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Goldpac Group Limited
金邦達寶嘉控股有限公司
(Incorporated in Hong Kong with limited liability)
(Stock Code: 3315)

**ANNOUNCEMENT OF ANNUAL RESULTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

HIGHLIGHTS

- Impacted by both the COVID-19 pandemic and competition in the industry, for the year ended 31 December 2020, the Group recorded revenue of approximately RMB1.28 billion, representing a year-on-year decrease of approximately 9.4%, which has been narrowed by approximately 6 percentage points compared with the decrease of the revenue for the six months ended 30 June 2020, representing a steady recovery in revenue.
- For the year ended 31 December 2020, the Group recorded gross profit of approximately RMB383.8 million, representing a year-on-year decrease of approximately 3.7%. Nevertheless, benefiting from the effective measures and delicacy management, the gross margin increased by approximately 1.7 percentage points to approximately 29.9%. The Group recorded net profit of approximately RMB145.3 million, representing a year-on-year decrease of approximately 17.7%. Should the book loss caused by exchange loss be eliminated, net profit shall increase approximately 5.6% year-on-year.
- As the pandemic has accelerated the global trend for development in intelligent and digital technologies, the platform and service segment continued its rapid growth, recording revenue of approximately RMB534.1 million, representing a year-on-year increase of approximately 22.6%. This segment accounted for approximately 41.7% of the Group's total revenue (approximately 30.8% in 2019). Digital equipment recorded a rapid growth.
- Affected by the weak market demand caused by the pandemic, revenue from the embedded software and secure payment products segment decreased approximately 23.7% year-on-year to approximately RMB747.8 million.
- The Board proposed to declare a final dividend of HK10.0 cents (equivalent to approximately RMB8.4 cents) per ordinary share (HK10.0 cents in 2019) and a special dividend of HK4.0 cents (equivalent to approximately RMB3.4 cents) per ordinary share (HK6.0 cents in 2019) for the year ended 31 December 2020.

The board (the “**Board**”) of directors (the “**Directors**”) of Goldpac Group Limited (the “**Company**”) is pleased to announce the audited financial results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2020 as below.

**CONSOLIDATED STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME**

For the year ended 31 December 2020

		2020	2019
	<i>Notes</i>	<i>RMB’000</i>	<i>RMB’000</i>
Revenue	3	1,281,903	1,415,665
Cost of sales	6	<u>(898,066)</u>	<u>(1,017,129)</u>
Gross profit		383,837	398,536
Other income	4	52,949	50,904
Other (losses)/gains, net	5	(33,821)	10,011
Research and development costs	6	(109,840)	(113,474)
Selling and distribution expenses	6	(91,938)	(98,798)
Administrative expenses	6	(34,939)	(39,556)
Reversal of/(provision for) impairment loss on trade receivables		2,154	(1,581)
Impairment loss on amount due from an associate		(111)	(1,740)
Reversal of impairment loss on interest in an associate	10	1,500	3,464
Finance costs		<u>(549)</u>	<u>(884)</u>
Profit before income tax		169,242	206,882
Income tax expense	7	<u>(23,982)</u>	<u>(30,459)</u>
Profit for the year		145,260	176,423
Other comprehensive expense for the year			
<i>Item that may be subsequently reclassified to profit or loss:</i>			
— exchange differences arising on translation of foreign operations		<u>(3,206)</u>	<u>(3,017)</u>
Total comprehensive income/(loss) for the year		<u>142,054</u>	<u>173,406</u>

		2020	2019
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
Profit/(loss) for the year attributable to:			
Owners of the Company		145,665	177,125
Non-controlling interests		(405)	(702)
		<u>145,260</u>	<u>176,423</u>
Total comprehensive income/(loss) attributable to:			
Owners of the Company		142,459	174,108
Non-controlling interests		(405)	(702)
		<u>142,054</u>	<u>173,406</u>
Earnings per share	8		
— Basic (<i>RMB cents</i>)		17.6	21.4
— Diluted (<i>RMB cents</i>)		<u>17.6</u>	<u>21.4</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 December 2020

	Notes	2020 RMB'000	2019 RMB'000
ASSETS			
Non-current assets			
Property, plant and equipment		365,212	325,724
Right-of-use assets		41,920	43,211
Investment property		54,582	60,313
Goodwill		1,375	1,375
Intangible assets		2,096	4,386
Interests in associates	10	4,964	3,464
Deferred tax assets		9,400	8,192
Pledged bank deposits		76,984	156,000
Fixed bank deposits		—	109,779
Total non-current assets		556,533	712,444
Current assets			
Inventories	11	190,375	184,676
Trade receivables	12	271,046	328,337
Contract assets	14	13,512	12,712
Other receivables and prepayments		21,392	45,702
Amount due from an associate		—	—
Financial assets at fair value through profit or loss (“FVTPL”)	13	256,733	180,084
Pledged bank deposits		166,971	—
Fixed bank deposits		724,123	804,277
Cash and cash equivalents		376,578	366,996
Total current assets		2,020,730	1,922,784
Total assets		2,577,263	2,635,228
EQUITY			
Share capital	17	1,192,362	1,192,362
Reserves		803,747	810,210
Equity attributable to owners of the Company		1,996,109	2,002,572
Non-controlling interests		1,427	1,832
Total equity		1,997,536	2,004,404

		2020	2019
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
LIABILITIES			
Non-current liabilities			
Lease liabilities		11,360	9,463
Deferred tax liabilities		21,759	23,825
Total non-current liabilities		33,119	33,288
Current liabilities			
Trade and bills payables	15	365,428	399,346
Contract liabilities	16	50,864	42,468
Other payables		96,940	111,972
Lease liabilities		5,150	8,108
Government grants		1,858	1,858
Income tax payable		26,368	33,784
Total current liabilities		546,608	597,536
Total liabilities		579,727	630,824
Total equity and liabilities		2,577,263	2,635,228

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2020

1. GENERAL INFORMATION

The Company is an investment holding company and the principal activities of its subsidiaries (together, the “**Group**”) are to engage in embedded software and secure payment products for smart secure payment and provision of data processing services, digital equipment, system platform, Artificial Intelligence (A.I.) self-service kiosks and other total solutions for customers in a wide business range including financial, government, healthcare, transportation and retails by leveraging innovative financial technology (“**Fintech**”).

