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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 2025

HIGHLIGHTS

For the year ended 31 December 2025, the Group recorded a revenue of approximately RMB931 million, representing a year-on-year decrease of approximately 15.0%, and the decline narrowed as compared with the same period of 2024. Gross profit amounted to approximately RMB253 million with a decrease of approximately 2.5% year-on-year. The Group continued to expand its global markets, optimise products structure, and improve efficiency through its digital platform, resulting a gross profit margin of approximately 27.1%, which increased by 3.5 percentage points as compared with the same period of 2024. Benefiting from the improvement in its gross profit margin, the Group recorded an operating profit ^(Note) of approximately RMB52.4 million, representing a year-on-year increase of approximately 17.8%. During the year, the markets outside the Chinese mainland generated revenue of approximately RMB127 million, representing a year-on-year increase of approximately 9.2%.

Affected by factors including the decline in revenue, the decrease in other income, and net exchange loss, the Group recorded a profit for the year of approximately RMB40.1 million, representing a year-on-year decrease of approximately 19.0%.

During the year, the UMV platform has established an integrated framework encompassing regulations, processes and systems, and it has been rolled out globally to over 2,600 headquarters and branches of banks.

The Board proposed to declare a final dividend of HK4.0 cents (equivalent to approximately RMB3.5 cents) per ordinary share (HK5.5 cents in 2024) and a special dividend of HK1.0 cent (equivalent to approximately RMB0.9 cent) per ordinary share (no special dividend in 2024) for the year ended 31 December 2025.

Note: Operating profit refers to profit before income tax net of (i) net exchange (loss)/gain; and (ii) finance (cost)/income – net.

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 2025 as below.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2025

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Revenue	3	930,819	1,095,301
Cost of sales	6	<u>(678,309)</u>	<u>(836,358)</u>
Gross profit		252,510	258,943
Other income	4	40,122	44,838
Other (losses)/gains – net	5	(5,066)	5,252
Research and development expenses	6	(89,909)	(103,811)
Selling and distribution expenses	6	(104,873)	(107,894)
Administrative expenses	6	(45,894)	(45,250)
Reversal of/(provision for) impairment loss on trade receivables		1,474	(379)
Impairment loss of investment properties	11	–	(3,676)
Finance (cost)/income – net	7	<u>(81)</u>	<u>1,695</u>
Profit before income tax		48,283	49,718
Income tax expense	8	<u>(8,181)</u>	<u>(186)</u>
Profit for the year		40,102	49,532
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		<u>(1,028)</u>	<u>1,963</u>
Total comprehensive income for the year		<u>39,074</u>	<u>51,495</u>

	<i>Notes</i>	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit for the year attributable to:			
Owners of the Company		40,116	50,889
Non-controlling interests		(14)	(1,357)
		<u>40,102</u>	<u>49,532</u>
Total comprehensive income attributable to:			
Owners of the Company		39,088	52,852
Non-controlling interests		(14)	(1,357)
		<u>39,074</u>	<u>51,495</u>
Earnings per share			
	9		
– Basic (<i>RMB cents</i>)		5.0	6.3
– Diluted (<i>RMB cents</i>)		5.0	6.3
		<u>5.0</u>	<u>6.3</u>

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2025

	<i>Notes</i>	2025 <i>RMB '000</i>	2024 <i>RMB '000</i>
ASSETS			
Non-current assets			
Property, plant and equipment		259,521	273,663
Right-of-use assets		29,482	33,843
Investment properties	11	175,491	182,226
Deferred tax assets		30,739	32,145
Other receivables		5,354	5,276
Fixed bank deposits		179,555	279,357
		<hr/>	<hr/>
Total non-current assets		680,142	806,510
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Current assets			
Inventories	12	242,724	237,645
Trade receivables	13	200,323	261,826
Contract assets		9,715	11,064
Other receivables and prepayments		28,238	92,994
Pledged bank deposits		7,900	7,499
Fixed bank deposits		769,998	834,793
Cash and cash equivalents		489,343	211,153
		<hr/>	<hr/>
Total current assets		1,748,241	1,656,974
		<hr style="border-top: 1px dashed black;"/>	<hr style="border-top: 1px dashed black;"/>
Total assets		2,428,383	2,463,484
		<hr style="border-top: 3px double black;"/>	<hr style="border-top: 3px double black;"/>
EQUITY			
Share capital	16	1,192,362	1,192,362
Reserves		815,430	819,624
		<hr/>	<hr/>
Equity attributable to owners of the Company		2,007,792	2,011,986
Non-controlling interests		(9)	5
		<hr/>	<hr/>
Total equity		2,007,783	2,011,991
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		2025	2024
	<i>Notes</i>	<i>RMB'000</i>	<i>RMB'000</i>
LIABILITIES			
Non-current liabilities			
Lease liabilities		3,923	7,024
Deferred tax liabilities		37,988	35,667
		<u>41,911</u>	<u>42,691</u>
Total non-current liabilities		----- 41,911	----- 42,691
Current liabilities			
Trade and bills payables	14	310,975	317,235
Contract liabilities	15	21,494	23,197
Other payables		31,121	51,360
Lease liabilities		3,260	3,980
Income tax payables		11,839	13,030
		<u>378,689</u>	<u>408,802</u>
Total current liabilities		----- 378,689	----- 408,802
Total liabilities		<u><u>420,600</u></u>	<u><u>451,493</u></u>
Total equity and liabilities		<u><u>2,428,383</u></u>	<u><u>2,463,484</u></u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2025

