

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 you should take, you should consult a licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional advisor.

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

A copy of each of the Open Offer Documents, together with other documents specified in the paragraph headed “Documents delivered to the Registrars of Companies” in Appendix III to this prospectus, have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies Ordinance (Chapter 32 of the Laws of Hong Kong). The Securities and Future Commission of Hong Kong and the Registrar of Companies in Hong Kong take no responsibility for the contents of any of these documents.

Subject to the granting of listing of and permission to deal in, the Offer Shares on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, 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 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. You should consult a 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.

Hong Kong Exchanges and Clearing Limited, The Stock Exchange of Hong Kong Limited and Hong Kong Securities Clearing Company Limited 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)

OPEN OFFER OF 400,000,000 OFFER SHARES

AT HK\$0.15 PER OFFER SHARE

**ON THE BASIS OF FOUR OFFER SHARES FOR
EVERY ONE CONSOLIDATED SHARE HELD ON THE RECORD DATE**

Underwriter



KINGSTON SECURITIES LTD.

Financial Adviser to the Company

VEDA | CAPITAL

智 略 資 本

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

The latest time for acceptance of and payment for the Offer Shares is 4:00 p.m. on Wednesday, 20 February 2013. The procedures for application and payment for the Offer Shares are set out on page 12 in this prospectus.

The Open Offer is subject to the satisfaction of certain conditions as described under the section headed “Conditions of the Open Offer”. In particular, it is subject to the Underwriter not terminating the Underwriting Agreement (see section headed “Termination of the Underwriting Agreement” herein) on or before the Latest Time for Termination. Accordingly, the Open Offer may or may not become unconditional and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealings in the Shares up to the date when the conditions of the Open Offer are fulfilled.

Trading in the Shares has been suspended since 22 March 2007. Shareholders should note that Resumption will not take place if the conditions to the Underwriting Agreement remain unfulfilled. Any Shareholders or other person dealing in Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be 4:00 p.m. on Monday, 25 February 2013), will accordingly bear the risk that the Open Offer may not become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its professional advisor.

1 February 2013

CHARACTERISTICS OF THE 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 the 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.

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DEFINITIONS

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

“Acquisition”	the acquisition of the entire issued share capital of KanHan Technologies Limited by the Group, completion of which has taken place on 31 December 2012
“Acquisition Circular”	the circular of the Company dated 10 December 2012 in relation to, among others, the Acquisition
“Announcement”	the announcement of the Company dated 21 December 2012 (and as clarified in the announcement dated 24 December 2012) in relation to, among others, the status of Resumption Proposal, the Share Consolidation, change in board lot size and the Open Offer
“Application Form(s)”	the form(s) of application for use by the Qualifying Shareholders to apply for the Offer Shares in the agreed form
“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day”	a day on which banks in Hong Kong are open for business other than a Saturday, Sunday, public holiday or a day on which a black rainstorm warning or tropical cyclone warning signal number 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon
“CCASS”	the Central Clearing and Settlement System, established and operated by HKSCC
“Circular”	the circular of the Company dated 4 January 2013 in relation to, among others, the status on Resumption, the Share Consolidation, change in board lot size and the Open Offer
“Company”	Aurum Pacific (China) Group Limited (stock code: 8148), a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM
“Company Ordinance”	the Companies Ordinance (Chapter 32 of Laws of Hong Kong)

DEFINITIONS

“connected person(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Consolidated Share(s)”	the consolidated ordinary share(s) of HK\$0.02 each in the issued and unissued share capital of the Company upon the Share Consolidation became effective on 22 January 2013
“Director(s)”	the director(s) of the Company for the time being
“EGM”	the extraordinary general meeting of the Company held on 21 January 2013 for approving, inter alia, the Share Consolidation and the Open Offer and the transactions contemplated thereunder
“Excluded Shareholder(s)”	those Overseas Shareholder(s) to whom the Company (having obtained relevant and necessary legal opinions) considers it necessary or expedient not to offer the Offer Shares on account of the laws of the relevant place of the requirements of the relevant regulatory body or stock exchange in that place
“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
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholder(s)”	the Shareholder(s), other than the controlling Shareholder, being the Investor, and its associates
“Independent Third Party(ies)”	any person(s) or company(ies) and their respective ultimate beneficial owner(s), to the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, are third parties independent of the Company and its connected persons
“Investor”	Prime Precision Holdings Limited, a company incorporated in the British Virgin Islands and is wholly owned by Mr. Lau, an executive Director and the chairman of the Company

DEFINITIONS

“Investor’s Undertaking”	the undertaking given by the Investor under the Underwriting Agreement to take up in full its entitlements under the Open Offer to subscribe for 285,986,960 Offer Shares
“Last Acceptance Date”	Wednesday, 20 February 2013, being the last day for acceptance for the Offer Shares or such other day may be agreed between the Company and the Underwriter
“Last Trading Day”	21 March 2007, the last day on which the Shares were traded on the Stock Exchange immediately preceding the publication of the Announcement
“Latest Practicable Date”	28 January 2013, being the latest practicable date for ascertaining certain information for inclusion in this prospectus
“Latest Time for Termination”	latest time for terminating the Underwriting Agreement at 4:00 p.m. on Monday, 25 February 2013, being the third Business Day after the latest time for acceptance for the Offer Shares or such other time as may be agreed between the Company and the Underwriter
“Listing Committee”	the Listing Committee of the Stock Exchange
“Mr. Lau”	Mr. Lau Man Tak, an executive Director and the chairman of the Board
“Mr. Mo”	Mr. Mo Wai Ming, Lawrence, an executive Director and the Chief Executive Officer of the Company
“Offer Price”	HK\$0.15 per Offer Share
“Offer Share(s)”	400,000,000 Consolidated Shares, to be allotted and issued under the Open Offer
“Open Offer”	the proposed issue of the Offer Shares at the Offer Price on the basis of four (4) Offer Shares for every (1) Consolidated Share held on the Record Date
“Open Offer Documents”	this prospectus and the Application Form
“Overseas Shareholder(s)”	Shareholder(s) with registered address(es) (as shown in the register of member of the Company on the Record Date) which are outside Hong Kong

DEFINITIONS

“Pre-consolidated Share(s)”	the ordinary share of par value of HK\$0.01 each in the share capital of the Company prior to the effective date of the Share Consolidation of 22 January 2013
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear on the register of members of the Company as at the close of business on the Record Date, other than the Excluded Shareholder(s)
“Record Date”	Thursday, 31 January 2013, 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, the Company’s branch share registrar in Hong Kong
“Resumption”	the resumption of trading in the Shares on GEM
“Resumption Conditions”	the conditions for the Resumption as set out in the letter dated 21 December 2012 from the Stock Exchange to the Company, which had been set out in the same order in the Announcement and under the section headed “STATUS ON RESUMPTION” of the Acquisition Circular and the Circular
“Resumption Proposal”	the proposal compiled by the financial adviser on behalf of the Company dated 16 December 2011 and the subsequent related submissions to the Stock Exchange for the purpose of seeking approval from the Stock Exchange on the Resumption
“SFO”	Securities and Futures Ordinance, Cap 571 of Laws of Hong Kong
“Share(s)”	Pre-consolidated Share(s) or Consolidated Share(s), as the case maybe
“Share Consolidation”	the consolidation of every two (2) issued and unissued Pre-Consolidated Shares of HK\$0.01 each in the share capital of the Company into one (1) Consolidated Share of HK\$0.02 which had become effective on 22 January 2013
“Shareholder(s)”	holder(s) of Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Underwriter” or “Kingston Securities”	Kingston Securities Limited, a licensed corporation to carry out business in type 1 (dealing in securities) regulated activity under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Underwriting Agreement”	the underwriting agreement dated 21 December 2012 in relation to the Open Offer entered into between the Company and the Underwriter
“Underwritten Shares”	all the Offer Shares other than those Offer Shares to be taken up by the Investor under the Investor’s Undertaking, being a maximum of 114,013,040 Offer Shares
“Working Capital Loan”	the loan facility agreement dated 11 April 2012 and side letters dated 26 June 2012 and 15 November 2012 in relation to an unsecured loan facility granted by the Investor to the Company up to an aggregate principal amount of not exceeding HK\$40,000,000 as the working capital of the Group
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent

EXPECTED TIMETABLE

The expected timetable for the Open Offer is set out below:

2013

Register of members closes (both dates inclusive)	Friday, 25 January to Thursday, 31 January
Record Date	Thursday, 31 January
Despatch of Open Offer Documents	Friday, 1 February
Latest time and date for acceptance and payment for the Offer Shares	4:00 p.m. Wednesday, 20 February
Latest time and date for termination of the Underwriting Agreement	4:00 p.m. Monday, 25 February
Announcement of the results of the Open Offer	Tuesday, 26 February
Certificates for the Offer Shares expected to be despatched on or before.	Wednesday, 27 February
Despatch of refund cheques if the Open Offer is terminated	Wednesday, 27 February
Resumption of trading in the Shares.	Thursday, 28 February
Matching of odd lots of the Shares commences	Thursday, 28 February
Matching of odd lots of the Shares ends	Friday, 22 March

Notes: All times and dates in this prospectus refer to Hong Kong times and dates.

