
THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in Aurum Pacific (China) Group Limited, you should at once hand this circular with the accompanying form of proxy to the purchaser(s) or transferee(s) or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or transferee(s).

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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)

VERY SUBSTANTIAL DISPOSAL IN RELATION TO DISPOSAL OF PROPERTY

Financial Advisor



英皇融資有限公司
Emperor Capital Limited

A letter from the Board is set out from pages 3 to 8 of this circular.

A notice convening the EGM to be held at 21/F, Henan Building, 90 Jaffe Road, Wanchai, Hong Kong on Monday, 13 September 2021 at 11:00 a.m. is set out from pages EGM-1 to EGM-3 of this circular. Whether or not you intend to attend the EGM in person, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon and return it to the Company's Hong Kong Branch Share Registrar, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong as soon as possible, but in any event not less than 48 hours before the time of the EGM or any adjournment thereof (as the case may be). Completion and return of the form of proxy will not preclude you from attending and voting at the EGM or any adjournment thereof (as the case may be) should you subsequently so wish and in such event the form of proxy previously submitted shall be deemed to be revoked.

PRECAUTIONARY MEASURES FOR THE EGM

Please see page i of this document for measures being taken to try to prevent and control the spread of the Coronavirus at the EGM, including but not limited to:

- compulsory temperature checks;
- compulsory wearing of surgical face masks; and
- no distribution of refreshments.

Any person who does not comply with the precautionary measures may be denied entry into the EGM venue. The Company requires attendees to wear surgical face masks and reminds Shareholders that they may appoint the Chairman of the meeting as their proxy to vote on the relevant resolutions at the EGM as an alternative to attending the EGM in person

PRECAUTIONARY MEASURES FOR THE EGM

In view of the ongoing COVID-19 epidemic (“**Coronavirus**”) and recent requirements for prevention and control of its spread, the Company will implement the following preventive measures at the EGM to protect attending Shareholders, staff and other stakeholders from the risk of infection:

- (i) Compulsory body temperature checks will be conducted on every Shareholder, proxy and other attendee at the entrance of the EGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the EGM venue or be required to leave the EGM venue.
- (ii) All Shareholders, proxies and other attendees may be asked whether (a) he/she has travelled outside of Hong Kong within the 14-day period immediately before the EGM; and (b) he/she is subject to any Hong Kong Government prescribed quarantine. Anyone who responds positively to any of these questions may be denied entry into the EGM venue or be required to leave the EGM venue.
- (iii) The Company requires attendees to wear surgical face masks inside the EGM venue at all times, and to maintain a safe distance between seats
- (iv) No refreshments will be served.

To the extent permitted under law, the Company reserves the right to deny entry into the EGM venue or require any person to leave the EGM venue in order to ensure the safety of the attendees at the EGM.

In the interest of all stakeholders’ health and safety and consistent with recent COVID-19 guidelines for prevention and control, the Company reminds all Shareholders that physical attendance in person at the EGM is not necessary for the purpose of exercising voting rights. As an alternative, by using proxy forms with voting instructions inserted, Shareholders may appoint the Chairman of the EGM as their proxy to vote on the relevant resolutions at the EGM instead of attending the EGM in person.

CHARACTERISTICS OF GEM

GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the 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.

Given that the companies listed on GEM are generally small and mid-sized companies, 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.

CONTENTS

	<i>Page</i>
CHARACTERISTICS OF GEM	ii
DEFINITIONS	1
LETTER FROM THE BOARD	3
APPENDIX I – PROPERTY VALUATION REPORT	I-1
APPENDIX II – FINANCIAL INFORMATION OF THE GROUP	II-1
APPENDIX III– GENERAL INFORMATION	III-1
NOTICE OF EXTRAORDINARY GENERAL MEETING	EGM-1

DEFINITIONS

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

“associate(s)”	has the same meaning ascribed thereto under the GEM Listing Rules
“Board”	the board of Directors
“Business Day(s)”	a day other than a Saturday, Sunday or public holiday (or a day on which a tropical cyclone No.8 or above or a “black” rainstorm warning is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. on weekdays) on which banks are open in Hong Kong to the general public for business
“BVI”	the British Virgin Islands
“Company”	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 of the Stock Exchange
“Completion Date”	within 1 month following the signing of the Formal Agreement pursuant to the Provisional Sale and Purchase Agreement
“Conditions Precedent”	the conditions precedent to the completion of the Disposal set out in the section headed “The Provisional Sale and Purchase Agreement”
“connected person(s)”	has the meaning ascribed to it in the GEM Listing Rules
“Director(s)”	the director(s) of the Company
“Disposal”	the sale and purchase of the Property under the Provisional Sale and Purchase Agreement
“EGM”	an extraordinary general meeting of the Company to be convened and held at 21/F, Henan Building, 90 Jaffe Road, Wanchai, Hong Kong on Monday, 13 September 2021 at 11:00 a.m. to consider and, if appropriate, to approve the ordinary resolutions contained in the notice of the EGM which are set out on pages EGM-1 to EGM-3 of this circular
“Formal Agreement”	a formal agreement for sale and purchase of the Property

DEFINITIONS

“GEM Listing Rules”	the Rules Governing the Listing of Securities on the GEM of the Stock Exchange
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar(s), the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third parties independent of and not connected with the Company and its connected persons (as defined in the GEM Listing Rules)
“Latest Practicable Date”	Friday, 20 August 2021, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Listing Committee”	has the meaning as defined in the GEM Listing Rules
“Property”	All that 21st Floor, Henan Building, Nos. 90 and 92 Jaffe Road and Nos. 15-19 Luard Road, Hong Kong
“Provisional Sale and Purchase Agreement”	the provisional sale and purchase agreement dated 5 July 2021 entered into between the Vendor and the Purchaser relating to the sale and purchase of the Property
“Purchaser” or “Empire Ease”	Empire Ease Limited, a company incorporated in Hong Kong with limited liability whose ultimate beneficial owner is Ms. Wong Fung Lin, being an Independent Third Party
“Share(s)”	share(s) of HK\$0.04 each in the share capital of the Company
“Shareholder(s)”	holder(s) of issued Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Vendor” or “Viva Star”	Viva Star International Limited, a company incorporated in the British Virgin Islands with limited liability

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 Directors:

Mr. Chung Man Lai

Mr. Choi Pun Lap

Independent Non-executive Directors:

Mr. Leung Man Chun

Ms. Lam Yuen Man Maria

Mr. Fu Yan Ming

Registered office:

Cricket Square

Hutchins Drive

P.O. Box 2681

Grand Cayman KY1-1111

Cayman Islands

Head office and Place of Principal

Business in Hong Kong:

21/F, Henan Building

90 Jaffe Road

Wanchai, Hong Kong

25 August 2021

To the Shareholders

Dear Sir/Madam,

VERY SUBSTANTIAL DISPOSAL IN RELATION TO DISPOSAL OF PROPERTY

INTRODUCTION

Reference is made to the announcement of the Company dated 5 July 2021 in relation to the Disposal. The purpose of this circular is to provide you with (i) further details on the Disposal; (ii) financial information on the Group; (iii) valuation report on the Property; and (iv) the notice of the EGM. The purpose of this circular is to provide the Shareholders with further information relating to the Disposal and the notice of convening the EGM and other information as required under the GEM Listing Rules will be proposed to consider and, if thought fit, approve the Disposal.

LETTER FROM THE BOARD

THE PROVISIONAL SALE AND PURCHASE AGREEMENT

Date: 5 July 2021

The Vendor: Viva Star

The Purchaser: Empire Ease

To the best of the Directors' knowledge, information and belief having made all reasonable enquiry, the Purchaser is principally engaged in investment holdings and the Purchaser and its ultimate beneficial owner(s) are Independent Third Parties.

To the best of the directors' knowledge, information and belief having made all reasonable enquiry, there is, and in the past twelve months, there has been, no material loan arrangement between (a) the Purchaser, any of its directors and legal representatives and/or any ultimate beneficial owner(s) of the Purchaser who can exert influence on the Disposal; and (b) the Company, any connected person at the Company's level and/or any connected person at the subsidiary level (to the extent that such subsidiary/subsidiaries is/are involved in the Disposal).

Property

All that 21st Floor, Henan Building, Nos. 90 and 92 Jaffe Road and Nos. 15-19 Luard Road, Hong Kong

The Property is used as the office premises of the Group as at the date of the Provisional Sale and Purchase Agreement.

Consideration and payment terms

The Consideration of HK\$38.0 million shall be paid by the Purchaser to the Vendor in the following manner:

- (a) HK\$1,900,000 shall be paid by the Purchaser upon signing of the Provisional Sale and Purchase Agreement as initial deposit;
- (b) HK\$1,900,000 shall be paid by the Purchaser upon signing the Formal Agreement; and
- (c) the balance in the sum of HK\$34,200,000 shall be paid in full upon completion of the Disposal.

The deposits in (a) and (b) of the above shall be paid to the Vendor's solicitors as stakeholder who may release the same to the Vendor upon completion of the Disposal.

