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)

ANNUAL RESULTS ANNOUNCEMENT FOR THE YEAR ENDED 31 DECEMBER 2009

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET ("GEM") OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE "EXCHANGE")

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

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

This announcement, for which the directors (the "Directors") of Aurum Pacific (China) Group Limited (the "Company") collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on the GEM of The Stock Exchange of Hong Kong Limited (the "GEM Listing Rules") for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that, to the best of their knowledge and belief:- (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.

GROUP FINANCIAL HIGHLIGHTS

- The turnover of the Group for the year ended 31 December 2009 was approximately HK$36,941,000, representing an increase of 98.8% as compared with approximately HK$18,582,000 for the year ended 31 December 2008.

- The gross profit of the Group for the year ended 31 December 2009 was approximately HK$6,534,000, representing an increase of 60.4% as compared with approximately HK$4,073,000 for the year ended 31 December 2008.

- Loss from continuing operations of the Group for the year ended 31 December 2009 was approximately HK$151,000, representing a decrease of 98% as compared with a loss of approximately HK$7,695,000 for the year ended 31 December 2008.

- The profit attributable to equity shareholders of the Company for the year ended 31 December 2009 was approximately HK$11,870,000, whereas a loss of HK$9,711,000 was recorded for the year ended 31 December 2008.

- The Directors do not recommend the payment of a dividend for the year ended 31 December 2009.

RESULTS

The board of directors of the Company (the "Board") hereby presents the audited consolidated results of the Company and its subsidiaries (collectively the "Group") for the year ended 31 December 2009, together with the comparative figures of 2008, as follows:

Consolidated statement of comprehensive income
For the year ended 31 December 2009

	Notes	**2009** **HK$'000**	2008 *HK$'000* (Restated)
Continuing operations			
Turnover	*5*	**36,941**	18,582
Cost of sales		**(30,407)**	(14,509)
Gross profit		**6,534**	4,073
Other revenue	*6*	**1,777**	–
Selling and distribution expenses		**(1,414)**	(835)
Administrative expenses		**(6,003)**	(10,420)
Profit/(loss) from operations		**894**	(7,182)
Finance costs	*8*	**(699)**	(366)
Profit/(loss) before income tax expense from continuing operations	*8*	**195**	(7,548)
Income tax expense	*9*	**(346)**	(147)
Loss for the year from continuing operations		**(151)**	(7,695)
Discontinued operations			
Profit/(loss) for the year from discontinued operations	*10*	**12,021**	(2,016)
Profit/(loss) for the year		**11,870**	(9,711)
Other comprehensive income			
Exchange differences on translating foreign operations		**–**	(1,534)
Less: Reclassification adjustment for loss included in profit or loss		**3,641**	–
Other comprehensive income for the year		**3,641**	(1,534)
Total comprehensive income for the year		**15,511**	(11,245)
Profit/(loss) attributable to:			
– Equity holders of the Company		**11,870**	(9,711)
– Minority interests		**–**	–
		11,870	(9,711)
Total comprehensive income attributable to:			
– Equity holders of the Company		**15,511**	(11,336)
– Minority interests		**–**	91
		15,511	(11,245)
Earnings/(loss) per share from continuing and discontinued operations	*12*		
– basic		**5.94 cents**	(4.86) cents
Loss per share from continuing operations	*12*		
– basic		**(0.08) cents**	(3.85) cents

Consolidated statement of financial position
As at 31 December 2009

	Notes	2009 HK$'000	2008 HK$'000
Non-current assets			
Property, plant and equipment		**273**	117
Deposit for acquisition of subsidiary		**–**	5,370
Total non-current assets		**273**	5,487
Current assets			
Trade and other receivables	*13*	**10,114**	11,491
Cash and cash equivalents		**1,018**	5,073
		11,132	16,564
Assets classified as held for sale		**–**	12,888
Total current assets		**11,132**	29,452
Current liabilities			
Trade and other payables	*15*	**3,429**	8,679
Amount due to a shareholder		**–**	97
Amount due to a former shareholder		**–**	450
Tax payable		**493**	147
		(3,922)	(9,373)
Liabilities directly associated with assets classified as held for sale		**–**	(27,074)
Total current liabilities		**(3,922)**	(36,447)
Net current assets/(liabilities)		**7,210**	(6,995)
Total assets less current liabilities		**7,483**	(1,508)
Non-current liabilities			
Loans from a shareholder		**(7,658)**	(12,210)
Loan from a former shareholder		**–**	(1,146)
Net liabilities		**(175)**	(14,864)
EQUITY			
Share capital		**2,000**	2,000
Reserves		**(2,175)**	(18,340)
Equity attributable to equity holders of the Company		**(175)**	(16,340)
Minority interests		**–**	1,476
Total equity		**(175)**	(14,864)