The Company is a public limited company incorporated in Hong Kong and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of the registered office is Room 1301, 13th Floor, Bank of East Asia, Harbour View Center, No. 56 Gloucester Road, Wanchai, Hong Kong.

Its parent and ultimate holding company is Goldpac International (Holding) Limited (“**GIHL**”) (a limited liability company incorporated in Hong Kong). Its ultimate controlling party is Mr. Lu Run Ting, who is also the Chairman and Executive Director of the Company.

The Group’s consolidated financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with HKFRSs issued by the HKICPA and requirements of the Hong Kong Companies Ordinance (Cap. 622) (“**Companies Ordinance**”). In addition, the consolidated financial statements include applicable disclosures required by the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and requirements of the Companies Ordinance.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies.

2.2 New and amended standards adopted by the Group

The Group has applied the following new and amendments to HKFRSs issued by the HKICPA for the first time for accounting periods beginning on 1 January 2020:

- Covid-19 Related Rent Concessions — amendments to HKFRS 16
- Definition of a Business — amendments to HKFRS 3
- Definition of Material — amendments to HKAS 1 and HKAS 8
- Hedge Accounting — amendments to HKAS 39, HKFRS 7 and HKFRS 9
- Revised Conceptual Framework for Financial Reporting — Conceptual Framework for Financial Reporting 2018

The application of the new and amendments to HKFRSs in the current year has had no material impact on the Group's financial position and performance for the current and prior years and on the disclosures set out in these consolidated financial statements.

2.3 New standards and interpretations that have been issued but are not yet effective for the financial year beginning on or after 1 January 2021 and have not been early adopted by the Group

		Effective for accounting periods beginning on or after
Interest Rate Benchmark Reform — Phase 2	Amendments to HKAS 39, HKFRS 4, HKFRS 7, HKFRS 9 and HKFRS 16	1 January 2021
Merger Accounting for Common Control Combinations	Amendments to AG 5 (revised)	1 January 2022
Property, Plant and Equipment — Proceeds before Intended Use	Amendments to HKAS 16	1 January 2022
Onerous contracts — Costs of Fulfilling a Contract	Amendments to HKAS 37	1 January 2022
Annual improvements to HKFRS 2018 to 2020	Amendments to HKFRSs	1 January 2022
Reference to the Conceptual Framework	Amendments to HKFRS 3	1 January 2022
Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	HK Int 5 (2020)	1 January 2023
Classification of Liabilities as Current or Non-current	Amendments to HKAS 1	1 January 2023
Insurance Contracts	Amendments to HKFRS 17	1 January 2023
Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Amendments to HKAS 28 and HKFRS 10	To be determined

These standards are not expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

3. REVENUE AND SEGMENT INFORMATION

(a) Description of segments and principal activities

Segment information has been identified on the basis of internal management reports which are reviewed by the Chairman of the Company, being the chief operating decision maker, in order to allocate resources to the operating and reportable segments and to assess their performance.

The Group's operating and reportable segments under HKFRS 8 are as follows:

Embedded software and secure payment products	—	Manufacture and sale of embedded software and secure payment products for smart secure payment
Platform and service	—	Provision of data processing, digital equipment, system platforms and other total solutions for customers in a wide business range including financial, government, healthcare, transportation and retails by leveraging innovative Fintech

Each operating and reportable segment derives its revenue from the sales of products and provision of data processing services. They are managed separately because each product requires different production and marketing strategies.

Segment results represent the gross profits earned by each segment.

The following is an analysis of the Group's revenue and results by reportable segment:

	Revenue		Results	
	2020	2019	2020	2019
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Sales to external parties of				
— embedded software and secure payment products	747,781	980,012	181,930	234,044
— platform and service	534,122	435,653	201,907	164,492
	<u>1,281,903</u>	<u>1,415,665</u>	<u>383,837</u>	<u>398,536</u>
Other income			52,949	50,904
Other (losses)/gains, net			(33,821)	10,011
Research and development costs			(109,840)	(113,474)
Selling and distribution costs			(91,938)	(98,798)
Administrative expenses			(34,939)	(39,556)
Reversal of/(allowance for) impairment loss on trade receivables			2,154	(1,581)
Impairment loss on amount due from an associate			(111)	(1,740)
Reversal of impairment loss on interests in an associate			1,500	3,464
Finance costs			(549)	(884)
Profit before income tax			<u>169,242</u>	<u>206,882</u>

The management of the Company makes decisions according to the gross profit of each segment. No information of segment assets and liabilities is available for the assessment of performance of different business activities. Therefore, no information about segment assets and liabilities is presented.

(b) Revenue

The segment information for the year ended 31 December 2020 and 2019 by business segment are as follows:

	For the year ended 31 December 2020		
	Embedded software and secure payment products <i>RMB'000</i>	Platform and service <i>RMB'000</i>	Total <i>RMB'000</i>
Types of goods or services			
Embedded software and secure payment products	747,781	—	747,781
Data processing	—	225,640	225,640
Digital equipment	—	308,482	308,482
Total	<u>747,781</u>	<u>534,122</u>	<u>1,281,903</u>

Revenue from sale of embedded software and secure payment products and sale of digital equipment are recognised at a point in time, and revenue from data processing services are recognised over time.

