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## **AURUM PACIFIC (CHINA) GROUP LIMITED**

**奧栢中國集團有限公司**

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

**(Stock Code: 8148)**

### **PLACING OF NEW SHARES UNDER GENERAL MANDATE**



On 16 December 2016 after trading hours, the Company entered into the Placing Agreement with the Placing Agent pursuant to which the Placing Agent has agreed to place, on a best effort basis, to not less than six independent Placees for up to 181,440,000 new Shares at a price of HK\$0.16 per Placing Share, for and on behalf of the Company.

The Placing is conditional upon the Listing Committee of the Stock Exchange granting the listing of and permission to deal in the Placing Shares. If such condition is not fulfilled, the Placing will not proceed.

The maximum number of 181,440,000 Placing Shares represents approximately 20% of the entire issued share capital of the Company of 907,200,000 Shares as at the date of this announcement and approximately 16.67% of the Company's entire issued share capital as enlarged by the Placing. The net proceeds from the Placing of approximately HK\$28,270,000 (assuming the Placing Shares are fully placed and after all relevant expenses) will be used for general working capital of the Group and/or future investment opportunities should the same arise.

## THE PLACING AGREEMENT

- Date: 16 December 2016.
- Placing Agent: KGI Asia Limited. To the best of the Company's information and belief after having made reasonable enquiries, the Placing Agent and its ultimate beneficial owners are Independent Third Parties.
- Placees: The Placing Shares will be placed to not less than six Placees (who will be independent individual, corporate or other investors) and their ultimate beneficial owners will be Independent Third Parties).
- Number of Placing Shares: Up to 181,440,000 new Shares, to be placed by the Placing Agent on a best effort basis. Assuming the Placing Shares are fully placed, the Placing Shares represents approximately 20% of the entire issued share capital of the Company of 907,200,000 Shares as at the date of this announcement and approximately 16.67% of the Company's entire issued share capital as enlarged by the Placing. The nominal value of the Placing Shares is HK\$7,257,600.
- Placing Price: HK\$0.16 per Placing Share. The Placing Price was agreed after arm's length negotiations between the Company and the Placing Agent, with reference to, among other things, the recent trading price of the Shares on GEM. The Placing Price represents:
- (a) a discount of approximately 4.76% to the closing price of HK\$0.168 per Share as quoted on the GEM on 16 December 2016, being the date of the Placing Agreement;
  - (b) a discount of approximately 4.08% to the average closing price of approximately HK\$0.167 per Share as quoted on the GEM for the last 5 full trading days of the Shares immediately before 16 December 2016, being the date of the Placing Agreement.

The Company will bear the costs and expenses in connection with the Placing and the net proceeds from the Placing is estimated to be approximately HK\$28,270,000 (assuming the Placing Shares are fully placed). As a result, the net price per Placing Share will be approximately HK\$0.1558.

**Placing Commission:** The Placing Agent will receive a placing commission of 1.75% on the gross proceeds of the Placing.

**General Mandate:** The Placing Shares will be issued pursuant to the general mandate to allot, issue and deal with Shares granted to the Directors by resolution of the Shareholders passed at the Company's extraordinary general meeting held on 12 October 2016 up to 181,440,000 Shares. As at the date of this announcement, no Share has been issued pursuant to the general mandate.

**Ranking of Placing Shares:** The Placing Shares, when issued and fully paid, will rank pari passu among themselves and with Shares in issue at the time of issue and allotment of the Placing Shares.

**Conditions to the Placing:** The Placing is conditional upon the Listing Committee of the Stock Exchange granting approval to the listing of and permission to deal in the Placing Shares on GEM and such approval and permission not subsequently having been revoked.

If the above condition is not fulfilled on or prior to 11 January 2017 or such later date as may be agreed between the Company and the Placing Agent, the Placing Agreement shall terminate and none of the parties shall have any claim against the other for costs, damages, compensation or otherwise (save in respect of any antecedent breach).

Application will be made to the Stock Exchange for approval for the listing of and permission to deal in the Placing Shares. No Shareholders approval is required for the Placing.

Completion of the Placing: The Placing shall complete on the fifth Business Day after the satisfaction of all the conditions set out above or such other date as the Placing Agent and the Company may agree in writing.

Termination: The Placing Agent may terminate the Placing Agreement prior to completion of the Placing Agreement if in the opinion of the Placing Agent the success of the Placing or the business or financial conditions of the Group would or is likely to be materially and adversely affected by:

- (a) any material breach of any of the representations, warranties and undertakings set out in the Placing Agreement; or
- (b) any suspension in dealings in or the listing of the Shares on the Stock Exchange for a period of more than 5 trading days (other than in connection with the Placing); or
- (c) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof; or
- (d) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date hereof and including an event or change in relation to or a development of an existing state of affairs) of a political, military, industrial, financial, economic or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic or stock market conditions; or
- (e) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or

- (f) a change or development involving a prospective change in taxation in Hong Kong, Cayman Islands or the People's Republic of China or the implementation of exchange controls which shall or might materially and adversely affect the Group or its present or prospective shareholders in their capacity as such; or
- (g) any change or deterioration in the conditions of local, national or international securities markets.