Consolidated statement of changes in equity

For the year ended 31 December 2009

	Share capital HK$'000	Share premium HK$'000	Capital reserve HK$'000	Capital surplus HK$'000	General reserve HK$'000	Exchange reserve HK$'000	Accumu-lated losses HK$'000	Sub-total HK$'000	Minority interests HK$'000	Total HK$'000
Balance at 1 January 2008	**2,000**	**30,224**	**–**	**15,090**	**2,927**	**(2,016)**	**(55,539)**	**(7,314)**	**1,385**	**(5,929)**
Total comprehensive income for the year	–	–	–	–	–	(1,625)	(9,711)	(11,336)	91	(11,245)
Capital contribution by a shareholder in the form of interest-free loans	–	–	2,310	–	–	–	–	2,310	–	2,310
Balance at 31 December 2008	**2,000**	**30,224**	**2,310**	**15,090**	**2,927**	**(3,641)**	**(65,250)**	**(16,340)**	**1,476**	**(14,864)**
Total comprehensive income for the year	–	–	–	–	–	3,641	11,870	15,511	–	15,511
Disposal of subsidiaries	–	–	–	–	–	–	–	–	(1,476)	(1,476)
Transfer of reserve upon disposal of subsidiaries	–	–	–	–	(2,927)	–	2,927	–	–	–
Capital contribution by a shareholder arising from changes in the terms of the interest-free loans	–	–	654	–	–	–	–	654	–	654
Balance at 31 December 2009	**2,000**	**30,224**	**2,964**	**15,090**	**–**	**–**	**(50,453)**	**(175)**	**–**	**(175)**

Notes:

1. ORGANISATION AND OPERATIONS

Aurum Pacific (China) Group Limited (the ''Company'') is an exempted company with limited liability incorporated in the Cayman Islands. Its shares are listed (currently suspended) on the Growth Enterprise Market (''GEM'') of The Stock Exchange of Hong Kong Limited (the ''Stock Exchange''). The address of its registered office is located at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands. Its head office and principal place of business is located at Room 3707, 37/F, West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong.

The Group, comprising the Company and its subsidiaries, engages in trading of computer equipment, computerised smart sockets and accessories and provision of custom-made solutions.

2. ADOPTION OF HONG KONG FINANCIAL REPORTING STANDARDS ("HKFRSs")

(a) The Group has adopted the following new/revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") that are effective for the current accounting period.

HKFRSs (Amendments)	Improvements to HKFRSs issued in 2008, except for the amendment to HKFRS 5 that is effective for annual periods beginning on or after 1 July 2009
HKFRSs (Amendments)	Improvements to HKFRSs issued in 2009 relation to the amendment to paragraph 80 of HKAS 39
HKAS 1 (Revised)	Presentation of Financial Statements
HKAS 23 (Revised)	Borrowing Costs
HKAS 32 and 1 (Amendments)	Puttable Financial Instruments and Obligations Arising on Liquidation
HKFRS 1 and HKAS 27 (Amendments)	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
HKFRS 2 (Amendment)	Vesting Conditions and Cancellations
HKFRS 7 (Amendment)	Improving Disclosures about Financial Instruments
HKFRS 8	Operating Segments
HK(IFRIC) – Int 9 and HKAS 39 (Amendments)	Embedded derivatives
HK(IFRIC) – Interpretation 13	Customer Loyalty Programmes
HK(IFRIC) – Interpretation 15	Agreements for the Construction of Real Estate
HK(IFRIC) – Interpretation 16	Hedges of a Net Investment in a Foreign Operation
HK(IFRIC) – Interpretation 18	Transfers of Assets from Customers

The adoption of the above new/revised HKFRSs had no material effect on the reported results or financial position of the Group for both the current and prior reporting periods, except for the following changes. Comparative figures have been restated or included in these financial statements in order to achieve a consistent presentation. The statements of financial position, previously known as balance sheets, at the beginning of the year of 2008 have not been presented as there were no changes to the originally published statements.

HKAS 1 (Revised), Presentation of Financial Statements – The revised standard affects certain disclosures of financial statements. Under the revised standard, the Income Statement, the Balance Sheet and the Cash Flow Statement are renamed as the "Statement of Comprehensive Income", the "Statement of Financial Position" and the "Statement of Cash Flows" respectively. All income and expenses arising from transaction with non-owners are presented under the "Statement of Comprehensive Income"; while the owners' changes in equity are presented in the "Statement of Changes in Equity".

HKFRS 8, Operating Segments – HKFRS 8 replaces HKAS 14 "Segment Reporting", and requires operating segments to be identified on the basis of internal reports of the Group that are regularly reviewed by the chief operating decision-maker in order to allocate resources to the segments and to assess their performance. As the business segments reported by the Group in accordance with the requirements of HKAS 14 are the same as the operating segments provided to the chief operating decision-maker as required by HKFRS 8, there are no changes to the operating segments and the relevant segment information on the adoption of HKFRS 8.

In addition, the Group has early adopted the amendments to HKFRS 5 under "Improvements to HKFRSs 2009" issued in May 2009. Accordingly, disclosure requirements in HKFRSs other than HKFRS 5 do not generally apply to non-current assets classified as held for sale and discontinued operations unless otherwise specified.

(b) Potential impact arising on HKFRSs not yet effective

The following new or revised HKFRSs, potentially relevant to the Group's operations, have been issued but are not yet effective and have not been early adopted by the Group.

