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If you are in any doubt as to any aspect of this circular or as to the action you should take, you should consult your licensed securities dealer or 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 this circular to the purchaser or the transferee or to the bank manager, licensed securities dealer or registered institution in securities or other agent through whom the sale was effected for transmission to the purchaser or the transferee.

This circular appears for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for the shares or other securities of the Company.

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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)

MAJOR AND CONNECTED TRANSACTION DISPOSAL OF THE ENTIRE ISSUED SHARE CAPITAL OF NATIVE HOPE LIMITED AND NOTICE OF EXTRAORDINARY GENERAL MEETING

Financial adviser to the Company

AMASSE CAPITAL
寶 積 資 本

Capitalised terms used in this cover shall have the same meanings as defined in this circular.

A notice convening the EGM of the Company to be held at 11:30 a.m. on Thursday, 16 June 2016 at 9/F., Gloucester Tower, The Landmark, Central, Hong Kong is set out on pages 22 to 23 of this circular.

A form of proxy for use at the EGM is also enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, and in such event, the form of proxy shall be deemed to be revoked.

This circular will remain on the "Latest Company Announcement" page of the website of the GEM of the Stock Exchange at www.hkgem.com for a minimum period of 7 days from the date of its publication and on the website of the Company at www.aurumpacific.com.hk.

31 May 2016

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate companies to which a high 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.

CONTENTS

	<i>Page</i>
Definitions	1
Letter from the Board	4
Appendix I — Financial Information of the Group	12
Appendix II — General Information	15
Notice of Extraordinary General Meeting	22

DEFINITIONS

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

“associates”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday or public holiday in Hong Kong) on which commercial banks are generally open for business in Hong Kong
“Company”	Aurum Pacific (China) Group Limited (stock code: 8148), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM
“Completion”	the completion of the Disposal pursuant to the SPA
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Consideration”	the total consideration of HK\$93,750,000 payable by the Purchaser to the Company for the Disposal under the SPA
“Director(s)”	director(s) of the Company
“Disposal”	the disposal of the Sale Shares and the Sale Loan by the Company to the Purchaser pursuant to the SPA
“Disposal Group”	collectively, Native Hope Limited, Fair Respect International Limited, Shenzhen Xiaoke Internet Technology Company Limited*, Shenzhen Zhoufu, Maoming Yuexi Zhoufu Internet Technology Company Limited*, King Win Intelligent Technologies Limited, King Win Intelligent Technologies (HK) Limited, Jiaxing Jiajian Intelligent Technology Company Limited*, National New Century Limited, National New Century (HK) Limited, Aurum Digital Enterprises Limited and Aurum Digital Enterprises (HK) Limited, being subsidiaries of the Company
“EGM”	the extraordinary general meeting to be convened by the Company for the Shareholders to consider and, if thought fit, approve the SPA and the transactions contemplated thereunder

* For identification purpose only

DEFINITIONS

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM
“Group”	the Company and its subsidiaries
“Guarantor”	Mr. Lai, the guarantor of the Purchaser under the Previous Agreement
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Shareholders”	Shareholders other than those who have material interest in the SPA and the transactions contemplated thereunder and are required to abstain from voting at the EGM
“Latest Practicable Date”	24 May 2016, being the latest practicable date for ascertaining certain information referred to in this circular prior to printing of this circular
“Mr. Lai”	Mr. Lai Huamin, a PRC citizen
“PRC”	the People’s Republic of China, for the purpose of this circular, excluding Hong Kong, Macau Special Administration Region of the PRC and Taiwan
“Previous Agreement”	the sale and purchase agreement dated 11 December 2014 and entered into by the Company, the Purchaser and the Guarantor in respect of the Acquisition
“Previous Remaining Consideration”	the remaining consideration of HK\$30,000,000 payable by the Company to the Purchaser for the Acquisition under the Previous Agreement
“Purchaser”	Mix Billion Holdings Limited, a company incorporated in the British Virgin Islands with limited liability
“Remaining Group”	the Group excluding the Disposal Group
“RMB”	Renminbi, the lawful currency of the PRC

