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**AURUM PACIFIC (CHINA) GROUP LIMITED**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8148)**

**MAJOR DISPOSAL  
OF ENTIRE ISSUED SHARES AND SHAREHOLDER'S LOAN  
OF A SUBSIDIARY**

**THE SALE AND PURCHASE AGREEMENT**

On 2 March 2009, the Company entered into the Sale and Purchase Agreement with the Purchaser pursuant to which the Purchaser has agreed to acquire and the Company has agreed to sell the Sale Shares and the Sale Loan for a Consideration of HK\$1. The Consideration shall be settled by the Purchaser in cash or by way of cashier order issued by licensed bank in Hong Kong at Completion.

**GENERAL**

The Disposal constitutes a major transaction on the part of the Company under Chapter 19 of the GEM Listing Rules. As the Purchaser and its associates do not hold any Shares and no Shareholders have a material interest in the Disposal, no Shareholders are required to abstain from voting on the resolutions approving the Disposal. Given further that the Company has obtained a written approval from Hong Sheng Group Limited, the controlling Shareholder holding 142,651,965 Shares as at the date hereof, representing 71.33% of the issued Shares in respect of the Disposal, the Company is not required to convene a general meeting to approve the Disposal pursuant to Rule 19.44 of the GEM Listing Rules. A circular containing, among other matters, details of the Disposal will be despatched to the Shareholders in compliance with the GEM Listing Rules.

**SUSPENSION OF TRADING**

Trading of the Shares has been suspended at the request of the Company with effect from 9:30 a.m. on 22 March 2007. The Stock Exchange has then requested the Company to submit a viable resumption proposal to address the issues pertaining to the suspension and demonstrate that the Company has a sufficient level of operations and management expertise on the business pursuits to warrant the continued listing of the Shares. The Company has been paying substantial efforts to work in this regard so as to satisfy the Stock Exchange's request. Trading of the Shares will remain suspended until further notice.

## **THE SALE AND PURCHASE AGREEMENT**

**Date:** 2 March 2009

**Parties:** (1) Vendor : the Company

(2) Purchaser : Brilliant Path Limited

The Purchaser is principally engaged in the investment holding.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser and its ultimate beneficial owners, and their respective associates are Independent Third Parties.

### **Assets to be disposed**

Pursuant to the Sale and Purchase Agreement, the Purchaser has agreed to acquire and the Company has agreed to sell the Sale Shares, representing 100% of the entire equity interest of the Target, and the Sale Loan due from the Target Group to the Company.

As at the date hereof, the Target is indebted to the Company in the sum of HK\$12,419,938.71. The Company has no intention to inject additional funds in any forms (whether it be in the form of shareholders' loan or equity) to the Target before Completion.

### **Consideration**

The Consideration for the Sale Shares and the Sale Loan shall be the sum of HK\$1. The Consideration shall be settled by the Purchaser in cash or by way of cashier order issued by licensed bank in Hong Kong at Completion.

The Consideration was determined at arms length negotiation between Vendor and Purchaser and with reference to the current net liability position of approximately HK\$15,661,000 of the Target Group, and the fact that Target Group has ceased operations for the past two financial years (thus being unable to generate any revenue or income to the Group).

### **Conditions precedent and Completion**

Completion is conditional upon more than 50% of the shareholders of the Company (who are entitled to vote at the general meeting for approving the Disposal if such meeting is held) passing a resolution approving the Sale and Purchase Agreement and the transactions contemplated hereunder. Such condition has been satisfied as at the date hereof. Completion shall take place within 5 Business Days from the date of this announcement.

## INFORMATION ON THE TARGET GROUP

The Target was incorporated in the British Virgin Islands on 28 March 2000 and its principal business is investment holding. The Target Group is principally engaged in provision of translation services in the PRC (which used to a part of the Group's information localization business). The Target Group has ceased operations for the past two financial years. The unaudited consolidated financial information of the Target Group for the past two financial years are as follows:

	<i>For the year ended 31 December 2008 HK\$'000</i>	<i>For the year ended 31 December 2007 HK\$'000</i>
Turnover	-	-
Expenses	2,016	2,523
Loss for the year attributable to equity shareholder of the Target	2,016	2,512

The expenses consist mainly of finance costs, which is in the sum of approximately HK\$2,004,000 and HK\$1,703,000 for the year ended 31 December 2008 and 2007 respectively. Moreover, in 2007, an expense in the approximate sum of HK\$760,000 was incurred due to the provisions made for certain account receivables. As at 31 December 2008, the unaudited consolidated net liability of the Target was approximately HK\$15,661,000.

## FINANCIAL EFFECT OF THE DISPOSAL

Based on the unaudited consolidated net liability value of the Target stated above, the negative exchange reserves to be released upon disposal of the Target and the Consideration of HK\$1, it is estimated that the Group will record a gain of approximately HK\$12,020,000 after the Disposal. The Group intends to use the net proceeds from the Disposal as general working capital.