Dates or deadlines specified in this prospectus are indicative only and may be varied by agreement between the Company and the Underwriter. Any consequential changes to the expected timetable will be published or notified to Shareholders as and when appropriate.

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

The latest time for acceptance of and payment of Offer Shares will not take place if there is a tropical cyclone warning signal number 8 or above, or a “black” rainstorm warning:

- (a) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the Last Acceptance Date, the latest time for acceptance of and payment for the Offer Shares will not take place at 4:00 p.m. on the Last Acceptance Date, but will be extended to 5:00 p.m. on the same day instead;

EXPECTED TIMETABLE

- (b) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the Last Acceptance Date, the latest time for acceptance of and payment for the Offer Shares will not take place on the Last Acceptance Date, 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 of and payment for the Offer Shares does not take place on the Last Acceptance Date, the dates mentioned in the section headed “Expected Timetable” in this prospectus may be affected. An announcement will be made by the Company in such event.

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 Director

Mr. Lau Man Tak (*Chairman*)

Mr. Mo Wai Ming, Lawrence

Independent non-executive Directors

Mr. Chi Chi Hung, Kenneth

Mr. Chan Wai Fat

Mr. Chui Kwong Kau

Registered office

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

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

22/F, Hua Fu Commercial Building

111 Queen's Road West

Hong Kong

1 February 2013

To the Shareholders

Dear Sir or Madam,

**OPEN OFFER OF 400,000,000 OFFER SHARES
AT HK\$0.15 PER OFFER SHARE
ON THE BASIS OF FOUR OFFER SHARES FOR
EVERY ONE CONSOLIDATED SHARE HELD ON THE RECORD DATE**

INTRODUCTION

With reference to the Announcement and the Circular, the Board proposed to raise approximately HK\$60 million (before expenses) by way of Open Offer of 400,000,000 Offer Shares at the Subscription Price of HK\$0.15 per Offer Share on the basis of four (4) Offer Shares for every one (1) Consolidated Share held by the Qualifying Shareholders on the Record Date subject to the Share Consolidation becoming effective.

The Open Offer will be fully underwritten by the Underwriter, subject to the terms and conditions pursuant to the Underwriting Agreement.

At the EGM held on 21 January 2013, the resolutions for approving, among others, the Share Consolidation and the Open Offer were duly passed by the Shareholders. On 22 January 2013, the Share Consolidation has become effective and the board lot size has been changed. As at the Latest Practicable Date, there are 100,000,000 Shares of HK\$0.02 each in issued and are fully paid or credited as fully paid in board lots of 20,000 Shares.

LETTER FROM THE BOARD

The purpose of this prospectus is to provide the Shareholders with further information in relation to, among other things, the Open Offer.

OPEN OFFER

Issue statistics of the Open Offer

Basis of the Open Offer	Four (4) Offer Shares for every (1) Consolidated Share held on the Record Date
Offer price	HK\$0.15 per Offer Share
Number of Shares in issue	100,000,000 Consolidated Shares
Number of Offer Shares	400,000,000 Offer Shares
Gross proceeds	HK\$60,000,000
Investor's Undertaking	the Investor has undertaken to take up in full its entitlements under the Open Offer to subscribe for 285,986,960 Offer Shares pursuant to the Undertaking
Underwriter	Kingston Securities Limited
Number of Offer Shares underwritten by the Underwriter	114,013,040 Offer Shares
Number of Shares in issue upon completion of the Open Offer	500,000,000 Shares

Total number of Offer Shares of 400,000,000 Shares represents (i) 400% of the issued share capital of the Company as at the Latest Practicable Date; and (ii) 80% of the issued share capital of the Company as enlarged by the Offer Shares.

As at the Latest Practicable Date, the Company has no outstanding warrants, options or convertible or exchangeable securities.

Investor's Undertaking

The Investor has undertaken to take up in full its entitlements under the Open Offer to subscribe for 285,986,960 Offer Shares.

LETTER FROM THE BOARD

The Offer Price

The Offer price for the Offer shares is HK\$0.15 per Offer Share payable in cash and in full upon application by a Qualifying Shareholder. The Offer Price of HK\$0.15 per Offer Share represents:

- (a) a discount of approximately 75.81% to the adjusted closing price of HK\$0.62 per Consolidated Share on the Last Trading Day (as adjusted upon Share Consolidation becoming effective);
- (b) a discount of approximately 80.67% to the adjusted average closing prices of the Shares for the five consecutive trading days up to and including the Last Trading Day of approximately HK\$0.776 per Consolidated Share (as adjusted upon Share Consolidation becoming effective); and
- (c) a discount of approximately 38.52% to the theoretical ex-entitlement price of approximately HK\$0.244 per Consolidated Share on the Last Trading Day (as adjusted upon Share Consolidation becoming effective).

Trading of the Shares had been suspended for more than five years since 22 March 2007 and with the tight financial position and net liability position that the Company is facing, the Company has, upon arm's length negotiation agreed with the Underwriter that the Offer Price should represent a substantial discount to the closing price before the suspension so as to incentivize the Qualifying Shareholders to take up their entitlements 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 shareholding in the Company as at the Record Date. The Directors, including the independent non-executive Directors, consider the Offer Price fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The net price to be raised upon completion of the Open Offer will be approximately HK\$0.142 per Offer Share.

Status of the Offer Shares

The Offer Shares, when allotted, issued and fully paid up, will rank pari passu in all respects with the Shares in issue on the date of allotment and issue of the Offer Shares. Holders of the Offer Shares will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the Offer Shares. The Offer Shares shall be traded as the same as the Consolidated Shares, being in board lots of 20,000 Shares.

Qualifying Shareholders

The Open Offer is only available to the Qualifying Shareholders. The Company will send the Open Offer Documents to the Qualifying Shareholders and will send the prospectus and a letter in the agreed form to the Excluded Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the posting date of the Open Offer Documents.

LETTER FROM THE BOARD

To qualify for the Open Offer, a Shareholder must be registered as a member of the Company as at the close of business on the Record Date, and not being an Excluded Shareholder. In order to be registered members of the Company on the Record Date, Shareholders must lodge any transfer of Shares (together with the relevant share certificate(s)) with the Registrar by 4:30 p.m. (Hong Kong time) on Thursday, 24 January 2013.

The Open Offer Documents will not be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong. If at the close of business on the Record Date, a Shareholder's address on the Company's register of members is in a place outside of Hong Kong, that Overseas Shareholder may not be eligible to take part in the Open Offer.

As at the Latest Practicable Date, there are Overseas Shareholder(s) with registered addresses located in the British Virgin Islands and the People's Republic of China respectively. The Directors have, in compliance with the GEM Listing Rules, conducted enquiries regarding the feasibility of extending the Open Offer to such Overseas Shareholder(s).

Based on the legal opinions provided by the legal advisers in the relevant jurisdiction(s), the Directors consider that the Offer Shares can be offered to the Overseas Shareholder(s) with registered addresses located in the British Virgin Islands and the People's Republic of China as there are no legal restriction on the part of the Company on offering of the Offer Shares to these Overseas Shareholder(s) with registered addresses in the British Virgin Islands or the People's Republic of China. Accordingly, there are no Overseas Shareholders being excluded from the Open Offer. The Open Offer Documents will be sent to the Overseas Shareholder(s) accordingly. There are no Excluded Shareholders for the Open Offer.

It is the responsibility of the Shareholders (including the Overseas Shareholders) to observe the domestic legal and regulatory requirements applicable to them for taking up and onward sale (if applicable) of the Offer Shares.

No excess application for the Offer Shares

There will be no arrangement for application of Offer Shares by the Qualifying Shareholders in excess of their entitlements and any Offer Shares not taken up by the Qualifying Shareholders will be underwritten by the Underwriter.

Fractions of Offer Shares

Fractional entitlements to the Offer Shares will not be allotted and will not be issued. The Offer Shares representing such fractional entitlements and entitlements of the Excluded Shareholders will be aggregated and retained for the benefit of the Company.

