

**For Immediate Release**



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

**Goldpac Net Profit Rises 13% to RMB242 million for 2015**

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**Final Dividend of HK11 cents and Special Dividend of HK4 cents Proposed for the period of 2015, Dividend Payout Ratio Increased to 43%**

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**China's No.1 Financial Payment Card Supplier  
with Leading Shipment Volume Worldwide**

**Financial Highlights (RMB million)**

*Audited Results for the 12 months Ended 31 December*

	<b>2015</b>	2014	<b>Change</b>
Turnover	<b>1,685</b>	1,521	<b>+10.8%</b>
Gross Profit	<b>445</b>	419	<b>+6.2%</b>
Gross Margin	<b>26.4%</b>	27.5%	<b>-1.1pps</b>
Net Profit	<b>242</b>	214	<b>+13.1%</b>
Net Profit Margin	<b>14.4%</b>	14.1%	<b>+0.3ppts</b>
Basic EPS (RMB cents)	<b>29.1 cents</b>	25.7 cents	<b>+13.2%</b>
Final and Special Dividend Per Share (HK cents)	<b>15 cents</b>	10 cents	<b>+50%</b>
Dividend Payout (%)	<b>43%</b>	31%	<b>+12 ppts</b>

**【17 March 2016, 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) announces its annual results for the year ended 31 December 2015.

The Group's turnover reached RMB1,685 million, representing a year-on-year increase of 10.8%, while net profit rose 13.1% to RMB242 million, outpacing industry average. Owing to the increase of high-cost IC products in its product mix, the Group's gross profit margin decreased marginally, but its net profit margin maintained a growth trend and rose to 14.4%. Benefiting from its diversified procurement strategy which has strengthened its price negotiation power, and with increased operational efficiency and effective cost control, the gross margin of IC cards was maintained at a stable level.

In view of the continued business growth and its strong financial position, to reward shareholders, the Board proposed a final dividend of HK 11 cents per share and a special dividend of HK 4 cents per share, representing an increase of 50% compared to the previous

year. The dividend payout ratio totaled 43%.

The Group has a strong balance sheet. As at the end of 2015, bank balance and cash on hand amounted to RMB980 million, while cash available for use reached RMB1,510 million. Such a strong financial position enables the Group to seek opportunities to accelerate its development of a diversified range of innovative payment solutions.

### **Continued to be the Top Supplier of China UnionPay Cards by Global Shipment**

Chairman of Goldpac **Mr. Lu Runting** commented, "Innovation has been at the core of Goldpac's operational systems and product development. We continued to adhere to the strategy of "reinforcing the core business, expanding overseas markets and accelerating innovation for the diversification of payment solutions". Despite a slowdown in the global economy, we continued to achieve stable growth. During the period of 2015, we had a 15.5% share of China UnionPay payment card by worldwide shipment and continued to stay as No.1 financial payment card supplier in China. As our overall financial IC card shipments rose by 36.4%, and our global market share increased by a remarkable 1.5 percentage points to 6.0% (according to Nilson's 2015 report), thereby advancing our global ranking to No. 4."

### **Expansion of International Footprint following the "Belt and Road" Initiative**

The Group continued to expand its international footprint, and its overseas sales has recorded substantial growth in 2015. Adhering to China's 'Belt and Road' initiative, the Group seized the opportunities created by the globalization of China UnionPay and other leading financial institutions in China in its overseas expansion.

In Southeast Asia, the Group opened a new personalization center in the Philippines during the year. Additionally, a liaison office was set up in Singapore in preparation for the upcoming EMV (Europay, MasterCard and VISA) migration in emerging markets such as Indonesia, the Philippines and Thailand. The Group successfully entered other new markets such as Africa, the Middle East and South Asia. These highly populated markets are in developing phases where payment solutions industries are still at their infancy, thus providing exponential growth opportunities.

**Accelerate Innovation for Diversification of Payment Solutions and Seize Opportunities from Rising Demand for Safety Payment Solutions** Global Internet financial services are undergoing radical changes with emerging mobile payment medium driving the way forward. A diversified range of payment solutions is fast emerging. To benefit from these opportunities, the Group is also diversifying its business by making new breakthroughs on all fronts. Meanwhile, the Chinese government actively promotes security and manageability of data, accelerating the development of China's domestic financial IC chip and OSCAA (Office Security Commercial Code Administration of China) algorithm. In 2015, the Group has developed Goldpac A7, a chip design that has passed the test of the State Cryptography Administration (SCA) of China. The Group also assisted the Bank of Changsha to launch the first state cryptographic algorithm financial IC Card in China, in preparation for the large-scale commercial implementation of China's national IC chips.

When it comes to innovation, the Group has developed a Bluetooth card product and delivered embedded SE (Secure Element) components for wearables payment devices. In addition, the Group achieved new breakthroughs for usage on Cloud platform. Its

proprietary Cloud-Platform Complete Solution, due to be launched, decentralizes clients' traditional card-issuance businesses, to realize a "4A" (Anybody, Anytime, Anywhere, Any applet) card-issuance management model. This platform maximizes client value by offering rapid response, low cost and stringent security. It is also a pioneering realization of the synergistic combination of the application of a "sharing economy" philosophy and payment solution operation model. Furthermore, the Group seeks expansion via M&A. During the year under review, it invested in Sichuan Zhongruan Technology Limited to accelerate its development in payment eco-system and related software and platform.

### **Two Decades of Sustainable Development Target to be amongst the World's Top 3**

Commenting its future strategies, Mr. Lu said, "The Group will intensify its efforts in product, service and platform innovation and aggressively develop overseas markets to maintain its competitive advantages. Our mid-term target is to be amongst the world's top 3 payment solutions suppliers. Capitalizing on its healthy financial position and a strong funding pool, the Group will also explore M&A to expand its business in the payment diversification era. These efforts will focus on expansion opportunities in mobile payment, international remittance and exchange, third-party payment and Internet finance, all of which will assist the Group in accelerating the growth and create greater value for shareholders."

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

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

Transforming from its traditional financial payment card business to an integrated secure payment services platform, Goldpac serves clients all over the world by providing secure payment systems, embedded software and payment products, and data processing services. Its customers cover a wide range of industries from financial services, social security and healthcare, to transport, retail, mobile payment, identification, third-party payment platforms and other security services domains.

Given China's growing interconnectivity with the rest of the world, 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/>.