	For the year ended 31 December 2020		
	Embedded software and secure payment products <i>RMB'000</i>	Platform and service <i>RMB'000</i>	Total <i>RMB'000</i>
Geographical markets			
Overseas and the special administrative regions of Hong Kong (“ Hong Kong ”) and Macao (“ Macao ”)	70,124	20,232	90,356
Mainland China	677,657	513,890	1,191,547
Total	<u>747,781</u>	<u>534,122</u>	<u>1,281,903</u>

	For the year ended 31 December 2019		
	Embedded software and secure payment products <i>RMB'000</i>	Platform and service <i>RMB'000</i>	Total <i>RMB'000</i>
Types of goods or services			
Embedded software and secure payment products	980,012	—	980,012
Data processing	—	259,078	259,078
Digital equipment	—	176,575	176,575
Total	<u>980,012</u>	<u>435,653</u>	<u>1,415,665</u>
Geographical markets			
Overseas and Hong Kong and Macao	82,688	16,980	99,668
Mainland China	897,324	418,673	1,315,997
Total	<u>980,012</u>	<u>435,653</u>	<u>1,415,665</u>

(c) Other information

Information about the Group's non-current assets except for financial instruments and deferred tax assets by location of assets is presented as below:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Hong Kong	150,666	163,322
Mainland China	319,483	275,151
	<u>470,149</u>	<u>438,473</u>

Information about major customer

For the year ended 31 December 2020, there was no customer with revenue in aggregate (2019: one customer with revenue of RMB147,348,000 in aggregate) from the segments of both embedded software and secure payment products and platform and service which accounted for more than 10% of the Group's total revenue.

4. OTHER INCOME

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Government grants	8,112	5,504
Interest income from bank deposits	28,260	30,450
Value-added tax refund	14,846	13,538
Rental income from investment property	1,532	1,172
Others	199	240
	<u>52,949</u>	<u>50,904</u>

5. OTHER (LOSSES)/GAINS, NET

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Net exchange (losses)/gains	(37,083)	3,783
Investment income from financial assets at FVTPL	2,639	7,508
Unrealised gain from financial assets at FVTPL	733	84
Loss on disposal of property, plant and equipment	(110)	(1,364)
	<u>(33,821)</u>	<u>10,011</u>

6. EXPENSES BY NATURE

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Cost of inventories sold	755,199	799,887
Provision for inventories	5,585	2,843
Employee benefits expenses	197,957	233,757
Depreciation of property, plant and equipment	35,168	39,637
Depreciation of right-of-use assets	9,286	9,322
Depreciation of investment property	2,153	2,194
Amortisation of intangible assets	2,290	2,290
Reversal of warranty provision	(1,713)	—
Legal and professional fees	2,495	2,970
Auditor's remuneration		
— audit services	1,216	1,635
— non-audit services	391	356
Business entertainment expenses	5,086	5,115
Freight and duties	12,077	12,337
Professional service fee	17,574	9,928
Testing fee	10,583	12,115
Travelling and transportation expenses	14,929	17,758
Other expenses	64,507	116,813
Total cost of sales, research and development costs, selling and distribution expenses and administrative expenses	<u><u>1,134,783</u></u>	<u><u>1,268,957</u></u>

7. INCOME TAX EXPENSE

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Current income tax		
Mainland China corporate income tax	13,452	18,713
Hong Kong Profits Tax	4,392	4,114
Mainland China withholding tax	9,412	9,290
	<u>27,256</u>	<u>32,117</u>
Deferred income tax	(3,274)	(1,658)
Income tax expense	<u>23,982</u>	<u>30,459</u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HKD2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HKD2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, starting from the year ended 31 December 2019, the Hong Kong Profits Tax is calculated at 8.25% on the first HKD2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HKD2,000,000 for Goldpac Datacard Solutions Company Limited.

The Mainland China corporate income tax is calculated at the applicable rates in accordance with the relevant laws and regulations in the Mainland China.

The Company’s subsidiaries in the Mainland China are subject to Mainland China corporate income tax at 25%, except that Goldpac Limited which is approved for 3 years as an enterprise satisfied as a High-New Technology Enterprise and is entitled to the preferential tax rate of 15% in 2017, 2018 and 2019. Goldpac Limited has obtained the renewal in 2020 and continued to be entitled to the preferential tax rate of 15% in 2020, 2021 and 2022.

According to a joint circular of Ministry of Finance and the State Administration of Taxation, Cai Shui (2008) No. 1, only the profits earned prior to 1 January 2008, when distributed to foreign investors, can be grandfathered with the exemption from withholding tax. Whereas, pursuant to Articles 3 and 27 of the Corporate Income Tax Law and Article 91 of its Implementation Rules, dividend distributed out of the profit generated thereafter, shall be subject to corporate income tax at 10% or reduced tax rate if tax treaty or arrangement applies. Under the relevant tax arrangement, withholding tax rate on dividend distribution to the qualifying Hong Kong resident companies is 5%. Deferred tax liability on the undistributed profits earned by Goldpac Limited since 1 January 2008 have been accrued at the tax rate of 5%.

8. EARNINGS PER SHARE

The basic earnings per share attributable to the owners of the Company is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of ordinary shares outstanding during the financial year

	2020	2019
Profit for the period attributable to owners of the Company (RMB'000)	145,665	177,125
Weighted average number of ordinary shares for the purpose of basic earnings per share (thousand) (Note)	825,907	826,047
Basic earnings per share (RMB cents)	17.6	21.4

Note: The weighted average number of ordinary shares adopted in the calculation of basic and diluted earnings per share for both years have been arrived at after deducting the shares held in trust for the Company by an independent trustee under the shares award scheme of the Company.