## EFFECT OF THE PLACING ON SHAREHOLDING

The shareholdings in the Company as at the date of this announcement and immediately after completion of the Placing is and will be as follows:

Shareholders	As at the announcement date		Immediately after completion of the Placing	
	<i>No. of Shares</i>	<i>%</i>	<i>No. of Shares</i>	<i>%</i>
Placee	–	0.00%	181,440,000	16.67%
Mr. Chiu Ngai Hung	120,892,000	13.33%	120,892,000	11.10%
Public shareholders	<u>786,308,000</u>	<u>86.67%</u>	<u>786,308,000</u>	<u>72.23%</u>
	<u>907,200,000</u>	<u>100.00%</u>	<u>1,088,640,000</u>	<u>100.00%</u>

## REASONS FOR AND BENEFITS OF THE PLACING AND USE OF THE PROCEEDS

The Group is principally engaged in the businesses of (i) developing and marketing of the patented server based technology and the provision of communications software platform and software related services with primary focus in the government industry sector; (ii) the provision of website development, education and communications software platform which focuses on the development of syllabus and contents for Chinese Language teaching and learning in primary and secondary schools and enterprises; (iii) money lending business; and (iv) the mobile data solutions and mobile game related services.

In view of the current market conditions, the Directors consider that the Placing represents a good opportunity to broaden the capital and shareholder base of the Company and to raise capital for the Company for its business operation and development. The Directors consider the terms of the Placing Agreement to be fair and reasonable and in the interest of the Group and the Shareholders as a whole.

The Company will bear all costs and expenses of approximately HK\$760,000 in connection with the Placing. The net proceeds of approximately HK\$28,270,000 from the Placing will be used as general working capital for the Group and/or future investment opportunities should the same arise.

## **EQUITY FUND RAISING ACTIVITIES IN THE PAST TWELVE MONTHS**

The following table summaries the equity fund raising activities of the Group for the 12 months immediately before the date of this announcement:

<b>Date of announcement</b>	<b>Event</b>	<b>Net proceeds</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds as at the date of this announcement</b>
29 March 2016	Open Offer	Approximately HK\$57.78 million	Approximately HK\$40 million, will be utilized for the development of money lending business and the remaining, will be utilized for general working capital	<p>(i) Approximately HK\$16.67 million was used for the acquisition of a company which holds a property in Hong Kong</p> <p>(ii) Approximately HK\$22.44 million was used to settle the mortgage loan</p> <p>(iii) The remaining proceeds was used in money lending business</p>

<b>Date of announcement</b>	<b>Event</b>	<b>Net proceeds</b>	<b>Intended use of proceeds</b>	<b>Actual use of proceeds as at the date of this announcement</b>
8 July 2016	Placing of new shares	Approximately HK\$19.00 million	For the Group's general working capital and/or future investment opportunities should the same arise	The net proceeds was paid as the deposit of the acquisition of First Surplus Investments Limited

## **DEFINITIONS**

Unless the context otherwise requires, the following terms shall have the meanings set out below:

“associate(s)”	has the meaning ascribed thereto under the GEM Listing Rules
“Board”	board of Directors
“Business Day”	has the meaning ascribed thereto under the GEM Listing Rules
“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)”	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
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People's Republic of China
“Independent Third Party(ies)”	a third party independent of and not connected with the Company and its connected persons (as defined under the Gem Listing Rules)

“Placee”	any individual, corporate or other investor procured by the Placing Agent to purchase any of the Placing Shares pursuant to the Placing Agreement
“Placing”	the placing of the Placing Shares by the Company, through the Placing Agent, pursuant to the Placing Agreement
“Placing Agent”	KGI Asia Limited
“Placing Agreement”	the placing agreement entered into between the Company and the Placing Agent dated 16 December 2016 in relation to the Placing
“Placing Price”	HK\$0.16 per Placing Share
“Placing Shares”	a maximum of 181,440,000 new Shares to be placed pursuant to the Placing Agreement
“Share(s)”	ordinary share(s) of HK\$0.04 each in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“%”	per cent.

By Order of the Board of  
**Aurum Pacific (China) Group Limited**  
**Chan Wai Kit**  
*Executive Director*

Hong Kong, 16 December 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](http://www.aurumpacific.com.hk).*