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**Goldpac Group Limited**  
**金邦達寶嘉控股有限公司**  
*(Incorporated in Hong Kong with limited liability)*  
**(Stock Code: 3315)**

## **ANNOUNCEMENT OF ANNUAL RESULTS FOR THE YEAR ENDED 31 DECEMBER 2024**

### **HIGHLIGHTS**

For the year ended 31 December 2024, influenced by the decreasing sales volume and sales price of the Group's major products and services and other factors, the Group recorded a revenue of approximately RMB1.095 billion, representing a year-on-year decrease of approximately 22.7%. Gross profit was approximately RMB0.259 billion, representing a year-on-year decrease of approximately 38.4%, and gross profit margin was approximately 23.6%, representing a decrease of 6.1 percentage points compared to the same period of 2023.

The Group recorded profit for the year of approximately RMB49.5 million, representing a year-on-year decrease of approximately 67.2%, but the Group has still achieved good results among the peers and has kept its profitability since its listing.

The Group continues to maintain a healthy financial status with good liquidity, which fully meets the daily operations and working capital requirements, and provides continuous and robust support for innovative research and development (“R&D”) and strategic transformation. As at 31 December 2024, the Group's aggregate amount of bank deposits and cash, fixed bank deposits and pledged bank deposits was approximately RMB1,332.8 million (as at 31 December 2023: approximately RMB1,353.0 million). The Group's total current assets amounted to approximately RMB1,657.0 million. The Group's current ratio was approximately 4.1 (2023: approximately 3.5), while its quick ratio was approximately 3.5 (2023: approximately 3.0).

The users of the UMV platform has achieved a rapid growth, from about 30 to more than 200 bank headquarters and 1,600 bank branches. Through pilot initiatives of banks, the UMV platform has demonstrated its capability to drive innovation of financial services and marketing.

The Board proposed to declare a final dividend of HK5.5 cents (equivalent to approximately RMB5.1 cents) per ordinary share (HK10.0 cents in 2023) for the year ended 31 December 2024.

The board (the “**Board**”) of directors (the “**Directors**”) of Goldpac Group Limited (the “**Company**”) is pleased to announce the audited financial results of the Company and its subsidiaries (collectively referred to as the “**Group**”) for the year ended 31 December 2024 as below.

## **CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

*FOR THE YEAR ENDED 31 DECEMBER 2024*

		<b>2024</b>	<b>2023</b>
	<i>Notes</i>	<i><b>RMB’000</b></i>	<i><b>RMB’000</b></i>
<b>Revenue</b>	3	<b>1,095,301</b>	1,416,573
Cost of sales	6	<b>(836,358)</b>	(996,521)
<b>Gross profit</b>		<b>258,943</b>	420,052
Other income	4	<b>44,838</b>	50,665
Other gains – net	5	<b>5,252</b>	309
Research and development expenses	6	<b>(103,811)</b>	(102,451)
Selling and distribution expenses	6	<b>(107,894)</b>	(143,596)
Administrative expenses	6	<b>(45,250)</b>	(48,302)
Provision for impairment loss on trade receivables		<b>(379)</b>	(199)
Impairment loss on amount due from an associate		<b>–</b>	(36)
Impairment loss of investment properties	11	<b>(3,676)</b>	(4,974)
Finance income – net	7	<b>1,695</b>	2,265
<b>Profit before income tax</b>		<b>49,718</b>	173,733
Income tax expense	8	<b>(186)</b>	(22,568)
<b>Profit for the year</b>		<b>49,532</b>	151,165
Other comprehensive income for the year			
<i>Item that may be subsequently reclassified to profit or loss:</i>			
– exchange differences arising on translation of foreign operations		<b>1,963</b>	1,805
<b>Total comprehensive income for the year</b>		<b>51,495</b>	152,970

		2024	2023
	<i>Notes</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Profit for the year attributable to:			
Owners of the Company		<b>50,889</b>	132,051
Non-controlling interests		<b>(1,357)</b>	19,114
		<u><b>49,532</b></u>	<u>151,165</u>
Total comprehensive income attributable to:			
Owners of the Company		<b>52,852</b>	133,856
Non-controlling interests		<b>(1,357)</b>	19,114
		<u><b>51,495</b></u>	<u>152,970</u>
Earnings per share	9		
– Basic ( <i>RMB cents</i> )		<b>6.3</b>	16.3
– Diluted ( <i>RMB cents</i> )		<b>6.3</b>	16.3
		<u><b>6.3</b></u>	<u>16.3</u>

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2024

		2024	2023
	Notes	RMB'000	RMB'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		273,663	295,069
Right-of-use assets		33,843	36,165
Investment properties	11	182,226	190,832
Deferred tax assets		32,145	28,708
Other receivables		5,276	67,933
Fixed bank deposits		279,357	122,349
		<u>279,357</u>	<u>122,349</u>
Total non-current assets		<u>806,510</u>	<u>741,056</u>
<b>Current assets</b>			
Inventories	12	237,645	301,577
Trade receivables	13	261,826	330,995
Contract assets		11,064	12,038
Other receivables and prepayments		92,994	77,564
Pledged bank deposits		7,499	156,656
Fixed bank deposits		834,793	669,471
Cash and cash equivalents		211,153	404,550
		<u>211,153</u>	<u>404,550</u>
Total current assets		<u>1,656,974</u>	<u>1,952,851</u>
<b>Total assets</b>		<u>2,463,484</u>	<u>2,693,907</u>
<b>EQUITY</b>			
Share capital	16	1,192,362	1,192,362
Reserves		819,624	880,969
		<u>819,624</u>	<u>880,969</u>
Equity attributable to owners of the Company		2,011,986	2,073,331
Non-controlling interests		5	21,740
		<u>5</u>	<u>21,740</u>
<b>Total equity</b>		<u>2,011,991</u>	<u>2,095,071</u>

		2024	2023
	<i>Notes</i>	<b><i>RMB'000</i></b>	<i>RMB'000</i>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities		<b>7,024</b>	7,382
Deferred tax liabilities		<b>35,667</b>	37,399
		<hr/>	<hr/>
Total non-current liabilities		<b>42,691</b>	44,781
		<hr/>	<hr/>
<b>Current liabilities</b>			
Trade and bills payables	14	<b>317,235</b>	399,788
Contract liabilities	15	<b>23,197</b>	25,332
Other payables		<b>51,360</b>	82,552
Lease liabilities		<b>3,980</b>	4,584
Income tax payables		<b>13,030</b>	41,799
		<hr/>	<hr/>
Total current liabilities		<b>408,802</b>	554,055
		<hr/>	<hr/>
<b>Total liabilities</b>		<b>451,493</b>	598,836
		<hr/>	<hr/>
<b>Total equity and liabilities</b>		<b>2,463,484</b>	2,693,907
		<hr/>	<hr/>

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

*For the year ended 31 December 2024*

## 1 GENERAL INFORMATION

The Company is an investment holding company and the principal activities of its subsidiaries (together, the “**Group**”) are engaged in embedded software and secure payment products for smart secure payment and provision of data processing services, digital equipment, system platform, Artificial Intelligence (A.I.) self-service kiosks and other total solutions for customers in a wide business range including financial, retails, public services including social security, healthcare, transportation, etc. by leveraging innovative financial technology (“**Fintech**”).