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 such as 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, an executive director and the Chief Executive Officer 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 HKFRS Accounting 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 HKFRS 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 Amended standards adopted by the Group

The Group has applied the following standards and amendments for the first time for its annual reporting period commencing 1 January 2025:

- HKAS 21 and HKFRS 1 Lack of Exchangeability (amendments)

The adoption of the above amended standards did not have any significant impact on the Group's accounting policies and did not require retrospective adjustments.

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 2026 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:

		Effective for accounting periods beginning on or after
HKFRS 9 and HKFRS 7	Classification and Measurement of Financial Instruments (amendments)	1 January 2026
HKFRS 1, HKFRS 7, HKFRS 9, HKFRS 10 and HKAS 7	Annual Improvements to HKFRS Accounting Standards – Volume 11	1 January 2026
HKFRS 9 and HKFRS 7	Contracts Referencing Nature-dependent Electricity (amendments)	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 (amendments)	1 January 2027
HKFRS 10 and HKAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (amendments)	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. While the adoption of HKFRS 18 would not have any impact on the Group's operating result or financial position, it is expected to trigger certain changes in the presentation of consolidated statement of profit or loss and other comprehensive income.

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 sales 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 such as 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 segments:

	Revenue		Results	
	2025	2024	2025	2024
	<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	614,672	622,362	132,841	131,666
– platform and service	316,147	472,939	119,669	127,277
	930,819	1,095,301	252,510	258,943
Other income			40,122	44,838
Other (losses)/gains – net			(5,066)	5,252
Research and development expenses			(89,909)	(103,811)
Selling and distribution expenses			(104,873)	(107,894)
Administrative expenses			(45,894)	(45,250)
Reversal of/(provision for) impairment loss on trade receivable			1,474	(379)
Impairment loss of investment properties			–	(3,676)
Finance (cost)/income – net			(81)	1,695
Profit before income tax			48,283	49,718

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 2025 and 2024 by business segments was as follows:

	For the year ended 31 December 2025		
	Embedded software and secure payment products <i>RMB'000</i>	Platform and service <i>RMB'000</i>	Total <i>RMB'000</i>
Types of goods or services			
Embedded software and secure payment products	614,672	–	614,672
Data processing	–	150,323	150,323
Digital equipment	–	165,824	165,824
	<u>614,672</u>	<u>316,147</u>	<u>930,819</u>
Total	<u><u>614,672</u></u>	<u><u>316,147</u></u>	<u><u>930,819</u></u>

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

	For the year ended 31 December 2025		
	Embedded software and secure payment products <i>RMB'000</i>	Platform and service <i>RMB'000</i>	Total <i>RMB'000</i>
Geographical markets			
The Chinese mainland	508,712	294,670	803,382
Non-Chinese mainland	105,960	21,477	127,437
	<u>614,672</u>	<u>316,147</u>	<u>930,819</u>
Total	<u><u>614,672</u></u>	<u><u>316,147</u></u>	<u><u>930,819</u></u>

	For the year ended 31 December 2024		
	Embedded software and secure payment products <i>RMB'000</i>	Platform and service <i>RMB'000</i>	Total <i>RMB'000</i>
Types of goods or services			
Embedded software and secure payment products	622,362	–	622,362
Data processing	–	306,408	306,408
Digital equipment	–	166,531	166,531
	<u> </u>	<u> </u>	<u> </u>
Total	<u>622,362</u>	<u>472,939</u>	<u>1,095,301</u>

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

	For the year ended 31 December 2024		
	Embedded software and secure payment products <i>RMB'000</i>	Platform and service <i>RMB'000</i>	Total <i>RMB'000</i>
Geographical markets			
The Chinese mainland	526,897	451,743	978,640
Non-Chinese mainland	95,465	21,196	116,661
	<u> </u>	<u> </u>	<u> </u>
Total	<u>622,362</u>	<u>472,939</u>	<u>1,095,301</u>

For the year ended 31 December 2025, the Group did not have any external customer whose revenue contribution individually exceeded 10% of the Group's revenue (2024: None).