For the year ended 31 December 2020 and 2019, diluted earnings per share were same as the basic earnings per share as there was no potential dilutive ordinary shares outstanding during the year.

9. DIVIDENDS

	2020 RMB'000	2019 RMB'000
2020 Interim — HK3.0 cents (2019 Interim — HK4.0 cents) per ordinary share	21,920	30,065
2019 Final — HK10.0 cents (2018 Final — HK10.0 cents) per ordinary share	75,938	73,150
2019 Special — HK6.0 cents (2018 Special — HK6.0 cents) per ordinary share	45,563	43,890
	143,421	147,105

Subsequent to the end of the reporting period, a final dividend of HK10.0 cents (2019: HK10.0 cents) and a special dividend of HK4.0 cents (2019: HK6.0 cents) per ordinary share in respect of the year ended 31 December 2020 have been proposed by the Board of Directors and is subject to approval by the shareholders of the Company at the forthcoming annual general meeting. The dividend declared after 31 December 2020 has not been recognised as a liability as at 31 December 2020.

10. INTERESTS IN ASSOCIATES

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Unlisted investments in associates, at cost	32,120	32,120
Share of post-acquisition results and reserves	(4,929)	(4,929)
Impairment loss on interests in an associate	(22,227)	(23,727)
	<u>4,964</u>	<u>3,464</u>

Details of the Group's associates at the end of the reporting period are as follows:

Name of entity	Country of incorporation and operation	Proportion of issued ordinary share and capital indirectly held by the Group		Principal activity
		2020	2019	
Kaixin Holdings Limited	The British Virgin Islands	45%	45%	Investment holding
Goldpac ACS Technologies Inc. ("Goldpac ACS")	Philippines	45%	45%	Data processing
Sichuan Zhongruan Technology Ltd. ("SCZR")	Mainland China	19.68% (Note)	19.68% (Note)	Smart city platform

Note: The Group is able to exercise significant influence over SCZR because it is able to appoint two out of the seven directors of that company under the article of association of that company.

Aggregate information of associates that are not individually material

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
The Group's share of losses of associates	<u>—</u>	<u>—</u>
Aggregate carrying amount of the Group's interests in these associates	<u>4,964</u>	<u>3,464</u>

The Group has discontinued recognition of its share of loss of associates because the Group's share of losses of the associates in previous years has exceeded its investment costs. The amounts of the unrecognised share of losses of the associates, both for the year and cumulatively, are as follows:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Unrecognised share of losses of the associates for the year	<u>(1,224)</u>	<u>(1,550)</u>
Accumulated unrecognised share of losses of the associates	<u>(3,931)</u>	<u>(2,707)</u>

11. INVENTORIES

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Raw materials	127,110	140,237
Work in progress	5,974	4,089
Finished goods	113,061	97,030
	<u>246,145</u>	<u>241,356</u>
Less: provision	(55,770)	(56,680)
	<u>190,375</u>	<u>184,676</u>

12. TRADE RECEIVABLES

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Trade receivables	277,939	337,513
Less: Loss allowance	(6,893)	(9,176)
	<u>271,046</u>	<u>328,337</u>

The Group applies the HKFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The assessment resulted in a decrease of the loss allowance on 31 December 2020 by RMB2,283,000 for trade receivables.

The carrying amounts of trade receivables approximate their fair values.

Payment terms with customers are mainly on credit. Invoices are normally payable in 30 to 150 days by the customers from date of issuance. The following is an ageing analysis of trade receivables net of provision for impairment loss presented based on the invoice date:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Ageing		
0–90 days	186,187	206,329
91–180 days	32,776	51,447
181–365 days	21,756	38,209
Over 1 year	30,327	32,352
	<u>271,046</u>	<u>328,337</u>

13. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The Group classifies the structured deposits at FVTPL:

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Current assets — Structured deposits	<u>256,733</u>	<u>180,084</u>

14. CONTRACT ASSETS

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Embedded software and secure payment products	4,045	5,253
Digital equipment	<u>9,467</u>	<u>7,459</u>
	<u>13,512</u>	<u>12,712</u>

The contract assets primarily relate to the Group's right to receive remaining payments from customers and not billed because rights are conditioned on the satisfaction of quality over the products delivered at the reporting date. The contract assets are transferred to trade receivables when the rights become unconditional. The condition is fulfilled upon the completion of retention period which is normally between 6 months to 1 year.

15. TRADE AND BILLS PAYABLES

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Trade payables	257,995	282,336
Bills payables — secured	<u>107,433</u>	<u>117,010</u>
	<u>365,428</u>	<u>399,346</u>

Trade payables are unsecured and are usually paid within 60 to 180 days of recognition. The bills payables are secured by pledged bank deposits.

The carrying amounts of trade and bills payables are considered to be the same as their fair values, due to their short-term nature. The following is an ageing analysis of trade and bills payables based on invoice date and bill issuance date respectively at the end of the year.

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Ageing		
0–90 days	309,775	346,814
91–180 days	47,390	40,931
181–365 days	5,849	4,529
Over 1 year	2,414	7,072
	<u>365,428</u>	<u>399,346</u>

16. CONTRACT LIABILITIES

	2020 <i>RMB'000</i>	2019 <i>RMB'000</i>
Embedded software and secure payment products	<u>50,864</u>	<u>42,468</u>

The Group receives 10% to 100% of the contract value as deposit from customers when they sign the contracts with customers. Contract liabilities represent the receipts in advance from customers which is recognised as revenue at a point in time when the control of the goods is transferred to the customers. During the year ended 31 December 2020, revenue recognised in the current year relating to contract liabilities at the beginning of the year is RMB37,974,655 (2019: RMB27,176,000).

