



**Goldpac Group Limited**

金邦達實業有限公司

(Stock Code: 03315.HK)

## **Goldpac Announces 2019 Interim Results**

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**Revenues from platform and service segment increased by 37.7% YoY  
Overseas market achieved steady growth, revenues surged by 36.8% YoY  
Interim dividend of HK4 cents declared, dividend payout ratio reaches 34.3%**

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(16 August 2019, Hong Kong) Goldpac Group Limited (“Goldpac” or the “Group”, 03315.HK), a global leading Fintech company, today announced the interim results for the six months ended 30 June 2019.

### **Key Highlights**

During the first half of 2019, the Group has proactively taken steps to firmly implement company strategies. Following market trends, the Group continuously enriched and optimized its business structure and achieved steady progress.

During the period, both total revenues and net profit realized stable growth. Total revenues increased by 3.2% year-on-year to RMB653 million, net profit increased slightly to RMB87 million. Based on the Group’s steady profitability and healthy financial condition, the Board has declared an interim dividend of HK4 cents, a dividend payout ratio of 34.3 %.

Attributed to the product portfolio upgrade and revenue structural optimization, the gross profit margin remained stable as compared with the first half of 2018 and improved as compared with the second half of 2018. The R&D expenses was RMB51.4 million, mainly used to secure chips, solutions, software and hardware development of artificial intelligence (“A.I.”) self-service kiosks, and overseas markets. Furthermore, sales and distribution costs were effectively controlled and decreased by 2.3% year-on-year.

Benefiting from the high-end product strategy, the Group’s product portfolio was further improved and the revenue contribution from high-end products continued to increase. As a result, the market share and profitability indicators continue to see the Group ranked among the leading levels of the industry. In May

2019, the National Development and Reform Commission and the Ministry of Transport of China issued a national ETC (Electronic Toll Collection) implementation plan, with the aim to increase the utilization rate of the highway non-stop quick tolls to more than 90% by the end of 2019. The ETC market is growing at an accelerated rate and is estimated to be a new business growth driver for the second half of 2019.

The shift of growth drivers is gathering momentum. Driven by the growth from A.I. self-service kiosks and innovative payment products, revenues from platform and service segment increased by 37.7% year-on-year to RMB182 million and its proportion to the total revenues increased up to 28% from 20% in 2018. The segment gross margin kept a high level of more than 40%.

The Group's overseas markets also achieved a rapid growth. Overseas revenues increased 36.8% year-on-year to RMB46.2 million, driven by the expansion and structural optimization of overseas teams, as well as the implementation of overseas strategy.

## **Outlook**

### **Actively Responding to the National Strategy and Participating in the Construction of the Guangdong – Hong Kong – Macao Greater Bay Area**

Relying on the rich experience and technologies accumulated in the field of secure payment in the past 26 years, the Group will harness the potential presented by the cooperation in the Guangdong – Hong Kong – Macao Greater Bay Area (“GBA”). With a variety of mature total solutions, the Group will promote the integration of the GBA and pursue seamless connectivity in transportation, social security and other sectors with adaption of Internet of Things (“IoT”), cloud computing and other cutting-edge technologies. As a future Fintech innovation highland within the GBA, the construction of “Zhuhai Fintech Center” is on schedule and it is expected to be completed by 2020.

### **Tapping into the Market Potential of A.I. Self-service Kiosks**

In response to the Chinese government’s “Internet+” initiative to further deepen reforms in government service, the A.I. self-service kiosks developed by the Group met the needs for a “One Stop Shop” government service in finance and social security scenarios. Its turnover keeps growing and is now unleashing great potential. In the future, the Group will continue to increase its investment in A.I. self-service kiosks and to further tap into the potential of the business through a variety of flexible ways.

### **Accelerating the Development of Overseas Markets**

The Group will continue to increase investment in personnel and R&D for the overseas market to maintain its sound growth momentum and to make the overseas market an important growth pillar of the Group.

### **Proactive Involvement in the Digital Transformation of Banks**

The Group is developing a platform for the GBA's next generation credit payment system. Through the integration of big data analysis, cloud computing and other emerging technologies with online and offline payment, cross-border payment and international exchange, consumer credit and other business links, the Group is combining innovative financial elements such as virtual banking and digital asset protection, to diversify the financial business sector's use-case scenarios.

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### **About Goldpac Group Limited (Stock Code: 03315.Hk)**

With 26 years of successful experience and a leading global technology portfolio, and committed to its core vision of Making Transactions More Secure and Convenient, Goldpac is specialised in delivering embedded software, secure payment products and Artificial Intelligence Financial Self-service Kiosks for global customers while leveraging innovative Fintech to provide data processing service, system platform and other total solutions for a wide business range of financial, government, healthcare, transportation, and retails.

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