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**GoldenPower<sup>®</sup>**

**GOLDEN POWER GROUP HOLDINGS LIMITED**

**金力集團控股有限公司**

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock Code: 8038)**

**THIRD QUARTERLY RESULTS ANNOUNCEMENT  
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2017**

**CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)**

GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

*This announcement, for which the directors (collectively the “**Directors**” or individually a “**Director**”) of Golden Power Group Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the “**GEM Listing Rules**”) for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

## FINANCIAL HIGHLIGHTS

- Recorded an unaudited revenue of approximately HK\$222.57 million for the nine months ended 30 September 2017 (nine months ended 30 September 2016: approximately HK\$220.82 million), representing an increase of approximately 0.79% over the same period of 2016. The rental income, which contributed towards other revenue of the Group, was HK\$1.40 million during the nine months ended 30 September 2017 (nine months ended 30 September 2016: HK\$0.33 million).
- The unaudited profit attributable to the equity holders of the Company for the nine months ended 30 September 2017 was approximately HK\$15.06 million while that for the nine months ended 30 September 2016 was approximately HK\$12.07 million, representing an increase of approximately 24.77% over the same period of 2016. The increase was primarily due to a relatively stable foreign currencies exchange being recorded for the year.
- The basic earnings per share for the nine months ended 30 September 2017 was HK6.72 cents (nine months ended 30 September 2016: HK6.00 cents).
- The board of directors of the Company resolved not to declare an interim dividend for the nine months ended 30 September 2017 (nine months ended 30 September 2016: Nil).

### THIRD QUARTERLY RESULTS

The board of directors (the “**Board**”) of the Company is pleased to announce the unaudited condensed consolidated quarterly results (the “**Results**”) of the Company and its subsidiaries (collectively the “**Group**”) for the nine months ended 30 September 2017 (the “**Period**”) together with the corresponding comparative figures as follows:

**Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (unaudited)**  
*For the three months and nine months ended 30 September 2017*

	<i>Notes</i>	For the three months ended 30 September		For the nine months ended 30 September	
		2017 <i>HK\$’000</i> (unaudited)	2016 <i>HK\$’000</i> (unaudited)	2017 <i>HK\$’000</i> (unaudited)	2016 <i>HK\$’000</i> (unaudited)
Revenue	3	<b>76,345</b>	75,136	<b>222,565</b>	220,818
Cost of sales		<b>(55,668)</b>	(53,675)	<b>(162,163)</b>	(157,911)
Gross profit		<b>20,677</b>	21,461	<b>60,402</b>	62,907
Other revenue		<b>1,192</b>	1,026	<b>3,160</b>	2,086
Other gains/(losses) — net		<b>703</b>	(223)	<b>1,626</b>	(2,397)
Selling and distribution expenses		<b>(3,684)</b>	(4,320)	<b>(9,679)</b>	(11,148)
Administrative expenses		<b>(11,628)</b>	(11,151)	<b>(33,688)</b>	(33,035)
Finance costs		<b>(430)</b>	(892)	<b>(2,248)</b>	(2,856)
Profit before income tax	4	<b>6,830</b>	5,901	<b>19,573</b>	15,557
Income tax expenses	5	<b>(1,384)</b>	(1,490)	<b>(4,513)</b>	(3,491)
<b>Profit for the period attributable to the equity holders of the Company</b>		<b><u>5,446</u></b>	<u>4,411</u>	<b><u>15,060</u></b>	<u>12,066</u>