LETTER FROM THE BOARD

The consideration was arrived at after arm's length negotiations between the Company and the Purchaser on normal commercial terms with reference to the fair market valuation of the Property of HK\$37.5 million as at 31 May 2021 as indicated by an independent professional valuer.

Conditions Precedent

Pursuant to the Provisional Sale and Purchase Agreement, the completion of the Disposal shall be subject to and conditional upon the passing of the necessary resolution(s) by the Shareholders at the EGM to approve the Provisional Sale and Purchase Agreement and the transactions contemplated in or incidental to the Provisional Sale and Purchase Agreement in accordance with the requirements of the GEM Listing Rules.

None of the above Conditions Precedent is waivable. Should the Company fail to obtain the approval of the Shareholders in relation to the Provisional Sale and Purchase Agreement and the transactions contemplated thereunder, both parties shall be entitled to terminate the Provisional Sale and Purchase Agreement by notice in writing whereupon, subject to the terms of the Provisional Sale and Purchase Agreement, the Vendor shall refund the deposits (if any) in full to the Purchaser and thereafter all rights, obligations and liabilities of the parties shall cease and determine and none of the parties shall have any claim against the other.

Formal Agreement

A Formal Agreement will be signed by the Vendor and the Purchaser within five(5) Business Days after passing the relevant resolution at the EGM.

Completion of the Disposal

Subject to the fulfillment of all the Conditions Precedent, completion of the Disposal shall take place on the Completion Date. Upon completion of the Disposal, the Vendor shall deliver vacant possession of the Property to the Purchaser.

INFORMATION OF THE GROUP AND THE VENDOR

The Group is principally engaged in (i) developing and marketing of patented server based technology and the provision of communications software platform, software related services and the custom-made software development services; and (ii) game publishing, development of mobile game and related intellectual property and platform, mobile application and data solutions and provision of IT related solutions.

The Vendor is an indirectly wholly-owned subsidiary of the Company with principal business of investment holding.

LETTER FROM THE BOARD

FINANCIAL EFFECT OF THE DISPOSAL

Earnings

The carrying value of the Property in the unaudited consolidated accounts of the Company as at the 30 June 2021 was approximately HK\$28.5 million. Based on the consideration of HK\$38.0 million, the Group is expected to record a gain of approximately HK\$9.5 million from the Disposal, which is calculated based on the consideration received by the Group for the Disposal less the carrying value of the Property as at 30 June 2021 before any related expenses. However, the actual gain or loss from the Disposal might be different, subject to review and confirmation by the auditors. It is estimated that the net proceeds from the Disposal would be approximately HK\$37.3 million.

Assets and liabilities

As a result of the Disposal, the consolidated fixed assets of the Group will be reduced by approximately HK\$28.5 million.

Upon full payment of the Consideration and taking into consideration the repayment of full repayment of all the loans charged by the Property of approximately HK\$37.3 million (assuming the completion of the Disposal takes place at the end of August), the interest-bearing borrowings of the Group will be reduced to nil. The consolidated net assets of the Group will increase by approximately HK\$8.8 million. The above calculations are only estimates provided for illustrative purposes and are subject to further review by the auditors of the Company.

REASONS OF THE DISPOSAL AND INTENDED USE OF PROCEEDS

As disclosed in the interim report of the Company published on 13 August 2021 for the six months ended 30 June 2021, the Group's cash and cash equivalents amounted to approximately HK\$5.2 million.

The Company intends to use the net proceeds from the Disposal for the repayment of its outstanding indebtedness, including the full repayment of all the loans charged by the Property, and any remaining balance will be used as general working capital. Assuming the completion of the Disposal takes place at the end of August, the aggregate overdue amount of all loans charged by the Property would be approximately HK\$37.3 million. Having considered that (i) the valuation of the Property has notably rebounded by an approximately 33.3% as compared its carrying value; and (ii) the Disposal would provide the Group with an immediate cash inflow for repayment of the indebtedness of the Group, the Directors are of the view that the Disposal represents a good timing and opportunity for the Group for settling its outstanding indebtedness and also reduce the recurring finance costs.

LETTER FROM THE BOARD

Due to the implementation of work-from-home policy as prevention measures of Coronavirus, the Group has significantly reduced its usage of the Property. The Property is now merely served as the office premises for the Group's daily administrative operation. The Director considered that the Property is not crucial to the Group's business activities and thus the Disposal would have no material impact on the Group's business operation.

Taking into account the above, the Directors consider that the terms of the Provisional Sale and Purchase Agreement are normal commercial terms, fair and reasonable and in the interest of the shareholders of the Company as a whole.

IMPLICATIONS UNDER GEM LISTING RULES

As one of the applicable percentage ratios calculated in accordance with the GEM Listing Rules in respect of the Disposal is more than 75%, the Disposal constitutes a very substantial disposal of the Company under the GEM Listing Rules.

EGM

Set out on pages EGM-1 to EGM-3 of this circular is a notice convening the EGM to be held at 21/F, Henan Building, 90 Jaffe Road, Wanchai, Hong Kong at 11:00 a.m. on Monday, 13 September 2021 at which an ordinary resolution will be proposed to consider and, if thought fit, approve the Disposal. For determining the entitlement to attend and vote at the EGM, the register of members of the Company will be closed from Tuesday, 7 September 2021 to Monday, 13 September 2021, both dates inclusive, during which period no transfer of Shares will be effected. In order to be eligible to attend and vote at the EGM, all transfers of Shares, accompanied by the relevant share certificates, must be lodged with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, for registration not later than 4:30 p.m. on Monday, 6 September 2021.

To the best of the Directors' knowledge, as at the Latest Practicable Date, no Shareholder has a material interest in the Disposal and accordingly, no Shareholder is required to abstain from voting in respect of the ordinary resolution to approve the Disposal at the EGM.

A form of proxy for use at the EGM is enclosed with this circular. Whether or not you are able to attend the EGM, you are requested to complete and sign the accompanying form of proxy in accordance with the instructions printed thereon and deposit the same with the Company's branch share registrar in Hong Kong, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, as soon as possible and in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy will not preclude you from attending and voting in person at the EGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

Pursuant to Rule 17.47(4) of the GEM Listing Rules, the resolution will be voted on by way of poll at the EGM and the Company will announce the results of the poll in the manner prescribed under Rule 17.47(5) of the GEM Listing Rules.

RECOMMENDATION

The Directors consider that the Provisional Sale and Purchase Agreement and the transactions contemplated thereunder are on normal commercial terms, fair and reasonable, and are in the interests of the Company and the Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of the resolution in relation to the Disposal to be proposed in the EGM.

ADDITIONAL INFORMATION

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

By order of the Board
Aurum Pacific (China) Group Limited
Chung Man Lai
Executive Director



17/F., 83 Wan Chai Road,
Wan Chai, Hong Kong
T: (852) 2811 1876 F: (852) 3007 8501
W: www.raviagroup.com
E: general@raviagroup.com

25 August 2021

Aurum Pacific (China) Group Limited

21/F., Henan Building,
90 Jaffe Road,
Wan Chai, Hong Kong

Dear Sir/Madam,

Re: Valuation of 21st Floor, Henan Building, Nos. 90 and 92 Jaffe Road and Nos. 15-19 Luard Road, Hong Kong to be disposed by Aurum Pacific (China) Group Limited in Hong Kong

In accordance with your instructions for us to value the property to be disposed by Aurum Pacific (China) Group Limited (the "Company", and together with its subsidiaries, the "Group") in Hong Kong, we confirm that we have carried out inspections, made relevant enquiries and obtained such further information as we consider necessary for the purpose of providing you with our opinion of the market value of the property as at 31 May 2021 (the "Date of Valuation") for the purpose of incorporation in the Circular of the Company dated 25 August 2021.

1. BASIS OF VALUATION

Our valuation of the property is our opinion of the market value of the concerned property which we would define as intended to mean "the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion".

Market value is understood as the value of an asset or liability estimated without regard to costs of sale or purchase (or transaction) and without offset for any associated taxes or potential taxes.

2. VALUATION METHODOLOGY

We have valued the property by the direct comparison approach assuming sale of the property in its existing state with the benefit of vacant possession and by making reference to comparable sales transactions as available in the relevant market.

3. TITLE INVESTIGATION

For the property in Hong Kong, we have caused sample land searches to be made at the Land Registry. However, we have not scrutinized all the original documents to verify ownership or to ascertain the existence of any lease amendments which may not appear on the copies handed to us.

We have also relied on the advice given by the Group that the Group has valid and enforceable title to the property which are freely transferable, and has free and uninterrupted right to use the same, for the whole of the unexpired term granted subject to the payment of annual government rent/land use fees and all requisite land premium/purchase consideration payable have been fully settled.

4. VALUATION ASSUMPTIONS

Our valuation has been made on the assumption that the owner sells the property in the market in its existing state without the benefit of deferred term contracts, leasebacks, joint ventures, management agreements or any similar arrangements which would serve to affect the values of such property. In addition, no account has been taken of any option or right of pre-emption concerning or affecting the sale of the property and no allowance has been made for the property to be sold in one lot or to a single purchaser.