HKFRSs (Amendments)	Amendment to HKFRS 5 as part of Improvements to HKFRSs[1]
HKFRSs (Amendments)	Improvements to HKFRSs 2009, except for amendments to HKFRS 5[2]
Amendments to HKFRS 2	Share-based Payment – Group Cash-settled Share-based Payment Transactions[3]
HKAS 27 (Revised)	Consolidated and Separate Financial Statements[1]
HKFRS 3 (Revised)	Business Combinations[1]
HK(IFRIC) – Interpretation 17	Distributions of Non-cash Assets to Owners[1]
HK(IFRIC) – Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments[4]
HKAS 24 (Revised)	Related Party Disclosures[5]
HKFRS 9	Financial Instruments[6]

[1] *Effective for annual periods beginning on or after 1 July 2009*
[2] *Effective for annual periods beginning on or after 1 July 2009 and 1 January, 2010, as appropriate.*
[3] *Effective for annual periods beginning on or after 1 January 2010*
[4] *Effective for annual periods beginning on or after 1 July 2010*
[5] *Effective for annual periods beginning on or after 1 January 2011*
[6] *Effective for annual periods beginning on or after 1 January 2013*

The adoption of HKFRS 3 (Revised) may affect the Group's accounting for business combinations for which the acquisition dates are on or after 1 January 2010. HKAS 27 (Revised) will affect the accounting treatment for changes in the Group's ownership interest in a subsidiary. Changes in the Group's ownership interest that do not result in loss of control of the subsidiary will be accounted for as equity transactions.

HKAS 17 (Amendment), Leases – The amendment to HKAS 17 made under "Improvements to HKFRSs 2009", mandatory for accounting periods beginning on or after 1 January 2010, removes the specific guidance which stated that land held under a lease should be classified as an operating lease unless title to the land is expected to pass at the end of the lease term. It provides new guidance which indicates that entity should use judgement to decide whether the lease transfers the significant risks and rewards of ownership of the land in accordance with the criteria set out in HKAS 17. The Group will reassess the classification of land elements of unexpired leases at the date it adopts the amendment on the basis of information existing at the inception of the lease and recognise a lease newly classified as a finance lease retrospectively if the criteria of a finance lease is met.

The Group is in the process of making an assessment of the potential impact of other new/revised HKFRSs and the directors so far concluded that the application of the other new/revised HKFRSs will have no material impact on the results and the financial position of the Group.

3. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

(a) Statement of compliance

The financial statements have been prepared in accordance with all applicable HKFRSs, Hong Kong Accounting Standards ("HKASs") and Interpretations (hereafter collectively referred to as the "HKFRSs") and the disclosure requirements of the Hong Kong Companies Ordinance. In addition, the financial statements include applicable disclosure required by the Rules Governing the Listing of Securities on the Growth Enterprise Market of the Stock Exchange of Hong Kong Limited (the ''GEM Listing Rules'').

(b) Basis of measurement and going concern assumption

The financial statements have been prepared under the historical cost basis.

(i) State of books and records maintained by certain subsidiaries

The financial statements have been prepared based on the books and records maintained by the Company and its subsidiaries. However, after the reconstitution of the Board during the years ended 31 December 2007 and 2008, the Group no longer had access to certain of books and records of SJTU Sunway Information Technology Co. Ltd., SUNV (Beijing) Century Information Technology Co., Ltd., Beijing Guoxin Sunway IT Co, Ltd., Shanghai Sunway Century IT Co., Ltd. and Fujian Multi Language Translation Service Co., Ltd., the subsidiaries of the Company and Beijing Advanced Information Storage Technology Co., Ltd., an associate of the Company (collectively the "PRC Group"). The Board tried to obtain assistance from the former directors to locate the relevant information. However, the Board lost contact with the responsible former directors and were therefore unable to have access to the relevant information. As set out in Note 10, in March 2009, the Group disposed of the PRC Group which formed part of the Disposal Group.

In view of the foregoing, the Board could not give representations as to the completeness of the books and records of the PRC Group up to the date of disposal.

(ii) Going concern assumption

During the current reporting period, the Group has recorded a profit of HK$11,870,000 (2008: loss of HK$9,711,000) and at the end of reporting period, it had net liabilities of HK$175,000. The reported profit for the year included a one-off gain of HK$12,021,000 on the disposal of the Disposal Group as set out in Note 10. If this gain is excluded, the Group suffered loss from continuing operations of HK$151,000 during the year (2008: HK$7,695,000). This situation indicates the existence of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern and therefore, the Group may not be able to realise its assets and discharge its liabilities in the normal course of business. The controlling shareholder has undertaken to provide continuing financial support, including not to recall the amount due to them until the Group is solvent, in order to maintain the Group as a going concern. In addition, the management is actively seeking potential investors to inject new businesses and new funds to the Group. Accordingly, the financial statements have been prepared on a going concern basis.

(c) Functional and presentational currency

The financial statements are presented in Hong Kong dollars, which is the same as the functional currency of the Company.