17. SHARE CAPITAL

	Number of ordinary shares '000	Amount <i>HKD'000</i>
Issued and fully paid:		
At 1 January 2019, 31 December 2019 and 2020	<u>833,561</u>	<u>1,499,498</u>
		<i>RMB'000</i>
Shown in the consolidated financial statements as of 31 December 2019 and 2020		<u>1,192,362</u>

18. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation as the directors of the Company consider that the new presentation is more relevant and appropriate to the consolidated financial statements.

MANAGEMENT DISCUSSION AND ANALYSIS

2020 was an extraordinary year for the Group. The sudden outbreak of the COVID-19 pandemic brought about many uncertainties. Relying on an effective emergency response mechanism, efficient management system and prolific industry experience, the Group still achieved greater results than the overall level of the industry.

However, 2020 was of greater significance to the Group than ever. Committed to the vision of “Becoming a Trustworthy Provider for Fintech Products and Services”, the Group made the overall development strategy of “Promoting Digitalization and Platform-based Strategy, and Deepening Fintech Innovation” through rigorous analysis and research. The Group is now building a customer-oriented digital UMV platform, which has already been successfully connected to banks and has achieved initial success.

2021 is a new starting point for the Group. The Group will invest more resources to building its UMV platform, gradually promote the upgrading and transformation of the original supply chain system of the industry, and create an innovative ecosystem for the entire financial payment products industrial value chain. This is an important initiative of the Group to embrace the global trend of digital transformation with the aim of leveraging on the valuable assets of customer relationship, technology, experience, brand, supply chain, channel and so on, accumulated by the Group for nearly 30 years, allowing the Group to access more abundant and newer business drivers.

The pandemic has accelerated the global financial industry’s demand for innovative ecosystems and industrial value chains, which in turn brought a great opportunity for the rapid development of the Group’s UMV platform.

Financial Analysis — Strengthening of Delicacy Management & Improving Profitability

Impacted by both the pandemic and competition in the industry, for the year ended 31 December 2020, the Group recorded revenue of approximately RMB1.28 billion, representing a year-on-year decrease of approximately 9.4%, which has been narrowed by approximately 6 percentage points compared with the decrease of the revenue for the six months ended 30 June 2020, representing a steady recovery in revenue. The Group maintained its focus to constantly develop its abilities, and dedicated itself to innovating and actively promoting its platform and service strategy, resulting in alleviating the adverse effects of the pandemic on part of traditional businesses.

During the year, the Group recorded gross profit of approximately RMB383.8 million, representing a year-on-year decrease of approximately 3.7%. Through effective measures and delicacy management, the gross margin increased by approximately 1.7 percentage points to approximately 29.9%. Despite the challenges faced, the Group strengthened its cost control, improved operational efficiency and further increased profitability.

For the year ended 31 December 2020, the Group recorded net profit of approximately RMB145.3 million, representing a year-on-year decrease of approximately 17.7%. Should the book loss caused by exchange loss be eliminated, net profit shall increase approximately 5.6% year-on-year.

As at 31 December 2020, the Group's total current assets amounted to approximately RMB2.02 billion, representing a year-on-year increase of 5.1%, cash flow was abundant, liquidity and other financial indicators continue to be robust, all of which provided abundant financial support for the Group to expand into new business and product lines, promote its digitalization and platform-based strategy, and achieve breakthroughs and upgrades.

The Board proposed to declare a final dividend of HK10.0 cents (equivalent to approximately RMB8.4 cents) per ordinary share (HK10.0 cents in 2019) and a special dividend of HK4.0 cents (equivalent to approximately RMB3.4 cents) per ordinary share (HK6.0 cents in 2019) for the year ended 31 December 2020.

Business Review — Platform and Service Maintained its High-speed Development

The pandemic has accelerated the global trend for development in intelligent and digital technologies, and an increasing number of financial and governmental services are being provided through unmanned and platform-based means. The Group firmly capitalized on the development opportunities under the pandemic, deepening fintech innovation to promote its digitalization and platform-based strategy.

For the year ended 31 December 2020, the platform and service segment continued its rapid growth, recording revenue of approximately RMB534.1 million, representing a year-on-year increase of approximately 22.6%. This segment accounted for approximately 41.7% of the Group's total revenue (approximately 30.8% in 2019). Digital equipment recorded a rapid growth. For the year ended 31 December 2020, 8 new patents and 16 software copyrights related to platform and services were authorized. On 4 December 2020, the Group co-launched the “Financial Digital Development Alliance” together with other major domestic financial institutions, aiming to boost the digital transformation of the financial services industry, which is expected to continue to boost the growth of the Group's platform and service business.

Affected by the weak market demand caused by the pandemic, revenue from the embedded software and secure payment products segment decreased approximately 23.7% year-on-year to approximately RMB747.8 million, which still outperformed the industry average. The Group pursued customized and fashionable social trends, constantly diversified the products lines and incorporate fashion elements to secure payment products, and consolidated the leading advantage of the Group in the embedded software and secure payment products segment. China is the world's largest market for financial secure payment products, the Group is confident to be involved in the sustained economic growth in China. The development of financial secure payment products, on the basis of its intrinsic security and convenience, will continue to cater to the personalized, fashionable social development trend, and will expand the fields of their application, and as a result, this market will also constantly grow.

Affected by the pandemic in Southeast Asia and other regions, revenue from overseas business was approximately RMB90.4 million, representing a decrease of 9.3% year-on-year.