DEFINITIONS

“Sale Loan”	all outstanding amount owed by Native Hope Limited to the Remaining Group as at the date of Completion and for indication purpose, such amount is approximately HK\$3,750,000 as at 31 December 2015
“Sale Shares”	50,000 ordinary shares of US\$1.00 each in the issued share capital of Native Hope Limited, representing its entire issued share capital
“Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company as at the Latest Practicable Date
“Shareholder(s)”	holder(s) of Share(s)
“Shenzhen Zhoufu”	深圳州富網絡科技有限公司 (Shenzhen Zhoufu Internet Technology Company Limited*), a company established in the PRC with limited liability, is effectively owned as to 51% by the Company, and is in turn an indirect subsidiary of the Company
“SFO”	Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) as amended, supplemented or otherwise modified from time to time
“SPA”	the conditional sale and purchase agreement dated 9 March 2016 and entered into by the Company and the Purchaser in respect of, among other things, the Disposal
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholders”	has the meaning ascribed to it under the GEM Listing Rules
“US\$”	United States dollars, the lawful currency of the United States
“%”	per cent.

* For identification purposes only

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:

CHAN Wai Kit

HUNG Tat Chi Alan

MUI Yuk Wah

WONG Chi Yan

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Independent non-executive Directors:

LEUNG Man Chun

FOK Kin Fung Eric

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

31 May 2016

To the Shareholders

Dear Sir or Madam,

MAJOR AND CONNECTED TRANSACTION DISPOSAL OF THE ENTIRE ISSUED SHARE CAPITAL OF NATIVE HOPE LIMITED AND NOTICE OF EXTRAORDINARY GENERAL MEETING

INTRODUCTION

References are made to (i) the announcements of the Company dated 11 December 2014 and 17 December 2014 in relation to the acquisition of the Disposal Group (the “**Acquisition**”). The consideration paid by the Company for the Acquisition under the Previous Agreement was HK\$90,000,000; and (ii) the announcement of the Company dated 9 March 2016 in relation to the Disposal. On 9 March 2016 (after trading hours), the Company, as vendor, and the Purchaser entered into the SPA, pursuant to which the Company has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the Sale Shares and the Sale Loan at the Consideration of HK\$93,750,000 payable by the Purchaser in accordance with the terms and conditions of the SPA.

The purpose of this circular is to provide you with, among other things, the details of the Disposal, the notice of the EGM, and any other information as required by the GEM Listing Rules.

LETTER FROM THE BOARD

THE SPA

Date

9 March 2016 (after trading hours)

Parties

- (i) Company : Aurum Pacific (China) Group Limited; and
- (ii) Purchaser : Mix Billion Holdings Limited.

As at the Latest Practicable Date, Mr. Lai, the ultimate beneficial owner of the Purchaser, is a director of certain members of the Disposal Group and therefore the Purchaser is a connected person at subsidiary level of the Company under the GEM Listing Rules.

Assets to be disposed

The Company has conditionally agreed to sell and the Purchaser has conditionally agreed to acquire the Sale Shares, representing the entire equity interest of the Disposal Group, and the Sale Loan.

Consideration

The Consideration is HK\$93,750,000 payable by the Purchaser and shall be satisfied in the following manner:

- (i) HK\$10,000,000 in cash shall be paid by the Purchaser within 10 Business Days upon signing of the SPA;
- (ii) HK\$20,000,000 in cash shall be paid by the Purchaser within 10 Business Days upon despatching of this circular;
- (iii) HK\$33,750,000 in cash shall be paid by the Purchaser upon Completion; and
- (iv) HK\$30,000,000 shall be paid by the Purchaser upon Completion which will be settled by setting off the Previous Remaining Consideration of HK\$30,000,000 due to the Purchaser by the Company under the Previous Agreement.

The Consideration was determined after arm's length negotiation between the Company and the Purchaser with reference to the total consideration paid by the Company under the Previous Agreement of HK\$90,000,000 and the Sale Loan of approximately HK\$3,750,000.

The Company has duly received the payment of HK\$10,000,000 from the Purchaser in the manner as stated in (i) above.

