

# **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)**

### **FIRST QUARTERLY RESULTS ANNOUNCEMENT FOR THE THREE MONTHS ENDED 31 MARCH 2015**

#### **CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

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

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

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*This announcement, for which the directors (the “Directors”) of Aurum Pacific (China) Group Limited (the “Company”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (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.*

## **SUMMARY**

For the three months ended 31 March 2015:

- the turnover was approximately HK\$7,346,000;
- the loss attributable to owners of the Company was approximately HK\$5,548,000; and
- the Directors do not recommend the payment of any interim dividend.

## FIRST QUARTERLY UNAUDITED RESULTS

The board of directors of the Company (the “Board”) hereby presents the unaudited consolidated results of the Company and its subsidiaries (collectively, the “Group”) for the three months ended 31 March 2015, together with the comparative figures for the corresponding period in 2014 as follows:

### CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

FOR THE THREE MONTHS ENDED 31 MARCH 2015

(Expressed in Hong Kong dollars)

		Three months ended 31 March	
		2015	2014
	Notes	HK\$'000	HK\$'000
		(Unaudited)	(Unaudited)
<b>Continuing operations</b>			
Turnover	2	7,346	4,708
Cost of sales		<u>(1,786)</u>	<u>(1,098)</u>
Gross profit		5,560	3,610
Other revenue		164	24
Changes in fair value of consideration payable for business combination		(330)	–
Administrative expenses		(9,399)	(1,695)
Research and development expenses		(967)	(1,157)
Selling and distribution expenses		<u>(1,076)</u>	<u>(673)</u>
(Loss)/profit from continuing operations		(6,048)	109
Finance costs	3	<u>–</u>	<u>(189)</u>
Loss before taxation	4	(6,048)	(80)
Income tax credit	5	<u>124</u>	<u>25</u>
Loss for the period from continuing operations		(5,924)	(55)
<b>Discontinued operation</b>			
Loss for the period from discontinued operation		<u>–</u>	<u>(2)</u>
Loss for the period		<u>(5,924)</u>	<u>(57)</u>

		<b>Three months ended</b>	
		<b>31 March</b>	
		<b>2015</b>	<b>2014</b>
<i>Note</i>		<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
		<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Attributable to:</b>			
– owners of the Company		<b>(5,548)</b>	<b>(57)</b>
– non-controlling interests		<b>(376)</b>	<b>–</b>
		<b><u>(5,924)</u></b>	<b><u>(57)</u></b>
<b>Loss per share</b>		<b><i>HK cents</i></b>	<b><i>HK cents</i></b>
			<b>(Restated)</b>
From continuing and discontinued operations			
– Basic and diluted	7	<b><u>(0.154)</u></b>	<b><u>(0.002)</u></b>
From continuing operations			
– Basic and diluted	7	<b><u>(0.154)</u></b>	<b><u>(0.002)</u></b>
From discontinued operation			
– Basic and diluted	7	<b><u>–</u></b>	<b><u>–</u></b>

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER  
COMPREHENSIVE INCOME**

*FOR THE THREE MONTHS ENDED 31 MARCH 2015*

*(Expressed in Hong Kong dollars)*

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2015</b>	<b>2014</b>
	<b><i>HK\$'000</i></b>	<b><i>HK\$'000</i></b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Loss for the period</b>	<b>(5,924)</b>	<b>(57)</b>
<b>Other comprehensive (expense)/income for the period</b>		
Items that may be classified subsequently to profit or loss:		
– Exchange differences on translation of financial statements of foreign operations, net of nil tax	<u>(3)</u>	<u>1</u>
<b>Total comprehensive expense for the period</b>	<b><u>(5,927)</u></b>	<b><u>(56)</u></b>
<b>Attributable to:</b>		
– owners of the Company	<b>(5,551)</b>	<b>(56)</b>
– non-controlling interests	<u><b>(376)</b></u>	<u>–</u>
	<b><u>(5,927)</u></b>	<b><u>(56)</u></b>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE THREE MONTHS ENDED 31 MARCH 2015**  
*(Expressed in Hong Kong dollars)*