The Company is a public limited company incorporated in Hong Kong and its shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The address of the registered office is Room 1301, 13th Floor, Bank of East Asia, Harbour View Centre, No. 56 Gloucester Road, Wanchai, Hong Kong.

The controlling shareholder of the Company is Cititrust Private Trust (Cayman) Limited, the trustee of a family trust established by Mr. Lu Run Ting (the Chairman and an executive director of the Company). The ultimate controlling party of the Company is Mr. Lu Run Ting.

The Group’s consolidated financial statements are presented in Renminbi (“**RMB**”), unless otherwise stated.

## 2 BASIS OF PREPARATION AND CHANGES IN ACCOUNTING POLICIES

### 2.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”) as issued by the Hong Kong Institute of Certified Public Accountants and requirements of the Hong Kong Companies Ordinance Cap. 622.

The consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies.

The preparation of consolidated financial statements in conformity with HKFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Group’s accounting policies.

### 2.2 New and amended standards adopted by the Group

The Group has applied the following new and amended standards for the first time for their annual reporting period commencing 1 January 2024:

- Classification of Liabilities as Current or Noncurrent – Amendments to HKAS 1
- Non-current Liabilities with Covenants – Amendments to HKAS 1

- Lease Liability in a Sale and Leaseback – Amendments to HKFRS 16
- Hong Kong Interpretation 5 (Revised) Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause – Amendments to HK Int 5
- Supplier Finance Arrangements – Amendments to HKAS 7 and HKFRS 7

The amendments listed above did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

### **2.3 New standards and interpretations that have been issued but are not yet effective for the financial year beginning on or after 1 January 2025 and have not been early adopted by the Group**

The following new and amended standards and interpretations have been issued but are not yet effective and have not been early adopted by the Group:

		<b>Effective for accounting periods beginning on or after</b>
Amendments to HKAS 21 and HKFRS 1	Lack of Exchangeability	1 January 2025
Amendments to HKFRS 9 and HKFRS 7	Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
HKFRS 18	Presentation and Disclosure in Financial Statements (new standard)	1 January 2027
HKFRS 19	Subsidiaries without Public Accountability: Disclosures (new standard)	1 January 2027
HK Int 5	Hong Kong Interpretation 5 Presentation of Financial Statements – Classification by the Borrower of a Term Loan that Contains a Repayment on Demand Clause	1 January 2027
Amendments to HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	To be determined

The Group has commenced, but not yet completed, an assessment of the impact of the new standards and amendments to standards on its results of operations and financial position. The Group is not yet in a position to state whether these new standards, amendments to standards and interpretations would have any significant impact on its results of operations and financial positions.

### 3 REVENUE AND SEGMENT INFORMATION

#### 3.1 Description of segments and principal activities

Segment information has been identified on the basis of internal management reports which are reviewed by the Chairman of the Company, being the chief operating decision maker, in order to allocate resources to the operating and reportable segments and to assess their performance.

The Group's operating and reportable segments under HKFRS 8 are as follows:

Embedded software and secure payment products	–	Design, development, manufacture and sale of embedded software and secure payment products for smart secure payment.
Platform and service	–	Provision of data processing, digital equipment, system platforms and other total solutions for customers in a wide business range including financial, retails, public services including social security, healthcare, transportation, etc. by leveraging innovative Fintech.

Each operating and reportable segment derives its revenue from the sales of products and provision of data processing services. They are managed separately because each product requires different production and marketing strategies.

Segment results represent the gross profits earned by each segment.

The following is an analysis of the Group's revenue and results by reportable segment:

	Revenue		Results	
	2024	2023	2024	2023
	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>	<i>RMB'000</i>
Sales to external parties of				
– embedded software and secure payment products	<b>622,362</b>	949,781	<b>131,666</b>	264,059
– platform and service	<b>472,939</b>	466,792	<b>127,277</b>	155,993
	<b><u>1,095,301</u></b>	<b><u>1,416,573</u></b>	<b><u>258,943</u></b>	<b><u>420,052</u></b>
Other income			<b>44,838</b>	50,665
Other gains – net			<b>5,252</b>	309
Research and development expenses			<b>(103,811)</b>	(102,451)
Selling and distribution expenses			<b>(107,894)</b>	(143,596)
Administrative expenses			<b>(45,250)</b>	(48,302)
Provision for impairment loss on trade receivables			<b>(379)</b>	(199)
Impairment loss on amount due from an associate			–	(36)
Impairment loss of investment properties			<b>(3,676)</b>	(4,974)
Finance income – net			<b>1,695</b>	2,265
Profit before income tax			<b><u>49,718</u></b>	<b><u>173,733</u></b>



The management of the Group makes decisions according to the gross profit of each segment. No information of segment assets and liabilities is available for the assessment of performance of different business activities. Therefore, no information about segment assets and liabilities is presented.

## 3.2 Revenue

The segment information for the year ended 31 December 2024 and 2023 by business segment were as follows:

	<b>For the year ended 31 December 2024</b>		
	<b>Embedded software and secure payment products <i>RMB'000</i></b>	<b>Platform and service <i>RMB'000</i></b>	<b>Total <i>RMB'000</i></b>
<b>Types of goods or services</b>			
Embedded software and secure payment products	622,362	—	622,362
Data processing	—	306,408	306,408
Digital equipment	—	166,531	166,531
	<hr/>	<hr/>	<hr/>
Total	<b>622,362</b>	<b>472,939</b>	<b>1,095,301</b>
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Revenue from sale of embedded software and secure payment products and sale of digital equipment are recognised at a point in time, and revenue from data processing services are recognised over time.

	<b>For the year ended 31 December 2024</b>		
	<b>Embedded software and secure payment products <i>RMB'000</i></b>	<b>Platform and service <i>RMB'000</i></b>	<b>Total <i>RMB'000</i></b>
<b>Geographical markets</b>			
The Chinese mainland	526,897	451,743	978,640
Non-Chinese mainland	95,465	21,196	116,661
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Total	<b>622,362</b>	<b>472,939</b>	<b>1,095,301</b>
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	For the year ended 31 December 2023		
	Embedded software and secure payment products <i>RMB'000</i>	Platform and service <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Types of goods or services</b>			
Embedded software and secure payment products	949,781	—	949,781
Data processing	—	183,005	183,005
Digital equipment	—	283,787	283,787
	<hr/>	<hr/>	<hr/>
Total	<u>949,781</u>	<u>466,792</u>	<u>1,416,573</u>

Revenue from sale of embedded software and secure payment products and sale of digital equipment are recognised at a point in time, and revenue from data processing services are recognised over time.

	For the year ended 31 December 2023		
	Embedded software and secure payment products <i>RMB'000</i>	Platform and service <i>RMB'000</i>	Total <i>RMB'000</i>
<b>Geographical markets</b>			
The Chinese mainland	653,112	443,611	1,096,723
Non-Chinese mainland	296,669	23,181	319,850
	<hr/>	<hr/>	<hr/>
Total	<u>949,781</u>	<u>466,792</u>	<u>1,416,573</u>

#### ***Information about major customer***

For the year ended 31 December 2024, there was one customer with revenue of RMB70,027,000 in aggregate from the segments of both embedded software and secure payment products and platform and service which accounted for more than 6% of the Group's total revenue (2023: RMB161,148,000).