LETTER FROM THE BOARD

Conditions precedent

Completion is conditional upon satisfaction of the following conditions precedent:

- (i) All necessary waiver, consent, approval, licence, authorisation, permission, order and exemption (if required) from the relevant governmental or regulatory authorities or other third parties which are necessary in connection with the SPA and the transactions contemplated thereunder having been obtained;
- (ii) the Company having obtained the approval by the Shareholders (or Independent Shareholders, if required) for the SPA and all transactions contemplated thereunder; and
- (iii) all representations and warranties given by the Company in the SPA being true and accurate in all material respects.

Save for condition (iii) which can be waived by the Purchaser, none of the above conditions can be waived. If all the conditions have not been fulfilled, or waived, on or before 31 July 2016 or such later date as the parties to the SPA may agree in writing, the SPA shall be terminated forthwith and each party to the SPA shall have no liability to the other parties save and except for any antecedent breaches of the terms thereof, and the Company shall fully refund the consideration received from the Purchaser under the SPA (without interest and cost).

Completion

Completion shall take place within 30 days following the date of fulfillment (or waiver) of the above conditions or such other date as the parties to the SPA may agree in writing.

Upon Completion, the Company shall cease to hold any interest in the Disposal Group and the Disposal Group will cease to be subsidiaries of the Company.

LETTER FROM THE BOARD

Financial information of the Disposal Group

The unaudited consolidated financial information of the Disposal Group for each of the two financial years ended 31 December 2014 and 2015 are set out below:

	For the financial year	
	ended 31 December	
	2014	2015
	HK\$'000	HK\$'000
Revenue	1,538	22,671
Net profit before taxation	2,710	14,343
Net profit after taxation	2,710	12,989
Total liabilities	2,000	5,689
Total assets	8,015	23,844

The unaudited consolidated net assets of the Disposal Group as at 31 December 2015 was approximately HK\$18,155,000. The Disposal Group (i) has recorded revenue of approximately HK\$1,538,000 and approximately HK\$22,671,000 for the years ended 31 December 2014 and 2015 respectively; and (ii) has recorded net profit of approximately HK\$2,710,000 and approximately HK\$12,989,000 for the years ended 31 December 2014 and 2015 respectively, representing an increase of approximately 379%, which was mainly due to the launch of certain projects in relation to the writing and programming of applications in 2015 that were non-recurring in nature. The total assets of the Disposal Group has increased from approximately HK\$8,015,000 as at 31 December 2014 to approximately HK\$23,844,000 as at 31 December 2015, representing an increase of approximately 197%. Such increase in total assets of the Disposal Group was mainly due to net effect of (i) increase in balance of cash and cash equivalents of approximately HK\$13,940,000 mainly generated from the operating activities; (ii) increase in new acquired properties under development of approximately HK\$2,804,000; and (iii) decrease in amount due from the Company of approximately HK\$1,400,000.

FINANCIAL EFFECT OF THE DISPOSAL AND USE OF PROCEEDS

Based on (i) the unaudited consolidated net asset value of the Disposal Group as at 31 December 2015 of approximately HK\$18,155,000; (ii) the carrying amount of fair value adjustment on intangible assets of approximately HK\$9,360,000; (iii) the carrying amount of the corresponding deferred tax liabilities of approximately HK\$2,340,000; (iv) the carrying amount of goodwill contributable to the Disposal Group of approximately HK\$68,844,000; and (v) the carrying amount of non-controlling interests of approximately HK\$4,618,000, it is estimated that the Group will record a gain of approximately HK\$3,409,000 (before tax) from the Disposal after deducting the expenses attributable to the Disposal of approximately HK\$940,000. Shareholders should note that the actual amount of the gain or loss on the Disposal to be recognized in the consolidated financial statements of the Company depends on the net asset value of the Disposal Group as at the date of Completion and therefore may be different from the amount mentioned above.

LETTER FROM THE BOARD

Upon Completion, the Company will cease to hold any equity interest of the Disposal Group and the results of the Disposal Group will no longer be consolidated into the consolidated financial statements of the Group.

In January 2016, certain members of the Disposal Group have provided interest-free borrowings to the Company of an aggregate of approximately HK\$5,000,000 (the “**Interest-free Borrowings**”). Such interest-free borrowings (i) are current account in nature; (ii) are unsecured; and (iii) have no fixed terms of repayment. For indication purpose, after having taken into account the Sale Loan of approximately HK\$3,750,000 as at 31 December 2015 and the Interest-free Borrowings, the outstanding amount owed by the Remaining Group to the Disposal Group is approximately HK\$1,250,000 as at the Latest Practicable Date.