Certificates of the fully-paid Offer Shares

Subject to the fulfillment of the conditions of the Open Offer as set out in the section headed "Conditions of the Open Offer" below, share certificates for the fully paid Offer Shares are expected to be posted on or before Wednesday, 27 February 2013 to those Qualifying Shareholders who have accepted and paid for the Offer Shares by ordinary post at his/her/its own risk.

LETTER FROM THE BOARD

Application for listing

The Company has applied to the Listing Committee of the Stock Exchange for the listing of, and permission to deal in the Offer Shares. Subject to the granting of 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 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 settlement day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Dealings in the Offer Shares may be settled through CCASS.

Investors should seek the advice of their stockbroker or other professional adviser for details of those settlement arrangement and how such arrangements will affect their rights and interests.

Dealings in the Offer Shares will be subject to the payment of stamp duty and any other applicable fees and charges in Hong Kong.

The first day of dealings in the Offer Shares is expected to commence on Thursday, 28 February 2013. The Shares and Offer Shares shall be traded in board lots of 20,000 Shares.

PROCEDURES FOR APPLICATION AND PAYMENT

The Application Form is enclosed with this prospectus which entitles the Qualifying Shareholders to apply for the number of Offer Shares allocated to them based on their shareholdings on the Record Date. If you are a Qualifying Shareholder and you wish to apply for any number of Offer Shares based on your assured allotment of the Offer Shares, you must complete, sign and lodge with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong by not later than 4:00 p.m. on Wednesday, 20 February 2013, the Application Form in accordance with the instructions printed thereon, together with the remittance for the aggregate offer price in respect of such number of Offer Shares you have accepted. All remittance(s) must be made in Hong Kong dollars by cheques drawn on an account with, or by a bank cashier order 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 Application Form, together with the appropriate remittance, has been lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited at 26th Floor, Tesbury Centre, 28 Queen's Road East, Wanchai, Hong Kong, by 4:00 p.m. Wednesday, 20 February 2013, the relevant assured allotment and all rights and entitlement thereunder will be deemed to have been declined and will be cancelled and the relevant Offer Shares will be taken up by the Underwriter.

If the Underwriter exercises the right to terminate its obligations under the Underwriting Agreement before the Latest Time for Termination and/or if any of the conditions to which the Open Offer is subject are not fulfilled in accordance with the section headed "Conditions of

LETTER FROM THE BOARD

the Open Offer”, the application monies will be refunded, without interest, by cheques made out to the applicants (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 applicants to the addresses as registered in the register of members of the Company on or before 27 February 2013. Under the Underwriting Agreement, the Underwriter will subscribe or procure subscribers for the Offer Shares not subscribed by the Qualifying Shareholders.

The Application Form is for use only by the person(s) named therein and is not transferable or renounceable. All documents, including cheques and cashier orders for amounts due, will be sent at the risk of the persons entitled thereto to their registered addresses. No receipt will be issued in respect of any application monies received.

UNDERWRITING AGREEMENT

Date:	21 December 2012
Underwriter:	Kingston Securities Limited
Number of Offer Shares underwritten:	114,013,040 Offer Shares
Underwriting commission:	2.5% on 114,013,040 Offer Shares underwritten
Investor’s Undertaking	the Investor has undertaken to take up in full its entitlements under the Open Offer to subscribe for 285,986,960 Offer Shares pursuant to the Underwriting Agreement and the Investor’s Undertaking

To the best of the Directors’ knowledge, information and belief having made all reasonable enquiries, the Underwriter and its ultimate beneficial owners are Independent Third Parties. As at the Latest Practicable Date, the Underwriter is not interested in any Shares.

Pursuant to the Underwriting Agreement, the Open Offer is fully underwritten by the Underwriter, save for the entitlements falls under the Investor’s Undertaking, of 114,013,040 Offer Shares. The Underwriter will undertake to the Company to place down any Offer Shares under the Open Offer to Independent Shareholders so that neither the Underwriter nor any of the placees of the Open Offer will hold 10% or more shareholding in the Company upon completion of the Open Offer.

Termination of the Underwriting Agreement

The Underwriter may terminate the arrangements set out in the Underwriting Agreement by notice in writing issued to the Company at any time prior to the Latest Time for Termination if there occurs:

- (a) in the sole and absolute opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:

LETTER FROM THE BOARD

- (i) 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 as a whole or is materially adverse in the context of the Open Offer; or
- (ii) 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 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
- (b) 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
- (c) there is any change in the circumstances of the Company or any member of the Group 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
- (d) any event of force majeure 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
- (e) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (f) any matter 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 any of the Underwriter, a material omission in the context of the Open Offer; or

LETTER FROM THE BOARD

- (g) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive Business Days, excluding any suspension in connection with the clearance of the Announcement or the Open Offer Documents or other announcements or circulars in connection with the Open Offer.

Upon the giving of notice in accordance with the above, the Underwriting Agreement shall terminate and the obligations of the parties shall forthwith cease and be null and void and none of the parties shall, save in respect of any right or liability accrued before such termination, have any right againsts or liability towards any of the other parties arising out of or in connection with the Underwriting Agreement.

Conditions of the Open Offer

The Open Offer is conditional upon the following conditions being fulfilled:

- (a) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Open Offer Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the GEM Listing Rules and the Companies Ordinance not later than the posting date of the Open Offer Documents;
- (b) the passing by the Independent Shareholders by way of poll at the EGM of an ordinary resolution to approve the Open Offer;
- (c) the posting of the Open Offer Documents to the Qualifying Shareholders and the posting of the prospectus and a letter in the agreed form to the Excluded Shareholders, if any, for information purpose only, explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the posting date of the Open Offer Documents;
- (d) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listings of and permission to deal in the Offer Shares by no later than the first day of their dealings;
- (e) the Stock Exchange has granted its approval-in-principle (subject to any conditions as may be imposed by the Stock Exchange) for the Resumption;
- (f) the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with its terms on or before the Latest Time for Termination;
- (g) compliance with and performance of all undertakings and obligations of the Company under the Underwriting Agreement;

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- (h) compliance with and performance of all undertakings and obligations of the Investor and its sole shareholder under the Investor's Undertaking;
- (i) the completion of the Acquisition in such manner as the Company and the Underwriter may agree; and
- (j) the Share Consolidation becoming effective.

As at the Latest Practicable Date, conditions (b), (e), (i) and (j) have been fulfilled.

All the above conditions are not waivable. If any of the conditions of the Open Offer is not satisfied in whole or in part by the Company by the Latest Time for Termination or such other date as the Company and the Underwriter may agree, the Underwriting Agreement shall terminate and the obligations of the parties shall forthwith cease and be null and void and none of the parties shall, save in respect of any right or liability accrued before such termination, have any right againsts or liability towards any of the other parties arising out of or in connection with the Underwriting Agreement.

REASONS FOR THE OPEN OFFER

The Board considers that the Open Offer is in the interests 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 enables the Qualifying Shareholders 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.

Based on the closing price of HK\$0.31 per Pre-consolidated Share (or HK\$0.62 per Consolidated Share given the Share Consolidation has become effective) as quoted on the Stock Exchange on the Last Trading Day, the theoretical ex-entitlement price per Share after the Open Offer is approximately HK\$0.244, representing a discount of approximately 60.65% to the closing price of HK\$0.31 per Pre-consolidated Share (or HK\$0.62 per Consolidated Share given the Share Consolidation has become effective).

The Directors (including the proposed Directors and the independent non-executive Directors) consider that the Open Offer is fair and reasonable and in the interests of the Company and the Independent Shareholders as a whole having taken into account the terms of the Open Offer.

THE USE OF PROCEEDS

The gross proceeds of the Open Offer is HK\$60 million. After payment of the fees for Acquisition and Open Offer of approximately HK\$2.5 million and HK\$3.9 million respectively (of which HK\$3 million has been and will be settled using the Working Capital Loan), the net proceeds from the Open Offer of approximately HK\$56.6 million will be applied as follows:

- (a) approximately HK\$24 million for the settlement of the balance of the consideration of the Acquisition;

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- (b) approximately HK\$13.7 million for the repayment of other borrowings of approximately HK\$6.7 million and the Working Capital Loan of approximately HK\$7 million (As at the Latest Practicable Date, the Working Capital Loan has been drawn down in the amount of approximately HK\$5 million); and
- (c) as to the remaining approximately HK\$18.9 million for future working capital for the Group and any acquisitions or investments that the Group may decide to pursue after Resumption. As at the Latest Practicable Date, the Group has not identified any acquisitions or investments that it may pursue.