4. AUDITOR'S OPINION

The Auditor expressed disclaimer of opinion on the financial performance and cash flows of the Group for the year ended 31 December 2009 as follows:

Basis for disclaimer of opinion on the financial performance and cash flows

The Group disposed of its entire interest in the wholly owned subsidiary, Besto Investment Limited, and all the subsidiaries of the Besto Investment Limited (the "Disposal Group") on 9 March 2009. As explained in Note 3(b)(i) to the financial statements, due to the reconstitution of the Board during 2007 and 2008, the Group is not able to have access to certain books and records of the Disposal Group. In consequence the auditor was unable to carry out audit procedures necessary to obtain assurance regarding the net liabilities of the Disposal Group as at 9 March 2009 *(Note 14)* and the gain on disposal of subsidiaries of HK$12,021,000 *(Note 10)* included in the financial statements. There were no other satisfactory audit procedures that the auditor could adopt to obtain sufficient evidence regarding the net liabilities of the Disposal Group as at 9 March 2009 and the gain on disposal of subsidiaries of HK$12,021,000. Accordingly, the auditor have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial performance and cash flows of the Group.

Disclaimer of opinion on the financial performance and cash flows

Because of the significance of the above matter described in the basis for disclaimer of opinion paragraph on the financial performance and cash flows, the auditor has not been able to obtain sufficient appropriate audit evidence to provide a basis for audit opinion on the financial performance and cash flows of the Group. Accordingly, the auditor does not express an audit opinion on the financial performance and cash flows of the Group for the year ended 31 December 2009. In all other respects, in the auditor's opinion, the consolidated statements of comprehensive income and cash flows have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Unqualified opinion on the financial position

In the auditor's opinion, the consolidated statements of financial position give a true and fair view of the state of affairs of the Group as at 31 December 2009 in accordance with Hong Kong Financial Reporting Standards and have been properly prepared in accordance with the disclosure requirements of the Hong Kong Companies Ordinance.

Emphasis of matters

Without qualifying the opinion, the auditor draws attention to the following matters:

(i) As explained in Note 3(b)(ii) to the financial statements, the Group recorded a loss from continuing operations of HK$151, 000 for the year ended 31 December 2009 and had net liabilities of HK$175,000 as at that date. The financial statements have been prepared by the directors on a going concern basis, the validity of which depends on the continuing financial support of the controlling shareholder and the outcome of measures as detailed in Note 3(b)(ii) to the financial statements. The auditor considers that appropriate disclosures and estimates have been made in the financial statements.

(ii) Because the auditor's opinion dated 11 March 2009 on the state of affairs of the Group as at 31 December 2008 and of the loss and cash flows of the Group for the year then ended was disclaimed for scope limitations based on reasons summarised in the basis for disclaimer of opinion section therein, the comparative amounts shown in these financial statements may not be comparable with the amounts for the current year.

5. TURNOVER

Turnover represents the revenue from sales value of goods sold after allowances for goods returned and provision of custom-made solutions. The amount of each significant category of revenue recognised in turnover during the year is as follows:

	2009	2008
	HK$'000	*HK$'000*
Trading of computer equipment and accessories	**36,803**	16,437
Provision of custom-made solutions	**138**	2,145
	36,941	18,582

6. OTHER REVENUE

	2009	2008
	HK$'000	*HK$'000*
Waiver of loan from a former shareholder	**1,170**	–
Imputed interest income	**335**	–
Others	**272**	–
	1,777	–

7. SEGMENT REPORTING

The Group determines its operating segments based on the reports reviewed by the chief operating decision-maker that are used to make strategic decisions.

The Group has three reportable segments. The segments are managed separately as each business offers different products and services and requires different business strategies. The following summary describes the operations in each of the Group's reportable segments:

Continuing operations

- Computer equipment and accessories – trading of computer hardware and software, and computerised smart sockets and related accessories.

- Custom-made solutions – developing and implementing custom-made solutions which are specifically designed and developed for the specific needs and requirements of a particular customer.

Discontinued operations

- Information localisation services – providing translation and information localisation services.

(a) Business Segment

	Continuing operations				Discontinued operations			
	Computer equipment and accessories		Custom-made solutions		Information localisation services		Total	
	2009	2008	**2009**	2008	**2009**	2008	**2009**	2008
	HK$'000	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*	***HK$'000***	*HK$'000*
Revenue from external customers	**36,803**	16,437	**138**	2,145	**–**	–	**36,941**	18,582
Reportable segment profit/(loss)	**2,513**	1,794	**(235)**	(1,057)	**–**	(2,016)	**2,278**	(1,279)
Depreciation	**–**	–	**23**	–	**–**	–	**23**	–
Income tax expense	**(346)**	(147)	**–**	–	**–**	–	**(346)**	(147)
Reportable segment assets	**4,229**	9,233	**485**	189	**–**	12,888	**4,714**	22,310
Additions to non-current assets	**–**	–	**282**	–	**–**	–	**282**	–
Reportable segment liabilities	**(2,750)**	(7,359)	**(130)**	–	**–**	(27,074)	**(2,880)**	(34,433)

(b) Reconciliation of reportable segment revenue, profit or loss, assets and liabilities