	Attributable to owners of the Company						Non- controlling interests	Total
	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Capital reserve <i>HK\$'000</i>	Capital surplus <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Accumulated losses <i>HK\$'000</i>		
At 1 January 2014 (Audited)	10,000	81,150	2,427	16,699	(74)	(54,418)	–	55,784
Loss for the period	–	–	–	–	–	(57)	–	(57)
Exchange differences on translation of financial statements of foreign operations, net of nil tax	–	–	–	–	1	–	–	1
Total comprehensive expense for the period	–	–	–	–	1	(57)	–	(56)
At 31 March 2014 (Unaudited)	10,000	81,150	2,427	16,699	(73)	(54,475)	–	55,728
At 1 January 2015 (Audited)	12,000	142,285	2,427	16,699	(103)	(56,396)	11,056	127,968
Loss for the period	–	–	–	–	–	(5,548)	(376)	(5,924)
Exchange differences on translation of financial statements of foreign operations, net of nil tax	–	–	–	–	(3)	–	–	(3)
Total comprehensive expense for the period	–	–	–	–	(3)	(5,548)	(376)	(5,927)
Issue of shares ( <i>note 8 (iii)</i> )	2,400	(2,400)	–	–	–	–	–	–
	2,400	(2,400)	–	–	(3)	(5,548)	(376)	(5,927)
At 31 March 2015 (Unaudited)	14,400	139,885	2,427	16,699	(106)	(61,944)	10,680	122,041

*Notes:*

**1. BASIS OF PREPARATION AND PRINCIPAL ACCOUNTING POLICIES**

The Group's unaudited condensed first quarterly consolidated financial statements have been prepared in accordance with the applicable disclosure requirements of Chapter 18 of the GEM Listing Rules and Hong Kong Accounting Standard 34 (HKAS 34) Interim Financial Reporting.

The unaudited condensed consolidated financial statements have been prepared under the historical cost basis. The principal accounting policies used in the preparation of these unaudited condensed consolidated financial statements are consistent with those used in the annual consolidated financial statements for the year ended 31 December 2014 except in relation to the new and revised standards, amendments and interpretations ("new and revised HKFRSs") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are adopted for the first time for the current period's financial statements. The adoption of these new and revised HKFRSs has had no material impact on the unaudited condensed consolidated financial statements.

The Group has not early adopted any new HKFRSs that have been issued but are not yet effective.

**2. TURNOVER**

Turnover represents the sales value of goods and services supplied to customers from the provision of software platform.

**3. FINANCE COSTS**

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Continuing operations</b>		
Interest expense on financial liabilities not at fair value through profit or loss		
– Imputed interest on interest-free loans from a shareholder	<u>–</u>	<u>189</u>

#### 4. LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Continuing operations</b>		
Staff costs (including directors' remuneration)		
– Salaries, wages and other benefits	<b>5,191</b>	3,038
– Contributions to defined contribution retirement plan	<b>189</b>	106
	<b>5,380</b>	3,144
Auditor's remuneration	<b>132</b>	100
Amortisation of intangible assets	<b>2,092</b>	385
Depreciation of property, plant and equipment	<b>174</b>	61

#### 5. INCOME TAX RELATING TO CONTINUING OPERATIONS

Income tax in the condensed consolidated statement of profit or loss represents:

	<b>Three months ended</b>	
	<b>31 March</b>	
	<b>2015</b>	<b>2014</b>
	<b>HK\$'000</b>	<b>HK\$'000</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>
<b>Current tax</b>		
– Hong Kong Profits Tax		
Provision for the period	–	–
– PRC		
PRC enterprise income tax ("EIT") for the period	<b>212</b>	–
<b>Deferred tax</b>	<b>(336)</b>	(25)
<b>Total income tax credit</b>	<b>(124)</b>	(25)

No provision for Hong Kong Profits Tax has been made as the group companies comprising continuing operations has either tax losses brought forward in excess of the assessable profits for the period or do not have any estimated assessable profit subject to Hong Kong Profits Tax during the periods ended 31 March 2015 and 2014.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the respective jurisdictions.

The subsidiaries established in the People's Republic of China (the "PRC") are subject to EIT at tax rates of 25% for the three months ended 31 March 2015.

No provision for EIT of the PRC has been made as its subsidiaries incorporated in the PRC have estimated tax losses for the period ended 31 March 2014.

## **6. DIVIDENDS**

The Board does not recommend the payment of any interim dividend for the three months ended 31 March 2015 (2014: HK\$Nil).

## **7. LOSS PER SHARE**

### **(a) Basic loss per share**

#### *(i) From continuing and discontinued operations*

The calculation is based on the loss for the period attributable to owners of the Company of HK\$5,548,000 (2014: HK\$57,000) and the weighted average number of ordinary shares of 3,600,000,000 (2014 (restated): 3,000,000,000) in issue during the period.

#### *(ii) From continuing operations*

The calculation is based on loss for the period from continuing operations attributable to owners of the Company of HK\$5,548,000 (2014: HK\$55,000) and the weighted average number of ordinary shares of 3,600,000,000 (2014 (restated): 3,000,000,000) in issue during the period.