Outlook — Digital UMV Platform

Promoting the Digitalization and Platform-based Strategy, Deepening Fintech Innovation

Looking from the perspective of finance, payment and credit have been the basic need of human societies across the millennium and an everlasting theme of the financial industry. It is also a guarantee for the sustainable and steady development of the Group's business. Banks, credit card organizations and individual consumers are the main players of the credit card industry and have launched a series of economic activities around payment and credit. At the same time, they are constantly eager for innovation. This enables the industry to seek breakthroughs, such as technology and business models, and provides a sustained impetus for the development of the industry.

Facing the potential innovative breakthrough for the global financial payment industry, the UMV platform will focus on innovating the inherent nature of the industry. The UMV platform will provide a series of solutions empowered with A.I., image processing, Internet of Things and other innovative technologies. These will gradually introduce and link key constituents in the industry, bringing together the combined strength of even more industry participants. In turn, these will promote multifaceted interactions between participants along traditional business models and cultivate the innovation industry's ecosystem and industrial value chain.

The UMV platform will contribute to the Group's business development from four perspectives:

Firstly, Promoting Digital Fintech Services

In the process of promoting digital transformation, the Group will optimize its traditional service mode, strive to create a digital business platform for customers, optimize the interactive experience of customers through Internet and mobile connectivity, improve service efficiency and enhance customer stickiness.

The Group will also pay more attention to the needs of financial industry customers with regards to resources and capacity in retail finance, especially the bank card business, during the digital transformation process. These needs may include customer acquisition, precision marketing, precise operation and other aspects of digital transformation needs. The Group will launch more products and services on the basis of internal and external resources and capabilities integration.

Secondly, Re-inventing Core Business

The UMV platform will enhance the digital transformation and on-line linkage with the Group's core business, making customer interaction and product deliveries more efficient, provide greater support to customer business development, and effectively enhance the Group's future business value creation ability.

At the same time, the Group will increase the proportion of high value-added products, such as personalized, cultural and creative, and fashionable products, through digitalization and platform-based means, so as to enhance the core business value and assist customers to enhance their competitiveness in the consumer market.

The Group will also build its customer-oriented one-stop solution service based on its core business to enhance its value creation ability for its customer-facing business operation needs. On the basis of the targeted provision of secure payment products, a one-stop solution formed by the Group through integrating peripheral products, materials, logistic services and other resources and capabilities, and in combination with customer business processes, can not only efficiently support customer business development, but also effectively enhance the business value of the Group.

Thirdly, Overseas Market Diversified Expansion

The UMV platform will accelerate the Group's overseas market expansion. The global outbreak of the pandemic has brought challenges to the development of the Group's overseas market, but it also brings opportunities. By integrating internal and external resources through UMV platforms, the Group will meet the resource and capacity needs of global customers in digital transformation, and strengthen the stickiness and

irreplaceability between the Group and its customers. At the same time, the Group will change the traditional worldwide site supply chain model through UMV platforms to provide more advanced fintech products and services to customers around the world.

Fourthly, Acceleration of Digital Equipment

The UMV platform will accelerate the development of digital equipment, focusing on the self-service needs of key application industries such as government, finance, social security, transportation and healthcare. The Group will promote digital equipment to a wider range of “non-contact” use cases, and will look specially to capitalize on the development opportunities happening under intelligent transformation in financial services branches.

The digital equipment business is an important part of the Group’s digitalization and platform-based strategy. The Group will further increase the product development and application scenario adaptation of the digital equipment business, enhance market expansion, and achieve an accelerating growth of the digital equipment business.

As an important vehicle to promote digitalization and the platform-based strategy, the construction of the “Zhuhai Fintech Center” invested in by the Group is about to be completed and is expected to be put into use in 2021.

Capitalizing on Guangdong-Hong Kong-Macao Greater Bay Area development advantages, the “Zhuhai Fintech Center” will become the strategic platform of the Group’s future development. Adhering to the vision of “Becoming a Trustworthy Provider for Fintech Products and Services”, the Group will provide customers with a comprehensive suite of services consisting of “Science and Technology + Industry + Ecosystem” for the digital transformation, to provide scientific and technological power for the recovery and development of China’s economy in the post-pandemic era, and to realize the Group’s accelerated progress under the guidance of digital strategic reform.

As pandemic prevention and control becomes normalised, the Group will further improve the level of refinement and precision in its pandemic prevention and control. While continuing to carry out pandemic prevention and control training, according to pandemic prevention and control needs, the Group will constantly review the management process, research and development process, supply chain, business and marketing and pay attention to the possible adverse impact of the pandemic on the operation and development of the Group from all levels, so as to respond to the impact of the pandemic sensibly.

Over the course of nearly three decades, the Group, through continuous improvement and unwavering faith, and with a tenacious spirit and visionary perspective, has faced a multitude of challenges to become the Goldpac of today. Standing at the start of a new beginning, the Group firmly believes that the past has served as a prelude to the future.

SUBSEQUENT EVENTS

Subsequent to the reporting period, on 8 February 2021, UMV Technology Limited (Zhuhai) 智融金服科技（珠海）有限公司 (“**UMV Zhuhai**”), a wholly owned subsidiary of the Group, entered into a series of Variable Interest Entity (“**VIE**”) agreements (Note) with Zhirong Financial Services Technology (Zhuhai) Co., Ltd. (智融金服科技（珠海）有限公司) (“**Zhirong**”).

Zhirong is a limited liability company established and subsisting under the laws of the People’s Republic of China (“**PRC**”). It was wholly owned by the PRC equity owner and is principally engaged in the business of computer software and hardware, research and development in network technology and the restricted business (the “**Subject Business**”). As advised by the PRC legal advisers and set out below, information service platform for online data processing and transactions processing services as well as information service businesses (the “**Restricted Business**”) of the Subject Business fall within the scope of “Value-added Telecommunication (“**VAT**”) Services” and Zhirong has obtained the VAT Licence under the applicable laws and regulations in the PRC to operate the above services.

