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GOLDEN SHIELD
Holdings . Industrial . Limited

Golden Shield Holdings (Industrial) Limited
金盾控股(實業)有限公司
(incorporated in Bermuda with limited liability)
(Stock Code: 2123)

**(1) UPDATE ON RECENT DEVELOPMENT OF SUSPENSION AND
DELAY IN PUBLICATION OF THE 2013 ANNUAL RESULTS:
APPOINTMENT OF INDEPENDENT FINANCIAL ADVISOR**

(2) LEGAL PROCEEDINGS

**(3) RESIGNATION OF COMPANY SECRETARY, LISTING
RULES AUTHORIZED REPRESENTATIVE AND AUTHORIZED
REPRESENTATIVE FOR THE SERVICE OF PROCESS**

This announcement is issued by the Company pursuant to Rule 13.09(2) of the Listing Rules, and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

Reference is made to the announcement (the “**Announcement**”) of the Company dated 31 March 2014 in relation to the Postponement of Board Meeting, Delay in Publication of 2013 Annual Results Announcement and Possible Delay in the Despatch of 2013 Annual Report. Unless otherwise stated, terms used in this announcement shall have the same meanings as those defined in the Announcement.

APPOINTMENT OF INDEPENDENT FINANCIAL ADVISOR

As set out in the Announcement, additional time is required for the Company to prepare the information requested and for the auditors of the Company to perform and complete the audit of the 2013 Annual Results. In order to assist the Company to prepare the information required for the preparation of the 2013 Annual Results, the Company has engaged Ernst & Young Transactions Limited as the independent financial advisor of the Company (the “**Independent Financial Advisor**”).

The scope of the work of the Independent Financial Advisor shall include, among other things, to ascertain the financial position of the Group, including its assets and liabilities.

As at the date of this Announcement, the date of the Board Meeting has not yet been confirmed and the Company will publish further announcement(s) to inform the shareholders on the date of the Board Meeting and the release of the 2013 Annual Results.

LEGAL PROCEEDINGS

The Company announces that 金盾紡織 (涇陽) 有限公司 (Golden Shield Textile (Jing Yang) Co., Ltd), a company established in the People's Republic of China (“**PRC**”) with limited liability and a wholly-owned subsidiary of the Company (“**Jing Yang Golden Shield**”) received two judgments (民事判決書) (the “**Judgments**”) from the Quanzhou Intermediate People's Court (泉州市中級人民法院) (“**Quanzhou Court**”) dated 13 October 2013 and 18 November 2013 respectively in respect of the following loan agreements:–

1. a loan agreement entered into in July 2010 by Mr. Chen Binghui (“**Mr. Chen**”) as borrower, a Chinese national (“**Lender 1**”) as lender and Jing Yang Golden Shield, Mr. Qiu Jianfa (“**Mr. Qiu**”) and Mr. Lin Shuqing who was a Director and passed away on 4 March 2013 (“**Mr. Lin**”) whereby Mr. Chen borrowed a sum of RMB20,000,000 from Lender 1 and Jing Yang Golden Shield, Mr. Qiu and Mr. Lin guaranteed the payment of such sum (the “**Loan 1**”); and
2. a loan agreement entered into in October 2010 by Mr. Chen, Mr. Qiu and Mr. Lin all as borrowers and Lender 1 as lender and Jing Yang Golden Shield whereby Mr. Chen, Mr. Qiu and Mr. Lin borrowed a sum of RMB20,000,000 from Lender 1 and Jing Yang Golden Shield guaranteed the payment of such sum (the “**Loan 2**”).

Pursuant to the Judgments, among others, the borrower of the Loans should repay the Loans together with the interest accrued and the legal fees (the “**Judgment Debts**”) to Lender 1 and Jing Yang Golden Shield should be liable to the Judgment Debts as a guarantor.

In addition, Jing Yang Golden Shield has also received (1) an execution ruling (執行裁定書) (the “**Ruling**”) from the Xianyang Intermediate People's Court (咸陽市中級人民法院) (“**Xianyang Court**”) dated 26 February 2014 in respect of a sum of RMB7,867,223 (the “**Loan 3**”) together with interest owed by Jing Yang Golden Shield to a Chinese national (“**Lender 2**”) under a reconciliation agreement 民事調解書 (the “**Reconciliation Agreement**”) pursuant to which Jing Yang Golden Shield as a defendant agreed to pay back Lender 2 as a plaintiff the Loan 3 together with interest accrued thereon; and (2) a notice of enforcement (執行通知書) (“**Enforcement Notice**”) from Jingyang People's Court (涇陽縣人民法院) dated 15 October 2013 in respect of the enforcement of a reconciliation agreement between a Chinese national (“**Lender 3**”) as a plaintiff and Jing Yang Golden Shield as a defendant whereby Jing Yang Golden Shield agreed to repay a sum of approximately RMB840,000 (the “**Loan 4**” together with Loan 1, Loan 2 and Loan 3, collectively, the “**Loans**”) together with interest accrued thereon to Lender 3.

As at the date of this announcement, the Company is ascertaining more information about the Loans and will seek legal advice in relation to the Loans, the Judgments, the Ruling and the Enforcement Notice and such further appropriate actions which the Company may take in those regard.

The Company will publish further announcements to update its shareholders and the public regarding the Loans, the Judgments, the Ruling and/or the Enforcement Notice as and when appropriate.

RESIGNATION OF COMPANY SECRETARY

The Board announces that Mr. Tsang Yung Fat (“**Mr. Tsang**”) has resigned as the company secretary of the Company, and has ceased to act as an authorised representative of the Company for the purpose of the Listing Rules and an authorized representative of the Company for the service of process and notices under the Companies Ordinance (Chapter 622, the Laws of Hong Kong), all with effect from 29 April 2014.

Mr. Tsang has confirmed that there is no disagreement between himself and the Board and that there are no matters with respect to his resignation that need to be brought to the attention of the Shareholders.

The Board would like to take this opportunity to express its gratitude to Mr. Tsang for his valuable contributions to the Company during his term of services.

Following the resignation of Mr. Tsang, the Company will have no company secretary and the number of authorized representatives will fall below the minimum number required under Rule 3.05 of the Listing Rules and therefore, constitute non-compliances of Rule 3.05 and Rule 3.28 of the Listing Rules. The Company is endeavouring to identify suitable candidate to fill the vacancies. The Company will make further announcement(s) in this regard as and when appropriate.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in its shares on the Stock Exchange trading in the shares of the Company was suspended with effect from 9:00 a.m. on 1 April 2014 and will remain suspended until further notice.

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

By Order of the Board
Golden Shield Holdings (Industrial) Limited
Chen Binghui
Chairman

Hong Kong, 30 April 2014

As at the date of this announcement, the executive Directors are Mr. Chen Binghui, Mr. Chen Zhifeng, and Mr. Wu Shoumin and Mr. Qiu Jianfa; and the independent non-executive Directors are Ms. Xue Fang and Ms. Tong Jinzhi.