreement, pursuant to which the Company has conditionally agreed to allot and issue, and Beijing Enterprises Medical Health Resources Company Limited and Starry Chance Investments Limited have conditionally agreed to subscribe a total of 15,000,000,000 new shares at the subscription price of HK\$0.02 per subscription share;
- (vii) On 7 June 2015, the Company entered into with each of Apex City International Limited and Capital Gold Enterprises Limited, Best Global Ventures Limited, First Growth Global Limited, Megaway Investment Limited, Luck Success International Investment Limited, Wide Success International Limited, Trade Gate Holdings Limited, Tseng Ying Hon and Intellectual Property Trade Pte. Ltd a subscription agreement, pursuant to which the Company has conditionally agreed to allot and issue, and each of Apex City International Limited and Capital Gold Enterprises Limited, Best Global Ventures Limited, First Growth Global Limited, Megaway Investment Limited, Luck Success International Investment Limited, Wide Success International Limited, Trade Gate Holdings Limited, Tseng Ying Hon and Intellectual Property Trade Pte. Ltd has conditionally agreed to subscribe, the subscription shares at the subscription price of HK\$0.02 per subscription share;
- (vii) On 7 June 2015, Excel Super Investment Limited, a subsidiary of the Company, entered into a sale and purchase agreement with 北京艾格瑞德技术有限公司, Mr. Wu Zhanjiang, Mr. Li Kang Ying, Mr. Cao Wei and Mr. Wang Dongbin, pursuant to which Excel Super Investment Limited has conditionally agreed

to acquire, and 北京艾格瑞德科技有限公司 has conditionally agreed to sell the entire equity interest of 北京艾普智城網絡科技有限公司 (Beijing iPole Smart City Network Technology Company Limited) at the consideration of RMB7,200,000 in cash;

- (ix) On 26 October 2015, the Company entered into a placing agreement with placing agent, Kingston Securities Limited, pursuant to which the Company has conditionally agreed to place through the placing agent, on a best effort basis, up to 840,000,000 shares at the placing price of HK\$0.10 per placing share;
- (x) On 9 March 2016, the Company and Mix Billion Holdings Limited entered into a conditional sales and purchase agreement in relation to a proposed disposal of entire equity interest of NH Group; and
- (xi) On 29 March 2016, the Company and the Underwriter entered into the Underwriting Agreement.

12. PARTICULAR OF DIRECTORS

Executive Directors

Mr. Chan Wai Kit (“Mr. Chan”), aged 33, has been appointed as an executive Director, authorised representative and a compliance officer of the Company on 13 October 2014 and a deputy Chairman with effect from 16 October 2015. Mr. Chan holds a Bachelor Degree in Information System and a Master Degree of Accounting from Curtin University of Technology, Australia. Mr. Chan is currently the international business development manager of Pearl Oriental Oil Limited (stock code: 632), a company listed on the Stock Exchange. He is also a director and vice president of SZ Enterprise Union Finance Limited, a subsidiary of Prosten Technology Holdings Limited (stock code: 8026) and he is the executive director, chairman, authorised representative and compliance officer of PPS International (Holdings) Limited (stock code: 8201), a company listed on the GEM of the Stock Exchange. And Mr. Chan is currently a company secretary of Titanium Group Limited, a company quoted on OTC Bulletin Board in the US. Mr. Chan has extensive experience in IT, accounting, finance, corporate governance, strategic planning, as well as merger and acquisition.

Mr. Hung Tat Chi Alan (“Mr Hung”), aged 37, has been appointed as executive Director of the Company with effect on 2 March 2016. Mr. Hung obtained his Master Degree in Civil Engineering from the Hong Kong University of Science and Technology. He is specialized in commercializing recycled products in the construction industry and in waste tires solutions. Mr. Hung has more than 10 years of experiences in China and established extensive network with government officials and executives, and investors, entrepreneurs, professionals and academics in Asia, America, Europe and the Middle East. Mr. Hung has been the Deputy Secretary General of the Preparatory Committee for the World Summit of Chinese Entrepreneurs since 2005, and has been taking up senior positions in organizations

of different sectors for more than 8 years. Mr. Hung is currently an alternate director of Evershine Group Holdings Limited (stock code: 8022) which is listed on the GEM of the Stock Exchange.

Mr. Mui Yuk Wah (“Mr Mui”), aged 32, has been appointed as an executive director and company secretary with effect on 23 February 2016. He obtained Bachelor Degree in Economics from The Chinese University of Hong Kong. Mr. Mui has worked for international accounting firms for 8 years, with extensive experience in financial reporting, auditing, mergers and acquisitions and initial public offerings. Mr. Mui is a member of the Hong Kong Institute of Certified Public Accountants.

