

Goldpac Announces 2021 Annual Results

Revenue of RMB 1.377 billion, up 7.4% YoY

Revenue for the digital equipment business increased by 24.4%, a new growth driver

(15 March 2022, Hong Kong) Goldpac Group Limited (“Goldpac” or the “Group”, 03315.HK), today announced the annual results for the year ended 31 December 2021 .

In 2021, against the enterprise-wide backdrop of prevention and control measures during the COVID-19 pandemic, the Group has actively responded to complex challenges, such as the global chip supply shortage. The Group has maintained an overall stable development by increasing R&D and investment in innovative fields such as digital equipment, autonomous and controllable Fintech.

For the year ended December 31, 2021, the Group's revenue reached RMB 1.377 billion, an increase of 7.4% over the same period last year. The platform and service sector maintained its rapid growth, recording revenue of RMB 624 million, a year-on-year increase of 16.8%, accounting for 45.3% of the Group's revenue. Within this, the digital equipment showed a rapid growth with an increase of 24.4% over the same period last year. Both the scale and number of application scenarios continue to expand, and the product category has been expanded to finance, social security, industrial and commercial registration, marriage registration, vehicle management and other fields. In addition, the Group's overseas business regained growing momentum, and its revenue increased by 33.8% year-on-year to RMB 121 million.

Despite the cost pressures caused by rising global prices for major raw materials due to the ongoing pandemic, the Group achieved a significant gross profit margin of 29.4% and recorded a net profit of RMB 138 million, thanks to its digital transformation strategy, refined management and effective supply chain management implemented by the Group. The dividend policy for 2021 is stable. The Board proposed to declare a final dividend of HK 10 cents per share and a special dividend of HK 4 cents per share. If this proposal is approved by the shareholders of the Group at the forthcoming annual general meeting, the total dividend declared during the year, together with the interim dividend, will be HK 16.5 cents per share, and the total dividend payout ratio for the year would be 80%.

Digital transformation is a global opportunity and the development direction of financial technology products and services. The Group took advantage of opportunities in digital transformation and industry developments, intensified the innovation and application of financial science and technology, committed itself to promoting and constructing the UMV platform, and created a diversified digital business ecology comprising commercial banks, bank card organizations, consumers and other diverse industry participants. This was achieved through the fusion and application of a new generation of information technology, such as artificial intelligence, big data, and image processing. During the year, the UMV platform signed contracts with 16 commercial banks, including China's six largest state-owned banks.

Combined with its long-term development strategy, the Group has made many innovative breakthroughs during the period. In 2021, the Group officially launched a new generation of secure payment products, which enabled financial payment products from security chips to commercial cryptographic algorithms and chip operating systems to be completely autonomously developed and controllable. Coupled with the fact that the Chinese government is actively promoting the pilot for the Digital Currency Electronic Payment (“DCEP ”), this enables the Group, as a leading enterprise in the field of secure payment, to have a first-mover advantage in the digital money market . It has acquired the ability to provide related products and supporting services, including digital currency hard wallet products, digital currency intelligent self-service kiosks, digital currency security application systems and so on. In addition, the Group will work closely with bank customers to contribute to the promotion and application of digital currencies in China and around the world.

Practicing the concept of green development and responding to the call for low-carbon emissions reduction, the Group has creatively launched a series of low-carbon eco-friendly card products that have attracted attention in the market. Driven by the Chinese market’s need for high-quality development, the Group will further expand the proportion of high value-added products and provide value-added services such as supporting cultural and creative peripheral products during the year, which further ensures the sound profitability of the core business.

Looking forward to the future, the Group will continue to implement its strategy for "digital and platform-based innovation and development", transform the traditional marketing service model with digital technology and establish a business platform to promote the in-depth innovation of financial technology services to meet the digital transformation needs of core customers. Thereby promoting the digital transformation process of its core customers and fulfilling the development mission of becoming a "trustworthy financial technology product and service provider".