	<i>Notes</i>	For the three months ended 30 September		For the nine months ended 30 September	
		2017	2016	2017	2016
		<i>HK\$'000</i> (unaudited)	<i>HK\$'000</i> (unaudited)	<i>HK\$'000</i> (unaudited)	<i>HK\$'000</i> (unaudited)
<b>Other comprehensive income/(loss)</b>					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences arising on translation of financial statements of foreign operations		516	(15)	2,372	(1,351)
Items that may not be reclassified subsequently to profit or loss:					
Gain on revaluation of leasehold land and buildings upon transfer to investment properties		—	—	25,016	27,511
Deferred tax liability on revaluation of leasehold land and buildings upon transfer to investment properties		—	—	(590)	—
<b>Other comprehensive income/(loss)</b>		<u>516</u>	<u>(15)</u>	<u>26,798</u>	<u>26,160</u>
<b>Total comprehensive income for the period attributable to equity holders of the Company</b>		<u><b>5,962</b></u>	<u>4,396</u>	<u><b>41,858</b></u>	<u>38,226</u>
					(Restated)
<b>Earnings per Share (HK cents)</b>	6				
— Basic		2.27	2.19	6.72	6.00
— Diluted		—	—	—	—

## Condensed Consolidated Statement of Changes in Equity (unaudited)

For the nine months ended 30 September 2017

	Share capital HK\$'000	Share premium HK\$'000	Capital reserve HK\$'000	Property revaluation reserve HK\$'000	Statutory reserve HK\$'000	Exchange reserve HK\$'000	Retained profits HK\$'000	Total equity HK\$'000
At 1 January 2016 (audited)	1,600	59,825	29,819	—	3,940	(2,654)	22,595	115,125
Profit for the period	—	—	—	—	—	—	12,066	12,066
Exchange differences arising on translation of financial statements of foreign operations	—	—	—	—	—	(1,351)	—	(1,351)
Gain on revaluation of leasehold land and buildings upon transfer to investment properties	—	—	—	27,511	—	—	—	27,511
Total comprehensive income for the period	—	—	—	27,511	—	(1,351)	12,066	38,226
Appropriation to statutory reserve	—	—	—	—	240	—	(240)	—
At 30 September 2016 (unaudited)	<u>1,600</u>	<u>59,825</u>	<u>29,819</u>	<u>27,511</u>	<u>4,180</u>	<u>(4,005)</u>	<u>34,421</u>	<u>153,351</u>
At 1 January 2017 (audited)	1,600	59,825	29,819	27,271	5,078	(6,664)	45,497	162,426
Issue of shares by way of rights issue	800	30,218	—	—	—	—	—	31,018
Profit for the period	—	—	—	—	—	—	15,060	15,060
Exchange differences arising on translation of financial statements of foreign operations	—	—	—	—	—	2,372	—	2,372
Gain on revaluation of leasehold land and buildings upon transfer to investment properties	—	—	—	25,016	—	—	—	25,016
Deferred tax liability on revaluation of leasehold land and buildings upon transfer to investment properties	—	—	—	(590)	—	—	—	(590)
Total comprehensive income for the period	—	—	—	24,426	—	2,372	15,060	41,858
Appropriation to statutory reserve	—	—	—	—	1,178	—	(1,178)	—
At 30 September 2017 (unaudited)	<u>2,400</u>	<u>90,043</u>	<u>29,819</u>	<u>51,697</u>	<u>6,256</u>	<u>(4,292)</u>	<u>59,379</u>	<u>235,302</u>

# NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

## 1. GENERAL

The Company was incorporated in the Cayman Islands on 7 June 2012 as an exempted company with limited liability under the Companies Law (as revised) of the Cayman Islands. The registered office of the Company is located at Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The headquarters and principal place of business of the Company in Hong Kong is located at Flat C, 20/F, Block 1, Tai Ping Industrial Centre, 57 Ting Kok Road, Tai Po, New Territories, Hong Kong. The Company's shares (the "Share" or "Shares") have been listed and traded on the Growth Enterprise Market ("GEM") of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 5 June 2015 (the "Listing Date").

Pursuant to the reorganisation of the Group in connection with the listing of the Shares on GEM (the "Listing"), the Company became the holding company of the Group on 25 September 2014 (the "Reorganisation"). Details of the Reorganisation were set out in the section headed "History, Development and Reorganisation — Reorganisation" of the prospectus of the Company dated 29 May 2015 (the "Prospectus").

