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AURORA

AURORA GLOBAL INVESTMENT HOLDINGS LIMITED

旭日環球投資控股有限公司*

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 353)

MAJOR TRANSACTION INVOLVING

ACQUISITION OF A 70% EQUITY INTEREST IN

EYE GOOD MEDICAL (ZHUHAI) CO. LTD.

AND

RESUMPTION OF TRADING

The Board is pleased to announce that on 3rd October, 2006, the Purchaser, a subsidiary of the Company and the Vendors entered into the Acquisition Agreement pursuant to which, among other things, the Vendors have conditionally agreed to sell and the Purchaser has conditionally agreed to purchase or procure the purchase of the Sale Shares, representing 70% of the issued share capital of the Target Co., for an aggregate consideration of HK\$26,600,000. The consideration will be satisfied by the allotment and issue by the Company of the Consideration Shares credited as fully paid. The value of the Consideration Shares based on the closing price of the Shares immediately prior to suspension from trading on 3rd October, 2006 is HK\$24,181,818.

The Acquisition constitutes a major transaction of the Company pursuant to Rule 14.06(3) of the Listing Rules. Pursuant to Rule 14.44 of the Listing Rules, a written shareholders’ approval has been obtained from L & L Holdings Limited, a Shareholder who as at the date of this announcement holds 279,852,000 Shares or approximately 53.28% in nominal value of the Shares giving the right to attend and vote at a general meeting of the Company to approve the Acquisition Agreement and the Acquisition, and such written shareholders’ approval is accepted in lieu of holding a general meeting. A circular containing, among other things, details of the Acquisition Agreement will be despatched to Shareholders as soon as practicable in accordance with the Listing Rules.

Shareholders and potential investors of the Company should note that Completion, which is subject to a number of conditions, may or may not take place. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 3rd October, 2006 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 23rd October, 2006.

The Board is pleased to announce that on 3rd October, 2006, the Purchaser and the Vendors entered into the Acquisition Agreement pursuant to which, among other things, (i) the Vendors have conditionally agreed to sell and the Purchaser has conditionally agreed to purchase or procure the purchase of the Sale Shares, representing 70% of the issued share capital USD 910,000 of the Target Co., for an aggregate consideration of HK\$26,600,000.

THE ACQUISITION AGREEMENT

Date: 3rd October, 2006

Parties

Vendors: Summer Lake International Ent. Corp and Meta Vision Medicals (WUHU) Co., Ltd. (蕪湖市麥特維醫療用品有限公司). To the best of the Directors’ knowledge, information and belief having made all reasonable enquiry, each of the Vendors and their respective beneficial owners is a third party independent of the Purchaser or the Company and connected persons (as defined in the Listing Rules) of the Company.

The First Vendor is principally engaged in selling automobile parts to the companies in North America. The Second Vendor is principally engaged in selling medical devices, electronic and optical instruments.

Purchaser: Wise Mount Management Limited (智峰管理有限公司), a wholly-owned subsidiary of the Company.

Assets to be acquired

70% of the registered and paid up capital of the Target Co., representing US\$637,000, of which, 40% will be sold and transferred from the First Vendor and 30% will be sold and transferred from the Second Vendor to the Purchaser.

Consideration

The aggregate consideration for the sale and purchase of the Sale Shares is HK\$26,600,000 which shall be satisfied by the allotment and issue of 34,545,454 and 25,909,091 Consideration Shares at HK\$0.44 per Share credited as fully paid to the First Vendor and the Second Vendor (i.e. aggregate value of HK\$15,200,000 and HK\$11,400,000) respectively. The value of the Consideration Shares based on the closing price of the Shares immediately prior to suspension from trading on 3rd October, 2006 is HK\$24,181,818. The price per Consideration Share is HK\$0.44.

The consideration has been agreed by the parties after arm’s length negotiations and shall be HK\$26,600,000 (being 60,454,545 Shares at the price of HK\$0.44 per Share calculated by reference to the last 10 days trading average of the price of the Shares on the Stock Exchange immediately before the date of the Acquisition Agreement, representing approximately 11.51% of the issued share capital of the Company as at the date of this announcement and approximately 10.32% of the enlarged issued share capital of the Company taking into account the Consideration Shares). The Consideration Shares will be allotted and issued under the general mandate granted to the Directors to allot and issue up to a maximum of 105,040,000 Shares at the annual general meeting of the Company held on 8th June, 2006. The mandate has not been used.