5. SOURCE OF INFORMATION

In the course of our valuation, we have relied to a very considerable extent on the information provided by the Group and have accepted advice given to us on such matters as planning approvals or statutory notices, easements, tenure, identification of property, particulars of occupation, site/floor areas, ages of buildings and all other relevant matters which can affect the values of the property. All documents have been used for reference only.

We have no reason to doubt the truth and accuracy of the information provided to us. We have also been advised that no material facts have been omitted from the information supplied. We consider that we have been provided with sufficient information to reach an informed view, and have no reason to suspect that any material information has been withheld.

6. VALUATION CONSIDERATION

We have inspected the exterior and, where possible, the interior of certain property. No structural survey has been made in respect of the property. However, in the course of our inspections, we did not note any serious defects. We are not, however, able to report that the property is free from rot, infestation or any other structural defects. No tests were carried out on any of the building services.

We have not carried out on-site measurement to verify the site/floor areas of the property under consideration but we have assumed that the site/floor areas shown on the documents handed to us are correct. Except as otherwise stated, all dimensions, measurements and areas included in the valuation certificates are based on information contained in the documents provided to us by the Group and are therefore approximations.

No allowance has been made in our valuation for any charges, mortgages or amounts owing on the property nor for any expenses or taxation which may be incurred in effecting a sale. Unless otherwise stated, it is assumed that the property is free from encumbrances, restrictions and outgoings of an onerous nature which could affect its value.

In valuing the property, we have complied with the requirements set out in Chapter 5 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited and The HKIS Valuation Standards (2020 Edition) published by The Hong Kong Institute of Surveyors.

7. REMARKS

Unless otherwise stated, all monetary amounts stated in our valuation are in Hong Kong Dollars (HK\$).

Our Valuation Certificate is attached.

Yours faithfully,

For and on behalf of

RAVIA GLOBAL APPRAISAL ADVISORY LIMITED

Dr. Alan Lee

PhD(BA) MFin BCom(Property)

MHKIS RPS(GP) AAPI CPV CPV(Business)

Director

Dr. Alan WK Lee is a Registered Professional Surveyor (General Practice), a member of Hong Kong Institute of Surveyors and an Associate of Australian Property Institute. He has over 16 years' valuation experience in Hong Kong, Macau, the PRC, the Asia Pacific Region, European countries and American countries.

VALUATION CERTIFICATE

Property held by the Group for Owner Occupation and to be disposed by the Group in Hong Kong

No.	Property	Description and Tenure	Particulars of Occupancy	Market Value in Existing State as at 31 May 2021												
1.	21st Floor, Henan Building, Nos.90 & 92 Jaffe Road and Nos.15-19 Luard Road, Hong Kong 30/820th equal and undivided shares of and in the Remaining Portion of Sub-Section 1 of Section E, the Remaining Portion of Section E, the Remaining Portion of Section H, Section I and the Remaining Portion of Section J of Inland Lot No. 2817	<p>The property comprises the whole of 21st floor of a 25-storey commercial building completed in about 1985.</p> <p>As advised by the Group, the saleable area of the property is approximately 2,180 sq.ft. (or about 202.53 sq.m.).</p> <p>The subject lots are held under Government Lease for a term of 99 years renewable for 99 years commencing on 26 March 1929.</p> <p>The government rents payable for the lots are as follows:</p> <table border="1"> <thead> <tr> <th>Sub-Section Lots of Inland Lot No.2817</th> <th>Government rent (HK\$ per annum)</th> </tr> </thead> <tbody> <tr> <td>The Sub-Section 1 of Section E</td> <td>16</td> </tr> <tr> <td>The Remaining Portion of Section E</td> <td>12</td> </tr> <tr> <td>Section H</td> <td>18</td> </tr> <tr> <td>Section I</td> <td>16</td> </tr> <tr> <td>The Remaining Portion of Section J</td> <td>16</td> </tr> </tbody> </table>	Sub-Section Lots of Inland Lot No.2817	Government rent (HK\$ per annum)	The Sub-Section 1 of Section E	16	The Remaining Portion of Section E	12	Section H	18	Section I	16	The Remaining Portion of Section J	16	As advised by the Group, the property was occupied by the Group as at the Date of Valuation for office use.	HK\$37,500,000
Sub-Section Lots of Inland Lot No.2817	Government rent (HK\$ per annum)															
The Sub-Section 1 of Section E	16															
The Remaining Portion of Section E	12															
Section H	18															
Section I	16															
The Remaining Portion of Section J	16															

Notes:

1. The registered owner of the property is Viva Star International Limited vide Memorial No.15112400480028 dated 30 October 2015.
2. The property is subject to Deed of Mutual Covenant and Management Agreement vide Memorial No.UB5453340 dated 08 August 1992.
3. The property is subject to Tripartite Legal Charge/Mortgage in favour of China Citic Bank International Limited vide Memorial No.19032701110024 dated 12 March 2019.
4. The property lies within an area zoned as “Commercial” under Wan Chai Outline Zoning Plan No.S/H5/28.
5. The site inspection was performed by Alan Lee, *MHKIS* in June 2021.
6. Viva Star International Limited is a wholly-owned subsidiary of the Company.

A. FINANCIAL INFORMATION OF THE GROUP

Financial information of the Group for the three years ended 31 December 2020 and the six months ended 30 June 2021 are disclosed in the following documents which are published on the website of the Stock Exchange at www.hkexnews.hk and the website of the Company at www.aurumpacific.com.hk.

- i. Annual report of the Company for the year ended 31 December 2018
<https://www1.hkexnews.hk/listedco/listconews/gem/2019/0328/gln20190328233.pdf>
- ii. Annual report of the Company for the year ended 31 December 2019
<https://www1.hkexnews.hk/listedco/listconews/gem/2020/0325/2020032500744.pdf>
- iii. Annual report of the Company for the year ended 31 December 2020
<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0330/2021033000628.pdf>
- iv. Interim report of the Company for the six months ended 30 June 2021
<https://www1.hkexnews.hk/listedco/listconews/gem/2021/0813/2021081301797.pdf>

B. INDEBTEDNESS

At the close of business on 30 June 2021 (being the latest practicable date for ascertaining information regarding this indebtedness statement), the Group had an aggregate outstanding indebtedness amounting to approximately HK\$35.9 million, which consists of:

Borrowings

As at 30 June 2021, being the latest practicable date for this statement of indebtedness prior to the printing of this circular, the Group had outstanding borrowings as follows:

		As at 30 June 2021 HK\$'000
Amount due to a director of subsidiaries	<i>(Note a)</i>	100
Mortgage loan	<i>(Note b)</i>	21,662
Bank loans	<i>(Note b)</i>	13,992
		<u>35,754</u>

Note:

- (a) The amount due to a director of subsidiaries is unsecured, interest-free and repayable on demand.
- (b) The mortgage loan and bank loans are secured by the Group's land and buildings and corporate guarantee from the Company and two subsidiaries.

Lease liabilities

As at 30 June 2021, the Group had current lease liabilities of approximately HK\$157,000.

Pledge of assets and contingent liabilities

The carrying values of the Group's assets pledged to secure its borrowings amounted to approximately HK\$28.5 million as at 30 June 2021. Apart from as disclosed above, as at 30 June 2021, the Group did not have any pledge of assets and contingent liabilities.

General

Apart from as disclosed above, intra-group liabilities and normal trade debts payable, the Group did not have as at 30 June 2021:

- (1) any guaranteed, unguaranteed, secured or unsecured term loans;
- (2) debt securities authorized or created but unissued, issued and outstanding or agreed to be issued; and
- (3) bank overdrafts, loans or other similar indebtedness, liabilities under acceptances (other than normal trade bills) or acceptance credits, debentures, mortgages, charges, hire purchase commitments, guarantees, or other material contingent liabilities.

The Directors confirmed that there had been no material change in the indebtedness and contingent liabilities of the Group since 30 June 2021.

C. WORKING CAPITAL

After taking into account the present internal financial resources available to the Group, including cash and bank balances as well as the available loan and banking facilities, the Directors are of the opinion that the working capital available to the Group is sufficient for the Group's requirement for at least 12 months from the Latest Practicable Date.

D. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, save as the profit warning announcement of the Company dated 4 May 2021, there was no material adverse change in the financial or trading position or outlook of the Company since 31 December 2020, being the date to which the latest published audited consolidated financial statements of the Group were made up, up to and including the Latest Practicable Date:

1. On 4 May 2021, the Company published the profit warning announcement, stating that based on a preliminary review on the unaudited consolidated management accounts of the Group, expected to record a substantial increase of not less than 350% in the consolidated net loss attributable to the owners of the Company as compared with the consolidated net loss attributable to the owners of the Company recorded for the last corresponding period in 2020. Such expected increase in net loss was mainly attributable to the increase in impairment losses on loans receivable and interest receivables for the three months ended 31 March 2021. The aforementioned impairment losses were non-cash items and had no impact on the Group's daily operations and cash flow.