#### *(iii) From discontinued operation*

The calculation is based on loss for the period from the discontinued operation attributable to owners of the Company of HK\$Nil (2014: HK\$2,000) and the weighted average number of ordinary shares of 3,600,000,000 (2014 (restated): 3,000,000,000) in issue during the period.

The weighted average number of ordinary shares for 2015 and 2014 above has been adjusted for the share subdivision and bonus issue which were completed on 6 January 2015 and 19 January 2015 respectively.

### **(b) Diluted loss per share**

The diluted loss per share for the periods ended 31 March 2015 and 2014 is the same as the basic loss per share as there were no potentially dilutive ordinary shares in issue.

## 8. SHARE CAPITAL

### (i) Authorised and issued share capital

	'000	HK\$'000
<b>Authorised:</b>		
Ordinary shares		
At 1 January 2014, 31 March 2014 and 1 January 2015 of HK\$0.02 each	2,000,000	40,000
Share Subdivision ( <i>note (ii)</i> )	8,000,000	–
	<u>10,000,000</u>	<u>40,000</u>
At 31 March 2015 of HK\$0.004 each	<u>10,000,000</u>	<u>40,000</u>
<b>Issued and fully paid:</b>		
Ordinary shares		
At 1 January 2014 and 31 March 2014 of HK\$0.02 each	<u>500,000</u>	<u>10,000</u>
At 1 January 2015 of HK\$0.02 each	600,000	12,000
Share subdivision ( <i>note (ii)</i> )	2,400,000	–
Issue of shares ( <i>note (iii)</i> )	<u>600,000</u>	<u>2,400</u>
At 31 March 2015 of HK\$0.004 each	<u>3,600,000</u>	<u>14,400</u>

### (ii) Share subdivision

By an ordinary resolution passed at the extraordinary general meeting on 5 January 2015, every issued and unissued ordinary shares of HK\$0.02 each were subdivided into five new ordinary shares of HK\$0.004 each (the “Share Subdivision”). Following the Share Subdivision which became effective on 6 January 2015, the Company’s authorised share capital was HK\$40,000,000 divided into 10,000,000,000 shares of HK\$0.004 each, of which 3,000,000,000 ordinary shares were in issue and fully paid.

### (iii) Issue of shares

On 19 January 2015, the Company issued 600,000,000 ordinary shares of HK\$0.004 each on the basis of one new share for every five existing shares then held (the “Bonus Issue”). These new shares were credited as fully paid by capitalisation of HK\$2,400,000 standing to the credit of share premium account. Details of the Bonus Issue are set out in the Company’s circular and announcement dated 17 December 2014 and 19 January 2015.

## **9. EVENTS AFTER THE REPORTING PERIOD**

### **(i) Placing of new shares under general mandate**

On 20 April 2015, the Company entered into a placing agreement with the placing agent, One China Securities Limited, pursuant to which the Company has conditionally agreed to place through the placing agent, on a best effort basis, up to 600,000,000 placing shares at the placing price of HK\$0.10 per placing share to not than six placees who and whose ultimate beneficial owners shall be independent third parties (the “Placing”). The Placing has been completed on 29 April 2015. The net proceeds from the Placing, after deducting the placing commission and other related expenses payable by the Company, are approximately HK\$58,900,000, which are intended to be used for general working capital and/or future investments of the Group. Details of the Placing were set out in the Company’s announcements dated 20 April 2015 and 29 April 2015.

### **(ii) Change in directorship**

Mr. Chui Chi Yun, Robert (“Mr. Chui”) has been appointed as an independent non-executive Director, the member of the Remuneration Committee and the member of the Nomination Committee and Mr. Chui has been appointed and replaced Mr. Chi Chi Hung, Kenneth as the chairman of the Audit Committee. Mr. Chi Chi Hung, Kenneth would be remained as the member of the Audit Committee with effect immediately after the conclusion of the Annual General Meeting (the “AGM”) on 7 May 2015;

The existing executive Director, Mr. Chan Wai Kit has been appointed as the Co-Chairman and the member of Remuneration Committee and the member of the Nomination Committee with effect immediately after the conclusion of the AGM on 7 May 2015;

Mr. Wen Jialong has resigned as an executive Director and Co-Chairman with effect immediately after the conclusion of the AGM on 7 May 2015;

Mr. Chan Tik Yuen has retired from his post as a non-executive Director with effect immediately after the conclusion of the AGM on 7 May 2015; and

Mr. Chan Wai Fat has retired from his post as an independent non-executive Director, the member of Audit Committee, the member of Remuneration Committee and the member of the Nomination Committee respectively with effect immediately after the conclusion of the AGM on 7 May 2015.

