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PAX Global Technology Limited

百富環球科技有限公司*

(Incorporated in Bermuda with limited liability)

(Stock Code: 327)

SALES ANNOUNCEMENT

This announcement is made by PAX Global Technology Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”), to provide the investors and shareholders of the Company with information regarding the following operational update on the Group’s business.

The board of directors of the Company (the “**Board**”) sets out in this announcement information regarding the unaudited consolidated revenue of the Group for the three months ended 31 March 2016 (the “**Period**”) for the Company’s investors’ and shareholders’ information.

TURNOVER FOR THE THREE MONTHS ENDED 31 MARCH 2016

The unaudited consolidated revenue of the Group increased by approximately 13.3% or HK\$79.1 million to approximately HK\$672.4 million for the three months ended 31 March 2016 when compared to HK\$593.3 million for the three months ended 31 March 2015.

Major operational data (unaudited) of the Group for the Period is set out as follows:

Turnover	For the three months ended			+/(-) <i>(Local Currency Basis)</i>
	31 March		+/(-) <i>(HK\$ Basis)</i>	
	2016	2015		
	<i>(HK\$ million)</i>	<i>(HK\$ million)</i>		
Overseas markets	383.5	308.0	+24.5%	+24.5%
China Market	288.9	285.3	+1.3%	+7.2%
Total turnover	672.4	593.3	+13.3%	N/A

* For identification purpose only

(1) Overseas markets

Turnover from overseas markets increased by approximately 24.5% or HK\$75.5 million to approximately HK\$383.5 million for the Period, from HK\$308.0 million for the three months ended 31 March 2015. Benefiting from the Europay, MasterCard and Visa (EMV) migration and provision of diversified product line (including multimedia payment terminals and mobile payment terminals), the Group recorded robust growth in the sales of major types of electronic funds transfer point-of-sale terminals (“**E-payment Terminals**”) in United States of America and Canada (“**USCA**”) region. After the acquisition of Pax Italia S.r.l. in July 2015, sales in Italy also grew rapidly in addition to the gradually increasing sales in other European markets such as Germany and Eastern Europe. The management expects a considerable and sustainable market share in Europe in the coming years. Growth in Middle East was attributable to the launch of high-end models, while the growth in Asia Pacific (Except for Mainland China) (“**APAC**”) region was attributable to the introduction of mobile payment terminals to India. The abovementioned growth in overseas markets offsets the impact of order delay in Brazil. Overseas markets turnover contributed to approximately 57% of the total turnover of the Group for the Period as compared to 52% for the corresponding period in 2015. Major operational data (unaudited) attributable to overseas markets for the Period is set out as follows:

Turnover	For the three months ended		
	31 March		
	2016	2015	+ / (-)
	(HK\$ million)	(HK\$ million)	(HK\$ Basis)
Europe, Middle East and Africa	204.7	156.9	+30.5%
Latin America and Commonwealth Independent States	70.7	104.6	-32.4%
APAC	50.3	29.9	+68.2%
USCA	57.8	16.6	+248.2%
Total turnover in overseas markets	383.5	308.0	+24.5%

(2) China Market

Turnover generated from the People’s Republic of China (excluding Hong Kong, Macau and Taiwan) (“**China Market**”) increased by approximately 1.3% or HK\$3.6 million to approximately HK\$288.9 million for the Period, when compared to HK\$285.3 million for the three months ended 31 March 2015. During the Period, the Group’s volume of sales recognition was increased but revenue growth was partly offset by Renminbi (“**RMB**”) depreciation. The average exchange rate of RMB to Hong Kong dollar (“**HK\$**”) depreciated by 5.9% as compared to the corresponding period of last year. The devaluation affected the Group’s consolidated revenue which was denominated in HK\$. China Market turnover contributed to approximately 43% of the total turnover of the Group for the Period as compared to 48% for the corresponding period in 2015.

The Impact of Exchange Rates:

The depreciation of RMB would be beneficial to the operation of the Group, especially in the overseas markets, as most of the cost of sales, selling expenses and administrative expenses (including research and development expenses) are denominated in RMB.

For mergers and acquisitions strategy, the Group proactively seeks service income in developed markets and sales channels in major overseas markets with an aim of becoming the forerunner in the payment industry. Turnover for a particular quarter is not representative for full year performance as sales of E-payment Terminals is associated with seasonality, policy changes and the concentration of customers' order book.

It should be noted that the information contained in this announcement is only based on a preliminary review of the unaudited consolidated management accounts of the Group, which have not been reviewed or audited by the Company's auditors. The above operating data does not constitute, represent or indicate the full picture of the Group's total revenue or financial performance and the information contained in this announcement may be subject to change and adjustment. The Company's shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company.

By Order of the Board
PAX Global Technology Limited
Li Wenjin
Executive Director

Hong Kong, 28 April 2016

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