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PAX Global Technology Limited

百富環球科技有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 327)

PROFIT ALERT

This announcement is made by the Company pursuant to Rule 13.09 of the Listing Rules and the Inside Information Provisions under Part XIVA of the SFO.

The Board wishes to inform the shareholders of the Company and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group and the information currently available to the Board, the Group is expected to record an increase of not less than 40% in net profit for the Reporting Period as compared to HK\$625 million for the financial year ended 31 December 2019.

Shareholders of the Company and potential investors should exercise caution when dealing in the securities of the Company.

This announcement is made by PAX Global Technology Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) pursuant to Rule 13.09 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”) and the Inside Information Provisions (as defined under the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong) (the “**SFO**”).

* *For identification purpose only*

The board of directors (the “**Board**”) of the Company wishes to inform the shareholders of the Company and potential investors that based on the preliminary assessment by the Board of the unaudited consolidated management accounts of the Group and the information currently available to the Board, the Group is expected to record an increase of not less than 40% in net profit for the financial year ending 31 December 2020 (the “**Reporting Period**”) as compared to HK\$625 million for the financial year ended 31 December 2019.

In the second half of the year, there has been a surging market demand for our products primarily driven by partial recovery of the electronic payment terminals industry and the accelerating cashless initiatives globally.

The Board considers that the expected increase in net profit is mainly attributable to the following factors:–

- (i) Overseas markets have recorded strong revenue growth in the second half of the year, in particular the Latin America and the Commonwealth of Independent States region, the Europe, Middle East and Africa region and the United States of America and Canada region; and
- (ii) Android solutions have gained popularity across the globe. The increased shipment and sales proportion to the Group’s revenue attributable to Android solutions have also improved the Group’s gross profit margin.

Information contained in this announcement is based on the preliminary review by the Board of the unaudited consolidated management accounts of the Group which has not been reviewed nor audited by the auditor of the Company and the information currently available to the Board which has not been discussed with the auditor of the Company. Further details and the financial results of the Group for the Reporting Period will be disclosed when the Group publishes its annual results which is expected to be released in March 2021.

Shareholders and potential investors are advised to exercise caution when dealing in the securities of the Company.

By Order of the Board
PAX Global Technology Limited
Cheung Shi Yeung
Company Secretary

Hong Kong, 30 November 2020

As at the date of this announcement, the Board comprises three executive directors, namely Mr. Nie Guoming, Mr. Lu Jie and Mr. Li Wenjin and three independent non-executive directors, namely Mr. Yip Wai Ming, Dr. Wu Min and Mr. Man Kwok Kuen, Charles.