Pursuant to VIE agreements, Zhirong shall engage UMV Zhuhai on an exclusive basis to provide technological consultation and services. Unless prior written consent has been obtained from UMV Zhuhai or its designated nominee(s), Zhirong shall not carry on any transaction or conduct any act that may materially adversely affect the assets, business, personnel, obligations, rights or operation. UMV Zhuhai shall provide a non-interest bearing loan in the sum of RMB10,000,000 to the PRC equity owner of Zhirong, and the PRC equity owner shall accept such loan in accordance with the loan agreement.

According to the contractual arrangement, UMV Zhuhai can elect or appoint persons to serve as directors (or executive directors) and supervisors of Zhirong in accordance with the procedures prescribed by laws, regulations and Zhirong’s articles of association, and shall procure the election and appointment of such persons designated by UMV Zhuhai as the chairman (if there is a board of directors), general manager, chief financial officer and other members of the senior management of Zhirong. UMV Zhuhai already has obtained effective control over the finance and operation of Zhirong with no other purchase consideration is required to be paid by UMV Zhuhai.

Through the VIE agreements, UMV Zhuhai can control the finance and operation of Zhirong effectively and will enjoy the entire economic interests and benefits generated by Zhirong. Upon entering into the VIE agreements, the financial results of Zhirong will be consolidated into the consolidated financial statements of UMV Zhuhai and Zhirong will become an indirect subsidiary of the Company.

Note: The VIE agreements include The Exclusive Technological Consultation and Services Agreement, The Exclusive Business Co-operation Agreement, The Exclusive Purchase Right Agreement, The Equity Pledge Agreement, The Spousal Consent Letter and The Loan Agreement.

Moreover, although the COVID-19 pandemic has been effectively controlled in China by the prevention and control strategy of “Both Imported Cases and Spreading within the City should be Prevented”, the pandemic has brought about an impact on economic development of China and the other parts of the world, and is expected to last for a period of time, which may continue to have a certain impact on the Group’s business development, but should not constitute a significant impact.

Save as disclosed above, no material events occurred subsequent to 31 December 2020 and up to the date of this annual results announcement.

CLOSURE OF REGISTER OF MEMBERS

In order to be eligible for attendance and for voting at the forthcoming annual general meeting of the Company to be held on Thursday, 13 May 2021, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration by 4:30 p.m. on Friday, 7 May 2021. The register of members of the Company will be closed from Monday, 10 May 2021 to Thursday, 13 May 2021, both days inclusive, during which period, no transfer of shares will be registered.

In order to determine who are entitled to the proposed final dividend and special dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen’s Road East, Hong Kong for registration by 4:30 p.m. on Friday, 4 June 2021. The register of members of the Company will be closed from Monday, 7 June 2021 to Wednesday, 9 June 2021, both days inclusive, during which period no transfer of shares will be registered. Subject to shareholders’ approval of the proposed dividends at the annual general meeting of the Company to be held on Thursday, 13 May 2021, the dividends will be paid on Wednesday, 30 June 2021 to the shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 9 June 2021.

USE OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING

The Company’s shares were listed on the Main Board of the Stock Exchange on 4 December 2013 with net proceeds from the global offering of approximately RMB975.0 million (after deducting underwriting commissions and related expenses). As at 31 December 2020, the Company utilized approximately RMB827.6 million for the purposes of production capacity expansion, innovative product and service research and development, investment in associates and acquisition, market expansion outside of China, working capital supplementation and other general corporate purposes. The balances of the net proceeds were deposited in banking account. The Company has utilized and will utilize the net proceeds pursuant to the purposes and the proportions as disclosed in the prospectus of the Company dated 22 November 2013.

LIQUIDITY AND FINANCIAL RESOURCES

By taking a conservative financial management attitude, the Group continued to maintain a healthy financial position.

As at 31 December 2020, the Group's aggregate amount of bank balances and cash, fixed bank deposits and pledged bank deposits reached approximately RMB1,344.7 million (2019: approximately RMB1,437.1 million), of which approximately RMB804.0 million (2019: approximately RMB770.1 million) was denominated in RMB, representing approximately 59.8%, and approximately RMB540.7 million (2019: approximately RMB667.0 million) was denominated in USD and HKD, etc., representing approximately 40.2%.

As at 31 December 2020, the Group's financial assets at FVTPL amounted to approximately RMB256.7 million, which was the structured deposits represented by principal-guaranteed financial products issued by banks, among which approximately RMB50.4 million was in Agricultural Bank of China, approximately RMB46.0 million was in Ping An Bank Company Limited, approximately RMB45.0 million was in Bank of China, approximately RMB45.0 million was in China Citic Bank, approximately RMB40.0 million was in Industrial Bank Company Limited and approximately RMB30.3 million was in China Construction Bank.

As at 31 December 2020 and 31 December 2019, the Group had no bank loans.

As at 31 December 2020, the Group's trade receivables was approximately RMB271.0 million (2019: approximately RMB328.3 million). It is the industry practice that settlement of trade receivables peaks around the end of year.

As at 31 December 2020, the Group's total current assets amounted to approximately RMB2,020.7 million (2019: approximately RMB1,992.8 million), representing an increase of approximately 5.1% compared to that of the previous year.

As at 31 December 2020, the Group's current ratio was approximately 3.7 (2019: approximately 3.2), representing a high liquidity.

As at 31 December 2020, the Group's gearing ratio (the gearing ratio is equivalent to total liabilities divided by total assets as at the end of the year) was approximately 22.5% (2019: approximately 23.9%).

