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## **GLORY FUTURE GROUP LIMITED**

### **光彩未來集團有限公司**

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

**(Stock Code: 8071)**

### **MEMORANDUM OF UNDERSTANDING**

The Board announces that on 3 October 2007, the Company entered into the non-legally binding MOU with the Vendor in relation to the Possible Acquisition.

The Target is incorporated in the British Virgin Islands and is principally engaged in investment holding. The sole asset of the Target is the entire issued share capital of the Subsidiary. On 4 July 2007, the Subsidiary entered into a joint venture agreement with the PRC Partner pursuant to which the Subsidiary and the PRC Partner have agreed to establish the CJV.

**The Board wishes to emphasise that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialised, it will constitute a notifiable and connected transaction on the part of the Company. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company in the event any Formal Agreement has been signed.**

The Board announces that the Company entered into the non-legally binding MOU with the Vendor in relation to the Possible Acquisition.

### **MEMORANDUM OF UNDERSTANDING IN RESPECT OF THE POSSIBLE ACQUISITION**

Date: 3 October 2007

Parties: (i) the Company; and

(ii) the Vendor, who is the legal and beneficial owner of the entire issued share capital of the Target. As at the date hereof, the Vendor is interested in 128,288,000 Shares, representing approximately 6.77% of the issued share capital of the Company. Pursuant to the Subscription Agreement, upon

completion of the Subscription (which is expected to be taken place no later than 4 October 2007), the shareholding of the Vendor in the Company will increase to approximately 17.84%. (For details of the Subscription, please refer to the announcement of the Company dated 21 September 2007.) Accordingly, the Vendor is a substantial shareholder (as defined in the GEM Listing Rules) of the Company and therefore, a connected person (as defined in the GEM Listing Rules) of the Company.

### **Major terms of the MOU**

Under the MOU, it is proposed that the Company will acquire not less than 51% of the issued share capital of the Target (the exact number of which will be subject to further negotiation between the Company and the Vendor). Immediately upon signing of the MOU, the Company shall conduct due diligence on the assets, liabilities, operations and affairs of the Target Group.

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The registered capital and the total investment of the CJV will be contributed wholly by the Subsidiary. The PRC Partner will contribute the mining rights to a gold mine located at Yunnan Province, the PRC as its contribution to the CJV. The CJV will be owned by as to 80% and 20% by the Subsidiary and the PRC Partner respectively.

The CJV will be engaged in the mining of the gold mine located at Yunnan Province, the PRC.

Under the MOU, both the Company and the Vendor will proceed to the negotiation for a legally-binding Formal Agreement within 90 days from the date of the MOU (or such later date to be agreed by the parties thereto). It is also agreed that the Vendor will not, directly or indirectly, for a period of 90 days commencing from the date of the MOU, negotiate with any other party for the Possible Acquisition.

The consideration for the Possible Acquisition will be determined by further negotiation between the Vendor and the Company. The consideration may be satisfied by the Company in cash, by allotting and issuing new Shares, by issuing convertible bonds carrying rights to convert in Shares, or by issuing promissory notes to the Vendor. The exact payment method will be subject to further negotiations between the Vendor and the Company.

The MOU does not constitute legally-binding commitment on the part of the Company in respect of the Possible Acquisition. The Possible Acquisition will be subject to the execution and completion of the Formal Agreement.

If the Formal Agreement is entered into, it is expected that the Possible Acquisition will constitute a notifiable and connected transaction on the part of the Company pursuant to the GEM Listing Rules. In this regard, the Company will comply with the reporting, disclosure and/or shareholders' approval requirements under the GEM Listing Rules.

**The Board wishes to emphasize that no binding agreement in relation to the Possible Acquisition has been entered into as at the date of this announcement. As such, the Possible Acquisition may or may not proceed. If the Possible Acquisition is materialized, it will constitute a notifiable and connected transaction on the part of the Company. Shareholders and investors are urged to exercise caution when dealing in the securities of the Company. Further announcement in respect of the Possible Acquisition will be made by the Company in the event the Formal Agreement has been signed.**

### **Reasons for the Possible Acquisition and General**

The Group is principally engaged in the provision of web page design and website maintenance services, system integration services and information technology consultancy services in Hong Kong. In order to seek for more business opportunities and to maximize return to the Company and the Shareholders in the long run, the Company has decided to enter into the MOU with the Vendor to explore the possibility of co-operation.

### **DEFINITIONS**

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

“Board”	the board of Directors
“Business Day”	a day (other than Saturday and Sunday) on which licensed banks are generally open for business in Hong Kong throughout their normal business hours
“Company”	Glory Future Group Limited, a company incorporated in the Cayman Islands with limited liability and the issued Shares of which are listed on the GEM
“CJV”	a Chinese foreign co-operative joint venture to be established by the Subsidiary and the PRC Partner
“Director(s)”	the director(s) of the Company
“Formal Agreement”	the formal sale and purchase agreement which may or may not be entered into in relation to the Possible Acquisition

“GEM”	the Growth Enterprise Market of the Stock Exchange
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“MOU”	the non-legally binding memorandum of understanding dated 3 October 2007 entered into between the Company and the Vendor setting out the preliminary understanding in relation to the Possible Acquisition
“Possible Acquisition”	the possible acquisition by the Company from the Vendor of not less than 51% of the issued share capital of the Target as contemplated in the MOU
“PRC”	the People’s Republic of China
“PRC Partner”	the PRC partner to the CJV and a party independent of and not connected with the directors, chief executive or substantial shareholders (as defined in the GEM Listing Rules) of the Company or any of its subsidiaries or any of their respective associates (as defined in the GEM Listing Rules)
“Shares”	shares of HK\$0.0005 each in the capital of the Company
“Shareholder(s)”	holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription”	the subscription of 255,000,000 Shares by the Vendor pursuant to the Subscription Agreement
“Subscription Agreement”	the subscription agreement dated 20 September 2007 entered into between the Company and the Vendor in relation to the Subscription
“Subsidiary”	China Mining Group Investment Limited, a company incorporated in Hong Kong and as at the date of this announcement, wholly and beneficially owned by the Target

“Target”	China Nonferrous Metals Resources Investment Limited, a company incorporated in the British Virgin Islands, and at as the date this announcement, wholly and beneficially owned by the Vendor
“Target Group”	together with the Target, the Subsidiary and the CJV
“Vendor”	Mr. Leung Ngai Man

By order of the Board of  
**Glory Future Group Limited**  
**Leung Ngai Man**  
*Executive Director*

Hong Kong, 3 October 2007

*As at the date of this announcement, the executive Directors are Messrs. Choi Koon Ming, Chow Yeung Tuen, Richard and Leung Ngai Man; and the independent non-executive Directors are Messrs. Wu Tak Lung, Phillip King and Chan Sing Fai.*

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

*This announcement will remain on the “Latest Company Announcement” page of the GEM website at [www.hkgem.com](http://www.hkgem.com) for a minimum period of seven days from the day of its posting.*