The price per Consideration Share represents: (a) a premium of approximately 10% to the closing price of HK\$0.40 per Share as quoted on the Stock Exchange on 29th September, 2006 being the last trading day before the day on which the Company applied for suspension of trading in its Shares, and (b) a discount of approximately 24.46% to the average closing price of HK\$0.5825 per Share of the 10 consecutive days (including 29th September, 2006) before the date of the Acquisition Agreement. The Consideration Shares represent approximately 11.51% and approximately 10.32% of the Existing Capital and Enlarged Capital, respectively. Application will be made by the Company to the Stock Exchange for the listing of, and permission to deal in, the Consideration Shares. The Consideration Shares when allotted and issued shall rank pari passu with all other Shares in issue in the share capital of the Company.

The consideration for the Acquisition was arrived at after arm’s length negotiations between the Purchaser and the Vendors by reference to (i) the estimated P/E ratio of approximately 4.2 in respect of the Target Co. for the year ended 31st December, 2006; (ii) the potential business growth of the Target Co.; and (iii) the results of the valuation conducted by an independent qualified valuer showing that the total business value of the Target Co. being not less than HK\$38,000,000 as at 30th September, 2006.

Based on the Target Co.’s unaudited financial statements prepared under the PRC General Accepted Accounting Principles, the net assets value of the Target Co. as at 30th June, 2006 was approximately HK\$17,074,105. The unaudited profit before tax of the Target Co. for the year ended 31st December, 2004 and 31st December, 2005 were approximately HK\$1,997,843 and HK\$7,104,706 respectively. The unaudited net profit before tax of the Target Co. for the period from 1st January, 2006 to 30th June, 2006 was approximately HK\$3,234,874.

Immediately following Completion, the Target Co. will become an indirect subsidiary of the Company. The investment in the Target Co. by the Company will be accounted for in the books of the Company as a subsidiary by using the equity method.

Conditions Precedent

Completion is conditional upon the following conditions precedents:—

- (a) the Stock Exchange granting listing approval of the Consideration Shares;
- (b) The Purchaser being satisfied with the findings, reports and advice of its own PRC legal advisers with respect to any due diligence conducted before Completion on the Target Co. and on the relevant PRC laws in relation to the Acquisition and any incidental share transfer matters;
- (c) The Purchaser being satisfied with the report of a qualified independent valuer on the business value of the Target Co., and a certificate from such qualified independent valuer certifying that the total business value of the Target Co. as at 30th September, 2006 should not be less than HK\$38,000,000 (ie. 70% of the total business value of the Target Co. should not be less than HK\$26,600,000). The Company has appointed Dynasty Premium Asset Valuation

& Real Estate Consultancy Limited to conduct an independent valuation on the business value of the Target Co. Dynasty Premium Asset Valuation & Real Estate Consultancy Limited is formed by a team of knowledge-sought chartered surveyor, plant & machinery valuer, business appraiser, estate agent, accountant and company secretary. All of the management staff possess a long experience of working in the international eminent surveying firms and/or corporates. The valuation shall be prepared by Dynasty Premium Asset Valuation & Real Estate Consultancy Limited using the cost approach method and market approach method;

- (d) Both the First Vendor and the Second Vendor having obtained all necessary consents and approvals in respect of the Sale Shares transfer as contemplated in the Acquisition;
- (e) The Acquisition having been approved by a resolution passed in an Extraordinary General Meeting of the Shareholders of the Company, if necessary.

The Acquisition is further subject to the following conditions:—

- (a) All parties shall cause or arrange to have all necessary reports and/or applications filed and completed as required by the relevant supervisory authorities/bodies.
- (b) The board of directors of the Target Co. shall undertake that all employees, in particular, the management, will remain in employment with the Target Co. for not less than 2 years after the Completion under the same terms and conditions of employment as are currently in force.
- (c) Completion shall take place on or before 31st December, 2006. In the event that any of the conditions precedent are not fulfilled before this date, the parties may by agreement in writing postpone such date of Completion.
- (d) The completion a valuation by an qualified independent valuer of the total business value of the Target Co. shall not less than HK\$38,000,000 as at 30th September, 2006.

Completion

Completion shall take place after the date of the fulfillment of all the conditions precedent required to be fulfilled before Completion on or before 31st December, 2006 or such later date as the parties may otherwise agree.

Immediately following Completion, the board of directors of the Target Co. shall consist of five directors, three of them shall be nominated by the Purchaser, namely, Mr. Tsao Ke Wen Calvin (the executive Director and chief executive officer of the Company), Mr. Law Fei Shing (the executive Director) and Dr. Ma Chung Wo Cameron (the non-executive Director). The remaining two directors shall be nominated by each of the First Vendor and the Second Vendor.

INFORMATION ON TARGET CO.