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:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Hong Kong	115,226	124,711
The Chinese mainland	<u>349,268</u>	<u>365,021</u>
	<u><u>464,494</u></u>	<u><u>489,732</u></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 or 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 or 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 or 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 or 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

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Government grants	512	1,170
Interest income from bank deposits	21,350	27,745
Value-added tax refund	11,351	9,451
Rental income from investment properties	6,857	5,932
Others	52	540
	<u>40,122</u>	<u>44,838</u>

5 OTHER (LOSSES)/GAINS – NET

	2025	2024
	<i>RMB'000</i>	<i>RMB'000</i>
Net exchange (loss)/gain	(4,037)	3,558
Investment income from financial assets at fair value through profit or loss (FVTPL)	1,084	1,715
Loss on lease modification	–	(8)
Losses on disposal of property, plant and equipment	(721)	(13)
Donation	(915)	–
Others	(477)	–
	<u>(5,066)</u>	<u>5,252</u>

6 EXPENSES BY NATURE

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Cost of inventories sold	574,216	710,583
Reversal of write-down of inventories	(10,137)	(3,729)
Employee benefits expenses (including directors' emoluments)	192,207	206,802
Depreciation of property, plant and equipment	30,325	33,813
Depreciation of right-of-use assets	4,053	5,209
Amortisation on land use right	564	564
Depreciation of investment properties	10,154	9,931
Legal and professional fees	7,530	4,552
Auditor's remuneration		
– audit services	1,348	1,458
– non-audit services	432	376
Business entertainment expenses	2,345	2,726
Freight and duties	12,752	12,195
Professional service fees	25,048	29,043
Testing fees	7,075	8,393
Travelling and transportation expenses	5,911	7,527
Other expenses	55,162	63,870
	<u>918,985</u>	<u>1,093,313</u>
Total cost of sales, research and development expenses, selling and distribution expenses and administrative expenses	<u>918,985</u>	<u>1,093,313</u>

7 FINANCE (COST)/INCOME – NET

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Unwinding interest income from deposits paid to suppliers	407	2,244
Finance income	407	2,244
Interest expense on lease liabilities	(488)	(549)
Finance cost	(488)	(549)
Net finance (cost)/income	<u>(81)</u>	<u>1,695</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.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Current income tax		
The Chinese mainland corporate income tax	–	–
Hong Kong Profits Tax	<u>4,454</u>	<u>5,355</u>
	4,454	5,355
Deferred income tax	<u>3,727</u>	<u>(5,169)</u>
	8,181	186
Income tax expense	<u><u>8,181</u></u>	<u><u>186</u></u>

Hong Kong Profits Tax is calculated at 16.5% of the estimated assessable profit for both years, except for Goldpac Datacard Solutions Company Limited.

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. Goldpac Limited is expected to continue qualifying as a High-New Technology Enterprise for the subsequent three-year term.

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 liabilities 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:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Profit before tax	<u>48,283</u>	<u>49,718</u>
Tax at PRC tax rate of 25% (2024: 25%)	12,071	12,430
Tax effect of amounts not taxable for tax purpose	(92)	(3,668)
Tax effect of tax losses not recognised	9,762	6,624
Tax effect of tax concession	(12,788)	(15,894)
Tax effect of different tax rate of subsidiaries operating in other tax jurisdiction	(2,497)	(2,251)
Withholding EIT on undistributed profits in the PRC	1,714	1,756
Others	<u>11</u>	<u>1,189</u>
Income tax expense for the year	<u><u>8,181</u></u>	<u><u>186</u></u>

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

	2025	2024
Profit for the year attributable to owners of the Company (<i>RMB'000</i>)	40,116	50,889
Weighted average number of ordinary shares for the purpose of basic earnings per share (<i>thousand</i>) (<i>Note</i>)	<u>795,711</u>	<u>807,377</u>
Basic earnings per share (<i>RMB cents</i>)	<u><u>5.0</u></u>	<u><u>6.3</u></u>

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

For the year ended 31 December 2025 and 2024, diluted earnings per share were same as the basic earnings per share as there was no potential dilutive ordinary share outstanding during the years.

