



**Goldpac Group Limited**  
(Stock Code: 03315)

## **Goldpac Announces 2017 Interim Results**

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- **Turnover and operating profit rises 1.4% and 16.3% respectively**
  - **Credit card shipments surge by 38%**
- **Interim dividend of HK 4 cents declared, dividend ratio increased to 34.5%**

17, August 2017, Hong Kong, the world's fourth largest and China's top ranked payment solutions provider, Goldpac Group Limited ("Goldpac" or the "Group", stock code: 03315.HK) announces its interim results for the six months ended 30 June 2017 (the "Reporting Period") today.

The combination of the National Financial Work Conference held on July 2017 and a series of measures subsequently adopted after the Conference, including the establishment of Netsunion (a new clearing platform in China), have further improved the regulatory system of China's payment industry. Under a more complete and fair regulatory system, banks can leverage their dominant positions in the payment system and capture better development opportunities through better exploitation of the advantages of security and stability of the banking card payment method. This in turn, creates a favorable exterior environment for the Group's development.

During the Reporting Period, the Group's turnover amounted to RMB 691.0 million, increasing 1.4% year on year. The Group continued to retain its leading position in China's banking card market and consolidated its core competitiveness in smart secure payment total solutions. With the fast growth of China's consumer credit market, the Group witnessed a surge in credit card shipments of 38% year on year in the first half of 2017. In addition, shipments for overseas banking card organizations increased 15.0% year on year.

Bolstered by the combined effects of product portfolio innovation and intelligent operation improvements, the Group maintained steady profitability in the first half of 2017. Gross profit margin was recorded at 30.2%, at par with the first half of 2016. The Operating Profit was RMB 122.0 million, uplifting 16.3% year on year. The Group's net profit was recorded at RMB 81.1 million and lead the industry despite decreasing by approximately 15.0% as a result of fluctuations in RMB and USD exchange rates.

In the first half of 2017, the Group's payment diversification and overseas market expansion efforts picked up momentum. Capitalizing on the strong R&D capabilities of the Wuhan University–Goldpac Joint Laboratory, the Group made significant progress in the development of its IoT (Internet of Things) secure chip. The Group's proprietary SuperCOS secure chip can be deployed in a number of segments including wearables, machine authentication, ID authentication, smart home and the smart city. Till now, the Group's luxury GPS payment watch achieved a turnover of nearly RMB 10 million, whilst the stylish LED card saw a turnover of over RMB 10 million.

The Group accelerated its overseas expansion efforts in sync with CUP's (China Union Pay) expansion plans. The Group established its new office premises in Hong Kong as its global business headquarters and delivers products and services to 23 countries and regions all over the world. A representative office of the Group is being established in Mongolia and allows the Group to be closer to Central Asian markets. In the meantime, overseas banking card organizations are starting to independently build their businesses in China with VISA being the first applicant to apply for establishment of a banking card clearing organization in China. This crossover expansion of CUP and overseas card organizations internationally and domestically will create more business opportunities for the Group.

The Group is fully confident looking into the future. The Chinese government's increased attention on financial security and the improved regulatory system as a result of the establishing of Financial Stability Development Commission, is consistent with the security development focus, to which the Group has been committed for the past over two decades. The Group is sure to welcome more development opportunities. The credit card business is expected to steadily and continuously grow. Through innovative service concepts and customized services, the Group provides unique services and created value for its bank customers in the credit card business.

In the meantime, the Group has commenced the construction of the Goldpac Fintech Innovation Hub. This hub is located at the heart of the Guangdong–Hong Kong–Macau Greater Bay area. Created as a strategic platform, the Group will build a Smart Secure Payment Industry Chain Center, Fintech Center and Guangdong-Hong Kong-Macau Greater Bay Innovative Talent Center, to create synergies with the Group's core businesses and lay the cornerstone for the development of the Group's future.

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

With more than 20 years of successful experience and a leading global technology portfolio, Goldpac is honored to be ranked China's No.1 and the world's No. 4 corporation in the secure payment industry.

Committed to its core vision of Making Transactions More Secure and Convenient, Goldpac is specialised in delivering embedded software and secure payment products 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.

Inspired by the China government's Belt and Road initiative, Goldpac is now extending its superior solutions and services to an even wider geographical network, delivering convenient, secure payment experiences to people around the globe.

For more information, please visit <http://www.goldpac.com/cn/> or contact at [goldpac@godlpac.com](mailto:goldpac@godlpac.com).