The principal activity of the Company is investment holding. The Group is principally engaged in the manufacture and sale of a broad range of batteries for various electronic devices to Hong Kong, the People's Republic of China (the "PRC" or "China") and international markets under both its own brand "Golden Power" and the brands of its private label and OEM customers. The products of the Group are mainly categorised into two segments, namely (i) disposable batteries; and (ii) rechargeable batteries and other battery-related products. The disposable batteries are categorised into two sub-segments, namely (i) cylindrical batteries; and (ii) micro-button cells. Other battery-related products include battery chargers, battery power packs and electric fans.

## 2. BASIS OF PREPARATION

The Results have not been audited by the Company's auditor but have been reviewed by the Company's audit committee. The Results have been prepared in accordance with Hong Kong Financial Reporting Standards and Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (collectively the "HKFRSs") as well as the disclosure requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules").

The Results have been prepared under the historical cost basis. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended 31 December 2016, which have been prepared in accordance with the HKFRSs.

The Group has not early adopted the new and revised HKFRSs that have been issued but are not yet effective.

### 3. REVENUE

#### Geographical information

	For the three months ended 30 September		For the nine months ended 30 September	
	2017 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)	2017 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)
Africa	175	121	1,151	624
Hong Kong	19,921	16,053	53,747	51,535
Asia (except the PRC and Hong Kong)	4,373	8,750	17,942	21,419
Australia	236	2,590	4,965	11,592
PRC	21,647	21,031	67,843	56,437
Europe (except East Europe)	10,149	8,816	25,146	26,974
East Europe	1,545	1,374	4,055	3,457
Middle East	1,147	638	2,913	1,832
North America	12,173	11,478	31,500	35,236
South America	4,979	4,285	13,303	11,712
	<u>76,345</u>	<u>75,136</u>	<u>222,565</u>	<u>220,818</u>

### 4. PROFIT BEFORE INCOME TAX

	For the three months ended 30 September		For the nine months ended 30 September	
	2017 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)	2017 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)
Profit before income tax is arrived at after charging:				
<b>Finance costs</b>				
Bank loans interest	397	712	1,976	2,381
Interest on import loans	31	180	270	472
Bank overdraft interest	2	—	2	3
<b>Total interest expenses</b>	<u>430</u>	<u>892</u>	<u>2,248</u>	<u>2,856</u>
<b>Other items</b>				
Depreciation of property, plant and equipment	3,466	3,202	9,515	8,579
Cost of inventories recognised as expenses	55,668	53,675	162,163	157,911

## 5. INCOME TAX EXPENSES

	For the three months ended 30 September		For the nine months ended 30 September	
	2017 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)	2017 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)
<b>Current tax — Hong Kong profits tax</b>				
Provision for the period	1,656	195	3,165	399
<b>Current tax — PRC enterprise income tax (“EIT”)</b>				
Provision for the period	417	1,213	2,199	2,591
<b>Deferred taxation</b>				
	2,073	1,408	5,364	2,990
	(689)	82	(851)	501
<b>Total income tax expenses</b>	<b>1,384</b>	<b>1,490</b>	<b>4,513</b>	<b>3,491</b>

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits arising in Hong Kong for the three months and nine months ended 30 September 2016 and 2017, respectively.

The PRC subsidiaries of the Group are subjected to EIT at the rate of 25%.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands for the three months and nine months ended 30 September 2016 and 2017, respectively.