Details of the change in directorship were set out in the announcement of the Company dated 7 May 2015.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **RESULTS**

For the three months ended 31 March 2015, the Group recorded a total turnover from continuing operations of approximately HK\$7,346,000 as compared with approximately HK\$4,708,000 for the same period in 2014. The increase in turnover was mainly due to the expansion of business after the completion of acquisition of KanHan Educational Services Limited and Native Hope Limited in June 2014 and December 2014 respectively. Loss attributable to owners of the Company increased to approximately HK\$5,548,000, as compared with that of approximately HK\$57,000 for the same period in 2014. The increase in loss was mainly attributable to, amount other things, the increase in the administrative expenses, including the staff costs, the legal and professional fees and the amortisation of intangible assets for the three months ended 31 March 2015.

### **DIVIDEND**

The Directors do not recommend the payment of any interim dividend for the three months ended 31 March 2015 (2014: HK\$Nil).

### **BUSINESS REVIEW AND PROSPECT**

For the three months ended 31 March 2015, the Group 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; and (iii) the custom-made software development services including urban grid management system, internet marketing and other projects.

During the period under review, the Company has completed a share subdivision and a bonus issue. Details of which are set out in the note 8 of this announcement; and the Company's circular and announcement dated 17 December 2014 and 19 January 2015 respectively.

We intend to continue taking efforts in developing and upgrading our products with a generic growth of the business in order to deploy appropriate operation strategies to meet the challenges posted by the competitive market to improve the performance. Looking forward, the Group will continue to seek for other business opportunities or investments if appropriate, to ensure a stable prospect for the Shareholders as a whole.

## **Financial Resource and Liquidity**

At 31 March 2015, the Group had cash and bank balances of approximately HK\$18,805,000 (31 December 2014: HK\$21,139,000). Most of the cash and bank balances are denominated in Hong Kong dollars. The Company has completed a placing (the “Placing”) on 29 April 2015 and issued 600,000,000 ordinary shares of HK\$0.004 each at a subscription price of HK\$0.10 per share. The net proceeds from the placing, after deducting the placing commission and other related expenses payable by the Company, are approximately HK\$58,900,000. Such proceeds are intended to be used for general working capital of the Group and/or future investments of the Group. The details of the placing are set out in the announcements of the Company dated 20 April 2015 and 29 April 2015.

## **Gearing Ratio**

At 31 March 2015, total assets of the Group were approximately HK\$159,610,000 (31 December 2014: HK\$168,323,000) whereas total liabilities were approximately HK\$37,569,000 (31 December 2014: HK\$40,355,000). The gearing ratio of the Group, calculated as total liabilities over total assets, was 23.5% (31 December 2014: 24.0%) and the current ratio, calculated as current assets over current liabilities, was 7.5 (31 December 2014: 5.4). The Directors will continue to take measures to improve the liquidity and gearing position of the Group.

## **Capital Structure**

As at 31 March 2015, the authorised share capital of the Company was HK\$40,000,000 divided into 10,000,000,000 shares of HK\$0.004 each, of which 3,600,000,000 ordinary shares were in issue and fully paid.

## **Foreign Exchange Exposure**

The Directors consider that the Group had no material foreign exchange exposure.

## **Pledge of Assets and Contingent Liabilities**

At 31 March 2015, the Group did not have any substantial pledge of assets and substantial contingent liabilities.

## Material Acquisition, Disposal and Significant Investment

The Group did not have any material acquisition, disposal and significant investment during the period ended 31 March 2015.

## Events after the Reporting Period

Details of events after the reporting period are set out in note 9 to this announcement.

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS IN SECURITIES OF THE COMPANY

As at 31 March 2015, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

### Long positions in the shares of the Company

Name of Director	Capacity	Number of shares held	Approximate percentage of shareholding
Mr. Wen Jialong	Beneficial owner ( <i>Note</i> )	<u>540,000,000</u>	<u>15.00%</u>

*Note:*

Mr. Wen Jialong has resigned as an executive Director and Co-Chairman with effective from 7 May 2015. Upon completion of the Placing on 29 April 2015, the issued and fully paid share capital of the Company increased to 4,200,000,000; the shareholding of Mr. Wen Jialong changed to 12.86% thereon.