E. MANAGEMENT DISCUSSION AND ANALYSIS OF THE GROUP

There will be no change to the principal business of the Group as a result of the Disposal. Upon the Completion, the Group will continue to be principally engaged in (i) developing and marketing of patented server based technology and the provision of communications software platform, software related services and the custom-made software development services; and (ii) game publishing, development of mobile game and related intellectual property and platform, mobile application and data solutions and provision of IT related solutions.

Set out below is the management discussion and analysis of the Group for each of the years ended 31 December 2018 (“**FY2018**”), 31 December 2019 (“**FY2019**”) and 31 December 2020 (“**FY2020**”) and the six months ended 30 June 2021. The financial information in respect of the Group, for the purpose of this circular, is derived from the consolidated financial statements of the Company for the relevant financial years which are available on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.aurumpacific.com.hk).

FY2018

For the year ended 31 December 2018, the Group recorded a total revenue of approximately HK\$53,968,000 as compared with that of approximately HK\$64,464,000 in 2017. The decrease in revenue was mainly due to a downtrend of the business of the mobile data solutions and mobile game related services (the “**Mobile Gaming Business**”). The segment revenue generated from Mobile Gaming Business had dropped from approximately HK\$35,144,000 for the year ended 31 December 2017 to approximately HK\$21,892,000, representing a decrease of approximately 37.7%.

Business review*Software Platform Business*

For the year ended 31 December 2018, the Group recorded segment revenue from Software Platform Business of approximately HK\$18,603,000, representing an increase of approximately 27.8% from approximately HK\$14,561,000 of last year. The increase was mainly due to continuous development of new applications and enhancement of our existing products in order to fulfil the evolving industry standards and satisfy customers' demand with a view of improving the overall performance of this segment. The Group expected this segment to grow steadily in 2019 and will continue to closely monitor the changes in the industry as well as the performance of this segment.

Money Lending Business

The Group operates its Money Lending Business through Aurum Pacific Finance Limited (“APF”), an indirect wholly-owned subsidiary of the Company in which was granted a money lenders licence pursuant to the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) (the “**Ordinance**”). This segment has also formed another stable source of revenue for the Group.

The Group has adopted money lending policy and procedure manuals which set out the guidelines on handling and/or monitoring of money lending procedures for internal control, risk management and compliance purposes. These policy and manuals are reviewed from time to time in order to ensure they remain responsive to the changes in operating environment and consistent with updated rules and regulations.

The interest income for the year ended 31 December 2018 amounted to approximately HK\$13,473,000, representing a decrease of approximately 8.7% as compared with that of approximately HK\$14,759,000 in 2017. The decrease was mainly due to considerable amount of repayment of loan and diversification to shorter tenor loans in our loan portfolio.

As disclosed in announcements of the Company dated 22 October 2018 and 4 January 2019, subsequent to the settlement by Honghu Capital Co. Ltd (“**Honghu**”) of the final interest of approximately HK\$1,361,000 on 22 October 2018 and a sum of HK\$1,350,000 as partial repayment of the loan principal in the amount of HK\$27,000,000, the Group entered into the second supplemental agreement with Honghu on 4 January 2019 pursuant to which APF agreed to extend the term of the loan in the amount of HK\$25,650,000 to 19 October 2019. For details, please refer to the announcement of the Company dated 4 January 2019.

During the second quarter in 2018, the Group had expanded this business segment by establishing a division which is operated under the brand “EZCASH” and focuses on personal loan products. Certain amount of resources has been invested by the Group in system formation and automation, experienced personnel, information technologies and advertising. As a result, the interest income generated from EZCASH contributed approximately HK\$2,711,000 to the Group for the year ended 31 December 2018. Although this development is still at early stage, we are confident that EZCASH is creating a new platform in the money lending market and will continue to make stable contribution to the Group’s revenue and cash-flow stream in the time ahead.

Mobile Gaming Business

As a mobile game developer with strong self-developed capabilities in games, FS Group is engaged in the development of mobile games to players around the world. FS Group also license out our games or related intellectual properties to various well-established game operators as our licensed operators with the exclusive and/or non-exclusive right to operate, publish and distribute specific games within an agreed period and designated territories. To further enhance its competitiveness, apart from mobile games, FS Group has also provided innovative solution services to customers. FS Group has been allocating resources to penetrate the market in the People’s Republic of China (the “PRC”) and has secured a partnership with an established publisher in the PRC with a licensing arrangement. The income of this segment for the year ended 31 December 2018 amounted to approximately HK\$21,892,000, representing a decrease of approximately 37.7% as compared with that of approximately HK\$35,144,000 in 2017. Such decline in revenue was mainly due to the decreased contribution from solution services that has affected the overall performance of this segment as well as the performance of the Group.

With fierce competition by the effect from frequent introduction of new games by game developers, fast and rapid technology advancement and regulatory uncertainties in the markets, the Group faces a number of challenges in mobile game industry. The Group also notices that the recent regulatory control has caused certain impact on mobile game industry in the PRC market and affect the valuation of game developers and operators. As such, the Group had made an impairment loss of approximately HK\$24,903,000 in goodwill relating to the Acquisition of FS Group in order to reflect the future industrial uncertainties and competition of this segment and the impact from the recent regulatory control in the PRC market. Going forward, the Group will be mindful on the business and regulatory risk in the mobile game industry in order to carefully assess and mitigate the exposure to inherent risks and uncertainties and impact to the segment. The Board will also carefully monitor the rapid changing business environment in mobile game industry and continue to seek for any opportunities in any market in order to enhance the performance and value of the segment.

Outlook

We are committed in putting efforts in developing and upgrading our products and services with a generic growth of business in order to broaden our income sources. The Group will continue to seek potential investment opportunities that can create synergies to our existing business segments, at the same time bringing growth and long-term benefits to the Company and the shareholders of the Company as a whole.

Liquidity, financial resources and capital structure

The Group's main business operations and investments are in Hong Kong. As at 31 December 2018, the Group had cash and cash equivalents of approximately HK\$14,948,000 (2017: approximately HK\$42,389,000). Most of the cash and cash equivalents are denominated in Hong Kong dollars.

At 31 December 2018, total assets of the Group were approximately HK\$324,784,000 (2017: approximately HK\$405,730,000) whereas total liabilities were approximately HK\$54,208,000 (2017: approximately HK\$123,350,000). The gearing ratio of the Group, calculated as total liabilities over total assets, was approximately 16.7% (2017: approximately 30.4%) and the current ratio, calculated as current assets over current liabilities, was approximately 3.20 (2017: approximately 1.32).

As at 31 December 2018, the authorised share capital of the Company was HK\$120,000,000 divided into 3,000,000,000 shares of HK\$0.04 each, of which 1,272,640,000 ordinary shares were in issue and fully paid.

Contingent liabilities

As at 31 December 2018, the Group maintained contingent liabilities that are related to a corporate guarantee provided by the Company to a financial institution for the loan utilised by the Group.

For the year ended 31 December 2018, two subsidiaries of the Company leased two motor vehicles under finance leases at the interest rates of 3.5%-4.8% per annum for terms of three and five years. The Company had issued corporate guarantee in respect of the finance leases with the carrying amount of approximately HK\$3,188,000 as at 31 December 2018 (2017: approximately HK\$4,170,000).

Upon completion of the Acquisition of FS Group on 25 October 2016, the Company issued a corporate guarantee to the vendors for the due and punctual performance by a subsidiary of the Company, as purchaser, under the sale and purchase agreement that was fulfilled by way of, among others, issuance of promissory note by the Company to the vendors. The remaining balance of the promissory note was repaid in full on 5 October 2018 that the related corporate guarantee to the vendors was released at the same date.

Pledge of assets

At 31 December 2018, the land and buildings of the Group at carrying amount of approximately HK\$38,831,000 (2017: approximately HK\$42,955,000) was pledged to secure interest-bearing borrowings of a subsidiary of the Company.

Employment and remuneration policy

As at 31 December 2018, the Group had 66 employees (2017: 95 employees). The staff costs (including directors' remuneration) were approximately HK\$21,238,000 (2017: approximately HK\$29,947,000) for the year ended 31 December 2018. The Group's remuneration policy is revised periodically and determined by reference to market terms, company performance, individual qualifications and performance, and in accordance with the statutory requirements of the respective jurisdiction where the employees are employed.

Material investments, acquisitions and disposals

On 20 August 2018, Tri King International Limited ("**Tri King**"), an indirect wholly owned subsidiary of the Company, together with two other shareholders (collectively the "**Vendors**") of Fore Freedom B.V. ("**FF**") and XXLnet B.V. ("**XXL**"), the then associated companies of the Company, entered into the sale and purchase agreement with the purchaser (the "**Purchaser**") pursuant to which the Purchaser has conditionally agreed to purchase and the Vendors have conditionally agreed to sell 74.5% equity interest in FF, in which Tri King held 49%, and 67% equity interest in XXL, in which Tri King also held 49% (the "**Disposal**"). The Disposal was completed on 21 September 2018. The proceeds received by Tri King is EUR3,433,000 (equivalent to approximately HK\$31,540,000). Details of the Disposal were set out in the announcement of the Company dated 20 August 2018.