## 6. EARNINGS PER SHARE

The calculation of the basic earnings per Share attributable to the equity holders of the Company is based on the following data:

	For the three months ended 30 September		For the nine months ended 30 September	
	2017 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)	2017 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)
Profit for the period attributable to equity holders of the Company	5,446	4,411	15,060	12,066
	'000	'000 (Restated)	'000	'000 (Restated)
<b>Weighted average number of Shares for the purpose of calculating basic earnings per Share</b>	<b>240,000</b>	<b>200,976</b>	<b>224,276</b>	<b>200,976</b>

Diluted earnings per Share has not been disclosed as no dilutive potential equity shares has been in existence for the three months and nine months ended 30 September 2016 and 2017, respectively.

The weighted average number of Shares for the three months and nine months ended 30 September 2016 for the purpose of the calculation of basic earnings per Share has been adjusted and restated after taking into account of the rights issue as more particularly described in the rights issue prospectus (the “**Rights Issue Prospectus**”) of the Company dated 27 March 2017 (the “**Right Issue**”), which was completed on 21 April 2017.

## 7. DIVIDENDS

The Board resolved not to declare an interim dividend for the nine months ended 30 September 2017 (nine months ended 30 September 2016: nil).

## MANAGEMENT DISCUSSION AND ANALYSIS

### BUSINESS OVERVIEW

The Group is principally engaged in the manufacture and sale of a broad range of batteries for various electronic devices to the PRC, Hong Kong and international markets both under its own brand “Golden Power” and the brands of its private label and OEM customers. The products of the Group are mainly categorised into two segments, namely (i) disposable batteries; and (ii) rechargeable batteries and other battery-related products. The disposable batteries are categorised into two sub-segments namely (i) cylindrical batteries; and (ii) micro-button cells. Other battery-related products include battery chargers, battery power packs and electric fans.

The revenue of cylindrical batteries for the Period has dropped by approximately HK\$9.03 million to approximately HK\$148.53 million during the nine months ended 30 September 2017 as compared to approximately HK\$157.56 million for the same period of 2016, representing an approximately 5.73% decrease. The decrease in such revenue was mainly due to the slow down of demand in Australia and North America market.

The revenue of micro-button cells and rechargeable batteries and other battery-related products for the Period increased by approximately HK\$10.78 million to approximately HK\$74.04 million during the nine months ended 30 September 2017 as compared to approximately HK\$63.26 million for the same period of 2016, representing an approximately 17.04% increase. The increase in such revenue was mainly due to an increase in sales in Hong Kong, PRC and North America.

Looking forward, the Group will continue to adopt stringent cost control and employ appropriate strategies to enhance its operation efficiency. Sales of cylindrical and micro-button cell batteries are expected to increase in the 4th quarter of 2017 based on sales orders on hand. For the micro-button cells, the demand in Europe and North America are increasing, based on the orders on hand which were placed by new customers. The Group will continue to put more effort on promoting the sales of disposable batteries by exploring new sales platform, and continue to control the production overheads.

In the second quarter of 2017, the Group introduced two new series of cylindrical batteries, namely MaxiPro and Power Stay, which are all mercury-free, cadmium-free and lead-free. The Group has started to deliver the orders of the new series of cylindrical batteries in August 2017.

### FINANCIAL REVIEW

#### Revenue and Profit attributable to equity holders

Revenue for the Period was approximately HK\$222.57 million, representing an increase of approximately 0.79% as compared to the same period of 2016. The rental income, which contributed towards other revenue of the Group, was HK\$1.40 million during the nine months ended 30 September 2017 (nine months ended 30 September 2016: HK\$0.33 million).

Profit attributable to equity holders of the Company for the Period was approximately HK\$15.06 million while for the same period of 2016, the profit attributable to equity holders of the Company was approximately HK\$12.07 million, representing an increase of approximately 24.77% over the same period of 2016. The increase was primarily due to a relatively stable foreign currencies exchange being recorded for the year.

## Gross Profit

The Group recorded a gross profit of approximately HK\$60.40 million for the Period (nine months ended 30 September 2016: approximately HK\$62.91 million), representing a decrease of approximately 4.0%. The decrease in gross profit for the Period was mainly due to the higher purchasing price of raw materials and packaging materials during the Period.