10 DIVIDENDS

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
2024 Final – HK5.5 cents (2023 Final – HK10.0 cents) per ordinary share	40,172	73,817
2024 Special – HK nil (2023 Special – HK4.0 cents) per ordinary share	–	29,526
	<u>40,172</u>	<u>103,343</u>

Subsequent to the end of the reporting period, a final dividend of HK4.0 cents (2024: HK5.5 cents) and a special dividend of HK1.0 cent (2024: Nil) per ordinary share in respect of the year ended 31 December 2025 have 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 2025 has not been recognised as a liability as at 31 December 2025.

11 INVESTMENT PROPERTIES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Non-current assets – at cost		
Opening balance as at 1 January	225,456	219,946
Transfer from property, plant and equipment	4,427	4,037
Exchange realignment	(1,697)	1,473
	<u>228,186</u>	<u>225,456</u>
Closing balance as at 31 December	<u>228,186</u>	<u>225,456</u>
Depreciation		
Opening balance as at 1 January	34,431	24,140
Provided for the year	10,154	9,931
Exchange realignment	(472)	360
	<u>44,113</u>	<u>34,431</u>
Closing balance as at 31 December	<u>44,113</u>	<u>34,431</u>
Impairment		
Opening balance as at 1 January	8,799	4,974
Provision for impairment (<i>Note i</i>)	–	3,676
Exchange realignment	(217)	149
	<u>8,582</u>	<u>8,799</u>
Closing balance as at 31 December	<u>8,582</u>	<u>8,799</u>
Carrying values		
At 31 December	<u>175,491</u>	<u>182,226</u>

(i) Impairment for investment properties

The Group has carried out an impairment assessment on these investment properties as at 31 December 2025. Based on the result, the Group provided impairment loss amounting to nil (2024: RMB3,676,000) 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 qualified valuer 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 2025, 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	0.920-0.959	The larger the price index of evaluated property, the larger the price index adjustment and the fair value.
		Age adjustment	0.932-1.006	The older the age of evaluated property, the lower the age adjustment and the fair value.

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
		Floor adjustment	0.945-1.020	The higher the floor of evaluated property, the higher the floor adjustment and the fair value.
		Size adjustment	0.949-1.029	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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Rental income from operating leases	5,661	5,932
Direct operating expenses from property that generated rental income	(3,837)	(3,485)
Direct operating expenses from property that did not generate rental income	(6,317)	(6,446)
	<u> </u>	<u> </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 2025 were RMB38,838,000 for investment properties located in Hong Kong (2024: RMB42,077,000) and RMB148,776,000 for investment properties located in Zhuhai (2024: RMB162,135,000), respectively. The fair value has been arrived at based on a series of valuation carried out by independent valuers for investment properties located in Hong Kong and 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 properties, the highest and best use of the properties 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:

	2025		2024	
	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	38,802	38,838	42,077	42,077
Investment properties located in Zhuhai	<u>136,689</u>	<u>148,776</u>	<u>140,149</u>	<u>162,135</u>

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

12 INVENTORIES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Raw materials	177,907	179,242
Work in progress	3,598	4,834
Finished goods	<u>111,268</u>	<u>113,755</u>
	292,773	297,831
Less: write-down of inventories to net realisable values	<u>(50,049)</u>	<u>(60,186)</u>
	<u>242,724</u>	<u>237,645</u>

Inventories recognised as an expense during the year ended 31 December 2025 amounted to RMB574,216,000 (2024: RMB710,583,000). Reversal of write-down of inventories amounted to RMB10,137,000 during the year ended 31 December 2025 (2024: Reversal of write-down of inventories amounted to RMB3,729,000). These were recognised in cost of sales in the consolidated statement of profit of loss and other comprehensive income (Note 6).

13 TRADE RECEIVABLES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade receivables	201,408	266,525
Less: Loss allowance (<i>Note</i>)	<u>(1,085)</u>	<u>(4,699)</u>
	<u>200,323</u>	<u>261,826</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 a decrease of the loss allowance on 31 December 2025 by RMB1,474,000 (2024: increase of the loss allowance by RM379,000) 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:

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Ageing		
0 – 90 days	135,212	181,298
91 – 180 days	20,123	21,602
181 – 365 days	11,591	27,719
Over 1 year	<u>33,397</u>	<u>31,207</u>
	<u>200,323</u>	<u>261,826</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

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Trade payables	238,984	253,412
Bills payables – secured	<u>71,991</u>	<u>63,823</u>
	<u>310,975</u>	<u>317,235</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.