SHAREHOLDING STRUCTURE OF THE COMPANY

The existing shareholdings structure of the Company as at the Latest Practicable Date and the completion of the Open Offer are set out below for illustration purposes only:

Scenario A: As at the Latest Practicable Date and assuming all Independent Shareholders take up the Offer Shares in FULL

	As at the Latest Practicable Date		Upon completion of the Open Offer	
	Shares	%	Shares	%
Investor	71,496,740	71.50	357,483,700	71.50
Public — existing	<u>28,503,260</u>	<u>28.50</u>	<u>142,516,300</u>	<u>28.50</u>
Total	<u><u>100,000,000</u></u>	<u><u>100.00</u></u>	<u><u>500,000,000</u></u>	<u><u>100.00</u></u>

Scenario B: As at the Latest Practicable Date and assuming no existing Shareholder (except for the Investor) takes up the Offer Shares

	As at the Latest Practicable Date		Upon completion of the Open Offer	
	Shares	%	Shares	%
Investor	71,496,740	71.50	357,483,700	71.50
Public — existing	28,503,260	28.50	28,503,260	5.70
— places under the Open Offer (Note)	<u>—</u>	<u>—</u>	<u>114,013,040</u>	<u>22.80</u>
Total	<u><u>100,000,000</u></u>	<u><u>100.00</u></u>	<u><u>500,000,000</u></u>	<u><u>100.00</u></u>

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Notes:

1. Pursuant to the Investor's Undertaking, the Investor will take up in full its entitlements under the Open Offer to subscriber for the Offer Shares on the Record Date.
2. Under the Underwriting Agreement, the Underwriter will place down any Offer Shares under the Open Offer to Independent Shareholders so that neither the Underwriter nor any of the placees of the Open Offer will hold 10% or more shareholding in the Company upon completion of the Open Offer.

The Open Offer and transactions contemplated thereunder are subject to the approval by the Independent Shareholders by way of poll at the EGM. As at the date of the EGM, the Investor held 142,993,481 Pre-consolidated Shares, representing approximately 71.50% of the then issued share capital of the Company prior to Share Consolidation becoming effective and was a controlling Shareholder. Accordingly and pursuant to the GEM Listing Rules, the Investor and its associates are required to abstain from voting in favour of the resolutions relating to the Open Offer. At the EGM, the Investor and its associates abstained from voting at the resolutions relating to the Open Offer. With reference to the poll result announcement of the Company dated 21 January 2013, the resolution in relation to the Open Offer was duly passed by the Independent Shareholders at the EGM.

FUND-RAISING EXERCISE OF THE COMPANY IN THE PAST TWELVE MONTHS

The Company has not conducted any fund raising exercises in the past 12 months immediately preceding the date of the Announcement.

FINANCIAL AND TRADING PROSPECTS OF THE GROUP

As set out in the interim report of the Company for the six months ended 30 June 2012, the Group did not have sufficient operation to secure its continual listing on the GEM and the Acquisition was expected to provide an opportunity for the development of the Group's business and broaden its revenue and customer bases. Upon completion of the Acquisition which took place on 31 December 2012 and approval of the Resumption Proposal by the Stock Exchange, the Company intends to focus on the provision of information technology solutions targeting the Hong Kong and PRC markets with primary focus in the government industry sector aiming to facilitate communications between the public and the government departments or private corporations via websites, telephones, and mobile phones using voice (e.g. Interactive Voice Response System) and data (e.g. mobile applications) channels. The Group intends to continue in the development and upgrades of its products and services, details of which can be referred to the Acquisition Circular.

RISK FACTORS

Before making any investment decision (including the Open Offer) in relation to the Company, the Shareholders and prospective investors should consider carefully all the information set out in this prospectus and, in particular, should evaluate the risks in connection with an investment in the Company. The business, financial condition or results of operations could be materially and adversely affected by the occurrence of any of the risks and uncertainties described below.

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Risk factors relating to the operation of the Group

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.

b. Failure to provide technical supports

The customer profile encompasses companies in diverse industries, including but not limited to HKSAR Government and international bank, 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

Currently, the Group's software and solutions are previously designed before orders were made by the customers. There is no assurance that there will be no technological revolution where the current software and solutions will not be able to function in. The introduction of new technology may render the finished software and solutions obsolete or non-compatible such that the Group needs to be able to keep abreast of technological development in the information technology industry and possible re-design and update in a timely matter to meet market needs and consumers' and customers' satisfaction. In the event that the Group failed to respond to the technological changes in the market, the competitiveness of its products and therefore its profitability will be adversely affected. Although the Group generally produces to order, the rapid pace of the high technology industry requires the constant development of existing products or the invention of substitutes and some of our products may be rendered uncompetitive or obsolete if it failed to respond to new technology development.

In addition, the demand for enterprise information technology ("IT") products and services are also subject to business cycles, which may rise or fall along with overall economic growth and business investment environment. There is no assurance that the current software and solutions provided by the Group would not be replaced by other similar products developed and introduced by other competitors. The future success of the Group will depend upon its technical know-how on adapting to the new IT technologies, product features and implementation methods, its ability to respond and adapt quickly to IT technology change and business cycles, as well as its capability to understand the changing needs, preferences and requirements of its customers.

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d. Failure of operating 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 manpower. 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 labor costs for the reason to obtain its labors. 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.

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. Reliance on key personnel

The Group's performance depends, to a significant extent, on the services of Mr. Mo, the founder of the acquired Group and the executive Director upon completion of the Acquisition. Should the Group lose the service of Mr. Mo, there could be material adverse effect on its operation.

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The Directors believe that the Group's future success, to a large extent, depends on the continued services of its experienced senior management and its ability to attract, retain and motivate highly skilled IT professional personnel. In addition, the Group's continuous expansion will increase the demand of such professional personnel. However, competition for these highly skilled and experienced IT professionals is intense and there can be no assurance that the Group will be able to retain or attract such key executives and IT professionals of the right caliber in the future. The loss of the service of professional personnel or the inability to hire, train and retain other qualified technical and managerial personnel in the future would adversely affect the Group's business.

h. Reliance on limited number of customer

The HKSAR Government has been the largest customer of the acquired Group. For the year ended 31 December 2009, 2010 and 2011, the HKSAR Government contributed 39.2%, 29.6% and 30.6% respectively to the total turnover of the acquired Group. The termination of business relationship with the HKSAR Government without finding a replacement customer could adversely affect the income and business of the Group.

i. 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.

j. 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 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 us to a risk of loss or litigation and possible liability. The Group may be required to expend significant

LETTER FROM THE BOARD

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.

k. 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.

l. 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.

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m. Government regulation and legal uncertainties

The application of existing laws to the Internet and Internet-related applications is being clarified and refined in Hong Kong. Depending on the scope and timing of these developments, it is possible that such developments could have a material adverse impact on the business and results of the operations of the Group.

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.

WARNING OF THE RISKS OF DEALING IN SHARES

The Open Offer is subject to the satisfaction of certain conditions as described under the section headed “Conditions of the Open Offer”. In particular, it is subject to the Underwriter not terminating the Underwriting Agreement (see section headed “Termination of the Underwriting Agreement” herein) on or before the Latest Time for Termination. Accordingly, the Open Offer may or may not become unconditional and may or may not proceed. Shareholders and potential investors are advised to exercise caution when dealings in the Shares up to the date when the conditions of the Open Offer are fulfilled.

Trading in the Shares has been suspended since 22 March 2007. Shareholders should note that Resumption will not take place if the conditions to the Underwriting Agreement remain unfulfilled. Any Shareholders or other person dealing in Shares up to the date on which all conditions to which the Open Offer is subject are fulfilled (which is expected to be 4:00 p.m. on Monday, 25 February 2013), will accordingly bear the risk that the Open Offer may not become unconditional and may not proceed. Any Shareholder or other person contemplating selling or purchasing Shares, who is in any doubt about his/her/its position, is recommended to consult his/her/its professional advisor.

ADDITIONAL INFORMATION

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

By order of the Board
Aurum Pacific (China) Group Limited
Lau Man Tak
Chairman

1. FINANCIAL INFORMATION OF THE GROUP**Financial summary for the six months ended June 2012 and three years ended 31 December 2011**

Financial information of the Group for the six months ended 30 June 2012 is set out in the unaudited consolidated financial statement in the interim report of the Company for the six months ended 30 June 2012 published on 10 August 2012 at <http://www.hkexnews.hk/listedco/listconews/GEM/2012/0810/GLN20120810084.pdf>.