## Expenses

During the Period, the selling and distribution expenses of the Group has decreased by 13.18% to approximately HK\$9.68 million, as compared to approximately HK\$11.15 million for the corresponding period in 2016. The decrease in selling and distribution expenses was mainly due to the reduction of marketing and promotion expenses. The Group's administrative expenses has increased by approximately HK\$0.65 million to approximately HK\$33.69 million during the Period as compared to approximately HK\$33.04 million for the same period of 2016. The increase in administrative expenses was mainly due to the increase in professional fees of approximately HK\$1.32 million despite the savings on office utilities, travelling and miscellaneous expenses, etc. during the Period. The increase in professional fees was due to the expenses incurred in relation to the Rights Issue which was completed on 21 April 2017.

## LIQUIDITY AND FINANCIAL RESOURCES

The Group operates a conservative set of treasury policies to ensure that no unnecessary risks are taken with the Group's assets. No investment other than cash is currently used.

The bank borrowings are repayable as follow:

	At 30 September 2017 <i>HK\$'000</i> (unaudited)	At 31 December 2016 <i>HK\$'000</i> (audited)
Within 1 year		
— Shot-term loans	—	22,163
— Current portion of long-term loans	19,895	16,830
	19,895	38,993
Over 1 year but within 2 years	17,713	20,224
Over 2 years but within 5 years	25,955	25,799
Over 5 years	1,391	2,260
	<u>64,954</u>	<u>87,276</u>

As at 30 September 2017, the Group had borrowings of approximately HK\$64.95 million (as at 31 December 2016: approximately HK\$87.28 million). The debt ratio, calculated as total liabilities over total assets, of the Group as at 30 September 2017 was approximately 0.40 (as at 31 December 2016: approximately 0.52).

As at 30 September 2017, the Group had cash and cash equivalents (the “**Liquidity Resources**”) of approximately HK\$13.90 million (as at 31 December 2016: approximately HK\$21.80 million) which were mainly denominated in Hong Kong dollars and Renminbi.

During the Period, the Group had capital expenditures contracted for approximately HK\$10.88 million for the acquisition of a newly designed and automatic production line and other machineries for producing mercury-free, cadmium-free and lead-free alkaline cylindrical batteries. Save as disclosed, the Group had no material capital expenditure commitments as at 30 September 2017.

## **CAPITAL STRUCTURE**

The Shares were successfully listed on GEM on 5 June 2015, and the issuance of 80,000,000 rights shares by way of the Rights Issue was completed on 21 April 2017. Other than the Rights Issue, there has been no material change in the capital structure of the Company since the Listing. The share capital of the Company comprises only the Shares. Total equity of the Group amounted to approximately HK\$235.30 million as at 30 September 2017 (as at 31 December 2016: approximately HK\$162.43 million).

## **SIGNIFICANT INVESTMENTS HELD**

Except for (i) the Company’s investment in various subsidiaries; and (ii) the investment in two investment properties located at Flat B and Flat D, respectively, of 20/F., Block 1, Tai Ping Industrial Centre, No. 57 Ting Kok Road, Tai Po, New Territories, which are held by Golden Power Properties Limited (an indirect wholly-owned subsidiary of the Company) and leased to two separate independent third parties under two-year term tenancy agreements entered on 20 June 2016 for warehouse purpose and on 9 June 2017 for office and warehouse purpose, respectively, with monthly rentals at market rate, the Group did not hold any significant investments as at 30 September 2017.

## **MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

The Group did not have any material acquisitions or disposals of subsidiaries, associates or joint ventures during the Period.

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

Save as disclosed in the Prospectus, the Rights Issue Prospectus, the 2016 annual report of the Company and this announcement, the Group did not have any plans for material investments or capital assets as at 30 September 2017.