Prior to the entering into of the Acquisition Agreement, the registered and paid up capital of the Target Co. is owned as to 50% by the First Vendor and as to 50% by the Second Vendor. Immediately following Completion, the remaining 30% of the registered and paid-up capital of the Target Co. will be owed as to 10% by the First Vendor and as to 20% by the Second Vendor.

The Target Co. was established on 24th November, 2000 in the PRC. The scope of business as stated in the Target Co.’s business licence is manufacturing and trading of eye intraocular lenses and other ophthalmic instruments with a guideline of 30% and 70% of its products are exported to oversea and for domestic sale in the PRC, respectively.

The Target Co. has also been engaged in the research and development of new products which include Single-Piece posterior PMMA Intraocular Lens, Single-Piece posterior yellow PMMA Intraocular Lens, Single-Piece Hydrophilic Acrylic Foldable Intraocular Lenses, Single-Piece PMMA Hanging Intraocular Lenses and Single-Piece PMMA Tension Ring. These products are used for intraocular lens implantation through the eye surgical operation for blind people and cataract patients to cure eye diseases.

Currently, the Target Co. has 25 employees in the PRC (including 6 senior management staff who are university graduate or above with professional knowledge of the business). All manufacturing and inspection equipments and raw materials are imported from the U.S.A to ensure that the products are of high quality, stable and safety to the patients, and meet the international and national standards. In addition, the Target Co.’s products had been awarded ISO13485: 2003 and ISO9001: 2000 Quality System Certificate issued by Underwriters Laboratories Inc. in U.S.A. and all manufactured intraocular lenses have obtained the approval from the State Food and Drug Administration (國家食品藥品監督管理局) of the PRC (SFDA). Furthermore, only the hydrophilic foldable lens manufactured by the Target Co. has obtained SFDA’s approval. In the past few years, the Target Co. has cooperated with several intraocular lenses manufacturers in the U.S., Germany, Japan and Israel in technical areas. In the forthcoming years, the Target Co. will continue to develop hydrophobic foldable lenses, aspheric, multi-focal intraocular lenses.

The Target Co. has a production line in Zhuhai, PRC. The annual capacity for manufacturing intraocular lens are approximately 200,000 pieces. The Target Co.’s products comprise the most advanced technology features. The manufacturing process is subject to a consistent quality control and each product has passed the most stringent quality tests and inspections at every stage of manufacturing.

According to the unaudited sales records of the Target Co., in both overseas and PRC domestic markets in the past three years are as follows:

	2003 RMB	2004 RMB	2005 RMB
PRC Domestic market	3,021,612	4,543,768	13,254,696
Oversea market	536,328	197,232	290,304
Total	3,557,940	4,741,000	13,545,000

INFORMATION ON THE GROUP

The Group is principally engaged in the design, manufacture and sale of a wide range of carpets under its own brand name and the trading of carpets of various brand names. The shareholding structure of the Company before and after the issue of the Consideration Shares is as follows:

Shareholder	Shareholding as at the date of the Agreement		Shareholding immediately after Completion	
	<i>No. of Shares</i>	<i>Approximate percentage</i>	<i>No. of Shares</i>	<i>Approximate percentage</i>
L & L Holdings Limited (<i>Note 1</i>)	279,852,000	53.28	279,852,000	47.79
Prime Orient International Limited (<i>Note 2</i>)	44,638,750	8.50	44,638,750	7.62
First Vendor	—	—	34,545,454	5.90
Second Vendor	—	—	25,909,091	4.42
Other public Shareholders	200,709,250	38.22	200,709,250	34.27
Total	<u>525,200,000</u>	<u>100</u>	<u>585,654,545</u>	<u>100</u>

Notes:

1.

L & L Holdings Limited is an investment holding company incorporated in the Republic of the Marshall Islands, the entire issued share capital of which is wholly and beneficially owned by Mr. Tsao Ke Wen Calvin, the chief executive officer and executive director of the Company.
2.

Prime Orient International Limited is an investment holding company incorporated in the British Virgin Islands, the entire issued share capital of which is wholly and beneficially owned by Mr. Lam Shu Chung, an executive director of the Company.

REASONS FOR AND BENEFITS OF THE ACQUISITION

The Directors consider that (i) since the PRC has about 9 million blind people including 4 million cataract patients (20% of the world’s total) and the increase is at the rate of 10% each year and it will continue to rise in account of the shortage of medical care, the business market is developing and the business of the Target Co. has future potential development; (ii) given the close relationship between the Target Co. and the doctors and hospitals in the PRC, the Target Co. will be able to work closely on special lenses designs and other ophthalmic implant needs with them; (iii) the Acquisition can diversify the Group’s business; and (iv) the steady growth of profit and rapid development of the Target Co. will contribute financially to the Group in future. The Acquisition can provide an additional source of funds to the Target Co. and assist the Target Co. to explore the potential business opportunity in Hong Kong and Asia Pacific Region. It will also enhance the reputation of the Target Co. and its products.