On 11 May 2018, the Company entered into the memorandum of understanding (the "**MOU**") with the shareholders of a limited company incorporated in Turkey (the "**Target**") in relation to the proposed acquisition of 51% issued shares in the Target. The Target and its subsidiaries are principally engaged in generation and supply of electricity in Turkey. Details of the MOU are set out in the announcement of the Company dated 11 May 2018. As of the date of this report, no formal or legally binding agreement has been entered into between the Company and the Target's shareholders in respect of the abovementioned proposed acquisition.

Apart from those disclosed above, the Group did not have any other material acquisition, disposal and significant investment for the year ended 31 December 2018.

FY2019

For the year ended 31 December 2019, the Group recorded a total revenue of approximately HK\$40,073,000, among which, the interest income from the money lending business through a wholly-owned subsidiary (the “**Money Lending Business**”) achieved a significant increment to approximately HK\$17,040,000 as compared with that of approximately HK\$13,473,000 in 2018. The developing and marketing of the patented server-based technology and the provision of communications software platform, software related services and the custom-made software development services (the “**Software Platform Business**”) also made a positive contribution in revenue of the Group during the year ended 31 December 2019 as it generated a segment revenue of approximately HK\$20,107,000 as compared with that of approximately HK\$18,603,000 in 2018. The revenue growth in these two segments offset the decrease in segment revenue from Mobile Games and Applications Business to a certain extent during the year. This has nevertheless resulted in a decrease in total revenue of approximately HK\$13,895,000 or 25.7% as compared with that of approximately HK\$53,968,000 in 2018.

Business review*Software Platform Business*

Software Platform Business had performed satisfactorily and accounted for approximately 50.2% (2018: approximately 34.5%) of total revenue for the year ended 31 December 2019. This sector witnessed an overall growth in terms of products development and customer base, resulting in an increase of approximately 8.1% in segment revenue for the year ended 31 December 2019. As the market remains to be highly competitive and fast-changing, the Group will continue to allocate adequate resources to meet the evolving industry standards in satisfying customer’s demand.

Mobile Games and Applications Business

The management’s effort has been allocated in line with the Group’s business strategy to license out our games or related intellectual properties to well established game operators for stable and secure income. The licensing agreement that we signed with an established publisher in the PRC for granting them with the exclusive operation and publishing right on our major game in the year of 2018 was completed in the second quarter of year 2019. The Board affirms to this more conservative sales strategy for the other mobile games developed and owned by the Group in order to reduce the investment costs.

Amid the fierce competition induced by frequent introduction of new games by game developers both domestically and internationally, fast and rapid technological advancement, rising cost in producing hit game titles and regulatory restrictions for online game industry in the PRC, these challenges negatively impact the industry as well as the Group's mobile game segment. The regulatory control imposed in 2018 has brought disruptions and slowdown to the mobile game industry in the PRC market and affected the valuation of many game developers and operators. While this lethargic market sentiment continued, there were obstacles along our way of exploring cooperation and partnership prospect with game publishers and tech innovators that no licensing arrangement was concluded for the year ended 31 December 2019. It resulted in a decrease in the segment revenue of the Mobile Games and Applications Business of approximately HK\$18,966,000 from approximately HK\$21,892,000 in 2018 to approximately HK\$2,926,000 for the year ended 31 December 2019. The deterioration of the financial performance of Mobile Games and Applications Business also caused the Board to revise the forecast of the Mobile Games and Applications Business for the coming years with a more prudent approach and that an impairment loss of goodwill of approximately HK\$44,975,000 was accounted for the year ended 31 December 2019. The Board will cautiously monitor the changes in the market environment in the mobile game industry and continue to seek for opportunities in other mobile applications markets with a view to improve the performance and value of the segment.

Money Lending Business

Since the Group expanded this business segment by establishing a division which is operated under the brand "EZcash" and focuses on personal loan products, the Money Lending Business has achieved significant growth in its financial performance and become one of the main sources of income for the Group. The Money Lending Business generated an increment of approximately 26.5% in segment revenue and contributed approximately 42.5% (2018: approximately 25.0%) to the Group's total revenue for the year ended 31 December 2019.

Outlook

The Company expects that Hong Kong's economy will continue to slow down amid the uncertainties of the Sino-US trade war standoff and the social unrest in the city. The outbreak of novel coronavirus has further increased the risk of Hong Kong's economic and community recovery and it is expected that the Group's performance will inevitably be affected. Despite various challenges, the Group will strictly adhere to its cost control policy and swiftly adjust its business strategies in response to changes of the external environment. While the Group will become more cautious in the allocation of resources, it will continue to seek potential investment opportunities that can create synergies to our existing business segments, at the same time bringing growth and long-term benefits to the Company and the shareholders of the Company as a whole.

Liquidity, financial resources and capital structure

The Group's main business operations and investments are in Hong Kong. As at 31 December 2019, the Group had cash and cash equivalents of approximately HK\$9,610,000 (2018: approximately HK\$14,948,000). Most of the cash and cash equivalents are denominated in Hong Kong dollars.

At 31 December 2019, total assets of the Group were approximately HK\$260,698,000 (2018: approximately HK\$324,784,000) whereas total liabilities were approximately HK\$57,979,000 (2018: approximately HK\$54,208,000). The gearing ratio of the Group, calculated as total liabilities over total assets, was approximately 22.2% (2018: approximately 16.7%) and the current ratio, calculated as current assets over current liabilities, was approximately 2.71 (2018: approximately 3.20). The Directors will continue to take measures to further improve the liquidity and gearing position of the Group.

As at 31 December 2019, the authorized share capital of the Company was HK\$120,000,000 divided into 3,000,000,000 shares of HK\$0.04 each, of which 1,272,640,000 ordinary shares were in issue and fully paid.

Contingent liabilities

As at 31 December 2019, the Group maintained contingent liabilities that are related to a corporate guarantee provided by the Company and its two subsidiaries to a bank for the loan utilized by the Group. As at 31 December 2018, the Company had issued a corporate guarantee in respect of a loan made by a finance company to a subsidiary.

During the years ended 31 December 2019 and 31 December 2018, two subsidiaries of the Company leased two motor vehicles under leases at 3.5%-4.8% per annum for terms of three and five years. The Company had issued corporate guarantee in respect of the lease liabilities with the carrying amount of approximately HK\$2,158,000 as at 31 December 2019 (2018: approximately HK\$3,188,000).

Pledge of assets

At 31 December 2019, the land and buildings of the Group at carrying amount of approximately HK\$34,707,000 (2018: approximately HK\$38,831,000) was pledged to secure interest-bearing borrowings of a subsidiary of the Company.

Employment and remuneration policy

As at 31 December 2019, the Group had 58 employees (2018: 66 employees) in Hong Kong and the PRC. The staff costs (including directors' remuneration) were approximately HK\$18,570,000 for the year ended 31 December 2019 (2018: approximately HK\$21,238,000).

The Group's remuneration policy is revised periodically and determined by reference to market terms, company performance, individual qualifications and performance, and in accordance with the statutory requirements of the respective jurisdiction where the employees are employed.

Material investments, acquisitions and disposals

The Reaming Group did not have any other material acquisition, disposal and significant investment during the year ended 31 December 2019.

FY2020

For the year ended 31 December 2020, the Group record a total revenue of approximately HK\$31,420,000, representing a decrease of approximately HK\$8,653,000 or 21.6% as compared with that of approximately HK\$40,073,000 in 2019. The reduction in the Group's revenue was mainly attributed by the decrease in interest income from the Money Lending Business by approximately HK\$6,350,000 which recorded a segment revenue of approximately HK\$10,690,000 for the year ended 31 December 2020 as compared with that of approximately HK\$17,040,000 in 2019. The lingering Coronavirus has significantly blow to the Hong Kong economy in 2020 and thereby increased the risk and uncertainties to Hong Kong lending market. In order to alleviate the negative impact of the Coronavirus, management has adopted a prudent credit policy in conducting the Money Lending Business, as a result, only a few new loans were approved during the year.

Business review***Software Platform Business***

Despite the difficulties encountered in 2020, Software Platform Business had performed satisfactorily and managed to achieve a slight increase of approximately 1.5% in segment revenue for the year ended 31 December 2020 and accounted for approximately 64.9% (2019: approximately 50.2%) of the Group's total revenue for the year ended 31 December 2020. As the market remains to be highly competitive and fast-changing, the Group will continue to allocate adequate resources to meet the evolving industry standards in satisfying customers' demand.

Money Lending Business

The business environment in Hong Kong has rapidly and significantly worsened during the year due to the lingering pandemic brought about by the COVID-19. Faced with the unprecedented difficulties, the management adopted a prudent credit policy in conducting the Money Lending Business in order to reduce the risk of further impairment and bad debts. Only a few new loans were approved by the management during the year ended 31 December 2020. As such, the Money Lending Business generated a decrement of approximately 37.3% in segment revenue and contributed approximately 34.0% (2019: approximately 42.5%) to the Group's total revenue for the year ended 31 December 2020. The deterioration of the Group's loan portfolio followed by the deteriorated Hong Kong economy also caused an increase of impairment losses on loans and interest receivables to approximately HK\$17,159,000 for the year ended 31 December 2020 (2019: approximately HK\$4,850,000). The Group expects that Hong Kong's economy will remain challenging in the year 2021. To prepare itself in facing the challenge, the Group will continue to adopt prudent credit policy and risk management approach, instantly and effectively review and tighten the credit policy in order to prevent more bad debts and losses which may be caused by impairment thereof.