## EMPLOYEES AND REMUNERATION POLICIES

The Directors believe that the quality of the employees is an important factor in sustaining the Group's growth and improving its profitability. The Group's remuneration package is structured with reference to the individual performance, working experience and prevailing salary levels in the market. In addition to basic salaries and mandatory provident fund, staff benefits include medical coverage scheme and the share option scheme.

As at 30 September 2017, the Group had a total of 503 employees (as at 30 September 2016: 507 employees). The Group's staff costs, including Directors' emoluments, amounted to approximately HK\$30.84 million during the Period (nine months ended 30 September 2016: approximately HK\$25.12 million).

## DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

### Interests in the Company

As at 30 September 2017, the interests or short positions of the Directors or the chief executive of the Company in the Shares, underlying Shares or debentures of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules, were as follows:

### Long positions in the Shares

Name	Nature of interest	Total number of Shares held	Approximate percentage of shareholding
Chu King Tien	Interest in a controlled corporation (Note)	126,000,000 Shares	52.50%

#### Note:

These Shares are held by Golden Villa Ltd., which is wholly and beneficially owned by Mr. Chu King Tien. By virtue of the SFO, Mr. Chu King Tien is deemed to be interested in all the Shares held by Golden Villa Ltd. in the Company.

## Interests in associated corporations of the Company

As at 30 September 2017, the interests or short positions of the Directors or chief executive of the Company in the shares, underlying shares or debentures of the Company's associated corporations (within the meaning of Part XV of the SFO (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules, were as follows:

### Long positions in the shares of the associated corporations

<b>Name of Director</b>	<b>Name of associated corporation</b>	<b>Nature of interest</b>	<b>Number of shares (long position)</b>	<b>Approximate percentage of shareholding</b>
Mr. Chu King Tien	Golden Villa Ltd.	Beneficial owner	50,000	100%

Save as disclosed above, as at 30 September 2017, none of the Directors and chief executive of the Company had interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.48 to 5.67 of the GEM Listing Rules.

## SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

So far as the Directors are aware, as at 30 September 2017, the following persons (other than the Directors and chief executive of the Company) had or deemed or taken to have an interest and/or short position in the Shares, the underlying Shares or debentures of the Company which were required to be recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the GEM Listing Rules:

### Long positions in the Shares

Name	Nature of interest	Total number of Shares held	Approximate percentage of shareholding
Golden Villa Ltd.	Beneficial owner	126,000,000 Shares	52.50%
Ms. Mo Yuk Ling	Interest of spouse ( <i>Note</i> )	126,000,000 Shares	52.50%

#### *Note:*

Ms. Mo Yuk Ling is the spouse of Mr. Chu King Tien. Under the SFO, Ms. Mo Yuk Ling is deemed to be interested in the same number of shares in which Mr. Chu King Tien is interested.

Save as disclosed above, as at 30 September 2017, the Directors were not aware of any other persons (other than the Directors and Chief executive of the Company) who had or deemed or taken to have any interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO.

## PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company during the Period.

## SHARE OPTION SCHEME

A share option scheme (the “**Share Option Scheme**”) was conditionally adopted by the written resolutions of the Company's then sole shareholder passed on 15 May 2015. The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules. The principal terms of the Share Option Scheme are summarised in the section headed “D. Share Option Scheme” in Appendix V of the Prospectus. As of the date of this announcement, no option had been granted, agreed to be granted, exercised, cancelled or lapsed under the Share Option Scheme.

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

The Company has adopted the standards set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry of all the Directors, the Company was not aware of any non-compliance with the required standards of dealings and its code of conduct regarding securities transactions by the Directors throughout the Period.

## **CORPORATE GOVERNANCE CODE**

The Company's corporate governance practices are based on the code principles of the Corporate Governance Code (the "CG Code") as set out in Appendix 15 of the GEM Listing Rules. The Company is committed to ensuring a quality board and transparency and accountability to shareholders of the Company. The Company has complied with the CG Code throughout the Period.