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS IN SECURITIES OF THE COMPANY

### Substantial Shareholders

To the best knowledge of the Directors, as at 31 March 2015, the following persons, other than the Directors or chief executive of the Company, had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were expected to be directly or indirectly interested in 5% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name of substantial shareholders	Capacity	Number of shares (Note 1)	Approximate percentage of shareholding
Mr. Wen Jialong	Beneficial owner (Note 2)	540,000,000 (L)	15.00%
Prime Precision Holdings Limited ("Prime Precision")	Beneficial owner (Note 3)	1,274,902,200 (L)	35.41%
Mr. Lau Man Tak	Corporate interest (Note 3)	<u>1,274,902,200 (L)</u>	<u>35.41%</u>

Notes:

1. The letter "L" denotes the entity's interests in the Shares.
2. Mr. Wen Jialong has resigned as an executive Director and Co-Chairman with effective from 7 May 2015. Upon completion of the Placing on 29 April 2015, the issued and fully paid share capital of the Company increased to 4,200,000,000; the shareholding of Mr. Wen Jialong changed to 12.86% thereon.
3. The interest in the shares of Mr. Lau Man Tak is held through Prime Precision, in which the entire issued share capital is beneficially and ultimately owned by Mr. Lau Man Tak. By virtue of the SFO, Mr. Lau Man Tak is deemed to be interested in the shares held by Prime Precision. Mr. Lau Man Tak was an executive Director and resigned on 10 September 2014. Upon completion of the Placing on 29 April 2015, the issued and fully paid share capital of the Company increased to 4,200,000,000; the shareholding of Mr. Lau Man Tak/Prime Precision changed to 30.35% thereon.

Save as disclosed above, the Company has not been notified of other interests or short positions of any other person (other than the Directors and chief executives and the substantial shareholders of the Company) in the Shares or underlying Shares of the Company as recorded in the register required to be kept under section 336 of the SFO as at 31 March 2015.

## **SHARE OPTION SCHEME**

On 8 May 2013, the Company passed an ordinary resolution at the annual general meeting to adopt a new share option scheme (the “Share Option Scheme”) whereby the Board may grant share options to employees, directors, suppliers, consultants, agents and advisers or any person, at its discretion, for the primary purpose to recognize and motivate their contributions to the Group. The Share Option Scheme is valid for a period of 10 years commencing from 8 May 2013. Details of the Share Option Scheme were set out in the circular of the Company dated 27 March 2013.

For the period ended 31 March 2015 and up to date of this announcement, the Company had no outstanding options under the Share Option Scheme.

## **COMPETING INTERESTS**

None of the Directors and management and shareholders of the Company (within the meaning of the GEM Listing Rules) has an interest in any business which competes or may compete with the business in which the Group is engaged.

## **CORPORATE GOVERNANCE CODE**

The Company is committed to maintain corporate governance of high standards and quality procedures. The Company has put in place governance practices with emphasis on the integrity to shareholders and quality of disclosure, transparency and accountability to shareholders for the sake of maximizing returns to shareholders.

The Company has complied with the code provisions set out in the Corporate Governance Code as contained in Appendix 15 of the GEM Listing Rules throughout the period ended 31 March 2015.

## **AUDIT COMMITTEE**

The Company has established audit committee with written terms of reference. The primary duties of the audit committee are to review, in draft form, the Company's annual report and accounts, half-year report, quarterly report and to provide advice and comments thereon to the Board. The audit committee is also responsible for reviewing and supervising the financial reporting process and internal control of the Group. As at the date of this announcement, the audit committee comprises three independent non-executive Directors, namely Mr. Chui Chi Yun, Robert, Mr. Chi Chi Hung, Kenneth and Mr. Chui Kwong Kau. Mr. Chui Chi Yun, Robert is the chairman of the audit committee.

The audit committee has reviewed the accounting principles and practices adopted by the Company and discussed with the Board the internal controls and financial reporting matters, including a review of the unaudited first quarterly report for the period ended 31 March 2015.

## **CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS**

During the three months ended 31 March 2015, the Company had adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company also had made specific enquiry of all Directors and the Company was not aware of any non compliance with the required standard of dealings and its code of conduct regarding securities transactions by Directors.

## **PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES**

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the three months ended 31 March 2015.

On behalf of the Board  
**Aurum Pacific (China) Group Limited**  
**Chan Wai Kit**  
*Co-Chairman*

Hong Kong, 12 May 2015

*As at the date of this announcement, the Board comprises two executive Directors, Mr. Chan Wai Kit and Mr. Mo Wai Ming, Lawrence; one non-executive Director, Dr. Lan Hong Tsung, David; and three independent non-executive Directors, Mr. Chui Chi Yun, Robert, Mr. Chi Chi Hung, Kenneth and Mr. Chui Kwong Kau.*

*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](http://www.aurumpacific.com.hk).*