Mobile Games and Applications Business

In view of the increasing market competition, rising cost of producing new games and rapid technological advancement of the mobile game industry as well as the negative impact of the regulatory control imposed in the PRC in 2018, the Board decided to maintain a more conservative business and sales strategy for mobile games owned and under development by the Group during the year in order to reduce the investment costs. It resulted in a decrease in the segment revenue of the Mobile Games and Applications Business by approximately 88.8% and contributed only approximately 1.0% (2019: approximately 7.3%) to the Group's total revenue for the year ended 31 December 2020. The deterioration of the financial performance of Mobile Games and Applications Business caused additional impairment losses on goodwill and intangible assets of approximately HK\$38,558,000 for the year ended 31 December 2020 (2019: approximately HK\$44,975,000). The Board will cautiously monitor the changes in the market environment in the mobile game industry and continue to seek for opportunities in other mobile application markets with a view to improve the performance and value of the segment.

Outlook

Looking ahead, the Group expects that the road to recovery would be challenging. The fluctuating and unpredictability of the evolving pandemic increased the risk of Hong Kong's economic and community recovery. While the effect of the vaccine that rolled-out in the first quarter of 2021 still takes time to prove. It is expected that the Group's performance will inevitably be affected. In facing the challenge, the Group will strictly adhere to its cost control policy and swiftly adjust its business strategies in response to changes of the external environment. While the Group will become more cautious in the allocation of resources, it will continue to seek potential investment opportunities that can create synergies to our existing business segments, at the same time bringing growth and long-term benefits to the Company and the shareholders of the Company as a whole.

Liquidity, financial resources and capital structure

The Group's main business operations and investments are in Hong Kong. At 31 December 2020, the Group had cash and cash equivalents of approximately HK\$3,415,000 (2019: approximately HK\$9,610,000). Most of the cash and cash equivalents are denominated in Hong Kong dollars.

At 31 December 2020, total assets of the Group were approximately HK\$159,519,000 (2019: approximately HK\$260,698,000) whereas total liabilities were approximately HK\$44,688,000 (2019: approximately HK\$57,979,000). The gearing ratio of the Group, calculated as total liabilities over total assets, was approximately 28.0% (2019: approximately 22.2%) and the current ratio, calculated as current assets over current liabilities, was approximately 2.24 (2019: approximately 2.71). The Directors will continue to take measures to further improve the liquidity and gearing position of the Group.

As at 31 December 2020, the authorised share capital of the Company was HK\$120,000,000 divided into 3,000,000,000 shares of HK\$0.04 each, of which 1,272,640,000 ordinary shares were in issue and fully paid.

Contingent liabilities

As at 31 December 2020, the Group maintained contingent liabilities that are related to a corporate guarantee provided by the Company and its two subsidiaries to a bank for the loans utilised by the Group.

During the year ended 31 December 2019, two subsidiaries of the Company leased two motor vehicles under finance leases at the interest rates of 3.5%-4.8% per annum for terms of three and five years. The Company had issued corporate guarantee in respect of the finance leases with the carrying amount of approximately HK\$2,158,000 as at 31 December 2019. The two relevant vehicles were disposed in November 2020 and the corresponding leases were fully settled. No corporate guarantee was therefore issued by the Company in this respect as at 31 December 2020.

Pledge of assets

At 31 December 2020, the land and buildings and a motor vehicle of the Group at carrying amounts of approximately HK\$30,583,000 and HK\$1,326,000 (2019: approximately HK\$34,707,000 and HK\$Nil) respectively were pledged to secure interest-bearing borrowings of the subsidiaries of the Company.

Employment and remuneration policy

As at 31 December 2020, the Group had 56 employees (2019: 58 employees) in Hong Kong and the PRC. The staff costs (including directors' remuneration) were approximately HK\$14,724,000 for the year ended 31 December 2020 (2019: approximately HK\$18,570,000).

The Group's remuneration policy is revised periodically and determined by reference to market terms, company performance, individual qualifications and performance, and in accordance with the statutory requirements of the respective jurisdiction where the employees are employed.

Material investments, acquisitions and disposals

During the year ended 31 December 2020, the Group had disposed of the entire equity interests in several of its subsidiaries for a total consideration of approximately HK\$1,489,000.

FOR THE SIX MONTHS ENDED 30 JUNE 2021

For the six months ended 30 June 2021 (the "Period"), the Group recorded a total revenue of approximately HK\$10,572,000, representing a decrease of approximately HK\$6,895,000 or 39.5% as compared with that of approximately HK\$17,467,000 for the same period in 2020. The reduction in the Group's revenue was mainly attributed by the decrease in interest income from the Money Lending Business by approximately HK\$6,267,000 which recorded a segment revenue of approximately HK\$773,000 for the Period as compared with that of approximately HK\$7,040,000 for the same period in 2020.

Business review***Software Platform Business***

Software Platform Business had performed satisfactorily and managed to achieve a slight decrease of approximately 5.9% in segment revenue for the Period and accounted for approximately 92.5% (2020: approximately 59.5%) of the Group's total revenue for the Period. As the market remains to be highly competitive and fast-changing, the Group will continue to allocate adequate resources to meet the evolving industry standards in satisfying customers' demand.

Mobile Games and Applications Business

In view of the increasing market competition, rising cost of producing new games and rapid technological advancement of the mobile game industry as well as the negative impact of the regulatory control imposed in the PRC in 2018, the Board decided to maintain a more conservative business and sales strategy for mobile games owned and under development by the Group in order to reduce the investment costs. Segment revenue of the Mobile Games and Applications Business for the Period and for the same period in 2020 remained stable at low level and contributed only less than 1.0% to the Group's total revenue. The Board will cautiously monitor the changes in the market environment in the mobile game industry and continue to seek for opportunities in other mobile application markets with a view to improve the performance and value of the segment.

Money Lending Business

The COVID-19 pandemic continued affecting the business environment in Hong Kong during the Period. Faced with the difficulties, the management persistently adopted a prudent credit policy in conducting the Money Lending Business in order to reduce the risk of further impairment and bad debt. As such, the Money Lending Business generated a decrement of approximately 89.0% in segment revenue and contributed only approximately 7.3% (2020: approximately 40.3%) to the Group's total revenue for the Period. The deterioration of the Group's loan portfolio followed by the deteriorated Hong Kong economy also caused an increase of impairment losses on loans and interest receivables to approximately HK\$20,537,000 for the Period (2020: approximately HK\$6,005,000). The Group expects that Hong Kong's economy will remain challenging in the year 2021. To prepare itself in facing the challenge, the Group will continue to adopt prudent credit policy and risk management approach, instantly and effectively review and tighten the credit policy in order to prevent more bad debts and losses which may be caused by impairment thereof.

Outlook

Looking ahead, the Group expects that the road to recovery would be challenging. Even though the rollout of vaccination begins to signal the end of the COVID-19 pandemic and the economy is expected to improve in 2021, its recovery path going forward will hinge crucially on the development of the pandemic as well as the effectiveness of the new vaccine. In the meanwhile, it is expected that the Group's performance will inevitably be affected. In facing the challenge, the Group will strictly adhere to its cost control policy and swiftly adjust its business strategies in response to changes of the external environment. While the Group will become more cautious in the allocation of resources, it will continue to seek potential investment opportunities that can create synergies to our existing business segments, at the same time bringing growth and long-term benefits to the Company and the shareholders of the Company as a whole.

Liquidity, financial resources and capital structure

The Group's main business operations and investments are in Hong Kong. At 30 June 2021, the Group had cash and cash equivalents of approximately HK\$5,188,000 (2020: approximately HK\$3,415,000). Most of the cash and cash equivalents are denominated in Hong Kong dollars. The Group will closely monitor exchange rate movement and will take appropriate activities to reduce the exchange risk.

At 30 June 2021, total assets of the Group were approximately HK\$135,067,000 (as at 31 December 2020: approximately HK\$159,519,000) whereas total liabilities were approximately HK\$46,893,000 (as at 31 December 2020: approximately HK\$44,688,000). The gearing ratio of the Group, calculated as total liabilities over total assets, was approximately 34.7% (as at 31 December 2020: approximately 28.0%) and the current ratio, calculated as current assets over current liabilities, was approximately 1.72 (as at 31 December 2020: approximately 2.24). The Directors will continue to take measures to further improve the liquidity and gearing position of the Group.

As at 30 June 2021, the authorised share capital of the Company was HK\$120,000,000 divided into 3,000,000,000 shares of HK\$0.04 each, of which 1,272,640,000 ordinary shares were in issue and fully paid.

Contingent liabilities

As at 30 June 2021, the Group maintained contingent liabilities that are related to a corporate guarantee provided by the Company and its two subsidiaries to a bank for the loan utilised by the Group.