	2009	2008
	HK$'000	*HK$'000*
Revenue		
Revenue from external customers	**36,941**	18,582
Profit/(loss) before income tax expense and discontinued operations		
Reportable segment profit from continuing operations	**2,278**	737
Segment loss from discontinued operations	**–**	(2,016)
Unallocated corporate expenses	**(2,083)**	(6,269)
Consolidated profit/(loss) before income tax expense from continuing operations	**195**	(7,548)
Assets		
Reportable segment assets from continuing operations	**4,714**	9,422
Segment assets of discontinued operations	**–**	12,888
Unallocated corporate assets	**6,691**	12,629
Consolidated total assets	**11,405**	34,939
Liabilities		
Reportable segment liabilities from continuing operations	**(2,880)**	(7,359)
Segment liabilities of discontinued operations	**–**	(27,074)
Unallocated corporate liabilities	**(8,700)**	(15,370)
Consolidated total liabilities	**(11,580)**	(49,803)

(c) Geographical information and major customers

The Group's revenue from external customers is derived solely from its operations in Hong Kong, where all its non-current assets are located.

During the year, revenue from the Group's largest customer amounted to HK$36,104,000 (2008: HK$15,548,000), being 98% (2008: 84%) of the Group's total revenue from the computer equipment and accessories segment.

For the custom-made solutions segment, all the revenue of HK$138,000 is from a single customer for the year of 2009 (2008: HK$1,375,000, being 64% of the Group's total revenue in this segment).

8. PROFIT/(LOSS) BEFORE INCOME TAX EXPENSE FROM CONTINUING OPERATIONS

Profit/(loss) before income tax expense from continuing operations is arrived at after charging:

(a) Finance costs:

	2009	2008
	HK$'000	*HK$'000*
Interest expense on financial liabilities not at fair value through profit or loss		
– Interest on other loan wholly repayable within five years	**–**	144
– Imputed interest on interest-free loans from a shareholder	**682**	210
– Imputed interest on interest-free loan from a former shareholder	**17**	12
	699	366

(b) Staff costs (including directors' emoluments):

	2009	2008
	HK$'000	*HK$'000*
Salaries, wages and allowances	**3,347**	3,577
Contributions to pension schemes	**84**	94
	3,431	3,671

(c) Other items

	2009	2008
	HK$'000	*HK$'000*
Auditor's remuneration	**420**	480
Depreciation of property, plant and equipment	**40**	97
Fair value adjustment on deposit for acquisition of subsidiary	**–**	630
Impairment loss on other receivables	**30**	–
Written off of property, plant and equipment	**86**	178
Office rental	**693**	1,068

9. INCOME TAX EXPENSE

Taxation in the consolidated statement of comprehensive income represents provision for Hong Kong profits tax calculated at 16.5% on the estimated assessable profits for the years ended 31 December 2009 and 2008.

For the years ended 31 December 2009 and 2008, no provision for PRC income tax has been made as the Group had no assessable profit subject to the income tax rules and regulations in the PRC.

The amount of taxation in the consolidated statement of comprehensive income represents:

	2009	2008
	HK$'000	*HK$'000*
Current tax – Hong Kong		
Provision for the year	**415**	147
Over provision in respect of prior years	**(69)**	–
	346	147

The income tax expense for the year can be reconciled to the profit/(loss) per the consolidated statement of comprehensive income from continuing operations as follows:

	2009	2008
	HK$'000	*HK$'000*
Profit/(loss) before income tax expense from continuing operations	**195**	(7,548)
Taxation calculated at Hong Kong profits tax rate of 16.5% (2008: 16.5%)	**32**	(1,245)
Tax effect of expenses not deductible for taxation purposes	**148**	329
Tax effect of revenue not taxable for tax purposes	**(179)**	–
Tax effect on unused tax losses not recognised	**413**	1,063
Others	**(68)**	–
	346	147

10. PROFIT/(LOSS) FOR THE YEAR FROM DISCONTINUED OPERATIONS

On 2 March 2009, the Company entered into a sale agreement to dispose of its entire equity interest of Besto Investment Limited, a wholly owned subsidiary and its subsidiaries (collectively the ''Disposal Group''). The Disposal Group engaged in the business of providing information localisation services and had been dormant for more than two years. The disposal was completed on 9 March 2009, the date on which the control of Besto Investment Limited passed to the acquirer.

The loss for the year from discontinued operations and cash flows were as follows:

	From 1 January 2009 to the date of disposal	From 1 January 2008 to 31 December 2008
	HK$'000	*HK$'000*
Turnover	**–**	–
Cost of sales	**–**	–
Administrative expenses	**–**	(12)
Finance costs	**–**	(2,004)
	–	(2,016)
Add: Gain on disposal of the Disposal Group	**12,021**	–
	12,021	(2,016)
Cash outflows from:		
Operating activities	**–**	(6)
Investing activities	**–**	–
Financing activities	**–**	–
	–	(6)

The carrying amounts of the assets and liabilities of the Disposal Group at the date of disposal are disclosed in Note 14.

A gain of HK$12,021,000 (2008: nil) arose on the disposal, being the proceeds of disposal less the carrying amount of the Disposal Group's net liabilities. No tax charge or credit arose from the disposal.

11. DIVIDENDS

No dividend has been paid or declared by the Company for the year ended 31 December 2009 (2008: nil).