The Board intends to apply the net proceeds of approximately HK\$58 million (after having taken into account the Interest-free Borrowings) from the Disposal (i) as to approximately 85% for the Group’s future acquisition and investment opportunities, including but not limited to the MOU and the Proposed Acquisition (as defined below); and (ii) the remaining approximately 15% as general working capital.

REASONS AND BENEFITS OF THE DISPOSAL

The Directors have been constantly evaluating the current businesses of the Group with an aim to streamline its businesses and increase their overall performances and prospects. The Disposal Group is mainly involved in the provision of software platform such as (i) the development services of the urban grid management system (the “**Urban Grid System Business**”); (ii) internet marketing of online peer-to-peer (P2P) lending system (the “**P2P System Business**”); and (iii) other projects such as writing and programming of applications.

The consideration paid by the Company for the Acquisition under the Previous Agreement was HK\$90,000,000 and the vendor to the Acquisition was the Purchaser which is wholly-owned by Mr. Lai. It was originally expected that the Disposal Group would focus on developing the Urban Grid System Business and the P2P System Business at the time of the Acquisition and had anticipated strong growth potential in these segments. It was expected that the PRC government would be the target customers of our Urban Grid System Business and a stable and favorable return would be generated. However, the management of the Company noticed that penetration of the Urban Grid System Business into the governmental market is not satisfied. The P2P System Business has also been adversely affected by the enhancing standards of the PRC regulatory requirements over such kind of on-line financial services, the operating costs and profitability of the P2P System Business has inevitably adversely affected. Accordingly, the Directors consider these two business segments of the Disposal Group are under-performed and do not match the expectation of the Company.

LETTER FROM THE BOARD

Despite that the business of other projects such as writing and programming of applications has been able to achieve favourable results last year, the Directors are of the view that such business is non-recurring in nature and there is a high concentration of clients for the services, this business segment is not in line with the Group's strategies to increase the income stream of the Group by establishing and developing core businesses with stable income and recurring nature in the long term.

Furthermore, the Directors consider that the Disposal will enhance the cash position, the working capital of the Company, and thus allow the Group to restructure its strategic business position, dispose the under-performing businesses and focus in pursuing development opportunities on its core businesses and/or other potential acquisitions in the future.

Refer to the announcements of the Company dated (i) 31 March 2016 and 11 May 2016, the Company has entered into a memorandum of understanding and subsequently a formal sale and purchase agreement with a vendor (the **"Proposed Acquisition"**) in relation to the proposed acquisition of a company incorporated in the British Virgin Islands which is principally engaged in holding a commercial property located in Hong Kong; (ii) 11 March 2016, the Company has entered into a memorandum of understanding with the vendors (the **"MOU"**) in relation to the proposed acquisition of a company incorporated in the British Virgin Islands which is principally engaged in development, operation and publication of mobile games and applications; and (iii) 20 January 2016, Lead Billion Enterprises Limited, a wholly owned subsidiary of the Company, has entered into a memorandum of understanding with the vendors in relation to the proposed acquisition of a company incorporated in the PRC which is principally engaged in mobile games development, operation and promotion in the PRC. Save for the above, the Company has not identified any investment opportunity or potential acquisition as at the Latest Practicable Date.

Having considered the reasons for and benefits of the Disposal above, the Directors are of the view that the terms of the SPA are fair and reasonable and the Disposal is in the interest of the Company and the Shareholders as a whole.

INFORMATION ON THE PURCHASER, THE COMPANY AND THE GROUP

The Purchaser is a company incorporated in the British Virgin Islands with limited liability and is wholly-owned by Mr. Lai, and is principally engaged in investment holding.

The Company is an investment holding company. The Group comprises the Disposal Group and the Remaining Group.

The Group (including the Disposal 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

LETTER FROM THE BOARD

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 Disposal Group is mainly involved in the business of 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 Remaining 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; and (iii) money lending business.

GEM LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios for the Disposal are more than 25% but are all less than 75%, the Disposal constitutes a major transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting, announcement and Shareholders' approval requirements under the GEM Listing Rules.