### 3.3 Segment assets

Information about the Group's non-current assets except for financial instruments and deferred tax assets by location of assets is presented as below:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Hong Kong	124,711	136,903
The Chinese mainland	365,021	390,125
	<u>489,732</u>	<u>527,028</u>

### 3.4 Accounting policies of revenue recognition

The Group recognises revenue when (or as) a performance obligation is satisfied, i.e. when “control” of the goods and services underlying the particular performance obligation is transferred to the customer.

A performance obligation represents a good or service (or a bundle of goods or services) that is distinct or a series of distinct goods or services that are substantially the same.

Control is transferred over time and revenue is recognised over time by reference to the progress towards complete satisfaction of the relevant performance obligation if one of the following criteria is met:

- the customer simultaneously receives and consumes the benefits provided by the Group's performance as the Group performs;
- the Group's performance creates and enhances an asset that the customer controls as the Group performs; or
- the Group's performance does not create an asset with an alternative use to the Group and the Group has an enforceable right to payment for performance completed to date.

Otherwise, revenue is recognised at a point in time when the customer obtains control of the distinct good and service.

The contracts for embedded software and secure payment products, digital equipment and data processing services are for periods of one year or less. As permitted under HKFRS 15, the transaction price allocated to these unsatisfied contracts is not disclosed.

A contract asset represents the Group's right to consideration in exchange for goods and services that the Group has transferred to a customer that is not yet unconditional. It is assessed for impairment in accordance with HKFRS 9. In contrast, a receivable represents the Group's unconditional right to consideration, i.e. only the passage of time is required before payment of that consideration is due.

A contract liability represents the Group's obligation to transfer goods and services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract asset and a contract liability relating to the same contract are accounted for and presented on a net basis.

**(a) *Performance obligation for contracts with customers***

**(i) *Sales of embedded software and secure payment products***

The Group sells embedded software and secure payment products to financial institutions, retail businesses, public sectors including social security, healthcare, transportation and others. Revenue on sales of embedded software and secure payment products is recognised at the point of time when control of the goods has transferred to the customers, being when the goods have been shipped to the designated location.

**(ii) *Sales of data processing services***

The data processing services, including encode cardholder information, develop and load custom software applications to embedded software and secure payment products and deliver the goods to the designated location, which are considered to be a distinct service as it is regularly supplied by the Group to customers on a stand-alone basis. The transaction price of data processing service makes reference to the quotation that the Group offered to the customers and revenue is recognised over time as the performance obligation is satisfied through creating or enhancing an asset that the customer controls or at the point of time when the goods have been shipped to the designated location.

**(iii) *Sales of digital equipment***

The Group also provides self-service kiosks and on-site and instant card issuance system solution to its customers. Revenue on sales of self-service kiosks and on-site card issuance system is recognised at the point of time when control of the goods has transferred to the customers, being when the goods have been shipped to the designated location and installation of the digital equipment is completed with customers' acceptance.

**(b) *Contracts with multiple performance obligations (including allocation of transaction price)***

For contracts that contain more than one performance obligation (i.e. embedded software and secure payment products for smart secure payment and data processing solution), the Group allocates the transaction price to each performance obligation on a relative stand-alone selling price basis.

The stand-alone selling price of the distinct good or service underlying each performance obligation is determined at contract inception. It represents the price at which the Group would sell a promised good or service separately to a customer.

If a stand-alone selling price is not directly observable, the Group estimates it using appropriate techniques such that the transaction price ultimately allocated to any performance obligation reflects the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer.

#### 4 OTHER INCOME

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Government grants	1,170	951
Interest income from bank deposits	27,745	32,649
Value-added tax refund	9,451	12,776
Rental income from investment property	5,932	3,675
Others	540	614
	<u>44,838</u>	<u>50,665</u>

#### 5 OTHER GAINS – NET

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Net exchange gains	3,558	333
Investment income from financial assets at fair value through profit or loss ("FVTPL")	1,715	—
Loss on lease modification	(8)	—
Losses on disposal of property, plant and equipment	(13)	(24)
	<u>5,252</u>	<u>309</u>

## 6 EXPENSES BY NATURE

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Cost of inventories sold	710,583	848,085
Reversal of write-down of inventories	(3,729)	(4,351)
Employee benefits expenses (including directors' emoluments)	206,802	224,680
Depreciation of property, plant and equipment	33,813	36,186
Depreciation of right-of-use assets	5,209	5,423
Amortisation on land use right	564	564
Depreciation of investment properties	9,931	9,266
Legal and professional fees	4,552	3,163
Auditor's remuneration		
– audit services	1,458	1,841
– non-audit services	376	468
Business entertainment expenses	2,726	4,416
Freight and duties	12,195	30,571
Professional service fees	29,043	26,987
Testing fees	8,393	8,609
Travelling and transportation expenses	7,527	14,726
Other expenses	63,870	80,236
	<hr/>	<hr/>
Total cost of sales, research and development expenses, selling and distribution expenses and administrative expenses	<u>1,093,313</u>	<u>1,290,870</u>

## 7 FINANCE INCOME – NET

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Unwinding interest income from deposits paid to suppliers	<u>2,244</u>	<u>2,936</u>
<b>Finance income</b>	<u>2,244</u>	<u>2,936</u>
Borrowing costs	–	(339)
Interest expense on lease liabilities	<u>(549)</u>	<u>(332)</u>
<b>Finance costs</b>	<u>(549)</u>	<u>(671)</u>
<b>Net finance income</b>	<u><u>1,695</u></u>	<u><u>2,265</u></u>

## 8 INCOME TAX EXPENSE

This note provides an analysis of the Group's income tax expense, and shows what amounts are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items. It also explains significant estimates made in relation to the Group's tax position.

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Current income tax		
The Chinese mainland corporate income tax	–	–
Hong Kong Profits Tax	<u>5,355</u>	<u>21,329</u>
	<u>5,355</u>	<u>21,329</u>
Deferred income tax	<u>(5,169)</u>	<u>1,239</u>
<b>Income tax expense</b>	<u><u>186</u></u>	<u><u>22,568</u></u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years.

On 21 March 2018, the Hong Kong Legislative Council passed The Inland Revenue (Amendment) (No. 7) Bill 2017 (the “**Bill**”) which introduces the two-tiered profits tax rates regime. The Bill was signed into law on 28 March 2018 and was gazetted on the following day. Under the two-tiered profits tax rates regime, the first HKD2,000,000 of profits of the qualifying group entity will be taxed at 8.25%, and profits above HKD2,000,000 will be taxed at 16.5%. The profits of group entities not qualifying for the two-tiered profits tax rates regime will continue to be taxed at a flat rate of 16.5%. Accordingly, starting from the year ended 31 December 2019, the Hong Kong Profits Tax is calculated at 8.25% on the first HKD2,000,000 of the estimated assessable profits and at 16.5% on the estimated assessable profits above HKD2,000,000 for Goldpac Datacard Solutions Company Limited.