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Ageing		
0 – 90 days	224,948	260,262
91 – 180 days	51,291	39,540
181 – 365 days	15,544	12,433
Over 1 year	<u>19,192</u>	<u>5,000</u>
	<u>310,975</u>	<u>317,235</u>

15 CONTRACT LIABILITIES

	2025 <i>RMB'000</i>	2024 <i>RMB'000</i>
Embedded software and secure payment products	<u>21,494</u>	<u>23,197</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 2025, revenue recognised in the year relating to contract liabilities at the beginning of the year is RMB10,472,000 (2024: RMB15,586,000).

16 SHARE CAPITAL

	Number of ordinary shares '000	Amount HKD'000
Issued and fully paid:		
At 31 December 2024	807,928	1,499,498
Shares bought back on-market and cancelled	<u>(2,126)</u>	<u>—</u>
At 31 December 2025	<u>805,802</u>	<u>1,499,498</u>
		<i>RMB'000</i>
Shown in the consolidated financial statements as of 31 December 2024 and 2025		<u>1,192,362</u>

During the year ended 31 December 2025, the Company purchased 835,000 ordinary shares on-market in order to simplify the Company's capital structure, and cancelled 835,000 ordinary shares in March 2025. Additionally, 1,291,000 ordinary shares purchased in 2024 were cancelled in March 2025. 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 HKD1.02 per share, with prices ranging from HKD1.00 to HKD1.02. The total amount of approximately HKD848,000 (equivalent to approximately RMB781,000) paid to acquire the shares has been deducted from retained earnings within shareholders' equity.

MANAGEMENT DISCUSSION AND ANALYSIS

Commitment to Core Strategy for Enduring Operational Resilience

In 2025, the Group fully implemented the digital and platform-based strategy and focused on new business models, new technologies and new human resources, which achieved the desired effect. During the year, gross profit margin and operating profit raised, while the decline in revenue and profit for the year narrowed as compared with the same period last year.

According to the 2026 global economic forecasts released by institutions such as the International Monetary Fund and the United Nations, the global economy still faces downward pressures. Global shipments of smart payment cards saw a cyclical adjustment while markets such as Latin America and Europe continued to show growth. Demand remained weak in the Chinese mainland market, and the number of credit cards in circulation has declined for 13 consecutive quarters, leading to a more intense competition within the industry.

In the face of the complicated business environment, the Group maintains investments in technological R&D while keeping the quality and standards of its products and services. This approach has earned the support and trust of over 1,000 financial institutions including banks worldwide, thereby establishing an enduring operational resilience.

In September 2025, the Group held a seminar in discussion of agile empowerment and value reshaping of the fintech industry, which facilitated the UMV platform in its continuous and solid advancement. The UMV platform has effectively assisted bank customers in achieving security compliance while enhancing quality and efficiency, and empowered banks to innovate their products and business models. To date, the platform has been rolled out globally to over 2,600 headquarters and branches of banks. The UMV platform will leverage its growing competitive advantages to create more opportunities for the Group's future business development.

Financial Analysis and Business Review

For the year ended 31 December 2025, the Group recorded a revenue of approximately RMB931 million, representing a year-on-year decrease of approximately 15.0%, and the decline narrowed as compared with the same period of 2024. Gross profit amounted to approximately RMB253 million with a decrease of approximately 2.5% year-on-year. The Group continued to expand its global markets, optimise products structure, and improve efficiency through its digital platform, resulting a gross profit margin of approximately 27.1%, which increased by 3.5 percentage points as compared with the same period of 2024. Benefiting from the improvement in its gross profit margin, the Group recorded an operating profit of approximately RMB52.4 million, representing a year-on-year increase of approximately 17.8%. Affected by factors including the decline in revenue, the decrease in other income, and net exchange loss, the Group recorded a profit for the year of approximately RMB40.1 million, representing a year-on-year decrease of approximately 19.0%.

During the year, the Group's embedded software and secure payment products business segment recorded revenue of approximately RMB615 million, which decreased slightly by approximately 1.2% year-on-year. Meanwhile, the shipments of telecommunication products in the Chinese mainland surged year-on-year, and the Group has achieved the supplier qualifications of two of the three major telecommunications operators in the Chinese mainland, which fully demonstrates the forward-looking nature of the Group's diversified business strategies. Influenced by intense market competition, the average selling price for data processing services has decreased, thus the Group's platform and service business segment recorded revenue of approximately RMB316 million, representing a year-on-year decrease of approximately 33.2%.