During the six months ended 30 June 2020, two subsidiaries of the Company leased two motor vehicles under finance leases at the interest rates of 3.5%-4.8% per annum for terms of three and five years. The Company had issued corporate guarantee in respect of the finance leases with the carrying amount of approximately HK\$1,629,000 as at 30 June 2020. The two relevant vehicles were disposed of in November 2020 and the corresponding leases were fully settled. No corporate guarantee was therefore issued by the Company in this respect as at 30 June 2021.

Pledge of Assets

At 30 June 2021, the land and buildings of the Group at carrying amount of approximately HK\$28,522,000 (at 31 December 2020: approximately HK\$30,583,000) was pledged to secure interest-bearing borrowings of the subsidiaries of the Company.

Employees and Remuneration Policies

As at 30 June 2021, the Group had approximately 61 employees (as at 30 June 2020: 54 employees). The staff costs (including directors' remuneration) were approximately HK\$6,451,000 (2020: approximately HK\$9,322,000) for the Period.

The Group's remuneration policy is revised periodically and determined by reference to market terms, company performance, individual qualifications and performance, and in accordance with the statutory requirements of the respective jurisdiction where the employees are employed.

Material investments, acquisitions and disposal

The Remaining Group did not have any other material acquisition, disposal and significant investment during the six months ended 30 June 2021.

F. FINANCIAL AND TRADING PROSPECTS OF THE REMAINING GROUP

The Group is principally engaged in (i) software platform business; and (ii) mobile games and applications business.

According to the Interim Report 2021 of the Company, the Group recorded a total revenue of approximately HK\$10,572,000 for the six months ended 30 June 2021 (the "Period"), representing a decrease of approximately HK\$6,895,000 or 39.5% as compared with that of approximately HK\$17,467,000 for the same period in 2020. The reduction in the Group's revenue was mainly attributed by the decrease in interest income from the money lending business by approximately HK\$6,267,000 which record a segment revenue of approximately HK\$773,000 for the Period as compared with that of approximately HK\$7,040,000 for the same period in 2020.

For the software platform business, the Group generates revenue from the developing and marketing of the patented server-based technology and the provision of communications software platform, software related services and the custom-made software development services. The Group recorded a decrease of approximately HK\$611,000 to approximately HK\$9,776,000 for the Period as compared with that of approximately HK\$10,387,000 for the same period in 2020. As at 31 July 2021, the Group has entered into 147 contracts with a contract sum of approximately HK\$14,138,000, among which 77 contracts are new contracts (other than renewal) with an aggregate contract amount of approximately HK\$10,504,000 and 13 out of these 77 contracts were entered into with new customers with a contract sum of approximately HK\$4,129,000. The customers of the Group's software platform business ranged from non-government organisation to government departments of the Hong Kong Special Administrative Region. Looking forward, given the fact that many of the Group's existing and potential clients are conducting digital transformation for their existing operations and administrative procedures, the Board considers it is a popular trend of recent years and the Group has the expertise to provide such services. The Group will continue to allocate adequate resources to meet the evolving industry standards in satisfying customers' demand.

For the mobile games and applications business, in response to the fast-changing market conditions, the Board is continuously reviewing the Group's strategy to optimise its revenue and profit gained from the game publishing, development of mobile game and related intellectual property and platform, mobile application and data solutions and provision of IT related solutions. Given the improvement of the pandemic recently, the mobile game industry is expecting a large pullback in the number of daily active users and the overall average online time. The deterioration is mainly due to the expected decline in lockdown bloom phenomenon in mobile game industry in 2021 as compared to that in 2020 and, consequently, the demand for new mobile games is significantly reduced. At the same time, along with increasing market participation in the industry, it is observed that while the cost per paying user acquisition has shown an increasing trend for the first-half of 2021 as compared to that of 2020, the retention rate of gamer has remained gloom. Under such circumstance, the profitability of in-house game development and publishing will not be as promising as previous years and so, the Group decided to act caution and maintain a more conservative business and sales strategy for mobile games owned and under development by the Group to cope with the upheaval market.

As disclosed in the Annual Report 2020 of the Company, the Group's new games were still under development. During the recent review of the Group's development strategy in the mobile games and applications business, considering the fluctuating market conditions as described above, the Board has decided to postpone the current development schedule and started to explore other business opportunities in order to better allocate the Group's resources. The Board affirms that the mobile gaming business is a core formation to the Group as a whole and will put every effort not only to maintain this segment but to achieve even better performance. The Company is assessing the possibility for strategic cooperation with well-established gaming companies. Riding on the ample resources of those gaming companies including, but not limited to, their mature software infrastructure and specialised expertise, the Group could better leverage its experience in developing and publishing mobile games. The comparative advantages brought by the possible cooperation will reduce the average cost of game development and publishing which, in turns, enhances the Group's profitability in mobile games and applications business. The Board will cautiously monitor the changes in the market environment in the mobile game industry and continue to seek for opportunities in other mobile application markets with a view to improve the performance and value of the segment. As at the Latest Practicable Date, the Group is under negotiation with several gaming companies for possible cooperation including a Hong Kong-based technology company specialised in mobile app/game development and EdTech and a gaming company targeting unconventional game player in Chinese community.

In light of the above, the Group expects that the road to recovery would be challenging. The fluctuating and unpredictability of the evolving pandemic increased the risk of Hong Kong's economic and community recovery. While the effect of the vaccine that rolled-out in the first quarter of 2021 still takes time to prove. It is expected that the Group's performance will inevitably be affected. In facing the challenge, the Group will strictly adhere to its cost control policy and swiftly adjust its business strategies in response to changes of the external environment. While the Group will become more cautious in the allocation of resources, it will continue to seek potential investment opportunities that can create synergies to our existing business segments, at the same time bringing growth and long-term benefits to the Company and the shareholders of the Company as a whole.

1. RESPONSIBILITY STATEMENT

This circular, 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 circular is accurate and complete in all material respects and not misleading or deceptive, there are no other matters the omission of which would make any statement herein or this circular misleading

2. DISCLOSURE OF INTERESTS OF DIRECTORS AND SHAREHOLDERS**(a) Directors and Chief Executive**

As at the Latest Practicable Date, none of the Directors and chief executives of the Company had any interests or short positions in the shares, underlying shares and debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO, Chapter 571 under the Laws of Hong Kong), which were notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including any interests and short positions which they have taken or deemed to have taken under such provisions of the SFO), or which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules relating to securities transactions by Directors to be notified to the Company and the Stock Exchange.

(b) Substantial Shareholders

As at the Latest Practicable Date, according to the register kept by the Company pursuant to section 336 of SFO, and so far as is known to the Directors or chief executive of the Company, the following persons (other than a Director or a chief executive of the Company) had, or was deemed or taken to have, an interest or short position in the shares or underlying shares of the Group 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:

Long positions in the shares of the Company

Name of Shareholder	Capacity	Number of issued shares held	Percentage of the Company's issued share capital
Mr. Chiu Ngai Hung	Beneficial owner	663,477,955	52.13%

Save as disclosed in the preceding paragraph and so far as is known to the Directors or chief executive of the Company, there was no person (other than a Director or chief executive of the Company) who, as at the Latest Practicable Date, had an interest or short position in the shares and underlying shares of the Group 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, was, directly or indirectly, interested in 10% or more of the nominal value of any class of share capital, including options in respect of such capital, carrying rights to vote in all circumstances at general meeting of any other member of the Group.

3. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had any existing or proposed service contracts with any member of the Group or any associated company of the Company (excluding contracts expiring or determinable within one year without payment of compensation, other than statutory compensation).

4. COMPETING BUSINESS

As at the Latest Practicable Date, none of the Directors nor their respective close associates (as defined under the GEM Listing Rules) has any interest in business which is considered to compete or is likely to compete, either directly or indirectly, with the business of the Group as required to be disclosed pursuant to the GEM Listing Rules.

5. DIRECTORS' INTERESTS IN CONTRACTS OR ARRANGEMENTS

As at the Latest Practicable Date, there was no contract or arrangement in which any Director was materially interested in and which was significant in relation to the business of the Group.

6. DIRECTORS' INTERESTS IN ASSETS

As at the Latest Practicable Date, none of the Directors has, directly or indirectly, any interest in any assets which have been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2020 (being the date to which the latest published audited accounts of the Company were made up).

7. LITIGATION

As at the Latest Practicable Date, so far as was known to the Directors, none of the members of the Group was engaged in any litigation, arbitration or administration proceedings of material importance and there was no litigation, arbitration, administration proceedings or claim of material importance known to the Directors to be pending or threatened against any member of the Group.

8. MATERIAL CONTRACTS

Save for the Provisional Sale and Purchase Agreement, as at the Latest Practicable Date, no contract (not being contracts entered into in the ordinary course of business) was entered into by members of the Group within two years immediately preceding the date of this circular and is or maybe material.

9. EXPERT AND CONSENT

The following expert has been named in this circular or has given opinion or advice which are contained in this circular.