12. EARNINGS/(LOSS) PER SHARE

(a) Basic earnings/(loss) per share

(i) From continuing and discontinued operations

The calculation is based on the profit attributable to equity holders of the Company of HK$11,870,000 (2008: loss of HK$9,711,000) and the number of ordinary shares of 200,000,000 (2008: 200,000,000) in issue during the year.

(ii) From continuing operations

The calculation is based on loss for the year from continuing operations of HK$151,000 (2008: HK$7,695,000) and the number of ordinary shares of 200,000,000 (2008: 200,000,000) in issue during the year.

(b) Diluted loss per share

Diluted loss per share is not presented as there were no dilutive potential ordinary shares in issue during the years ended 31 December 2009 and 2008.

13. TRADE AND OTHER RECEIVABLES

	2009	2008
	HK$'000	*HK$'000*
Trade debtors	**4,223**	8,126
Other debtors, deposits and prepayments	**5,891**	3,365
	10,114	11,491

The average credit period to the Group's trade debtors is 60 days. The ageing analysis of the trade receivables is as follows:

	2009	2008
	HK$'000	*HK$'000*
Within 30 days	**4,223**	2,356
31 to 60 days	**–**	3,772
61 to 90 days	**–**	1,998
	4,223	8,126

14. DISPOSAL OF SUBSIDIARIES

As referred to in Note 10, on 9 March 2009, the Group disposed of its subsidiary, Besto Investment Limited and its subsidiaries, which was engaged in provision of information localisation services. The net liabilities of the Disposal Group at the date of disposal and at 31 December 2008 were as follows:

	At the date of disposal	2008
	HK$'000	*HK$'000*
Cash and cash equivalents	178	178
Deposit for acquisition of subsidiaries	12,710	12,710
Trade and other payables	(10,587)	(10,587)
Bank loan, unsecured	(15,960)	(15,960)
Other loan payables	(527)	(527)
	(14,186)	(14,186)
Release of exchange reserve	3,641	
Loss attributable to minority interests	(1,476)	
Gain on disposal	12,021	
Consideration	–	
Net cash outflow arising on disposal:		
Cash consideration	–	
Cash and bank balances disposed of	(178)	
	(178)	

15. TRADE AND OTHER PAYABLES

	2009	2008
	HK$'000	*HK$'000*
Trade creditors	**2,370**	7,359
Other creditors and accrued charges	**1,059**	1,320
	3,429	8,679

Trade and other payables are expected to be settled within one year. The ageing analysis of trade creditors as of the end of reporting period is as follows:

	2009	2008
	HK$'000	*HK$'000*
Within 30 days	**2,258**	1,978
31 to 60 days	**–**	3,169
61 to 90 days	**112**	2,212
	2,370	7,359

MANAGEMENT DISCUSSION AND ANALYSIS

Changes of Directorships

The changes of Directors during the financial year and up to the date of this announcement are:

Executive Directors

Mr. Cheung Yu Ping *(Chairman and Chief Executive Officer)*	
Mr. Lee Ah Sang	
Mr. Chan Chi Chiu Henry *(Vice Chairman)*	(resigned on 17 March 2010)

Independent Non-executive Directors

Mr. Chan Wai Fat	
Mr. Chi Chi Hung, Kenneth	(appointed on 8 March 2010)
Mr. Chui Kwong Kau	(appointed on 17 March 2010)
Mr. Law Kin Ho	(resigned on 8 March 2010)
Mr. Jin Guangjun	(resigned on 17 March 2010)

BUSINESS REVIEW

During the year under review, the Group is principally engaged in trading of computer equipment and related computerized accessories, and provision of custom-made solutions. For the year ended 31 December 2009, the trading of computer equipment, computerized related accessories had contributed to the Group a turnover and gross profit of approximately HK$36,803,000 and HK$6,515,000 respectively, which has become an important business segment of the Group with stable and strong cash flow. During the year of 2009, the Group has resumed its business in custom-made solutions, which is currently engaged in provision of software on intranet security. The Group has been continuously expanding in the range of products and different market segments so as to provide high quality products and services to our customers. It is expected that the Group will continue to grow its business both in the provision of custom-made solutions and the trading of computer equipment and related computerized accessories steadily.

The Group disposed of its entire interest in the wholly owned subsidiary, Besto Investment Limited together with its subsidiaries in March 2009 and realised a gain on disposal of approximately HK$12,021,000. The subsidiaries disposed of were engaged in the information localisation business and had been dormant for more than two years. As a result of this disposal, the Group has had the distressed business disposed of, and has made a clean break against any potential liabilities arising from the bank loans therein. The performance of the Group, financially as well as operationally, has been improved significantly.

At the same time, the Group has undertaken a strategic review on its operations in order to improve the current business profile, and is committed to seeking all possibilities to provide additional and sufficient cash flow for the Group. As a result of the Group's initiatives, trading of the Company's shares could be resumed hopefully in the near future.