From a global perspective, demand in the Chinese mainland market is subject to relatively pronounced cyclical adjustments while markets outside the Chinese mainland demonstrated growth potential. The Group has continued to strengthen its presence in markets outside the Chinese mainland, achieving revenue growth in the Asia-Pacific and Eurasian regions, whilst making breakthroughs in Latin America. During the year, the markets outside the Chinese mainland generated revenue of approximately RMB127 million, representing a year-on-year increase of approximately 9.2%.

The Group maintained a healthy financial position to support long-term development and transformation initiatives. As at 31 December 2025, the Group's available funds including cash and cash equivalents, fixed bank deposits and pledged bank deposits totalled approximately RMB1.447 billion. The Group's current ratio, quick ratio and gearing ratio were approximately 4.6, 4.0 and 17.3% respectively, all of which are at excellent levels in the industry.

The Board proposed to declare a final dividend of HK4.0 cents (equivalent to approximately RMB3.5 cents) per ordinary share (HK5.5 cents in 2024) and a special dividend of HK1.0 cent (equivalent to approximately RMB0.9 cent) per ordinary share (no special dividend in 2024) for the year ended 31 December 2025.

OUTLOOK

In 2026, the global economic downturn is expected to persist, accompanied by ongoing geopolitical risks. Nonetheless, the AI technologies including AI agents will drive extensive growth in AI applications in sectors such as financial security, communications and so on, providing more business opportunities for the Group. Moving forward, the Group will leverage the UMV platform to drive core businesses developments and further promote the businesses diversification and geographical diversification strategies.

First, the UMV Platform: Digitalisation Driving Innovation

In 2025, the UMV platform had completed online deployment with its functions and framework further enriched and refined. Moving forward, the platform will adhere to a digital and intelligent development trajectory. Through integration of online and offline operations, it will cultivate new core capabilities to generate new value for clients. This approach will bolster the Group's digital service capacities and forge an entirely new digital ecosystem within the secure payments industry.

- **Continuous Optimisation Based on Existing Architecture**

The UMV platform has achieved seamless data integration throughout the entire process. Addressing the core operational processes of payment cards operations and production cycle management, it has built an end-to-end integrated digital operations system. Leveraging technologies including AI and workflow engine, the UMV platform will facilitate the intelligent collaborations and refined operations at cross-level and cross-departmental applications to further strengthen digital capabilities. Furthermore, through the integration and analysis of real-time data from different dimensions, it effectively assists bank customers in transforming their operating model from a traditional experience-driven approach to a data-driven model.

Enhancing security compliance and strengthening risk management capabilities for bank customers constitute one of the core strengths of the UMV platform. The UMV platform has established an integrated framework encompassing regulations, processes and systems, which reduces manual operation to lower error rates, realising real-time feedback, dynamic tracking and intelligent analysis of businesses data and helping banks improve their risk control capabilities.

- **The UMV Platform Empowering Core Businesses Growth**

During the year, the UMV platform has established a mature technological architecture and operational management capabilities. Through AI-based abilities and functions such as smart image auditing, voice call assistant and DIY design, it has driven the Group's products innovation of core businesses, which has realised the deployment of DIY card issuance projects at headquarter level. It will continue to drive growth of high value-added businesses including IP products, car access cards and metal cards in 2026.

As the UMV platform's service capabilities for institutional clients continue to mature, the Group will fully accelerate the market deployment of the UMV platform towards end users. Leveraging personalised customisation services as its key advantage, and aligning with the preferences of young consumers, the UMV platform centred around youthful, high-energy scenarios such as pet care and trendy collectibles. By precisely identifying the emotional needs of the new generation of users, it will deliver contextualised, lightweight, and differentiated service experiences. This approach will effectively facilitate banks to respond to the intense competition arising from homogeneous products and change of traditional customer acquisition models, therefore reconstructing the connection between banks and end users.

Second, Accelerating Businesses Diversification Through Technological Innovation

- **Continuous Advancement of Secure Encryption Technologies**

Nowadays, “digital first” is reshaping the industries’ value chain, and the Group will adopt “digital first” as a key direction for R&D. Utilising industry-leading data service capabilities, the Group leverages secure encryption technologies including post-quantum algorithms and multi-factor authentication to ensure the compliance and security of data and authentication during operational processes. The Group will promote an end-to-end solution spanning from Integrated Issuance Solutions to the integration of virtual and physical offerings, supporting multi-scenario card issuance.