The Chinese mainland corporate income tax is calculated at the applicable rates in accordance with the relevant laws and regulations in the Chinese mainland.

The Company's subsidiaries in the Chinese mainland are subject to the Chinese mainland corporate income tax at 25%, except that Goldpac Limited which is approved for 3 years as an enterprise satisfied as a High-New Technology Enterprise and is entitled to the preferential tax rate of 15% in 2023, 2024 and 2025.

According to a joint circular of Ministry of Finance and the State Administration of Taxation, Cai Shui (2008) No. 1, only the profits earned prior to 1 January 2008, when distributed to foreign investors, can be grandfathered with the exemption from withholding tax. Whereas, pursuant to Articles 3 and 27 of the Corporate Income Tax Law and Article 91 of its Implementation Rules, dividend distributed out of the profit generated thereafter, shall be subject to corporate income tax at 10% or reduced tax rate if tax treaty or arrangement applies. Under the relevant tax arrangement, withholding tax rate on dividend distribution to the qualifying Hong Kong resident companies is 5%. Deferred tax liability on the undistributed profits earned by Goldpac Limited since 1 January 2008 have been accrued at the tax rate of 5%.

Income tax expense for the year is reconciled to profit before tax as follows:

	<b>2024</b>	2023
	<b><i>RMB'000</i></b>	<i>RMB'000</i>
Profit before tax	<b>49,718</b>	173,733
Tax at People's Republic of China ("PRC") tax rate of 25% (2023: 25%)	<b>12,430</b>	43,433
Tax effect of amounts not taxable for tax purpose	<b>(3,668)</b>	(585)
Tax effect of tax losses not recognised	<b>6,624</b>	2,924
Tax effect of tax concession	<b>(15,894)</b>	(18,697)
Tax effect of different tax rate of subsidiaries operating in other tax jurisdiction	<b>(2,251)</b>	(10,312)
Withholding EIT on undistributed profits in the PRC	<b>1,756</b>	2,907
Others	<b>1,189</b>	2,898
Income tax expense for the year	<b>186</b>	22,568



## 9 EARNINGS PER SHARE

The basic earnings per share attributable to the owners of the Company is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of ordinary shares outstanding during the financial year

	2024	2023
Profit for the year attributable to owners of the Company ( <i>RMB'000</i> )	<b>50,889</b>	132,051
Weighted average number of ordinary shares for the purpose of basic earnings per share ( <i>thousand</i> ) ( <i>Note</i> )	<b>807,377</b>	811,326
Basic earnings per share ( <i>RMB cents</i> )	<b>6.3</b>	16.3

*Note:* The weighted average number of ordinary shares adopted in the calculation of basic and diluted earnings per share for both years have been arrived at after deducting the shares held in trust for the Company by an independent trustee under the shares award scheme of the Company.

For the year ended 31 December 2024 and 2023, diluted earnings per share were same as the basic earnings per share as there was no potential dilutive ordinary shares outstanding during the years.

## 10 DIVIDENDS

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
2024 Interim – nil (2023 Interim – nil) per ordinary share	–	–
2023 Final – HK10.0 cents (2022 Final – HK12.0 cents) per ordinary share	<b>73,817</b>	86,469
2023 Special – HK4.0 cents (2022 Special – HK4.0 cents) per ordinary share	<b>29,526</b>	28,823
	<b>103,343</b>	115,292

Subsequent to the end of the reporting period, a final dividend of HK5.5 cents (2023: HK10.0 cents) per ordinary share in respect of the year ended 31 December 2024 has been proposed by the Board and is subject to approval by the shareholders of the Company at the forthcoming annual general meeting. The dividend declared after 31 December 2024 has not been recognised as a liability as at 31 December 2024.

## 11 INVESTMENT PROPERTIES

	2024 RMB'000	2023 RMB'000
<b>Non-current assets – at cost</b>		
Opening balance as at 1 January	219,946	207,107
Transfer from property, plant and equipment	4,037	11,876
Exchange realignment	1,473	963
	<u>225,456</u>	<u>219,946</u>
Closing balance as at 31 December	<u>225,456</u>	<u>219,946</u>
<b>Depreciation</b>		
Opening balance as at 1 January	24,140	14,671
Provided for the year	9,931	8,714
Transfer from property, plant and equipment	–	552
Exchange realignment	360	203
	<u>34,431</u>	<u>24,140</u>
Closing balance as at 31 December	<u>34,431</u>	<u>24,140</u>
<b>Impairment</b>		
Opening balance as at 1 January	4,974	–
Provision for impairment ( <i>Note i</i> )	3,676	4,974
Exchange realignment	149	–
	<u>8,799</u>	<u>4,974</u>
Closing balance as at 31 December	<u>8,799</u>	<u>4,974</u>
<b>Carrying values</b>		
At 31 December	<u>182,226</u>	<u>190,832</u>

### (i) Impairment for investment properties

The Group has identified certain indications of impairment on investment properties located in Hong Kong. The Group has carried out an impairment assessment on these investment properties as at 31 December 2024. Based on the result, the Group provided impairment loss amounting to RMB3,676,000 (2023: RMB4,974,000) for these investment properties.

The impairment loss provided for above mentioned property units is calculated by the recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

The investment properties were appraised by the Asset Appraisal Limited with the direct comparison method as its primary method with cross-reference to the observable market value of the comparable properties, where appropriate.

The Directors have taken fair value less costs of disposal and value in use into consideration for estimation of recoverable amount. As at 31 December 2024, the recoverable amount was estimated by fair value less costs of disposal.

The best evidence of fair value is current prices in an active market for similar properties. Where such information is not available, the Directors consider information from a variety of sources including:

- current prices in an active market for properties of a different nature or recent prices of similar properties in less active markets, adjusted to reflect those differences.

Investment properties held by the Group	Fair value hierarchy	Valuation technique and significant unobservable inputs	Significant unobservable inputs	Relationship of significant unobservable inputs to fair value
13th Floor, Bank of East Asia Harbour View Centre, No. 56 Gloucester Road, Wanchai, Hong Kong	Level 3	Direct comparison method with cross reference to the observable market value of the comparable properties		
		The key inputs are:		
		Price index adjustment	0.829-1.000	The larger the price index of evaluated property, the larger the price index adjustment and the fair value.
		Age adjustment	1.002-1.016	The older the age of evaluated property, the lower the age adjustment and the fair value.
		Floor adjustment	0.980-1.014	The higher the floor of evaluated property, the higher the floor adjustment and the fair value.
		Size adjustment	0.978-1.035	The larger the size of evaluated property, the lower the size adjustment and the fair value.
		Location adjustment	1.000	The lower the location adjustment, the lower the fair value.

**(ii) Amounts recognised in profit or loss for investment properties**

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Rental income from operating leases	5,932	3,675
Direct operating expenses from property that generated rental income	(3,485)	(2,496)
Direct operating expenses from property that did not generate rental income	<u>(6,446)</u>	<u>(6,770)</u>

**(iii) Presenting cash flows**

The Group classifies cash outflows to acquire or construct investment properties as investing cash flows and rental inflows as operating cash flows.