## REASONS FOR THE DISPOSAL

The Group is principally engaged in development and implementation of custom-made solutions, trading of computer equipment, computerized smart sockets and related accessories.

Since the Target Group has been inoperative for the past few financial years, it is unable to generate any revenue or income to the Group. Moreover, the Board considers it is not worth injecting any new capital to revive the operations of the Target Group, because the competition of translation services in the PRC is keen and such business is not in line with the future development of the Group.

The Directors consider that the Consideration is reasonable and the Disposal represents a good opportunity for the Group to realise the Target and to strengthen the financial position of the Group. The Board is of the view that the terms and conditions of the Disposal are fair and reasonable and the Disposal is in the interests of the Company and the Shareholders as a whole.

After the Disposal, each of the companies in the Target Group will cease to be a subsidiary of the Company.

## **GENERAL**

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## **SUSPENSION OF TRADING**

Trading of the Shares has been suspended at the request of the Company with effect from 9:30 a.m. on 22 March 2007. The Stock Exchange has then requested the Company to submit a viable resumption proposal to address the issues pertaining to the suspension and demonstrate that the Company has a sufficient level of operations and management expertise on the business pursuits to warrant the continued listing of the Shares. The Company has been paying substantial efforts to work in this regard so as to satisfy the Stock Exchange's request. Trading of the Shares will remain suspended until further notice.

## **DEFINITIONS**

In this announcement, unless the context otherwise requires, the following expressions shall have the following meanings when used herein:

<b>“associates”</b>	has the meaning ascribed to this term under the Listing Rules
<b>“Board”</b>	the board of Directors
<b>“Business Day”</b>	a day (other than a Saturday, Sunday or public holiday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
<b>“Company”</b>	Aurum Pacific (China) Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on GEM

<b>“Completion”</b>	completion of the sale and purchase of the Sale Shares and the Sale Loan
<b>“connected person”</b>	has the meaning ascribed to this term under the Listing Rules
<b>“Consideration”</b>	the aggregate consideration of HK\$1 payable by the Purchaser to the Company for the Disposal
<b>“Directors”</b>	the directors of the Company
<b>“Disposal”</b>	the disposal of the Sale Shares and the Sale Loan by the Company as contemplated under the Sale and Purchase Agreement
<b>“GEM”</b>	Growth Enterprise Market of the Stock Exchange
<b>“GEM Listing Rules”</b>	the Rules Governing the Listing of Securities on GEM
<b>“Group”</b>	the Company and its subsidiaries
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the PRC
<b>“Independent Third Party”</b>	any person or company and their respective ultimate beneficial owner(s) which, 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 (as defined in the GEM Listing Rules)
<b>“PRC”</b>	the People’s Republic of China
<b>“Purchaser”</b>	Brilliant Path Limited, a company incorporated in the British Virgin Islands, which is the purchaser to the Sale and Purchase Agreement and an Independent Third Party
<b>“Sale and Purchase Agreement”</b>	the conditional sale and purchase agreement dated 2 March 2009 entered into between the Purchaser and the Company in relation to the transfer of the Sale Shares and the Sale Loan
<b>“Sale Loan”</b>	all debts, liabilities and obligations of the Target owing to the Company, whether actual, contingent or deferred and irrespective of whether or not the same is due and payable as at the date of Completion

<b>“Sale Shares”</b>	14,833 ordinary shares of US\$1.00 each in the issued share capital of the Target, representing 100% of the entire issued share capital of the Target
<b>“Share(s)”</b>	ordinary share(s) of HK\$0.01 each in the capital of the Company
<b>“Shareholder(s)”</b>	holder(s) of the Share(s)
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited
<b>“Target”</b>	Besto Investment Limited, a company incorporated in the British Virgin Islands, whose entire issued share capital is beneficially owned by the Company
<b>“Target Group”</b>	The Target and its subsidiaries
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>“%”</b>	per cent.

By order of the Board  
**Aurum Pacific (China) Group Limited**  
**Cheung Yu Ping**  
*Chairman*

Hong Kong, 4 March 2009

*As at the date of this announcement, the Board comprises three executive directors, who are Mr. Cheung Yu Ping, Mr. Chan Chi Chiu Henry and Mr. Lee Ah Sang, and three independent non-executive directors, who are Mr. Jin Guangjun, Mr. Law Kin Ho and Mr. Chan Wai Fat.*

*This announcement, for which the directors of the Company collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The directors of the Company having made all reasonable enquiries, confirm that, to the best of their knowledge and belief: (1) the information contained in this announcement is accurate and complete in all material respects and not misleading; (2) there are no other matters the omission of which would make any statement in this announcement misleading; and (3) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.*

*This announcement will remain on the page of “Latest Company Announcements” on the GEM website for at least 7 days from the date of its posting and the website of the Company at [www.aurumpacific.com.hk](http://www.aurumpacific.com.hk).*