FINANCIAL REVIEW

Overall Review

For the year under review, the Group recorded a turnover of approximately HK$36,941,000, representing an increase of approximately 98.8% as compared with approximately HK$18,582,000 for the year ended 31 December 2008. The gross profit of the Group for the year ended 31 December 2009 was approximately HK$6,534,000, representing an increase of 60.4% as compared with approximately HK$4,073,000 for the year ended 31 December 2008. The large increment in turnover and gross profit were mainly contributed by the trading of computerised smart sockets.

As a result of the increment in turnover and decrease in administrative expenses, loss from continuing operations for the year ended 31 December 2009 was approximately HK$151,000, representing a decrease of 98% as compared with approximately HK$7,695,000 for the year ended 31 December 2008. Profit attributable to equity shareholders of the Company for the year ended 31 December 2009 was approximately HK$11,870,000, whereas a loss of approximately HK$9,711,000 was recorded for the year ended 31 December 2008. Profit for the current year was mainly contributed by the gain on disposal of subsidiaries of approximately HK$12,021,000.

Financial Resource and Liquidity

As at 31 December 2009, the Group had bank balances and cash of approximately HK$1,018,000 (2008: HK$5,073,000), and loans from the controlling shareholder with a carrying value of HK$7,658,000, which are unsecured, interest free and not repayable before 31 August 2013. As at 31 December 2008, the Group had loans from the controlling shareholder and a former shareholder with carrying values of HK$12,210,000 and HK$1,146,000 respectively. The loan from a former shareholder was entirely waived by the former shareholder on 31 March 2009. Furthermore, the existing controlling shareholder has undertaken to provide continuing financial support to the Group whenever it is necessary.

Gearing Ratio

As at 31 December 2009, total assets of the Group were approximately HK$11,405,000, (2008: HK$34,939,000) whereas the total liabilities were approximately HK$11,580,000 (2008: HK$49,803,000). The gearing ratio of the Group, calculated as total liabilities over total assets, has been substantially reduced to 101.5% (2008: 142.5%) and the current ratio, calculated as current assets over current liabilities, has been greatly improved from 0.8 (31 December 2008) to 2.8. The Directors will continue to take measures to further improve the liquidity and gearing position of the Group.

Foreign Exchange Exposure

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

Material Acquisition, Disposal and Significant Investment of the Group

During the year ended 31 December 2009, the Group disposed of its entire interest in the information localisation business which had been dormant for more than two years. Further details are set out in the circular dated 25 March 2009. Save as disclosed above, the Group did not have any material acquisition, disposal and significant investment.

Pledge of Assets and Contingent Liabilities

As at 31 December 2009, the Group did not have any substantial pledge of assets and contingent liabilities.

EMPLOYEE INFORMATION AND REMUNERATION POLICY

As at 31 December 2009, the Group employed 10 staff (2008: 8). The staff costs (including directors' remuneration) was approximately HK$3,431,000 for the year under review (2008: HK$3,671,000). Remuneration is determined by reference to market terms and the performance, qualification and experience of individual employee.

The Group provides benefits in accordance with the relevant laws and regulations including the Mandatory Provident Fund Scheme of Hong Kong.

DIRECTORS' AND CHIEF EXECUTIVE'S INTEREST AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

As at 31 December 2009, the interests and short positions of the Directors and the chief executive of the Company in the shares, underlying shares or debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (the "SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, were as follows:

(i) Long positions in the shares of the Company

Name of Directors	Nature of Interest	Number of Shares	Approximate percentage of shareholding
Cheung Yu Ping	Interest of a controlled corporation *(Note 1)*	142,651,965	71.33%

(ii) Long positions in the shares of associated corporation

Name of Directors	Name of associated Corporation	Nature of Interest	Number of Shares	Approximate percentage of shareholding
Cheung Yu Ping	Hong Sheng Group Limited	Interest of a controlled corporation *(Note 1)*	510	51%

Note:

1. The interest in the Shares of Cheung Yu Ping was held through Hong Sheng Group Limited, the entire issued share capital of which was beneficially and ultimately owned as to 51% by Cheung Yu Ping and as to 49% by Cai Dongmei.

SUBSTANTIAL SHAREHOLDERS AND OTHER PERSONS WHO ARE REQUIRED TO DISCLOSE THEIR INTEREST

Substantial Shareholders

To the best knowledge of the Directors, as at 31 December 2009, the following persons, other than the Directors or chief executive of the Company, had an interest or short position in the Shares or underlying Shares which would fall to be disclosed to the Company and the Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO or who were expected to be directly or indirectly interested in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of the Group:

Name	Capacity	Number of Shares *(Note 1)*	Approximate percentage of shareholding
Hong Sheng Group Limited	Beneficial owner *(Note 2)*	142,651,965 (L)	71.33%
Cai Dongmei	Interest of a controlled corporation *(Note 2)*	142,651,965 (L)	71.33%
Simplex Technology Investment (Hong Kong) Co. Limited (''Simplex'')	Beneficial owner *(Note 3)*	16,896,363 (L)	8.45%
Shanghai Jiaoda Industrial Investment Management (Group) Limited (''Jiaoda Industrial Group'')	Interest of a controlled corporation *(Note 3)*	16,896,363 (L)	8.45%
Shanghai Jiao Tong University	Interest of a controlled corporation *(Note 3)*	16,896,363 (L)	8.45%

Notes:

1. The letter ''L'' denotes the entity's interests in the Shares.

2. The interest in the Shares of Cai Dongmei was held through Hong Sheng Group Limited, the entire issued share capital of which was beneficially and ultimately owned as to 51% by Cheung Yu Ping and as to 49% by Cai Dongmei.