**(iv) Leasing arrangement**

The investment properties are leased to tenants under operating leases with rentals payable monthly. Lease income from operating leases where the Group is a lessor is recognised in income on a straight-line basis over the lease term.

The fair value of the Group's investment properties at 31 December 2024 were RMB42,077,000 for investment properties located in Hong Kong (2023: RMB47,058,000) and RMB162,135,000, for investment properties located in Zhuhai (2023: RMB189,530,000), respectively. The fair value has been arrived at based on a series of valuation carried out by independent valuers, namely Asset Appraisal Limited, for investment properties located in Hong Kong, and Zhuhai Chengxinda Real Estate Evaluation Co., Ltd., for investment properties located in Zhuhai and consideration of management by reference to market value comparison.

The valuation has been arrived by reference to direct comparison method as available in the market and where appropriate, on the basis of referencing to the sales transactions of similar commercial properties in Hong Kong and Zhuhai.

In estimating the fair value of the property, the highest and best use of the property is their current use.

Details of the Group's investment properties and information about the fair value hierarchy as at the end of the reporting period are as follows:

	2024		2023	
	Carrying amount <i>RMB'000</i>	Fair value at level 3 Hierarchy <i>RMB'000</i>	Carrying amount <i>RMB'000</i>	Fair value at level 3 Hierarchy <i>RMB'000</i>
Investment properties located in Hong Kong	42,077	42,077	47,058	47,058
Investment properties located in Zhuhai	<u>140,149</u>	<u>162,135</u>	<u>143,774</u>	<u>189,530</u>

The above investment properties are depreciated for 20-30 years on a straight-line basis.

## 12 INVENTORIES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Raw materials	179,242	222,766
Work in progress	4,834	3,679
Finished goods	<u>113,755</u>	<u>139,047</u>
	297,831	365,492
Less: write-down of inventories to net realisable values	<u>(60,186)</u>	<u>(63,915)</u>
	<u>237,645</u>	<u>301,577</u>

Inventories recognised as an expense during the year ended 31 December 2024 amounted to RMB710,583,000 (2023: RMB848,085,000). These were included in cost of sales. Reversal of write-down of inventories amounted to RMB3,729,000 during the year ended 31 December 2024 (2023 : Reversal of write-down of inventories amounted to RMB4,351,000). These were recognised in cost of sales in the consolidated statement of profit of loss and other comprehensive income (Note 6).

## 13 TRADE RECEIVABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade receivables	266,525	336,018
Less: Loss allowance ( <i>Note</i> )	<u>(4,699)</u>	<u>(5,023)</u>
	<u><b>261,826</b></u>	<u><b>330,995</b></u>

*Note:* The Group applies the HKFRS 9 lifetime ECL approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. The assessment resulted in an increase of the loss allowance on 31 December 2024 by RMB379,000 (2023: increase of the loss allowance by RMB199,000) for trade receivables.

The carrying amounts of trade receivables approximate their fair values.

Payment terms with customers are mainly on credit. Invoices are normally payable in 30 to 150 days by the customers from date of issuance. The following is an ageing analysis of trade receivables net of provision for impairment loss presented based on the invoice date:

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Ageing		
0 – 90 days	181,298	215,954
91 – 180 days	21,602	38,219
181 – 365 days	27,719	39,403
Over 1 year	<u>31,207</u>	<u>37,419</u>
	<u><b>261,826</b></u>	<u><b>330,995</b></u>

The normal credit period is 30-150 days upon delivery. Retentions held by customers are normally payable between 6 months to 1 year by the customers from the date of issuance of invoice. Such retentions include retentions for embedded software and secure payment products required by customers to insure performance of Integrated Circuit (“IC”) chips during the warranty period. The card issuance system solutions also have retentions ranging from 5% to 10%, which are payable after the expiration of the warranty period. These warranties associated with the goods cannot be purchased separately and they serve as an assurance that the goods sold comply with agreed-upon specifications. Accordingly, the Group accounts for warranties in accordance with HKAS 37 Provisions, Contingent Liabilities and Contingent Assets.

## 14 TRADE AND BILLS PAYABLES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Trade payables	253,412	255,784
Bills payables – secured	<u>63,823</u>	<u>144,004</u>
	<u><b>317,235</b></u>	<u><b>399,788</b></u>

Trade payables are unsecured and are usually paid within 60 to 180 days of recognition. The bills payables are secured by pledged bank deposits.

The carrying amounts of trade and bills payables are considered to be the same as their fair values, due to their short-term nature. The following is an ageing analysis of trade and bills payables based on invoice date and bill issuance date respectively at the end of the year.

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Ageing		
0 – 90 days	260,262	231,360
91 – 180 days	39,540	101,052
181 – 365 days	12,433	60,934
Over 1 year	<u>5,000</u>	<u>6,442</u>
	<u><b>317,235</b></u>	<u><b>399,788</b></u>

## 15 CONTRACT LIABILITIES

	2024 <i>RMB'000</i>	2023 <i>RMB'000</i>
Embedded software and secure payment products	<u>23,197</u>	<u>25,332</u>

The Group receives 10% to 100% of the contract value as deposit from customers when they sign the contracts with customers. Contract liabilities represent the receipts in advance from customers which is recognised as revenue at a point in time when the control of the goods is transferred to the customers. During the year ended 31 December 2024, revenue recognised in the year relating to contract liabilities at the beginning of the year is RMB15,586,000 (2023: RMB174,873,000).

## 16 SHARE CAPITAL

	Number of ordinary shares '000	Amount <i>HKD'000</i>
Issued and fully paid:		
At 31 December 2023	819,577	1,499,498
Shares bought back on-market and cancelled	<u>(11,649)</u>	<u>—</u>
At 31 December 2024	<u>807,928</u>	<u>1,499,498</u>
		<i>RMB'000</i>
Shown in the consolidated financial statements as of 31 December 2023 and 2024		<u>1,192,362</u>

During the year ended 31 December 2024, the Company purchased 11,298,000 ordinary shares on-market in order to simplify the Company's capital structure, and cancelled 10,007,000 ordinary shares in November 2024. Additionally, 1,642,000 ordinary shares purchased in 2023 were cancelled in April 2024. The buy-back and cancellation were approved by shareholders at last year's annual general meeting, and the payment was made out of the Company's distributable profits with no reduction of capital.

The shares were acquired at an average price of HKD1.05 per share, with prices ranging from HKD0.97 to HKD1.13. The total amount of HKD11,834,000 (RMB10,854,000) paid to acquire the shares has been deducted from retained earnings within shareholders' equity.



## MANAGEMENT DISCUSSION AND ANALYSIS

In 2024, the Group was faced with great challenges and pressure in its overall operations, but the Group has since entered into a transformative period of corporate development to bolster its strength in preparation for another rebound after transformation and upgrading.

In 2024, global economic recovery was far from expected with geopolitical tensions and global trade frictions persisting. Meanwhile, consumer confidence is low and insufficient effective consumption continued. The traditional banking card industry was influenced by factors such as stricter regulatory policies, tighter risk controls, and pressure on operating costs, resulting in a weak overall growth. Although the downturn of the global economy combined with weak growth in the industry posed greater difficulties to the Group's operations in 2024, the Group has still achieved good results among the peers and has kept its profitability since its listing.