CURRENCY EXPOSURE

In terms of currency exposure, the Group's sales were mainly denominated in RMB, USD and HKD while the operating expenses and purchases were mainly denominated in RMB with certain portions in USD and HKD. The Group manages its foreign currency risk by closely monitoring the fluctuation of foreign currency rates.

CAPITAL EXPENDITURE

For the year ended 31 December 2020, the Group's capital expenditure was approximately RMB80.3 million (2019: approximately RMB94.3 million). This capital expenditure is the expense in fixed assets.

CAPITAL COMMITMENT

The aggregate capital commitment of the Group as at 31 December 2020 was approximately RMB68.1 million (2019: approximately RMB24.8 million). Such increase was mainly due to the construction of "Zhuhai Fintech Center", which is currently in progress.

PLEDGED ASSETS

As at 31 December 2020, bank deposits of approximately RMB244.0 million (2019: approximately RMB156.0 million) were pledged to secure the bills payables and bank guarantee.

CONTINUING CONNECTED TRANSACTIONS

For the year ended 31 December 2020, the Group did not purchase from Gemalto N.V. ("Gemalto") (2019: approximately RMB2.3 million), as a result of the Group's high commitment to self-driven research and development by launching proprietary embedded chip operating system to diversify its chip supplies. Therefore, no non-exempt continuing connected transaction, which is subject to reporting, announcement or independent shareholders' approval pursuant to the Listing Rules, has been entered into by the Group for the year ended 31 December 2020.

SIGNIFICANT INVESTMENTS

The Group had no significant investments for the year ended 31 December 2020.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

The Group plans to utilize its own funds of approximately RMB149.0 million for the purpose of construction of "Zhuhai Fintech Center" during 2021.

CONTINGENT LIABILITIES

As at 31 December 2020, the Group had no material contingent liabilities.

MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group had no material acquisition and disposal of subsidiaries, associates and joint ventures for the year ended 31 December 2020.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

For the year ended 31 December 2020, neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the shares of the Company.

ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

The Group is committed to maintaining high levels of environmental and social standards to ensure sustainable development of its business. During the year ended 31 December 2020, the Group's environmental, social and governance (“ESG”) management team had managed, monitored, recommended and reported on environmental and social aspects. An ESG report is prepared with reference to Appendix 27 to the Listing Rules (Environmental, Social and Governance Reporting Guide) and will be published on the Company's and the Stock Exchange's websites.

The Group has complied with all relevant laws and regulations in relation to its business including health and safety, workplace conditions, employment and the environment in all material aspects. The Group encourages its employees, customers, suppliers and other stakeholders to participate in environmental and social activities.

The Group maintains strong relationships with its employees. The Group also enhances cooperation with its suppliers and provides high quality products and services to its customers so as to ensure continued and sustainable development.

HUMAN RESOURCES AND REMUNERATION POLICIES

As at 31 December 2020, the Group had 1,643 employees (as at 31 December 2019: 1,711), with a decrease of 68 employees as compared to that as at 31 December 2019. Total employee benefits expenses including Directors' emoluments, for the year ended 31 December 2020, amounted to approximately RMB198.0 million (for the year ended 31 December 2019: approximately RMB233.8 million).

The human resources are one of the Group's most important assets. In addition to offering competitive remuneration and welfare packages, the Group is also committed to providing specialized and challenging career development and training programs. Generally, a salary review is conducted annually. The Group also adopted the Pre-IPO share option scheme, the share option scheme and the share award scheme to motivate prospective employees. Apart from basic remuneration, for employees in the Mainland China, the Group makes contributions towards employee mandatory social security, pensions, work-related injury insurance, maternity insurance and medical and unemployment insurance in accordance with the applicable laws and regulations of the Mainland China. The Group also provides full coverage of housing provident fund contributions as required by local regulations in the Mainland China. For overseas employees, the Group also makes contributions towards relevant insurance scheme as required by the local regulations.

REVIEW BY THE AUDIT COMMITTEE

The audit committee of the Company has reviewed the Group's annual results for the year ended 31 December 2020.

SCOPE OF WORK OF PRICEWATERHOUSECOOPERS

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2020 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2020. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

CORPORATE GOVERNANCE

The Company has complied with all the code provisions set out in the Corporate Governance Code (the “**CG Code**”) contained in Appendix 14 to the Listing Rules during the year ended 31 December 2020.

MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers (“**Model Code**”) set out in Appendix 10 to the Listing Rules as its code of conduct regarding directors' securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code throughout the year ended 31 December 2020.

NON-STATUTORY FINANCIAL STATEMENTS

The financial information relating to the year ended 31 December 2019 and 31 December 2020 included in this annual results announcement does not constitute the Company's statutory annual consolidated financial statements for the respective year but is derived from those financial statements. The Company has delivered its financial statements for the year ended 31 December 2019 and will deliver its financial statements for the year ended 31 December 2020 in due course to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to the Companies Ordinance (Cap. 622 of the Laws of Hong Kong). The Company's auditor has reported on those financial statements. The auditor's report was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT OF 2020

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.goldpac.com). The Annual Report for the year ended 31 December 2020 will be despatched to the shareholders of the Company and will be published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board
Goldpac Group Limited
LU Run Ting
Chairman & Executive Director

Hong Kong, 24 March 2021

As at the date of this announcement, the executive Directors of the Company are Mr. LU Run Ting, Mr. HOU Ping, Mr. LU Runyi, Mr. WU Siqiang, Mr. LING Wai Lim and Ms. LI Yijin; and the independent non-executive Directors of the Company are Mr. MAK Wing Sum Alvin, Ms. YE Lu and Mr. YANG Geng.

This announcement is prepared in both Chinese and English. In the event of inconsistency, the Chinese version of this announcement shall prevail over the English version.