Financial information of the Group for each of the three years ended 31 December 2009, 2010 and 2011 are set out in the audited consolidated financial statements annual reports of the Company for the years ended 31 December 2009, 2010 and 2011 at <http://www.hkexnews.hk/listedco/listconews/GEM/2010/0330/GLN20100330003.pdf>; <http://www.hkexnews.hk/listedco/listconews/GEM/2011/0329/GLN20110329069.pdf>; and <http://www.hkexnews.hk/listedco/listconews/GEM/2012/0328/GLN20120328214.pdf> respectively.

2. FINANCIAL INFORMATION OF THE ACQUIRED GROUP DURING THE LAST 12 MONTHS

References are made to the announcement of the Company dated 6 August 2012 and the Acquisition Circular in relation to the acquisitions of KanHan Technologies Limited, which is principally engaged in the provision of information technology solutions targeting the Hong Kong and PRC markets with primary focus in the government industry sector aiming to facilitate communications between the public and the government departments or private corporations via websites, telephones, and mobile phones using voice (e.g. Interactive Voice Response System) and data (e.g. mobile applications) channels, at a consideration of HK\$28 million to be settled in cash, cheque or promissory note. Completion of the Acquisition took place on 31 December 2012.

With reference to appendix 1B (31)(3)(b) and note 6 to the GEM Listing Rules, the financial information of the acquired group KanHan Technologies Limited and its subsidiaries is set out on pages 60 to 101 in appendix II in the Acquisition Circular.

3. INDEBTEDNESS STATEMENT

Borrowings

At the close of business on 31 December 2012, being the latest practicable date for the purpose of this indebtedness statement prior to the printing of this prospectus, the Group had the following outstanding borrowings:

	Non-current HK\$'000	Current HK\$'000	Total HK\$'000
Interest bearing borrowings (<i>Note 1</i>)	—	6,554	6,554
Financial assistance from government (<i>Note 2</i>)	756	235	991
Loan from a shareholder (<i>Note 3</i>)	<u>4,640</u>	<u>—</u>	<u>4,640</u>
	<u>5,396</u>	<u>6,789</u>	<u>12,185</u>

Notes:

- (1) On 2 May 2010, the Company entered into a loan agreement with an independent third party for a loan of HK\$5,000,000. This loan is unsecured, bearing interest rate at 3% over Hong Kong prime rate per annum plus an arrangement fee. The loan and the accrued interest are repayable in May 2013.
- (2) The Innovation and Technology Fund (“**ITF**”) of the Hong Kong Special Administrative Region Government has provided financial assistance to the KanHan Technologies Limited (“**KanHan**”) 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. In the opinion of the KanHan’s director, an amount of HK\$235,000 will be repayable to the ITF within the next twelve months as at 31 December 2012.
- (3) On 11 April 2012, 26 June 2012 and 15 November 2012, the Company entered into loan facilities letters with its controlling shareholder, the investor, for the loan facilities of up to HK\$40,000,000 (the “**Facilities**”) for the purpose of general working capital of the Company. On 2 July 2012 and 28 December 2012, the Company drew down HK\$4,000,000 and HK\$1,000,000 from the Facilities, respectively. This loan is unsecured, interest-free and repayable on or before 11 April 2014.

Pledge of assets

At the close of business on 31 December 2012, the Group did not pledge any asset to banks or other financial institutions.

Contingent liabilities

On 19 July 2010, KanHan disposed of its 100% interest in KanHan Educational Services Limited (“**KanHan Education**”) to an Independent Third Party (the “**Buyer**”). Under the sale and purchase agreement, KanHan, a wholly-owned subsidiary of the Company warrants and guarantees to the Buyer that the audited net profits before tax and any extraordinary or exceptional item (the “**Audited Profits**”) of KanHan Education will not be less than HK\$450,000, HK\$2,200,000 and HK\$6,500,000 for the years ending 31

December 2010, 2011 and 2012 (the “**Guaranteed Profits**”) respectively. KanHan is required to return to the Buyer in cash of the contingent consideration paid if the Audited Profits of KanHan Education are less than the Guaranteed Profits.

On 26 June 2012, KanHan entered into a counter-indemnity agreement with its sole director, Mr. Mo, to indemnify it against any loss that may arise from this guarantee. Accordingly, any claims to be made in relation to the above guarantee shall be liable to Mr. Mo and not KanHan or the Group.

Disclaimer

Save as aforesaid and apart from intra-group liabilities and normal trade payables in the ordinary course of business, the Group did not have any bank borrowings, bank overdrafts and liabilities under acceptances or other similar indebtedness, debentures or other loan capital, mortgage, charges, finance leases or hire purchases commitments, guarantees or other material contingent liabilities outstanding at the close of business on 31 December 2012.

4. WORKING CAPITAL SUFFICIENCY

The Directors, after due and careful enquiry, are of the opinion that taking into account of the completion of the Acquisition, its present available financial resources and the existing available credit facilities and subject to the completion of the transactions contemplated under the Resumption Proposal, including the Share Consolidation and the Open Offer, the Group will have sufficient working capital for at least 12 months after Resumption.

5. MATERIAL ADVERSE CHANGES

As at the Latest Practicable Date, the Directors confirm that there had been no material changes in the financial or trading position of the Group since 31 December 2011, being the date of which the latest published audited financial statements of the Group were made up.

A. UNAUDITED PRO FORMA NET TANGIBLE ASSETS OF THE GROUP

Introduction

The unaudited pro forma statement of adjusted consolidated net tangible assets (liabilities) of the Aurum Pacific (China) Group Limited (the “**Company**”) and its subsidiaries upon completion of the Acquisition (collectively the “**Group**”) attributable to the owners of the Company (the “**Unaudited Pro Forma Statement**”) has been prepared by the directors of the Company 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 Rules**”) to illustrate the effect of the Open Offer on the unaudited adjusted consolidated net tangible assets (liabilities) of the Group as if the Open Offer had taken place on 30 June 2012.

The Unaudited Pro Forma Statement of the Group has been prepared for illustrative purposes only, and because of its hypothetical nature, it may not give a true picture of the consolidated net tangible assets to Shareholders following the Open Offer.

The Unaudited Pro Forma Statement of adjusted consolidated net tangible assets (liabilities) of the Group has been prepared based on the pro forma unaudited consolidated net assets of the Group as at 30 June 2012, as extracted from published unaudited pro forma financial information of the Group (Resumption has been effected) as set out in Appendix III to the circular in relation to the Acquisition dated 10 December 2012 after incorporating the unaudited pro forma adjustments described in the accompanying notes.

Unaudited pro forma consolidated net tangible (liabilities) of the Group attributable to the owners of the Company as at 30 June 2012 HK\$'000 (Note 1)	Estimated net proceeds from the Open Offer HK\$'000 (Note 3)	Unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company upon the completion of the Open Offer as at 30 June 2012 HK\$'000	Unaudited pro forma consolidated net tangible (liabilities) of the Group per share attributable to the owners of the Company before the completion of the Open Offer as at 30 June 2012 HK\$ (Note 4)	Unaudited pro forma consolidated net tangible assets of the Group per share attributable to the owners of the Company after the completion of the Open Offer as at 30 June 2012 HK\$ (Note 5)
(37,538)	56,070	18,532	(0.375)	0.037

Notes:

1. The negative amount of approximately HK\$37,538,000 is determined based on unaudited pro forma consolidated net tangible (liabilities) of the Group attributable to the owners of the Company as at 30 June 2012 of HK\$7,278,000, which is extracted from the published unaudited pro forma financial information of the Group (Resumption has been effected) as set out in

Appendix IIIB to the circular of the Company in relation to the Acquisition dated 10 December 2012, with adjustments for goodwill of approximately HK\$25,777,000 and intangible assets of approximately HK\$4,483,000 as at 30 June 2012.