Ms. Wong Chi Yan (“Ms. Wong”), aged 34, has been appointed as an executive Director on 27 May 2015. Ms. Wong is currently the authorised representative on and was a company secretary from 29 April 2010 to 18 January 2016. Ms. Wong holds a Bachelor of Business Administration degree in Accounting from Hong Kong Baptist University. She is an associate member of the Hong Kong Institute of Certified Public Accountants, an associate member of the Hong Kong Institute of Chartered Secretaries and the Institute of Chartered Secretaries and Administrators. She has extensive experiences in auditing, accounting and financing as well as merger and acquisition. Ms. Wong was also the company secretary and authorised representative of U-RIGHT International Holdings Limited (stock code: 627) during the period from 18 September 2013 to 6 April 2016. She is an executive director, the company secretary and the authorised representative of PPS International Limited (stock code: 8201). She was also an independent non-executive director of Co-Prosperity Holidays Limited (stock code: 707) during the period from 6 October 2015 to 25 January 2016. She was an independent non-executive director of Prosten Technology Holdings Limited (stock code: 8026) during the period from 25 June 2015 to 8 October 2015.

Independent Non-Executive Directors

Mr. Leung Man Chun (“Mr. Leung”), aged 28, has been appointed as an independent non-executive Director, the member of the audit committee, the member of the nomination committee and the member of the remuneration committee of the Company with effect from 23 February 2016. He has been engaging in financial services sector for over 6 years, along with ample experience in an international accounting firm and an international bank. He currently serves as a corporate finance principal for a professional firm. He obtained a bachelor’s degree in social sciences from Hong Kong Baptist University in 2009. Mr. Leung is a member of the Hong Kong Institute of Certified Public Accountants. Mr. Leung has been appointed as an independent non-executive director of Evershine Group Holdings Limited (stock code: 8022), a company listed on the GEM of the Stock Exchange.

Mr. Fok Kin Fung Eric (“Mr Fok”), aged 32, has been appointed as independent non-executive Director and the member of the audit Committee, the member of the nomination committee and the member of the remuneration

committee of the Company with effect from 2 March 2016. Mr. Fok has over 10 years' experience in financial advisory industry, with ample experience in asset management and risk management. Mr. Fok obtained a bachelor degree of banking and finance from the University of London and currently serves as a senior financial advisor at an international insurance corporation.

Dr. Lee Nim Wai ("Dr. Lee"), aged 63, has been appointed as independent non-executive Director and the member of the audit Committee, the member of the nomination committee and the member of the remuneration committee of the Company with effect from 16 March 2016. Dr. Lee is a dental surgeon in Hong Kong with over 37 years in dental practice, with special interest in cosmetic dentistry. Dr. Lee obtained the Bachelor Degree from the University of Washington in 1975, and later on the Doctoral Degree of Dental Medicine from the University of the East in 1979. Dr. Lee actively engages in charitable activities and he has been the vice-chairman and a director of Yan Chai Hospital from 1991-1999. He is the founder of Imperial Dental Group which provides premium dental services both in Hong Kong and Mainland China.

13. MISCELLANEOUS

- (i) The company secretary of the Company is Mr. Mui Yuk Wah. He is a member of the Hong Kong Institute of Certified Public Accountants.
- (ii) The business address of all Directors is 22/F., Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong.
- (iii) The registered office of the Company is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands. The head office and principal place of business in Hong Kong is located at 22/F., Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong. The principal share registrar and transfer office of the Company is Codan Trust Company (Cayman) Limited at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111 Cayman Islands.
- (iv) The Hong Kong branch share registrar and transfer office of the Company is Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.
- (v) As at the Latest Practicable Date, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.
- (vi) The English text of this Prospectus shall prevail over the Chinese text.

14. EXPERT AND CONSENT

The following is the qualification of the expert who has given opinion or advice contained in this Prospectus:

Name	Qualification
Baker Tilly Hong Kong Limited	Certified Public Accountants

Baker Tilly Hong Kong Limited has given and not withdrawn its written consent to the issue of this Prospectus with the inclusion of its report and references to its name in the form and context in which it appear.

Baker Tilly Hong Kong Limited does not have any shareholding in any company in the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any company in the Group.

Baker Tilly Hong Kong Limited does not have 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 2015, being the date to which the latest published audited accounts of the Group were made up.

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

A copy of this Prospectus, together with a copy of the Application Form and the written consent referred to in the paragraphs headed “Expert and Consent” in this appendix have been delivered to the Registrar of Companies in Hong Kong for registration as required by Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance.

16. LEGAL EFFECT

The Prospectus Documents and all acceptance of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made pursuant hereof, of rendering all persons concerned bound by all 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.

17. EXPENSES

The expenses in connection with the Open Offer, including financial advisory fees, underwriting commission, printing, registration, translation, legal and accountancy charges and other related expenses, are estimated to amount to approximately HK\$2.7 million and are payable by the Company.

18. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents are available for inspection at the head office and principal place of business of the Company at 22/F, Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong during normal business hours on any weekday other than public holidays from the date of this Prospectus, up to and including the Latest Time for Acceptance:

- (i) the memorandum and articles of association of the Company;
- (ii) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix;
- (iii) the annual reports of the Company for the three financial years ended 31 December 2013, 2014 and 2015;
- (iv) the accountants' report on the unaudited pro forma financial information of the Group, the text of which is set out in Appendix II to this prospectus;
- (v) the written consent of the expert referred to in the section headed "Expert and Consent" in this appendix; and
- (vi) the Prospectus Documents.