Name	Qualification
Ravia Global Appraisal Advisory Limited	Independent qualified valuer

As at the Latest Practicable Date, the above expert:

- (a) has given and has not withdrawn its written consent to the issue of this circular with the inclusion herein of its letter and/or report (as the case may be) and references to its names, in the form and context in which they respectively appear;
- (b) did not have any shareholding in any member of the Group or any right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for any shares, convertible securities, warrants, options or derivatives which carry voting rights in any member of the Group; or
- (c) did not have any interest, either directly or indirectly, in any assets which have been, since the date to which the latest published audited financial statements of the Company were made up (i.e. 31 December 2020), acquired or disposed of by or leased to or are proposed to be acquired or disposed of by or leased to any member of the Group.

10. DOCUMENTS AVAILABLE FOR INSPECTION

Copies of the following documents will be available for inspection during 9: 00 a.m. to 5: 00 p.m. on any weekday (except for Saturdays and public holidays) at 21/F, Henan Building, 90 Jaffe Road, Wanchai, Hong Kong from the date of the circular and up to and including the date of the EGM:

- (a) the Provisional Sale and Purchase Agreement;
- (b) the written consent referred to in the paragraph headed “Expert and Consent” in this Appendix;
- (c) the valuation report from Ravia Global Appraisal Advisory Limited as set out in Appendix I of this circular;
- (d) the memorandum and articles of association of the Company;
- (e) the annual reports of the Company for each of the three years ended 31 December 2020 and the interim report of the Company for the six months ended 30 June 2021; and
- (f) this circular.

11. MISCELLANEOUS

- (a) The company secretary of the Company is Mr. Lee Cheuk Man, who is a member of the Hong Kong Institute of Certified Public Accountants and a fellow member of the Association of Chartered Certified Accountants.
- (b) The compliance officer of the Company is Mr. Choi Pun Lap, who is also an executive Director.
- (c) The Company established an audit committee (“**Audit Committee**”) with written terms of reference in compliance with Rules 5.28 to 5.29 of the GEM Listing Rules. 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, risk management and internal control of the Group. The Audit Committee comprises Mr. Leung Man Chun (Chairman), Ms. Lam Yuen Man Maria and Mr. Fu Yan Ming, all of whom are independent non-executive Directors. Further details of them are as follows:

1. Mr. Leung Man Chun (“**Mr. Leung**”), aged 33, has been appointed as an independent non-executive Director of the Company since February 2016. He is also the Chairman of each of the audit committee, remuneration committee and nomination committee.

Mr. Leung has been engaging in financial services sector for over 9 years, along with ample experience in an international accounting firm and an international bank. He currently serves as a corporate finance principal for a professional firm. He obtained a Bachelor’s Degree in Social Sciences from Hong Kong Baptist University in 2009. Mr. Leung is a member of the Hong Kong Institute of Certified Public Accountants and joined the Council of the Hong Kong Institute of Certified Public Accountants in 2018. Mr. Leung was an independent non-executive director of Evershine Group Holdings Limited (stock code: 8022) from March 2016 to January 2021, the shares of which are listed on GEM of the Stock Exchange.

2. Ms. Lam Yuen Man Maria (“**Ms. Lam**”), aged 51, has been appointed as an independent non-executive Director of the Company since September 2020. She is also member of each of the audit committee, remuneration committee and nomination committee.

Ms. Lam holds a bachelor degree in Accountancy from The Hong Kong Polytechnic University, a master degree in Management from the Macquarie University and a master degree in Applied Psychology from City University of Hong Kong. She is a fellow member of the Association of Chartered Certified Accountants and an associate member of the Hong Kong Institute of Certified Public Accountants, the Hong Kong Institute of Chartered Secretaries, the Chartered Governance Institute (formerly the Institute of Chartered Secretaries and Administrators) and the Chartered Institute of Arbitrators. She is also an accredited mediator of the Hong Kong Mediation Accreditation Association Limited, a member and a qualified graphologist of the British Institute of Graphologists.

Prior to joining the Board, Ms. Lam has worked with an international accounting firm and other leading listed and private group of companies and has extensive experience in company secretarial practice, assurance, treasury and finance. She is currently providing management consultancy and corporate secretarial services to listed issuers and private companies, and graphology consultancy and training services.

3. Mr. Fu Yan Ming (“**Mr. Fu**”) aged 56, is a fellow member of The Association of Chartered Certified Accountants. He obtained a Bachelors’ Degree of Business Administration from The Chinese University of Hong Kong. Mr. Fu possess over 30 years of experience in accounting, audit, internal control, financial management, strategic business planning, corporate finance, merger and acquisition and corporate governance. He has worked for various sizeable organizations including accounting firms, pharmaceutical distribution company, TMT (Technology, Media and Telecommunications) companies, manufacturing companies and consultancy firm. During the past 15 years, he held various senior positions including financial controller and company secretary in main and GEM board listed companies of Hong Kong. Mr. Fu was an executive director of On Real International Holdings Limited, a company listed on the GEM of the Stock Exchange (stock code: 8245) from October 2016 to September 2019.

Currently, Mr. Fu is the finance director of a consultancy firm which provide various advice to private investment funds.

- (d) The Hong Kong branch share registrar and transfer office of the Company is Tricor Tengis Limited; and
- (e) The English text of this circular and the accompanying form of proxy shall prevail over their respective Chinese text

NOTICE OF EXTRAORDINARY GENERAL MEETING



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)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that An extraordinary general meeting (“EGM”) of Aurum Pacific (China) Group Limited (the “Company”) will be held at 21/F, Henan Building, 90 Jaffe Road, Wanchai, Hong Kong on Monday, 13 September 2021 at 11:00 a.m., for the purpose of considering and, if think fit, passing with or without modification the following resolution as an ordinary resolution of the Company:

ORDINARY RESOLUTION

“**THAT**

- (a) the provisional sale and purchase agreement dated 5 July 2021 between (1) Viva Star International Limited (a subsidiary of the Company) as vendor and (2) Empire Ease Limited as purchaser, for the sale and purchase of the property located at 21st Floor, Henan Building, Nos. 90 and 92 Jaffe Road and Nos. 15-19 Luard Road, Hong Kong of the aforesaid agreement (a copy of which was tabled at the meeting marked “A” and signed by the Chairperson of the meeting for the purpose of identification) (the “**Provisional Sale and Purchase Agreement**”, or as applicable, the “**Formal Agreement**”), and the transaction contemplated thereunder be and are hereby ratified, confirmed and approved; and
- (b) any one or more directors of the Company be and is hereby authorised to do all such acts and things which the director(s) may consider necessary, desirable or expedient to implement the transaction contemplated under the Provisional Sale and Purchase Agreement or Formal Agreement (with any amendments to the terms of such agreement which are not inconsistent with the purpose thereof as may be approved by the directors of the Company).

By order of the Board
Aurum Pacific (China) Group Limited
Chung Man Lai
Executive Director

Hong Kong, 25 August 2021

NOTICE OF EXTRAORDINARY GENERAL MEETING

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:*

21/F, Henan Building
90 Jaffe Road
Wanchai, Hong Kong

Notes:

1. A member entitled to attend and vote at the annual general meeting convened by the above notice is entitled to appoint one or, if he/she/it is a holder of more than one Share, more proxies to attend and, subject to the provisions of the articles of association of the Company, to vote on his/her/its behalf. A proxy need not be a member of the Company but must be present in person at the EGM to represent the member. If more than one proxy is so appointed, the appointment shall specify the number and class of shares in respect of which each such proxy is so appointed.
2. A form of proxy for use at the EGM is enclosed. In order to be valid, the form of proxy must be duly completed and signed in accordance with the instructions printed thereon and deposited together with a power of attorney or other authority, if any, under which it is signed, or a certified copy of such power or authority, at the Hong Kong branch share registrar and transfer office of the Company, Tricor Tengis Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong not less than 48 hours before the time appointed for holding the EGM or any adjournment thereof. Completion and return of a form of proxy will not preclude a member from attending in person and voting at the EGM or any adjournment thereof, should he/she/it so wish and in such event, the proxy shall be deemed to be revoked.
3. In the case of joint holders of Shares, any one of such holders may vote at the EGM, either personally or by proxy, in respect of such share as if he/she/it were solely entitled thereto, but if more than one of such joint holders are present at the EGM personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Shares shall alone be entitled to vote in respect thereof.
4. If Typhoon Signal No. 8 or above, or a "black" rainstorm warning is in effect any time after 8:00 a.m. on the date of the EGM, the meeting will be postponed. The Company will publish an announcement on the website of the Company at www.aurumpacific.com.hk and on GEM website of the Stock Exchange at www.hkgem.com to notify shareholders of the Company of the date, time and venue of the rescheduled meeting.

NOTICE OF EXTRAORDINARY GENERAL MEETING

As at the date of this notice, the Board comprises the two executive Directors, namely Mr. Chung Man Lai and Mr. Choi Pun Lap and three independent non-executive Directors, namely Mr. Leung Man Chun, Ms. Lam Yuen Man Maria and Mr. Fu Yan Ming

This notice, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited 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 notice 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 notice misleading.

This notice will remain on the “Latest Listed Company Information” page of the GEM website at www.hkgem.com for at least 7 days from the date of its publication and on the website of the Company at www.aurumpacific.com.hk.