The Group has always placed R&D innovation at the core of its strategies. It has maintained a high proportion of R&D investments and strengthened the research and preparation of advanced technologies with a focus on new generation secure encryption algorithms including post-quantum algorithms. The Group proactively researches into AI applications for scenarios in areas such as finance, social security and smart security to help clients enhance AI capabilities.

As a pioneer in building e-CNY ecosystem, the Group provided e-CNY integrated solutions encompassing user end, merchant end and issuance systems. Leveraging secure encryption technologies, the Group facilitated a number of major Chinese state-owned banks and joint-stock banks in their launching of e-CNY hardware wallets. Besides, the Group has implemented several innovative use cases in the educational and travel sectors in 2025. The Group will deepen its cross-industry scenarios deployment.

- **Smart Communication for a Connected World**

In 2025, the Group further improved its market share in telecommunications sector. The Group is accelerating the development of its globally oriented connectivity management service platform, ensuring the stability and security of smart connectivity with its continuously improving R&D capabilities. The platform focuses on application scenarios such as consumer electronics, IoT, smart manufacturing and information security, and will include products and services for the Internet of Vehicles gradually. Aligning with the fast development of eSIM technologies, the Group will enhance its products and technologies preparation for IoT and AI-related intelligent connectivity markets, and leverage eSIM-based integrated solutions to establish its position amongst the world’s leading providers of smart connectivity services.

Third, Expanding Global Markets and Realising Geographical Diversification

Building upon the rapid progression achieved in the Asia-Pacific and Eurasian markets during the first half of 2025, the Group successfully achieved breakthroughs in the Latin American markets in the latter half of 2025. The Group actively undertakes localised testing and certification of its products, through global trade platform and broad cooperation with local partners to further expand its market coverage. The Group will continue to seek global markets opportunities, especially focusing on regional markets with high growth potentials such as the Latin American market to propel its geographical diversification strategy.

Fourth, Driving Digital Transformation Through Organisational Structure and Talents

In 2025, the Group initiated a youth-oriented talent strategy and has made progresses. The Group is fully aware that talents are a key driving force for transformation, therefore, the Group will accelerate the recruitment and cultivation of talents in key areas including AI, software development and internet solutions to expand its talent pool. The Group will systematically implement diversified talent cultivation models enabling the precise allocation of personnel to fuel innovation. The Group will also employ various incentive schemes to activate talents potential to gather momentum for sustainable development and transformation.

SUBSEQUENT EVENTS

No material events occurred subsequent to 31 December 2025 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 Tuesday, 19 May 2026, 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 Wednesday, 13 May 2026. The register of members of the Company will be closed from Thursday, 14 May 2026 to Tuesday, 19 May 2026, both days inclusive, during which period no transfer of shares will be registered. The record date for determining the eligibility of shareholders to attend and vote at the forthcoming annual general meeting of the Company is Tuesday, 19 May 2026.

In order to determine who are entitled to the proposed final dividend and special 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, 29 May 2026. The register of members of the Company will be closed from Monday, 1 June 2026 to Wednesday, 3 June 2026, both days inclusive, during which period no transfer of shares will be registered. Subject to shareholders' approval of the proposed dividends at the forthcoming annual general meeting of the Company to be held on Tuesday, 19 May 2026, the dividends will be paid on Wednesday, 17 June 2026 to the shareholders whose names appear on the register of members of the Company at the close of business on Wednesday, 3 June 2026 (i.e. the record date).

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 2025, the Company utilised approximately RMB868.1 million for the purposes of production capacity expansion, innovative product and service research and development, investment in associates and acquisition, global market expansion, 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 based on the business needs of the Company and the prevailing market conditions.

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 2025, the Group's aggregate amount of bank balances and cash, fixed bank deposits and pledged bank deposits reached approximately RMB1,446.8 million (2024: approximately RMB1,332.8 million), of which approximately RMB1,270.9 million (2024: approximately RMB1,178.9 million) was denominated in RMB, representing approximately 87.8%, and approximately RMB175.9 million (2024: approximately RMB153.9 million) was denominated in USD and HKD, etc., representing approximately 12.2%.

As at 31 December 2025, the Group had no bank borrowings (2024: Nil) and did not use any financial instruments for hedging purpose.

As at 31 December 2025, the Group's trade receivables was approximately RMB200.3 million (2024: approximately RMB261.8 million).

As at 31 December 2025, the Group's total current assets amounted to approximately RMB1,748.2 million (2024: approximately RMB1,657.0 million), representing an increase of approximately 5.5% compared to that of 2024.