As at the Latest Practicable Date, Mr. Lai, the ultimate beneficial owner of the Purchaser, is a director of certain members of the Disposal Group and therefore the Purchaser is a connected person at the subsidiary level of the Company under the GEM Listing Rules.

As the Disposal is only a connected transaction between the Company and a connected person at the subsidiary level on normal commercial terms, given that (i) the Directors have approved the Disposal; and (ii) the independent non-executive Directors have confirmed that the terms of the Disposal is fair and reasonable, the Disposal is on normal commercial terms and in the interests of the Company and its Shareholders as a whole, such connected transaction is exempted from the circular, independent financial advice and Shareholders' approval requirements under Rule 20.99 of the GEM Listing Rules.

In accordance with the GEM Listing Rules, any Shareholder who has a material interest in the SPA shall abstain from voting on the resolution(s) to approve the SPA and the transactions contemplated thereunder at the EGM. The Purchaser and its associates will abstain from voting on the relevant resolution(s) at the EGM accordingly.

LETTER FROM THE BOARD

GENERAL

A notice convening the EGM of the Company to be held at 11:30 a.m. on Thursday, 16 June 2016 at 9/F., Gloucester Tower, The Landmark, Central, Hong Kong is set out on pages 22 to 23 of this circular.

A form of proxy for use at the EGM is also enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete the enclosed form of proxy in accordance with the instructions printed thereon and return the same to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not later than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish, and in such event, the form of proxy shall be deemed to be revoked.

Completion is conditional upon the satisfaction or, if applicable, waiver of the conditions set out in the paragraph headed "Conditions precedent" in this circular. Accordingly, the Disposal may or may not proceed. Shareholders and potential investors should exercise caution when dealing in the securities of the Company.

RECOMMENDATION

The Board considers that the transactions contemplated under the SPA are on normal commercial terms and the terms of the SPA are fair and reasonable and are in the interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the ordinary resolution(s) to be proposed at the EGM to approve the SPA and the transactions contemplated thereunder.

ADDITIONAL INFORMATION

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

Yours faithfully
By order of the Board
Aurum Pacific (China) Group Limited
Chan Wai Kit
Executive Director

1. CONSOLIDATED FINANCIAL INFORMATION OF THE GROUP FOR THE THREE FINANCIAL YEARS ENDED 31 DECEMBER 2015

Financial information of the Group for each of the three years ended 31 December 2013, 2014 and 2015 are disclosed in the following documents which have been published on the websites of the Stock Exchange (www.hkgem.com) and the Company (www.aurumpacific.com.hk) respectively:

- Annual Report 2015 (pages 44 to 139):
<http://www.aurumpacific.com.hk/english/report/annaul2016/ew8148.pdf>
- Annual Report 2014 (pages 38 to 119):
<http://www.aurumpacific.com.hk/english/report/annaul2015/ew8148.pdf>
- Annual Report 2013 (pages 35 to 119):
<http://www.aurumpacific.com.hk/english/report/annaul2014/EW8148.pdf>

2. STATEMENT OF INDEBTEDNESS

Borrowings

As at the close of business on 30 April 2016, the Group had outstanding borrowings of approximately HK\$288,000 details of which are set out below:

	As at 30 April 2016 HK\$
Financial assistance from government (<i>Note</i>)	288,000

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 30 April 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 30 April 2016, the Group did not have any pledge of assets and substantial contingent liabilities.

3. WORKING CAPITAL

The Directors are of the opinion that after taking into account the expected completion of the Disposal, and in the absence of unforeseen circumstances and after taking into account the financial resources available to the Group including the internally generated funds and present available banking facilities, the Group will have sufficient working capital for its present requirement that is for at least the next 12 months from the date of this circular.

4. 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 financial statements of the Group were made up.

5. FINANCIAL AND TRADING PROSPECTS

Subject to the Completion of the Disposal, the Group will focus its resources 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 upgrade the products and services to maintain the existing market share and explore 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 resources such as staffs in developing a wide range of electronic software products to fit requirements of different customers.