The Directors consider that the Company has sufficient expertise to manage the business of the Target Co. Dr. Ma Chung Wo Cameron, one of the directors to be nominated to the board of directors of the Target Co., is a registered doctor with the Australian Medical Association and the Hong Kong Medical Association, and has extensive professional knowledge and experience in medical field. Dr. Ma has been running a family-owned medical healthcare group for several years, and is currently expanding the scope of his healthcare business to health insurance, pharmaceutical projects and other medicine-related business ventures. The operations of the Target Co. will also be supervised by Mr. Tsao Ke Wen, Calvin, an executive Director who has extensive business, financial and PRC investment experience.

GENERAL

The Acquisition constitutes a major transaction of the Company pursuant to Rule 14.06(3) of the Listing Rules. As no Shareholder is required to abstain from voting on the resolution to approve the Acquisition Agreement and the Acquisition and a written shareholders’ approval has been obtained from L & L Holdings Limited, a Shareholder who as at the of this announcement holds 279,852,000 Shares or approximately 53.28% in nominal value of the Shares giving the right to attend and vote at a general meeting of the Company to approve the Acquisition Agreement and the Acquisition, the conditions stipulated under Rule 14.44(1) and (2) of the Listing Rules are fulfilled. Accordingly, pursuant to Rule 14.44 of the Listing Rules, no general meeting of Shareholders will be held in this regard and the written shareholders’ approval as aforementioned is accepted in lieu of holding a general meeting.

A circular containing, among other things, details of the Acquisition Agreement will be despatched to Shareholders as soon as practicable in accordance with the Listing Rules.

Shareholders and potential investors of the Company should note that Completion, which is subject to a number of conditions, may or may not take place. Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was suspended from 9:30 a.m. on 3rd October, 2006 pending the release of this announcement. Application has been made by the Company to the Stock Exchange for the resumption of trading in the Shares on the Stock Exchange with effect from 9:30 a.m. on 23rd October, 2006.

DEFINITIONS

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

“Acquisition”	the proposed acquisition of the Sale Shares by the Purchaser from the Vendors pursuant to the Acquisition Agreement
“Acquisition Agreement”	the conditional agreement dated 3rd October, 2006 entered into between the Purchaser and the Vendors in relation to Acquisition
“Board”	the board of Directors
“business day”	a day (not being a Saturday or days on which a typhoon signal no. 8 or black rainstorm warning is hosted in Hong Kong at 10:00 a.m.) on which banks are generally open for general banking business in Hong Kong
“Company”	Aurora Global Investment Holdings Limited, a company incorporated in the Cayman Islands with limited liability and the shares of which are listed on the Stock Exchange
“Completion”	completion of the sale and purchase of the Sale Shares in accordance with the terms of the Acquisition Agreement
“Consideration Share”	60,454,545 Shares in the authorized share capital of the Company valued at HK\$0.44 per Share, being a 10% premium to the closing price of the Shares on the Stock Exchange on Business Day immediately prior to the date of the Acquisition Agreement, i.e. 29th September, 2006
“Directors”	directors of the Company
“First Vendor”	Summer Lake International Ent. Corp a company incorporated in the State of California, United States of America
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“PRC”	the People’s Republic of China
“Purchaser”	Wise Mount Management Limited, a company incorporated in Hong Kong with limited liability
“Sale Shares”	70% of the registered and paid up capital of the Target Co., representing US\$637,000, of which, 40% will be sold and transferred from the First Vendor and 30% will be sold and transferred from the Second Vendor to the Purchaser
“Second Vendor”	Meta Vision Medicals (WUHU) Co., Ltd. (蕪湖市麥特維醫療用品有限公司), a company incorporated in the PRC
“Shareholders”	holders of the Shares
“Shares”	the shares of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Target Co.”	Eye Good Medical (Zhuhai) Co. Ltd., a company incorporated in the PRC
“Vendors”	collectively, First Vendor and Second Vendor

By Order of the Board

Aurora Global Investment Holdings Limited

Pang Man Kin Nixon

Director

Hong Kong, 20th October, 2006

As at the date of this statement, the executive directors are Mr. Pang Man Kin Nixon, Mr. Tsao Ke Wen Calvin, Mr. Lam Shu Chung, Mr. Law Fei Shing and Mr. So Chi Keung; the non-executive director is Dr. Ma Chung Wo, Cameron and the independent non-executive directors are Mr. Poon Chiu, Mr. Lum Pak Sum and Mr. Li Chak Hung.

* for identification purpose only