As at 31 December 2025, the Group's current ratio was approximately 4.6 (2024: approximately 4.1), while its quick ratio was approximately 4.0 (2024: approximately 3.5), representing a high liquidity.

As at 31 December 2025, 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 17.3% (2024: approximately 18.3%).

CURRENCY EXPOSURE

In terms of currency exposure, the majority of the Group's sales were denominated in RMB, USD and HKD while the majority of operating expenses and purchases were dominated in RMB with portions in USD and HKD. During the year ended 31 December 2025, 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 2025, the Group's capital expenditure was approximately RMB24.4 million (2024: approximately RMB18.0 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 2025 was approximately RMB1.8 million (2024: approximately RMB4.4 million).

PLEDGED ASSETS

As at 31 December 2025, bank deposits of approximately RMB7.9 million (2024: approximately RMB7.5 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 2025.

FUTURE PLANS FOR MATERIAL INVESTMENTS OR CAPITAL ASSETS

As at the date of this announcement, the Group has no future plans for material investments or capital assets.

CONTINGENT LIABILITIES

As at 31 December 2025, 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 2025.

PURCHASE, SALE OR REDEMPTION OF SECURITIES

For the year ended 31 December 2025, the Company purchased 835,000 ordinary shares of the Company on the Stock Exchange at an aggregate price of approximately HKD848,000 (equivalent to approximately RMB781,000). The shares were acquired at an average price of approximately HKD1.02 per share, with prices ranging from HKD1.00 to HKD1.02. Among which, all 835,000 repurchased shares were 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)
January 2025	<u>835,000</u>	1.02	1.00	<u>848,231.32</u>
Total	<u><u>835,000</u></u>			<u><u>848,231.32</u></u>

In addition, the 1,291,000 shares repurchased by the Company in December 2024 were cancelled on 17 March 2025.

Save as disclosed above, neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company's listed securities (including sale of treasury shares (as defined under the Listing Rules), if any) during the year ended 31 December 2025.

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 2025, 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 2025 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 Code) 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 businesses including anti-corruption, health and safety, workplace conditions, employment and the environment in all material aspects during the year ended 31 December 2025. 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 2025, the Group had 1,239 employees (as at 31 December 2024: 1,282), with a decrease of 43 employees as compared to that as at 31 December 2024. Total employee compensation and benefits expenses including Directors' emoluments, for the year ended 31 December 2025, amounted to approximately RMB192.2 million (for the year ended 31 December 2024: approximately RMB206.8 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. Meanwhile, the Group also offers bonuses to employees based on, among others, the Group's results and individual performance. 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 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 as a whole 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, 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, which comprised all three independent non-executive Directors, namely Mr. JIANG Li (*Chairman*), Mr. LAI Tung Kwok, and Mr. TANG Guolin, has reviewed the annual results of the Group for the year ended 31 December 2025.

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 2025 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 2025. 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

In the opinion of the Directors, save for the deviation from code provision C.2.1 of Part 2 of the Corporate Governance Code (the "**CG Code**") contained in Appendix C1 to the Listing Rules as disclosed below, the Company has complied with all the applicable code provisions set out in Part 2 of the CG Code for the year ended 31 December 2025.

Under code provision C.2.1 of Part 2 of the CG Code, the roles of the chairman and chief executive officer should be separate and should not be performed by the same individual. Currently, Mr. LU Run Ting ("**Chairman LU**") holds both positions. Chairman LU, as the founder of the Group, has been responsible for the overall management of the Group, including strategic planning as well as business development. The Board is of the view that this arrangement would allow for effective and efficient planning and implementation of business decisions and strategies under the strong and consistent leadership, which should be overall beneficial to the management and development of the Group's business, thereby helping to overcome market challenges and create more value for the shareholders of the Company.

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 made by the Company, that they have complied with the Model Code throughout the year ended 31 December 2025.

NON-STATUTORY FINANCIAL STATEMENTS

The financial information relating to the years ended 31 December 2024 and 31 December 2025 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 2024 and will deliver its financial statements for the year ended 31 December 2025 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 2025

This annual results announcement is published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.goldpac.com). The Annual Report for the year ended 31 December 2025 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 and Chief Executive Officer

Hong Kong, 19 March 2026

As at the date of this announcement, the executive Directors of the Company are Mr. LU Run Ting, Mr. LU Wai Lim, Mr. LI Yingjie and Ms. YOU Xueqin; and the independent non-executive Directors of the Company are Mr. JIANG Li, Mr. LAI Tung Kwok and Mr. TANG Guolin.

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.