In respect of money lending business, due to the mature Hong Kong financing market, the demand of loan is expected to increase substantially. 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 to independent third parties of the Company or its subsidiaries and their respective

associates 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. The Company has made applicable disclosure and complied with the notifiable transaction requirements under the GEM Listing Rules for the said loans and will continue to comply with such notifiable transaction requirements under the GEM Listing Rules as and when applicable in future. 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, etc.

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 gross profit and will generate positive cash flow from operations.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS**(a) Directors and Chief Executive**

As at the Latest Practicable Date, none of the Directors and chief executives of the Company had or was deemed to have any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO, Chapter 571 under the Laws of Hong Kong), 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 any interests and short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange.

(b) Substantial Shareholders

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:

Long positions in the Shares

Name of Shareholder	Capacity	Number of issued Shares held	Percentage of the
			Company's issued share capital
Mr. Tang Jay	Beneficial owner	52,800,000	6.98%

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	Approximate
			capital	percentage of shareholding
Mr. He Jiangtao	Shenzhen Zhoufu 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.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group or any associated company of the Company (excluding contracts expiring or determinable within one year without payment of compensation, other than statutory compensation).

4. COMPETING BUSINESS INTEREST OF DIRECTORS

As at the Latest Practicable Date, none of the Directors or their respective associates was interested in any business which competes or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the GEM Listing Rules.

5. LITIGATION

So far as the Company is aware, as at the Latest Practicable Date, no member of the Group was engaged in any litigation or arbitration of material importance and there is no litigation or claim of material importance known to the Directors pending or threatened by or against any member of the Group.

6. MATERIAL CONTRACTS

The following material contracts (not being contracts in the ordinary course of business) have been entered into by members of the Group within the two years preceding the date of this circular and up to the Latest Practicable Date and are or may be material:

- (i) On 23 June 2014, Star Regal Investments Limited, a subsidiary of the Company, and Refine Skill Limited entered into a sale 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 the Purchaser entered into a sale and purchase agreement in relation to the acquisition of the entire equity interest in the Disposal 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;
- (viii) On 7 June 2015, Excel Super Investment Limited, a subsidiary of the Company, entered into a sale and purchase agreement with 北京艾格瑞德科技有限公司, 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 the 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) the SPA;
- (xi) On 29 March 2016, the Company and Gransing Securities Co., Limited entered into an underwriting agreement in relation to the issue by way of open offer to the qualifying Shareholders on the basis of one offer Share for every two existing Shares held on the record date at the subscription price of HK\$0.24 per offer share; and

- (xii) On 11 May 2016, Lead Billion Enterprises Limited, a subsidiary of the Company entered into a sale and purchase agreement with Mr. Chiu Ngai Hung in relation to the acquisition of the entire equity interest in Viva Star International Limited.

7. GENERAL

- (a) None of the Directors had any direct or indirect interest in any assets which had been acquired or disposed of by or leased to any member of the Group or proposed to be so acquired, 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 Company were made up, and up to the Latest Practicable Date.
- (b) Save as disclosed in this circular, as at the Latest Practicable Date, none of the Directors was materially interested in any contract or arrangement entered into by any member of the Group, which was subsisting and was significant in relation to the business of the Group.
- (c) The compliance officer of the Company is Mr. Chan Wai Kit, who is also an executive Director of the Company.
- (d) The company secretary of the Company is Mr. Mui Yuk Wah, who is a member of the Hong Kong Institute of Certified Public Accountants.
- (e) The Company established an audit committee ("**Audit Committee**") with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules. The primary duties of the Audit Committee are to review, in draft form, the Company's annual report and accounts, half-year report, quarterly report and to provide advice and comments thereon to the Board. The Audit Committee is also responsible for reviewing and supervising the financial reporting process, risk management and internal control of the Group. The Audit Committee comprises Mr. Leung Man Chun, Dr. Lee Nim Wai and Mr. Fok Kin Fung Eric, all of whom are independent non-executive Directors. Further details of them are as follows:
1. Mr. Leung Man Chun ("**Mr. Leung**"), aged 28, has been appointed as an independent non-executive Director, the chairman of the Audit Committee, the nomination committee and 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;

2. Dr. Lee Nim Wai (“**Dr. Lee**”), aged 63, has been appointed as an independent non-executive Director 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 the Mainland China; and
 3. Mr. Fok Kin Fung Eric (“**Mr Fok**”), aged 32, has been appointed as independent non-executive Director and member of the Audit Committee, nomination committee and 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.
- (f) The registered office of the Company is Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands.
- (g) The head office and principal place of business of the Company in Hong Kong is at 22/F., Hua Fu Commercial Building, 111 Queen’s Road West, Hong Kong.
- (h) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Tengis Limited.
- (i) The principal share registrar of the Company is Codan Trust Company (Cayman) Limited.
- (j) The English text of this circular shall prevail over their respective Chinese text for the purpose of interpretation.

8. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection at the Company's head office and principal place of business in Hong Kong at 22/F., Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong during normal business hours on any weekdays, except public holidays, from the date of this circular up to and including the date of the EGM:

- (a) the memorandum and articles of association of the Company;
- (b) the annual reports of the Company for each of the three years ended 31 December 2015;
- (c) the material contracts referred to in the paragraph headed "Material Contracts" in this appendix; and
- (d) a copy of each circular issued pursuant to the requirements set out in Chapter 19 and/or 20 of the GEM Listing Rules which has been issued since 31 December 2015, being the date of the latest published audited accounts, including this circular.

NOTICE OF EXTRAORDINARY GENERAL MEETING

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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an extraordinary general meeting (the “**Meeting**”) of Aurum Pacific (China) Group Limited (the “**Company**”) will be held at 11:30 a.m. on Thursday, 16 June 2016 at 9/F., Gloucester Tower, The Landmark, Central, Hong Kong to consider and, if thought fit, approve, with or without modifications, the following resolution as an ordinary resolution:

ORDINARY RESOLUTION

“THAT:

- (a) the SPA (as defined in the circular dated 31 May 2016 despatched to the shareholders of the Company), a copy of which has been produced to this meeting marked “A” and signed by the chairman hereof for the purpose of identification, and all the transactions contemplated thereunder be and are hereby approved, confirmed and ratified; and
- (b) the directors of the Company be and are hereby authorized to take such actions and execute such documents as they may consider appropriate and expedient to carry out or give effect to or otherwise in connection with or in relation to the SPA and the transactions contemplated thereunder.”

Yours faithfully

By order of the Board

Aurum Pacific (China) Group Limited

Chan Wai Kit

Executive Director

Hong Kong, 31 May 2016

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notes:

1. Any member of the Company entitled to attend and vote at the Meeting shall be entitled to appoint another person as his proxy to attend and vote instead of him. A member who is the holder of two or more shares may appoint more than one proxy to represent him and vote on his behalf at the Meeting. A proxy need not be a member of the Company. On a poll, votes may be given either personally or by proxy.
2. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing or, if the appointer is a corporation, either under its seal or under the hand of an officer, attorney or other person authorised to sign the same.
3. To be valid, the instrument appointing a proxy and (if required by the board of directors of the Company) the power of attorney or other authority (if any) under which it is signed, or a notarially certified copy of such power or authority, shall be delivered to the Company's branch share registrar and transfer office in Hong Kong, Tricor Tengis Limited at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for holding the Meeting or any adjournment thereof.
4. No instrument appointing a proxy shall be valid after expiration of 12 months from the date named in it as the date of its execution, except at an adjourned meeting or on a poll demanded at the Meeting or any adjournment thereof in cases where the Meeting was originally held within 12 months from such date.
5. Where there are joint holders of any shares, any one of such joint holders may vote at the Meeting, either in person or by proxy, in respect of such share as if he/she were solely entitled thereto, but if more than one of such joint holders be present at the Meeting, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and for this purpose, seniority shall be determined by the order in which the names stand in the register of members of the Company in respect of the joint holding.
6. Completion and delivery of an instrument appointing a proxy shall not preclude a member from attending and voting in person at the Meeting if the member so wish and in such event, the instrument appointing a proxy should be deemed to be revoked.

As at the date hereof, the board of directors of the Company comprises four executive Directors Mr. Chan Wai Kit, Mr. Hung Tat Chi Alan, Mr. Mui Yuk Wah and Ms. Wong Chi Yan and three independent non-executive Directors, Dr. Lee Nim Wai, Mr. Fok Kin Fung Eric and Mr. Leung Man Chun.