

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, 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 announcement.

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)

**MEMORANDUM OF UNDERSTANDING IN RELATION TO
A PROPOSED ACQUISITION
AND
DISCLOSEABLE TRANSACTION IN RELATION TO
GRANTING OF A LOAN**

MOU

On 21 June 2016 after trading hours, the Company entered into the MOU with the Vendor in relation to the proposed acquisition of the entire issued share capital of the Target.

DISCLOSEABLE TRANSACTION

On 21 June 2016 after trading hours, the Lender, a wholly-owned subsidiary of the Company, entered into the Loan Agreement with the Vendor pursuant to which the Lender has agreed to grant a loan of HK\$30 million to the Vendor for a term of 6 months.

GEM LISTING RULES IMPLICATIONS

As certain of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Loan Agreement is more than 5% but less than 25%, the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting and announcement requirements under the GEM Listing Rules.

MOU

This announcement is made pursuant to Rule 17.10(2) of the GEM Listing Rules and Part XIVA of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong).

On 21 June 2016 after trading hours, the Company entered into the MOU with the Vendor in relation to the proposed acquisition of the entire issued share capital of the Target. The Target and its associates are principally engaged in constructing and managing fiberglass internet networks in the Netherlands.

To the best of the Directors' information and belief having made all reasonable enquiries, the Vendor is a third party independent of and not connected with the Company and its connected persons.

Under the MOU, the Vendor shall not directly or indirectly negotiate or agree with any other party relating to the Proposed Acquisition or do anything which is inconsistent with the Proposed Acquisition for a period of 6 months ("Exclusive Period") from the date of the MOU. The Company has also agreed to provide a loan of up to HK\$30 million to the Vendor on terms acceptable to both parties.

The MOU does not create legally binding obligations on the parties in relation to the Proposed Acquisition but is legally binding as to such terms relating to, among others, the Exclusive Period and confidentiality. The Proposed Acquisition is subject to the negotiation and execution of a formal sale and purchase agreement between the parties.

The MOU shall terminate upon the earlier of : (i) expiry of the Exclusive Period, or (ii) execution of the formal sale and purchase agreement relating to the Proposed Acquisition or (iii) not less than 7 days' written notice of termination of the MOU being given by any party to the other.

As the MOU is not legally binding with regard to the Proposed Acquisition, it may or may not proceed. Shareholders and investors are advised to exercise caution when dealing in the Shares of the Company.

DISCLOSEABLE TRANSACTION

LOAN AGREEMENT

Date: 21 June 2016

Parties: the Lender and the Vendor.

Amount of the Loan

HK\$30 million

Interest

Interest on the Loan shall accrue at the rate of 10% per annum.

Repayment

The Vendor shall repay the Loan in full in one lump sum after 6 months from the date of drawdown.

Security

The Loan is to be secured by a first legal charge over the entire issued share capital of the Target and a personal guarantee by one of the Vendor's ultimate beneficial owner.

REASONS FOR THE LOAN AGREEMENT

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

The Lender is a wholly owned subsidiary of the Company and a money lender licensed in Hong Kong under the Money Lenders Ordinance, Cap 163, laws of Hong Kong. The Loan Agreement is conducted in the ordinary and usual course of business of the Group which provides interest income to the Group.

The terms of the Loan Agreement were determined after arm's length negotiations between the Lender and the Vendor. The Board considers that the terms of the Loan Agreement are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

GEM LISTING RULES IMPLICATIONS

As certain of the applicable percentage ratios (as defined under the GEM Listing Rules) in respect of the Loan Agreement is more than 5% but less than 25%, the Loan Agreement constitutes a discloseable transaction of the Company under Chapter 19 of the GEM Listing Rules and is subject to the reporting and announcement requirements under the GEM Listing Rules.

DEFINITIONS

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

“Company”	Aurum Pacific (China) Group Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM
“connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Lender”	Aurum Pacific Finance Limited, a limited liability company incorporated in Hong Kong and a wholly-owned subsidiary of the Company
“Loan”	The loan in the principal sum of HK\$30 million advanced pursuant to the Loan Agreement
“Loan Agreement”	The loan agreement dated 21 June 2016 made between the Lender and the Vendor in respect of a loan facility of HK\$30 million
“MOU”	the memorandum of understanding dated 21 June 2016 made between the Vendor and the Company
“Proposed Acquisition	the proposed acquisition of the entire issued share capital of Target
“Shareholder(s)”	the holder(s) of the Shares

“Share(s)”	ordinary share(s) of HK\$0.04 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target”	Tri King International Limited, a limited company incorporated in Hong Kong
“Vendor”	Stars Ventures Limited, a company incorporated in the Republic of Seychelles, being the sole shareholder of the Target
“%”	per cent.

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

Hong Kong, 21 June 2016

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

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

This announcement will remain on the 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.