Over the past 30 years, the Group has deeply understood that ups and downs are an inevitable part of growth, and is keenly aware that the current difficulties faced are also opportunities for the Group to actively fortify its advantages. The Group is making every effort to transform itself in three directions; through application of new business models, introduction of new technologies and attraction of human resources. The Group has already initiated a restructuring from the Board to management level, establishing a management team that is younger and more adapted to the changing digital era, realising a streamlined and efficient management structure to lead the upcoming transformation.

Despite the intensification of pressure and challenges, the Group's digital and platform-based strategy has produced remarkable results. The users of the UMV platform has achieved a rapid growth, from about 30 to more than 200 bank headquarters and 1,600 bank branches. Through pilot initiatives of banks, the UMV platform has demonstrated its capability to drive innovation of financial services and marketing. At the same time, the interactive platform integrating AI technologies has initiated preliminary digital operation features. For the first time globally, the payment card service operation has evolved from a decentralised and discreet process, to an intelligent and visualised one. In December 2024, the Group organised "Accomplishing Bank Digital Transformation through Fintech Outsourcing Workshop" in Beijing, Shanghai and Shenzhen where the UMV platform was highly recognised and well-received by bank customers.

In the face of challenges and adversity, temporary operational pressure may not be mitigated in the short term, but the Group remains positive about the medium to long-term prospects. The Group maintains a healthy financial status with adequate liquidity resources and will leverage the accumulated digital advantages of existing platforms, focusing on new business models, technologies and human resources to gather momentum for transformation.

## Business review and financial analysis

For the year ended 31 December 2024, influenced by the decreasing sales volume and sales price of the Group's major products and services, as well as the longer-than-expected procurement cycles of the customers outside the Chinese mainland, the Group recorded a revenue of approximately RMB1.095 billion, representing a year-on-year decrease of approximately 22.7%. Gross profit was approximately RMB0.259 billion, representing a year-on-year decrease of approximately 38.4%, and gross profit margin was approximately 23.6%, representing a decrease of 6.1 percentage points compared to the same period of 2023. As a result of the continually increasing investment in R&D, the Group recorded profit for the year of approximately RMB49.5 million, representing a year-on-year decrease of approximately 67.2%.

The Group continues to maintain a healthy financial status with good liquidity, which fully meets the daily operations and working capital requirements, and also provides continuous and robust support for innovative R&D and strategic transformation. As of 31 December 2024, the Group's total current assets amounted to approximately RMB1,657.0 million, representing a year-on-year decrease of approximately 15.2%. The Group's current ratio and quick ratio were approximately 4.1 and 3.5 respectively, while its gearing ratio was close to 18.3%.

During the year, the Group's embedded software and secure payment products business segment recorded a revenue of approximately RMB0.622 billion, representing a year-on-year decrease of approximately 34.5%. The Group has made progress in the field of telecommunications and electric vehicle security applications. The Group has built up full-process production and delivery capabilities in the telecommunications sector. Keeping pace with the booming electric vehicle market in the Chinese mainland, the Group's car access key card projects have been implemented for some of the leading electric vehicle brands. The Group is expecting further breakthroughs in both business areas.

During the year, the Group's platform and service business segment recorded revenue of approximately RMB0.473 billion, representing a year-on-year increase of approximately 1.3%.

The Board proposed to declare a final dividend of HK5.5 cents (equivalent to approximately RMB5.1 cents) per ordinary share (HK10.0 cents in 2023) for the year ended 31 December 2024.

## Financial Results for the First Half of 2025

The Board wishes to inform the Shareholders and potential investors that, due to the increasing complexity and uncertainty of the economic environment, and based on the currently available preliminary assessment of the unaudited consolidated management accounts of the Company for the 2 months ended 28 February 2025 (the “**Unaudited Management Accounts**”) and the latest order book figures which will turn into revenue for March 2025, the Board expects to record (i) a decrease in the revenue by approximately 15% to 25% for 3 months ending 31 March 2025 as compared to the revenue for the 3 months ended 31 March 2024 (approximately RMB286.95 million); and (ii) a decrease in the profit attributable to owners of the Company by approximately 25% to 35% for the three months ending 31 March 2025 as compared to the profit attributable to owners of the Company for the 3 months ended 31 March 2024 (approximately RMB17.30 million).

The Company will commence the process of preparing the interim results of the Group for the six months ending 30 June 2025 in July 2025 and is not able at this time to disclose any further details on the above factors and their impact on the Group’s profit attributable to owners of the Company for the six months ending 30 June 2025. On the premises of the business and revenue cycle of the Group, in particular, the current order book figures of the Group, the Board is not able at this time to provide a forecast of the revenue and profit attributable to owners of the Company for the six months ending 30 June 2025 to the Shareholders and potential investors. The information set out above is only based on a preliminary assessment by the Board on the information currently available to it, including the Unaudited Management Accounts, which have not been finalized and not been independently reviewed by the auditors or the audit committee of the Company. Shareholders and potential investors should refer to the interim results of the Company for the six months ending 30 June 2025, which are expected to be published before the end of August 2025.

## **Full implementation of the digital and platform-based strategy**

### **Focus on new business models, new technologies and new human resources**

*New business models: the UMV platform provides bank customers with new operational models and services across the whole business process*

#### **1. *UMV innovative model addresses the core issues of banks: cost, efficiency and user experience***

For the first time globally, the UMV platform realises real-time, online interactions and visibility of the payment card operations process on one platform. This is a typical application of the fast-developing AI technologies in the payment card operations process, which effectively addresses the core issues of cost, efficiency and user experience, and is helpful in business operations and management workflows for banks.

#### **2. *The UMV platform assists banks in risk management***

Based on strict data compliance regimes, the UMV platform fully complies with relevant laws and regulations by the National Financial Regulatory Administration. It reduces manual operation to lower error rates and effectively eliminate potential risks in existing infrastructures, which highly improves the banks' risk control capabilities.

#### **3. *The UMV platform is turning towards end consumers to facilitate scenario-based services and the ecological construction in the financial sector***

Under the pressure of economic downturn, boosting domestic demand has become a central concern as highlighted in the Government Work Report at the recent third session of the 14th National People's Congress. The UMV platform is turning towards end consumers to seize new market opportunities. The Group is building a more comprehensive, timelier, and more precise credit card benefits platform, and a larger, more active, higher quality credit card users community platform. Focusing in the Guangdong-Hong Kong-Macao Greater Bay Area, the UMV platform innovates on benefits design, precise marketing and user operations, etc., through deep integration of market ecosystems and scenarios. It facilitates financial institutions in acquiring and activating consumers, which is effective for boosting consumption, and further assists banks in improving efficiency and quality.

#### **4. *The UMV platform: globalisation and market coverage expansion***

According to the latest forecast by the *Nilson Report*, a leading publication covering payment systems worldwide, the total number of payment cards in circulation around the globe will increase by 12.8% by 2029, suggesting that the global credit card market still has a strong potential for growth. The Group has developed an international version of the UMV platform, which will be a powerful tool for the Group to expand global market coverage. The Group will leverage on the platform's digital capabilities to continuously open up its international business channels and strengthen its partnership network in response to the differentiated needs of each country and region. The Group will also pay due attention to the risk of uncertainties arising from global economic volatility and geopolitics.