2. On 22 January 2013, the Company completed a share consolidation (the “**Share Consolidation**”) of every 2 issued and unissued shares with par value of HK\$0.01 each into 1 share with par value of HK\$0.02 each (the “**Consolidated Shares**”). Share Consolidation did not have any impact on the unaudited net tangible (liabilities) of the Group. There were 200,000,000 shares with par value of HK\$0.01 each in issue as at 30 June 2012. After the Share Consolidation, there were 100,000,000 adjusted shares (the “**Consolidated Shares**”) with par value of HK\$0.02 each in issue.
3. The estimated net proceeds from the Open Offer of approximately HK\$56,070,000 are based on 400,000,000 Consolidated Shares (the “**Offer Shares**”) to be issued at the subscription price of HK\$0.15 per Offer Share and after deduction of estimated related expenses, including among others, underwriting commission, financial advisory fee and other professional fees, which are directly attributable to the Open Offer, of approximately HK\$3,930,000.
4. The unaudited pro forma adjusted consolidated net tangible (liabilities) of the Group per share attributable to the owners of the Company before the completion of the Open Offer is determined based on the unaudited pro forma adjusted consolidated net tangible (liabilities) of the Group attributable to the owners of the Company as at 30 June 2012 of approximately HK\$37,538,000, as disclosed in note 1 above, divided by 100,000,000 Consolidated Shares of the Company in issue (after taking into the effect of the Share Consolidation) as at 30 June 2012.
5. The unaudited pro forma adjusted consolidated net tangible assets of the Group per share attributable to the owners of the Company immediately after the completion of the Open Offer is determined based on the unaudited pro forma adjusted consolidated net tangible assets of the Group attributable to the owners of the Company immediately after the completion of the Open Offer of approximately HK\$18,532,000, divided by 500,000,000 Consolidated Shares which comprises 100,000,000 Consolidated Shares of the Company in issue as at 30 June 2012 and 400,000,000 Offer Shares to be issued pursuant to the Open Offer.
6. No adjustment has been made to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2012.

**B. ACCOUNTANT'S REPORT ON UNAUDITED PRO FORMA NET TANGIBLE
ASSETS OF THE GROUP****BAKER TILLY**

HONG KONG LIMITED

CERTIFIED PUBLIC ACCOUNTANTS

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

The Directors

Aurum Pacific (China) Group Limited

Dear Sirs,

We report on the unaudited pro forma statement of adjusted consolidated net tangible assets (liabilities) (the “**Unaudited Pro Forma Net Tangible Assets (Liabilities)**”) of Aurum Pacific (China) Group Limited (the “**Company**”) and its subsidiaries upon completion of the Acquisition (collectively the “**Group**”), which has been prepared by the directors of the Company for illustrative purposes only, to provide information about how the transactions contemplated under the Open Offer, might have affected the unaudited pro forma consolidated net tangible assets of the Group as at 30 June 2012, after the completion of the Resumption and the Acquisition, as extracted from published unaudited pro forma financial information of the Group (Resumption has been effected) as set out in Appendix IIIB to the circular of the Company in relation to the Acquisition dated 10 December 2012, as if it had taken place and completed on 30 June 2012, for the inclusion in Appendix II to the prospectus of Company dated 1 February 2013 (the “**Prospectus**”). The basis of preparation of the Unaudited Pro Forma Net Tangible Assets (Liabilities) is set out on pages 27 to 28 to the Prospectus.

**Respective responsibilities of directors of the Company and the Reporting
Accountant**

It is the responsibility solely of the directors of the Company to prepare the Unaudited Pro Forma Net Tangible Assets (Liabilities) 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 Rules**”) and Accounting Guideline 7 “Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”).

It is our responsibility to form an opinion, as required by paragraph 7.31(1) of the GEM Rules, on the Unaudited Pro Forma Net Tangible Assets (Liabilities) 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 Net Tangible Assets (Liabilities) beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

Basis of Opinion

We conducted our engagement in accordance with Hong Kong Standard on Investment Circular Reporting Engagements 300 “Accountants’ Reports on Pro Forma Financial Information in Investment Circulars” issued by the HKICPA. Our work, which involved no independent examination of any of the underlying financial information, consisted primarily of comparing the unaudited financial information with source documents, considering the evidence supporting the adjustments and discussing the Unaudited Pro Forma Net Tangible Assets (Liabilities) with the directors of the Company.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Unaudited Pro Forma Net Tangible Assets (Liabilities) has been properly compiled by the directors of the Company on the basis stated, that such basis is consistent with the accounting policies of the Group and that the adjustments are appropriate for the purposes of the Unaudited Pro Forma Net Tangible Assets (Liabilities) as disclosed pursuant to paragraph 7.31(1) of the GEM Rules.

The Unaudited Pro Forma Net Tangible Assets (Liabilities) is for illustrative purposes only, based on the judgments and assumptions of the directors of the Company, and, because of its hypothetical nature, does not provide any assurance or indication that any event will take place in the future and may not be indicative of the consolidated net tangible assets (liabilities) per share of the Group as at 30 June 2012 or at any future date.

Opinion

In our opinion:

- (a) the Unaudited Pro Forma Net Tangible Assets (Liabilities) has been properly compiled by the directors of the Company 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 Net Tangible Assets (Liabilities) as disclosed pursuant to paragraph 7.31(1) of the GEM Rules.

Baker Tilly Hong Kong Limited
Certified Public Accountants

Andrew David Ross
Practising Certificate Number P01183

Hong Kong, 1 February 2013

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 Group. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this prospectus misleading.

2. SHARE CAPITAL

The authorised and issued share capital of the Company as at the Latest Practicable Date and immediately following the completion of the Open Offer are as follows:

As at the Latest Practicable Date

Authorised share capital: HK\$

<u>2,000,000,000</u>	Shares of HK\$0.02 each	<u>40,000,000.00</u>
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Issued and fully paid:

100,000,000	Shares	2,000,000.00
<u>400,000,000</u>	Offer Shares to be issued	<u>8,000,000.00</u>
<u>500,000,000</u>	Shares	<u>10,000,000.00</u>

All the Shares in issue and Offer Shares to be issued rank and will rank *pari passu* in all respects with each other. The Offer Shares to be issued will be listed on the Stock Exchange.

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

As at the Latest Practicable Date, the Company has no outstanding warrants, options or convertible or exchangeable securities.

3. DIRECTORS' INTERESTS

As at the Latest Practicable Date, the following directors or chief executives of the Company or their associates had, or were deemed or taken to have interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations, as notified to the Company and the Stock Exchange pursuant to Division 7 and 8

of Part XV of the SFO, or as recorded in the register to be kept under Section 352 of the SFO or as notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by the Directors as follows:

Name of Director	Nature of interest	Number of Shares	Approximate % of the shareholding
Mr. Lau	Corporate Interest (<i>Note</i>)	71,496,740	71.50%

Note: The interest in the Shares of Mr. Lau is held through Prime Precision Holdings Limited as the sole shareholder and director and is deemed to be interested in the shares held by Prime Precision Holdings Limited.

Save as disclosed above, as at the Latest Practicable Date, no interest or short positions were held or deemed or taken to be held under Part XV of the SFO by any director or chief executives or their respective associates in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Part XV of the SFO or which were required to be entered in the register maintained by the Company pursuant to section 352 of the SFO or which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.57 of the GEM Listing Rules relating to securities transactions by the Directors.

4. SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, the following shareholders had interests, directly or indirectly, or short positions in the shares or underlying shares of the Company 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 as recorded in the register required to be kept by the Company under Section 336 of the SFO:

Position in the Shares and underlying Shares of the Company

Name of Shareholder	Capacity	Number of issued Shares held	Approximate % of the shareholding
Prime Precision Holdings Limited	Beneficial owner (<i>Note 1</i>)	71,496,740 (L)	71.50%
Mr. Lau	Interest of a controlled corporation (<i>Note 1</i>)	71,496,740 (L)	71.50%
Simplex Technology Investment (Hong Kong) Co. Limited (“Simplex”)	Beneficial owner (<i>Note 2</i>)	8,448,181 (L)	8.45%

Name of Shareholder	Capacity	Number of issued Shares held	Approximate % of the shareholding
Shanghai Jiaoda Industrial Investment Management (Group) Limited (“Jiaoda Industrial Group”)	Interest of a controlled corporation (<i>Note 2</i>)	8,448,181 (L)	8.45%
Shanghai Jiao Tong University	Interest of a controlled corporation (<i>Note 2</i>)	8,448,181 (L)	8.45%

The letter “L” denotes the entity’s interests in the Shares.

Notes:

1. The interests in the shares of Mr. Lau is held through Prime Precision Holdings Limited, the entire issued share capital of which was beneficially and ultimately owned by Mr. Lau. By virtue of the SFO, Mr. Lau is deemed to be interested in Shares held by Prime Precision Holdings Limited.
2. The interest in the Shares is held through Simplex, the entire issued share capital of which is beneficially owned by Jiaoda Industrial Group. The registered capital of Jiaoda Industrial Group is owned as to 96.735% by Shanghai Jiao Tong University and 3.265% by Shanghai Jiaoda Enterprise Management Centre, an entity wholly owned by Shanghai Jiao Tong University.