## **DIRECTORS' MATERIAL INTERESTS IN CONTRACTS**

On 20 February 2017, Golden Villa Ltd., which is wholly-owned by Mr. Chu King Tien (the executive Director and chairman of the Group), signed an irrevocable undertaking in favour of the Company to subscribe for 42,000,000 rights shares under the Rights Issue. Such rights shares were issued and allotted to Golden Villa Ltd. on 21 April 2017.

Save as disclosed above or in the Prospectus, the Rights Issue Prospectus, the 2016 annual report of the Company or in this announcement, no Director had any material interests in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Period.

## **COMPETING BUSINESS**

For the Period, the Directors are not aware of any business or interest of the Directors, the controlling shareholder(s) of the Company and their respective close associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

## **INTERESTS OF THE COMPLIANCE ADVISER**

As notified by the Company's compliance adviser, RaffAello Capital Limited (the "Compliance Adviser"), except for the compliance adviser agreement entered into between the Company and the Compliance Adviser on 25 September 2014, neither the Compliance Adviser nor its directors, employees or close associates (as defined under the GEM Listing Rules) had any interests in the Shares of the Company or any member of the Group (including options or rights to subscribe for such securities) as at 30 September 2017 or otherwise in relation to the Company which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

## IMPORTANT EVENTS AFTER THE REPORTING PERIOD

On 31 May 2017, the Company made an application to the Stock Exchange for the transfer of listing (the “**Transfer of Listing**”) from GEM to the Main Board of the Stock Exchange (the “**Main Board**”). The Company applied for the listing of, and permission to deal in (i) 240,000,000 Shares in issue; and (ii) up to 16,000,000 Shares which may fall to be allotted and issued pursuant to the exercise of any options which may be granted under the Share Option Scheme on the Main Board by way of the Transfer of Listing.

The Company made an announcement dated 2 November 2017 and a clarification announcement dated 3 November 2017 (collectively, the “**Announcements**”) that, among other matters, the approval-in-principle for the Transfer of Listing was granted by the Stock Exchange on 2 November 2017. The last day of dealings in the Shares on GEM (Stock code: 8038) will be on 9 November 2017. Dealings in the Shares on the Main Board (Stock code: 3919) will commence at 9:00 a.m. on 10 November 2017 and the Shares will be delisted from GEM.

For further information in relation to the Transfer of Listing, please refer to the Announcements.

## AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) on 15 May 2015 with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and the CG Code. The duties of the Audit Committee are to, among other things, review relationship with the Company’s external auditors, review the Company’s financial information, oversee the Company’s financial reporting, risk management and internal control systems and oversee the Company’s continuing connected transactions. The Audit Committee comprises three independent non-executive Directors namely, Mr. Hui Kwok Wah, Mr. Ma Sai Yam and Mr. Chow Chun Hin Leslie. Mr. Hui Kwok Wah currently serves as the chairman of the Audit Committee. The Results have not been audited by the Company’s auditor but have been reviewed by the Audit Committee, which was of the opinion that the preparation of the Results has complied with the applicable accounting standards, the GEM Listing Rules and legal requirements, and adequate disclosures have been made.

By Order of the Board  
**Golden Power Group Holdings Limited**  
**Chu King Tien**  
*Chairman and Executive Director*

Hong Kong, 9 November 2017

*As at the date of this announcement, the executive Directors are Mr. Chu King Tien, Ms. Chu Shuk Ching, Mr. Tang Chi Him and Mr. Chu Ho Wa, the independent non-executive Directors are Mr. Hui Kwok Wah, Mr. Ma Sai Yam and Mr. Chow Chun Hin Leslie.*

*This announcement will be published on the GEM’s website at [www.hkgem.com](http://www.hkgem.com) on the “Latest Company Announcements” page for at least 7 days from the date of its publication. This announcement will also be published on the Company’s website at [www.goldenpower.com](http://www.goldenpower.com).*