#### ***New technologies: fueling the digitalisation and platform-based development***

One of the core driving forces of the Group's leading advantages is deeply understanding and applying advanced technologies in business scenarios. The Group will continue to invest in R&D, pay attention to frontier technologies and focus on practical applications to fuel the digitalisation and platform-based development.

The Group sets out to develop a new generation of encryption algorithms, and increases its research in fields like finance, telecommunications, and social security.

The Group deepens its research on AIGC (Artificial Intelligence Generated Content) technology surrounding two main aspects of enhancing end consumers experience and improving service efficiency of our corporate clients.

The Group will accelerate its R&D of eSIM, multi-scenario security authentication technologies, etc., providing tailored-made end-to-end solutions to IoT (Internet of Things) equipment and smart equipment manufacturers.

### ***New human resources: foundational support for digital and platform-based development***

Initiating a youth-oriented talent strategy. From the Board to management team, the Group has significantly increased the appointment of younger professionals. This is complemented by rotational leadership regime and competitive recruitment mechanism for key management positions, providing a broad platform for young talents.

Building high-tech talent pool system. Aligned with the digital and platform-based strategy, the Group is accelerating the construction of high-tech advanced talent system and the implementation of global talent pool strategy. Leveraging on the advantage of Hong Kong, the Group has recruited a number of experts in “finance + internet”, data algorithms, and AI. In order to accelerate international market expansion, the Group has recruited a global team of professionals covering key market areas such as EMEA, APAC, and the Americas. The Group will continue to acquire talents in AI, cryptographic algorithms, and other critical digital domains.

### **SUBSEQUENT EVENTS**

No material events occurred subsequent to 31 December 2024 and up to the date of this annual results announcement.

### **CLOSURE OF REGISTER OF MEMBERS**

In order to be eligible for attending and voting at the forthcoming annual general meeting of the Company to be held on Thursday, 22 May 2025, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by 4:30 p.m. on Friday, 16 May 2025. The register of members of the Company will be closed from Monday, 19 May 2025 to Thursday, 22 May 2025, both days inclusive, during which period no transfer of shares will be registered.

In order to determine who are entitled to the proposed final dividend, all transfer documents accompanied by the relevant share certificates must be lodged with the Company’s share registrar in Hong Kong, Tricor Investor Services Limited, at 17th Floor, Far East Finance Centre, 16 Harcourt Road, Hong Kong for registration by 4:30 p.m. on Friday, 30 May 2025. The register of members of the Company will be closed from Monday, 2 June 2025 to Wednesday, 4 June 2025, both days inclusive, during which period no transfer of shares will be registered. Subject to shareholders’ approval of the proposed dividend at the forthcoming annual general meeting of the Company to be held on Thursday, 22 May 2025, the dividend will be paid on Friday, 27 June 2025 to the shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 4 June 2025.

## USE OF PROCEEDS RAISED FROM THE INITIAL PUBLIC OFFERING

The Company's shares were listed on the Main Board of the Stock Exchange on 4 December 2013 with net proceeds from the global offering of approximately RMB975.0 million (after deducting underwriting commissions and related expenses). As at 31 December 2024, the Company utilised approximately RMB862.9 million for the purposes of production capacity expansion, innovative product and service research and development, investment in associates and acquisition, market expansion outside China, working capital supplementation and other general corporate purposes. The balances of the net proceeds were deposited in bank account. The Company has utilised and will utilise the net proceeds pursuant to the purposes and the proportions as disclosed in the prospectus of the Company dated 22 November 2013.

## LIQUIDITY AND FINANCIAL RESOURCES

Based on the Group's steady cash inflow from operations, coupled with sufficient cash and bank balances, the Group has adequate liquidity and financial resources to meet the daily operations and working capital requirements as well as to fund its expansion plans. The Group formulates and exercises fund management measures and upholds a conservative financial management attitude. The Board monitors the use of funds to ensure the safety, liquidity and profitability of funds.

As at 31 December 2024, the Group's aggregate amount of bank balances and cash, fixed bank deposits and pledged bank deposits reached approximately RMB1,332.8 million (2023: approximately RMB1,353.0 million), of which approximately RMB1,178.9 million (2023: approximately RMB1,096.1 million) was denominated in RMB, representing approximately 88.5%, and approximately RMB153.9 million (2023: approximately RMB256.9 million) was denominated in USD and HKD, etc., representing approximately 11.5%.

As at 31 December 2024, the Group had no bank borrowings (2023: Nil) and did not use any financial instruments for hedging purpose.

As at 31 December 2024, the Group's trade receivables was approximately RMB261.8 million (2023: approximately RMB331.0 million).

As at 31 December 2024, the Group's total current assets amounted to approximately RMB1,657.0 million (2023: approximately RMB1,952.9 million), representing a decrease of approximately 15.2% compared to that of the previous year.

As at 31 December 2024, the Group's current ratio was approximately 4.1 (2023: approximately 3.5), while its quick ratio was approximately 3.5 (2023: approximately 3.0), representing a high liquidity.

As at 31 December 2024, the Group's gearing ratio (the gearing ratio is equivalent to total liabilities divided by total assets as at the end of the year) was approximately 18.3% (2023: approximately 22.2%).



## **CURRENCY EXPOSURE**

The Group's sales were mainly denominated in RMB, USD and HKD while the operating expenses and purchases were mainly denominated in RMB with certain portions in USD and HKD. During the year ended 31 December 2024, the Group did not use any derivative financial instruments to hedge against the volatility associated with foreign currency transactions and other financial assets and liabilities arising in the ordinary course of business. The Group manages its foreign currency risk by closely monitoring the fluctuation of foreign currency rates.

## **CAPITAL EXPENDITURE**

For the year ended 31 December 2024, the Group's capital expenditure was approximately RMB18.0 million (2023: approximately RMB29.3 million). The capital expenditure represented the expenses incurred in purchasing fixed assets.

## **CAPITAL COMMITMENT**

The aggregate capital commitment of the Group as at 31 December 2024 was approximately RMB4.4 million (2023: approximately RMB3.8 million).

## **PLEDGED ASSETS**

As at 31 December 2024, bank deposits of approximately RMB7.5 million (2023: approximately RMB156.7 million) were pledged to secure the bills payables and bank guarantee.

## **SIGNIFICANT INVESTMENTS**

The Group had no significant investments for the year ended 31 December 2024.

## **FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS**

The Group has no future plans for material investment or capital assets during 2025.

## **CONTINGENT LIABILITIES**

As at 31 December 2024, the Group had no material contingent liabilities.

## **MATERIAL ACQUISITION AND DISPOSAL OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures during the year ended 31 December 2024.



## PURCHASE, SALE OR REDEMPTION OF SECURITIES

For the year ended 31 December 2024, the Company purchased 11,298,000 ordinary shares of the Company on the Stock Exchange at an aggregate price of approximately HKD11,834,000 (equivalent to approximately RMB10,854,000). The shares were acquired at an average price of approximately HKD1.05 per share, with prices ranging from HKD0.97 to HKD1.13. Among which, 10,007,000 repurchased shares were cancelled on 18 November 2024, with the remaining 1,291,000 repurchased shares cancelled on 17 March 2025.