Position in the Offer Shares

Name of Shareholders	Capacity	Number of Consolidated Shares held	Approximate % of the Company’s issued share capital (as enlarged by the issue of the Offer Shares)
The Underwriter	Beneficial owner	114,013,040	22.80%
Mrs. Chu Yuet Wah (“Mrs. Chu”) (<i>Note</i>)	Interest of a controlled corporation	114,013,040	22.80%

Note: The 114,013,040 Consolidated Shares are the maximum number of the Offer Shares which the Underwriter has undertaken to underwrite in respect of the Open Offer. The Underwriter is wholly owned by Galaxy Sky Investments Limited, which in turn is wholly owned by Kingston Capital Asia Limited. The latter is wholly owned by Kingston Financial Group Limited, which is in turn owned as to 40.48% by Active Dynamic Limited, which is in turn wholly owned by Mrs. Chu. Mrs. Chu is therefore deemed to be interested in the 114,013,040 Consolidated Shares held by the Underwriter under the SFO.

Save as disclosed herein, as at the Latest Practicable Date, the Company was not aware of any other person (other than the Directors or chief executive of the Company) who had, or were deemed or taken to have, an interest, directly or indirectly, or short position in the shares and underlying shares of the Company 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 as recorded in the register required to be kept by the Company under Section 336 of the SFO.

5. INTERESTS IN CONTRACTS AND ASSETS

As at the Latest Practicable Date, none of the Directors has any direct or indirect interests in any asset which had been acquired, or disposed of by, or leased to any member of the Group, or was proposed to be acquired, or disposed of by, or leased to any member of the Group since 31 December 2011, being the date to which the latest published audited financial statements of the Group were made up.

As at the Latest Practicable Date, there was no contract or arrangement subsisting in which a Director was materially interested 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 controlling shareholders or substantial Shareholders or any of their respective associates had any interests in a business which competes or is likely to compete, either directly or indirectly with the business of the Group.

7. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, there were no existing or proposed service contracts between the Directors and any member of the Company which were not expiring or determinable by the Company within one year without payment of compensation (other than statutory compensation).

8. LITIGATION

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

9. MATERIAL CONTRACTS

The following agreements, being contracts not entered into in the ordinary course of business, have been entered into by members of the Group within two years immediately preceding the date of this prospectus and or may be material:

- (a) the Underwriting Agreement;

- (b) the sale and purchase agreement dated 26 June 2012 in relation to an acquisition of KanHan Technologies Limited, which is principally engaged in the provision of information technology solutions targeting the Hong Kong and PRC markets with primary focus in the government industry sector aiming to facilitate communications between the public and the government departments or private corporations via websites, telephones, and mobile phones using voice (e.g. Interactive Voice Response System) and data (e.g. mobile applications) channels, at a consideration of HK\$28 million to be settled in cash, cheque or promissory note, details of which has been set out in the Acquisition Circular. Completion of the Acquisition took place on 31 December 2012;
- (c) the loan facilities letter dated 11 April 2012 (and as supplemented by side letters dated 26 June 2012 and 15 November 2012) having signed and delivered to the Company by Prime Precision Holdings Limited in relation to the grant of loan facilities of up to HK\$40 million by Mr. Lau to the Company;
- (d) the deed of waiver dated 11 April 2012 entered into between Pearlica Technologies Limited, being a wholly-owned subsidiary of the Company, and Hong Chang Group Limited in relation to the debt of approximately HK\$40 million owed by Pearlica Technologies Limited to Hong Chang Group Limited;
- (e) the deed of waiver dated 11 April 2012 entered into between the Company and Hong Sheng Group Limited in relation to the waiver of debt of approximately HK\$1.71 million owed by the Company to the Hong Sheng Group Limited; and
- (f) the sale and purchase agreement dated 31 March 2011 (as supplemented by the supplemental sale and purchase agreement dated 7 April 2011) entered into between the Company as vendor and Hong Yue Limited as purchaser in relation to the disposal of 100% of Max Honour International Limited. Completion of the disposal took place on 24 June 2011 and the consideration was approximately HK\$5.31 million.

10. EXPERT AND CONSENT

The following are the names and the qualification of the expert who has given opinions and advices which are included in this prospectus:

Name	Qualification
Baker Tilly Hong Kong Limited	Certified Public Accountants

As at the Latest Practicable Date, the above expert did not have any shareholding, directly or indirectly, in any member of the Group, or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group, or any interests, directly or indirectly, in any assets which have been acquired, disposed of or

leased to or which are proposed to be acquired, disposed of or leased to any member of the Group since 31 December 2011, being the date to which the latest published audited accounts of the Company were made up.

The above expert has given and has not withdrawn its written consent to the issue of this prospectus with the inclusion herein of references to its name and/or its opinion in the form and context in which they respectively appear.

11. DOCUMENTS DELIVERED TO THE REGISTRARS OF COMPANIES

A copy of the Open Offer Documents and the consent letter referred to under the paragraph headed “Expert and Consent” in this appendix have been registered with the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies Ordinance. (Chapter 32 of Laws of Hong Kong).

12. BINDING EFFECT

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

13. EXPENSES

The estimated expenses in connection with the Share Consolidation and the Open Offer (including but not limited to the underwriting commission, printing, registration, translation, financial advisory, legal, other professional and accounting charges) are estimated to amount to approximately HK\$3.9 million and are payable by the Company.

14. PARTICULARS OF DIRECTORS

(i) Executive Directors

Mr. Lau Man Tak

Address: 22/F, Hua Fu Commercial Building, 111 Queen’s Road West, Hong Kong

Mr. Lau, age 43, holds a bachelor degree in Accountancy from the Hong Kong Polytechnic University. He has more than 15 years of experience in corporate finance, accounting and auditing. He is a fellow member of the Association of Chartered Certified Accountants in the United Kingdom, an associate member of the Hong Kong Institute of Certified Public Accountants and a member of the Hong Kong Securities Institute. As at the Latest Practicable Date, Mr. Lau is an independent non-executive director of AMCO United Holdings Limited (stock code: 630), Climax International Company Limited (stock code: 439), Kingston Financial

Group Limited (stock code: 1031), Kong Sun Holdings Limited (stock code: 295) and Sincere Watch (Hong Kong) Limited (stock code: 444). Mr. Lau was also an executive director and chief financial officer of China Sandi Holdings Limited (formerly known as China Grand Forestry Green Resources Group Limited) (stock code: 910) from April 2010 to September 2012 and an executive director of Warderly International Holdings Limited (stock code: 607) from December 2007 to January 2010. As disclosed in the announcement of Warderly International Holdings Limited dated 6 May 2009, Warderly International Holdings Limited is carrying out schemes of arrangement with the relevant scheme creditors.

Save as disclosed, Mr. Lau did not hold directorship in any other listed companies or had any other major appointment and qualifications during the last three years prior to the Latest Practicable Date. Mr. Lau does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

As at the Latest Practicable Date, Mr. Lau is the sole shareholder and director of Prime Precision Holdings Limited, which holds 71,496,740 Shares representing approximately 71.50% of the entire issued share capital of the Company and accordingly is deemed to be interested in the aforesaid 71,496,740 Shares held by Prime Precision Holdings Limited within the meaning of Part XV of the SFO.

Mr. Lau is also the compliance officer of the Company.

Mr. Mo Wai Ming, Lawrence

Address: 22/F, Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong

Mr. Mo, aged 53, has been appointed as an executive director and the Chief Executive Officer of the Company upon completion of the Acquisition on 31 December 2012. Mr. Mo founded his first company CompuFont Limited in 1989 to develop Asian language technologies for display and printing, which were later licensed by Microsoft for use in its nascent Chinese version of Windows 3.0 product for personal computers. CompuFont Limited was in 1991 acquired by a Taiwan based software technology company, DynaLab Inc. which was engaged in the development and sales of solutions on local language computing for Chinese, Japanese and Korean (CJK) for electronic and Internet publishing, where Mr. Mo continued his service as the Managing Director of Hong Kong branch of DynaLab Inc. and various management roles until 1999 when he left to found KanHan Technologies Limited, a wholly-owned subsidiary of the Company (“**KanHan**”). Mr. Mo is an expert in CJK language font technology for PC and professional publishing market. Mr. Mo holds a degree in computer science from the University of Toronto, Canada and has over 30 years experience in technology development, selling and business startup in the information technology industry and over 10 years experience in the development and sales of solutions on local language computing for Asian

languages and for electronic and internet publishing. Mr. Mo was an executive director of China Digital Licensing (Group) Limited (stock code: 8175) resigned in January 2009.