3. The interest in the Shares are held through Simplex, the entire issued share capital of which was beneficially owned by Jiaoda Industrial Group. The registered capital of Jiaoda Industrial Group was owned as to 96.735% by Shanghai Jiao Tong University and 3.265% by Shanghai Jiaoda Enterprise Management Centre (上海交大企業管理中心), an entity wholly owned by Shanghai Jiao Tong University.

Save as disclosed above, the Company has not been notified of other interests or short positions of any other person (other than the Directors and chief executives and the substantial shareholders of the Company) in the Shares or underlying Shares of the Company as recorded in the register required to be kept under section 336 of the SFO as at 31 December 2009.

SHARE OPTION SCHEME

The Company operates a share option scheme (the ''Scheme'') which was adopted on 25 November 2003 whereby the Directors of the Company may at their discretion invite any employees, directors, suppliers, customers, advisers, consultants, joint venture partners, and any shareholders of any members of the Group or any invested entities or any holders of any securities issued by any member of the Group or any invested entities, to take up options to subscribe for Shares. The Scheme became effective upon the listing of the Company's shares on the GEM of the Stock Exchange on 9 January 2004.

Pursuant to the Scheme, the Company had granted options at the exercise price of HK$0.45 per share and HK$0.14 per share on 17 January 2005 and 10 October 2005 respectively, all the options granted have lapsed in the past years. As at 31 December 2009, the Company had no outstanding options.

DIRECTORS' INTERESTS IN CONTRACTS

During the year under review, the Group paid the office rental under a tenancy agreement in the amount of HK$582,000 (2008: HK$407,000) to a related party, Genesis Energy (Hong Kong) Limited. Save as disclosed, no contract of significance to which the Company, any of its subsidiaries or fellow subsidiaries was a party, in which a Director of the Company had a material interest, whether directly or indirectly, subsisted at the end of the year or at any time during the year under review.

PRE-EMPTIVE RIGHTS

There is no provision for pre-emptive rights under the Company's articles of association, or law of the Cayman Islands, which would oblige the Company to offer new shares on a pro-rata basis to existing shareholders.

COMPETING INTERESTS

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

CODE ON CORPORATE GOVERNANCE PRACTICES

Save as disclosed below, the Company has applied the principles and complied with the code provisions, and where applicable, the recommended best practices of the Code on Corporate Governance Practices as set out in Appendix 15 of the GEM Listing Rules (the ''Code'') throughout the year ended 31 December 2009.

Mr. Cheung Yu Ping is the Chairman and the Chief Executive Officer of the Company. Pursuant to A.2.1 of the Code, The roles of chairman and chief executive officer should be separate and should not be performed by the same individual. The Board considers that vesting the roles of both chairman and chief executive officer in the same person will not impair the balance of power and authority between the Board and the management of the Company. The Board also believes that the current structure provides the Company with strong and consistent leadership and allows for effective and efficient planning and implementation of business decisions and strategies. It is in the best interest of the Group to maintain the current practice for continuous efficient operations and development of the Group.

AUDIT COMMITTEE

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

The audit committee has reviewed the accounting principles and practices adopted by the Company and discussed with the Board the internal controls and financial reporting matters, including a review of the annual report for the year ended 31 December 2009.

INDEPENDENCE OF INDEPENDENT NON-EXECUTIVE DIRECTORS

The Company has received from each of its independent non-executive Directors a written confirmation of his independence pursuant to Rule 5.09 of the GEM Listing Rules. Based on such confirmation, the Board considers all off of the independent non-executive Directors are independent.

CODE OF CONDUCT REGARDING SECURITIES TRANSACTIONS BY DIRECTORS

During the year ended 31 December 2009, the Company had adopted a code of conduct regarding securities transactions by directors on terms no less exacting than the required standard of dealings set out in Rules 5.48 to 5.67 of the GEM Listing Rules. The Company also had made specific enquiry of all directors and the Company was not aware of any non-compliance with the required standard of dealings and its code of conduct regarding securities transactions by directors.

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

Neither the Company, nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2009.

SUFFICIENCY OF PUBLIC FLOAT

As at the date of this announcement, the Company has complied with the public float requirement under Rule 11.23 of the GEM Listing Rules.

On behalf of the Board
Aurum Pacific (China) Group Limited
Cheung Yu Ping
Chairman

Hong Kong, 22 March 2010

As at the date of this announcement, the Board comprises two executive directors, who are Mr. Cheung Yu Ping and Mr. Lee Ah Sang, and three independent non-executive directors, who are Mr. Chi Chi Hung, Kenneth, Mr. Chan Wai Fat and Mr. Chui Kwong Kau.

This announcement will remain on the page of ''Latest Company Announcements'' on the GEM website for at least 7 days from the date of its posting and the website of the Company at www.aurumpacific.com.hk.