The details of the purchase of shares are as follows:

Month	Number of shares purchased	Highest price per share (HKD)	Lowest price per share (HKD)	Aggregate consideration paid (HKD)
July 2024	5,261,000	1.13	0.98	5,551,862.15
August 2024	2,074,000	1.06	1	2,130,632.68
September 2024	2,672,000	1.08	1.02	2,852,478.46
December 2024	1,291,000	1.03	0.97	1,298,648.93
<b>Total</b>	<b>11,298,000</b>			<b>11,833,622.22</b>

In addition, the 1,642,000 shares repurchased by the Company during the period from November to December 2023 were cancelled on 29 April 2024.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities during the year ended 31 December 2024.

The treasury share regime under the Listing Rules is not yet available to the Company, being a listed issuer incorporated in Hong Kong, until the Companies (Amendment) Ordinance 2025 taking effect on 17 April 2025 and accordingly, the disclosure requirements in respect of treasury shares under the Listing Rules are not applicable to the Company.

## ENVIRONMENTAL, SOCIAL AND CORPORATE GOVERNANCE

The Group is committed to maintaining high levels of environmental and social standards to ensure sustainable development of its business. During the year ended 31 December 2024, the Group's environmental, social and governance ("ESG") management team had managed, monitored, recommended and reported on environmental, social and governance aspects. An ESG report for the year ended 31 December 2024 will be prepared with reference to Appendix C2 to the Rules Governing the Listing of Securities on the Stock Exchange (the "**Listing Rules**") (Environmental, Social and Governance Reporting Guide) and will be published on the websites of the Company and the Stock Exchange.

The Group has complied with all relevant laws and regulations in relation to its business including anti-corruption, health and safety, workplace conditions, employment and the environment in all material aspects during the year ended 31 December 2024. The Group encourages its employees, customers, suppliers and other stakeholders to participate in environmental, social and governance activities.

The Group maintains strong relationships with its employees. The Group also enhances cooperation with its suppliers to jointly foster a fair business environment, and provides high quality products and services to its customers so as to ensure continued and sustainable development.

## HUMAN RESOURCES AND REMUNERATION POLICIES

Benefiting from the digital transformation, the Group's staff structure has been optimised. As at 31 December 2024, the Group had 1,282 employees (as at 31 December 2023: 1,507), with a decrease of 225 employees as compared to that as at 31 December 2023. Total employee benefits expenses including Directors' emoluments, for the year ended 31 December 2024, amounted to approximately RMB206.8 million (for the year ended 31 December 2023: approximately RMB224.7 million).

The human resources are one of the Group's most important assets. In addition to offering competitive remuneration and welfare packages, the Group is also committed to providing specialised and challenging career development and training programs. Generally, a salary review is conducted annually. The Group also adopted the Pre-IPO share option scheme, the share option scheme and the share award scheme to motivate prospective employees. Apart from basic remuneration, for employees in the Chinese mainland, the Group makes contributions towards employee mandatory social security, pensions, work-related injury insurance, maternity insurance and medical and unemployment insurance in accordance with the applicable laws and regulations of the Chinese mainland. The pensions and unemployment insurance belong to defined contribution plans. The Group does not have the right to confiscate the contributions and therefore has no use of the contributions. The Group also provides full coverage of housing provident fund contributions as required by local laws and regulations in the Chinese mainland. For the employees outside the Chinese mainland, the Group also makes contributions towards relevant insurance scheme as required by the local laws and regulations.

The Group's emolument policies are based on the merit, qualifications and competence of individual employees and are reviewed by the remuneration committee of the Company (the "**Remuneration Committee**") periodically. The emoluments of the Directors are recommended by the Remuneration Committee to the Board and are decided by the Board, having regard to the Group's operating results, individual performance and comparable market statistics.

The Group emphasises on employee performance and development, and is committed to enhancing their knowledge and skills. The Group provides comprehensive internal and external trainings to the employees, such as compulsory orientation, job skills training, improvement training, information security training, compliance and legal training, project management training, business etiquette training and etc.

## **REVIEW BY THE AUDIT COMMITTEE**

The audit committee of the Company has reviewed the Group's annual results for the year ended 31 December 2024.

## **SCOPE OF WORK OF PRICEWATERHOUSECOOPERS**

The figures in respect of the Group's consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the related notes thereto for the year ended 31 December 2024 as set out in the preliminary announcement have been agreed by the Group's auditor, PricewaterhouseCoopers, to the amounts set out in the Group's audited consolidated financial statements for the year ended 31 December 2024. The work performed by PricewaterhouseCoopers in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the Hong Kong Institute of Certified Public Accountants and consequently no assurance has been expressed by PricewaterhouseCoopers on the preliminary announcement.

## **CORPORATE GOVERNANCE**

The Company has complied with all the applicable code provisions set out in the Corporate Governance Code (the "**CG Code**") contained in Part 2 of Appendix C1 to the Listing Rules during the year ended 31 December 2024.

## **MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS**

The Company has adopted the Model Code for Securities Transactions by Directors of Listed Issuers ("**Model Code**") set out in Appendix C3 to the Listing Rules as its code of conduct regarding directors' securities transactions. All Directors have confirmed, following specific enquiry by the Company, that they have complied with the Model Code throughout the year ended 31 December 2024.

## NON-STATUTORY FINANCIAL STATEMENTS

The financial information relating to the years ended 31 December 2023 and 31 December 2024 included in this annual results announcement does not constitute the Company's statutory annual consolidated financial statements for the respective year but is derived from those financial statements. The Company has delivered its financial statements for the year ended 31 December 2023 and will deliver its financial statements for the year ended 31 December 2024 in due course to the Registrar of Companies as required by section 662(3) of, and Part 3 of Schedule 6 to the Companies Ordinance (Cap. 622 of the Laws of Hong Kong). The Company's auditor has reported on those financial statements. The auditor's report was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying its report and did not contain a statement under sections 406(2), 407(2) or (3) of the Companies Ordinance.

## PUBLICATION OF ANNUAL RESULTS AND ANNUAL REPORT OF 2024

This annual results announcement is published on the websites of the Stock Exchange ([www.hkexnews.hk](http://www.hkexnews.hk)) and the Company ([www.goldpac.com](http://www.goldpac.com)). The Annual Report for the year ended 31 December 2024 will be despatched to the shareholders of the Company and will be published on the websites of the Stock Exchange and the Company in due course.

By Order of the Board  
**Goldpac Group Limited**  
**LU Run Ting**  
*Chairman & Executive Director*

Hong Kong, 27 March 2025

*As at the date of this announcement, the executive Directors of the Company are Mr. LU Run Ting, Mr. HOU Ping, Mr. LU Runyi, Mr. WU Siqiang, Mr. LU Wai Lim and Ms. LI Yijin; and the independent non-executive Directors of the Company are Mr. JIANG Li, Ms. YE Lu and Mr. LAI Tung Kwok.*

*This announcement is prepared in both Chinese and English. In the event of inconsistency, the Chinese version of this announcement shall prevail over the English version.*