Save as disclosed, Mr. Mo did not hold directorship in any other listed companies or had any other major appointment and qualifications during the last three years prior to the Latest Practicable Date. Mr. Mo does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

As at the Latest Practicable Date, Mr. Mo did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

(ii) Senior management of the Group

Business Development Director

Address: 22/F Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong

Ms. Emma Wong, aged 37, is the business development director of KanHan Technologies Limited. With a marketing background, she joined KanHan in May 2005 and the Group upon the completion of the Acquisition and now has the overall responsibility of the sales and marketing of KanHan's products. Ms. Wong has a bachelor degree in marketing from University of Science and Technology, Hong Kong.

Ms. Wong did not hold directorship in any other listed companies or had any other major appointment and qualifications during the last three years prior to the Latest Practicable Date. Ms. Wong does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

As at the Latest Practicable Date, Ms. Wong did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

Manager, Technical Department

Address: 22/F Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong

Mr. Aaron Tsoi Kwan La, aged 31, graduated from University of Melbourne, Bachelor of Computer Science. He joined KanHan since December 2003 and the Group upon the completion of the Acquisition having over 10 years' IT experience. He rose through the ranks from junior programmer to head of the technical team responsible for product development and service delivery.

Mr. Tsoi is mainly responsible for database design, system analysis, software design, programming (e.g. java, php, jsp, flash). Mr. Tsoi is the key developer in HanPHONE IVR product. From technologies development, design system structure to implementation of the platforms, Mr. Tsoi has over 8 years' experience to handle different scenarios in different industries and associations.

Mr. Tsoi did not hold directorship in any other listed companies or had any other major appointment and qualifications during the last three years prior to the Latest Practicable Date. Mr. Tsoi does not have any relationship with any Directors, senior management, substantial Shareholders or controlling Shareholders.

As at the Latest Practicable Date, Mr. Tsoi did not have any interests or underlying interests in the Shares within the meaning of Part XV of the SFO.

(iii) Independent non-executive Directors and the Audit Committee

The audit committee comprised three independent non-executive directors throughout the year ended 31 December 2011 namely Mr. Chi Chi Hung, Kenneth (Chairman), Mr. Chan Wai Fat and Mr. Chui Kwong Kau.

Mr. Chi Chi Hung Kenneth

Address: 22/F, Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong

Mr. Chi, aged 44, was appointed as an independent non-executive Director on 8 March 2010. Mr. Chi has over 20 years of experience in accounting and financial control area. He holds a Bachelor of Accountancy Degree from the Hong Kong Polytechnic University and is a fellow member of Association of Chartered Certified Accountants in the United Kingdom, an associate member of the Hong Kong Institute of Certified Public Accountants, an associate member of the Hong Kong Institute of Chartered Secretaries and an associate member of the Institute of Chartered Secretaries and Administrators in the United Kingdom. Mr. Chi is currently an executive director of each of Hua Yi Copper Holdings Limited (stock code: 559), China Sandi Holdings Limited (formerly known as China Grand Forestry Green Resources Group Limited) (stock code: 910), M Dream Inworld Limited (stock code: 8100) and Morning Star Resources Limited (stock code: 542). He is also an independent non-executive director of each of Hong Kong Life Sciences and Technologies Group Limited (formerly known as ZMAY Holdings Limited) (stock code: 8085), Noble Century Investment Holdings Limited (formerly known as Sam Woo Holdings Limited) (stock code: 2322), China Natural Investment Company Limited (stock code: 8250), Perfect Shape (PRC) Holdings Limited (stock code: 1830) and L'sea Resources International Holdings Limited (formerly known as Goodtop Tin International Holdings Limited) (stock code: 195). He was an independent non-executive director of Interchina Holdings Company Limited (stock code: 202) from October 2011 to August 2012.

Mr. Chan Wai Fat

Address: 22/F, Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong

Mr. Chan, aged 45, has been appointed as an independent non-executive Director of the Company with effect from 14 July 2008. Mr. Chan is currently a Senior Vice President of a securities house in Hong Kong. Mr. Chan holds a bachelor degree of commerce from The University of Western Australia and a master degree of business administration from Deakin University, Australia. He has years of experience in compliance, accounting and financial management in securities industry and has worked for international accounting firms and listed company in Hong Kong. He is a fellow of the Hong Kong Institute of Certified Public Accountants and a Certified Practising Accountant of CPA Australia.

Mr. Chui Kwong Kau

Address: 22/F, Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong

Mr. Chui, aged 45, has been appointed as an independent non-executive Director of the Company with effect from 17 March 2010. Mr. Chui has over 15 years' experiences in accounting and auditing fields, including over 10 years' accounting and auditing experience in other public listed companies. Mr. Chui is currently an executive in other public listed companies. Mr. Chui is currently an executive director of each of China Energy Development Holdings Limited (stock code: 228) and Hong Kong Life Sciences and Technologies Group Limited (formerly known as ZMAY Holdings Limited) (stock code: 8085).

The audit committee is set up based on the guidelines recommended by the Hong Kong institute of Certified Public Accountants to evaluate the overall effectiveness of the internal control and risk management frameworks, to review the accounting principles and practices adopted by the Group and other financial reporting matters and ensure the completeness, accuracy and fairness of the financial statements and to oversee the relationship with the external auditors.

(iv) Company Secretary

Ms. Wong Chi Yan, holds a Bachelor of Business Administration degree in Accounting from Hong Kong Baptist University and is an associate member of the Hong Kong Institute of Certified Public Accountants. She has extensive experiences in auditing and accounting.

Address: 22/F, Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong

15. CORPORATE INFORMATION AND PARTIES INVOLVED

Registered address	Cricket Square Hutchins Drive, P.O. Box 2681 Grand Cayman KY1-1111 Cayman Islands
Principal place of business in Hong Kong	22/F, Hua Fu Commercial Building 111 Queen's Road West, Hong Kong
Authorised representatives	Mr. Lau and Ms. Wong Chi Yan 22/F, Hua Fu Commercial Building 111 Queen's Road West, Hong Kong
Company secretary	Ms. Wong Chi Yan
Compliance officer	Mr. Lau
Financial adviser to the Company	Veda Capital Limited Suite 3214, 32/F, COSCO Tower 183 Queen's Road Central, Hong Kong
Underwriter	Kingston Securities Limited Suite 2801, 28th Floor One International Finance Centre 1 Harbour View Street Central Hong Kong
Legal advisers	<i>As to Hong Kong Law</i> Michael Li & Co. 19/F, Prosperity Tower No. 39 Queen's Road Central Central, Hong Kong <i>As to the Cayman Islands Law</i> Conyers Dill & Pearman (Cayman) Limited Cricket Square, Hutchins Drive P.O. Box 2681, Grand Cayman KY1-1111 Cayman Islands
Auditors and reporting accountant	Baker Tilly Hong Kong 2nd Floor, 625 King's Road North Point, Hong Kong

Principal share registrar and transfer office in Cayman Islands	HSBC Trustee (Cayman) Limited PO Box 484 HSBC House 68 West Bay Road Grand Cayman KY1-1106 Cayman Islands
Branch share registrar and transfer office in Hong Kong	Tricor Tengis Limited 26th Floor, Tesbury Centre 28 Queen's Road East Wanchai, Hong Kong
Principal banker	Bank of China (Hong Kong) Limited 52/F Bank of China Tower 1 Garden Road, Hong Kong Standard Chartered Bank (Hong Kong) Limited 13/F, Standard Chartered Bank Building 4-4A Des Voeux Road Central Hong Kong

16. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during normal business hours (Saturdays and public holidays excepted) at the principal place of business of the Company in 22/F, Hua Fu Commercial Building, 111 Queen's Road West, Hong Kong from the date of this prospectus up to and including the Latest Time for Acceptance at 4:00 p.m. on Wednesday, 20 February 2013:

- (a) the memorandum and articles of association of the Company;
- (b) the interim report of the Company for the six months ended 30 June 2012 and the annual reports of the Company for each of the two financial years ended 31 December 2010 and 2011;
- (c) the statement of the unaudited pro forma consolidated net tangible asset of the Group, the text of which is set out in Appendix II of this prospectus;
- (d) the material contracts as entered into by the Group as referred to in the paragraph headed "Material Contracts" in this appendix;
- (e) the Acquisition Circular;
- (f) the written consent referred to in the paragraph headed "Experts and Consents" in this appendix;
- (g) the Underwriting Agreement;

- (h) the Investor's Undertaking;
- (i) the Circular; and
- (j) this prospectus.

17. MISCELLANEOUS

The English text of the Open Offer Documents shall prevail over Chinese text in case of any inconsistency.