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金山科技工業有限公司
Gold Peak Technology Group Limited

(Incorporated in Hong Kong under the Companies Ordinance)
(Stock Code: 40)



DISCLOSEABLE TRANSACTION

ON-MARKET DISPOSAL OF INTERESTS IN AN EQUITY INVESTMENT

THE CURRENT DISPOSAL

The Board wishes to announce that during the period from 1 June 2022 to 2 June 2022, GP Battery Technology, an indirect wholly-owned subsidiary of GP Industries, conducted a series of on-market transactions to dispose of an aggregate of 3,300,000 STL Shares (representing approximately 5.17% of the total issued STL Shares as at the date of this announcement) at a weighted average price of TWD44.39 per STL Share for an aggregate Consideration of TWD146,470,600 (equivalent to approximately HK\$39,122,300) (exclusive of transaction costs).

As the Current Disposal was conducted through the open market, the Company is not aware of the identities and the principal business activities of the purchasers of the STL Shares disposed by GP Battery Technology. To the best of the knowledge, information and belief of the Directors, having made all reasonable enquiries, each of the purchasers of the STL Shares disposed by GP Battery Technology and their ultimate beneficial owners are Independent Third Parties.

Prior to the Current Disposal, STL Technology is owned as to approximately 9.93% by GP Battery Technology. Immediately after the Current Disposal, STL Technology will be owned as to approximately 4.76% by GP Battery Technology and accounted for as an equity instrument at fair value through profit or loss.

As at the date of this announcement, GP Industries is an 85.59%-owned subsidiary of the Company and a company listed on the Singapore Exchange Securities Trading Limited.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated based on the Consideration exceed 5% but less than 25%, the Current Disposal, on a standalone basis, constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the Current Disposal and the Previous Disposals all relate to STL Shares and they are completed within a 12-month period, the Current Disposal and the Previous Disposals shall be aggregated as a series of transactions for the Company pursuant to Rule 14.22 of the Listing Rules. The Current Disposal and the Previous Disposals, in an aggregate of HK\$137,119,200, do not result in a higher classification than a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Details of the Previous Disposals have been disclosed in the Previous Announcements.

THE CURRENT DISPOSAL

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INFORMATION ON THE GROUP

The Company is an investment holding company. The activities of its principal subsidiaries and associated companies are investment holding and manufacturing, marketing and trading of batteries, electronics and acoustics products.

GP Battery Technology is an investment holding company whose subsidiaries are principally engaged in manufacturing, marketing and trading of batteries. As at the date of this announcement, GP Battery Technology is indirectly wholly owned by GP Industries, which is in turn an approximately 85.59%-owned subsidiary of the Company.

INFORMATION ON STL TECHNOLOGY

STL Technology is a company incorporated in Taiwan and is principally engaged in design, manufacturing and sales of battery packs for power tools, energy storage system and light electric vehicle.

Based on the audited accounts of STL Technology for each of the three years ended 31 December 2021, the revenue, the net profit (before and after taxation) and the net assets of STL Technology are as follows:

	For the year ended 31 December					
	2021		2020		2019	
	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)	(Audited)
	<i>TWD '000</i>	<i>HK\$ '000</i>	<i>TWD '000</i>	<i>HK\$ '000</i>	<i>TWD '000</i>	<i>HK\$ '000</i>
Revenue	1,494,870	399,280	1,626,744	434,503	1,993,051	532,344
(Loss) Profit before tax	(49,158)	(13,130)	83,175	22,216	143,498	38,328
(Loss) Profit after tax	(39,667)	(10,595)	63,245	16,893	142,575	38,082

According to the audited accounts of STL Technology, STL Technology recorded audited net assets of approximately TWD885,780,000 (equivalent to approximately HK\$236,592,000 as at 31 December 2021).

FINANCIAL EFFECTS ON THE CURRENT DISPOSAL AND INTENDED USE OF PROCEEDS

Set out below is the expected gain on the Current Disposal:

	<u>HK\$'000</u>
Net proceeds for the Current Disposal	38,949
Less: Carrying amount of the investment in STL Technology for the Current Disposal	(21,479)
Unaudited profit before and after tax (before non-controlling interest) on the Current Disposal	<u>17,470</u>

Set out below is the expected gains on the Current Disposal and the Previous Disposals, in aggregate:

	<u>HK\$'000</u>
Net proceeds for the Current Disposal and the Previous Disposals	136,513
Add: Fair value gain of STL Shares upon Derecognition	24,796
Less: Carrying amount of the investment in STL Technology for the Current Disposal and the Previous Disposals	(78,408)
Translation deficits	(19,968)
Unaudited profit before and after tax (before non-controlling interest) on the Current Disposal and Previous Disposals	<hr/> 62,933
Fair value gain of the remaining 4.76% investment in STL Technology	15,015
Total disposal & fair value gains on the Current Disposal and the Previous Disposals	<hr/> <hr/> 77,948

As disclosed in the Previous Announcements, as STL Technology is a non-core business of the Group with limited contribution to the Group, the Current Disposal is not expected to have material impact on the earnings and net assets of the Group.

The Group intends to use the net proceeds from the Current Disposal to strengthen the Group's cashflow and to repay bank loans.

REASONS FOR AND BENEFITS OF THE CURRENT DISPOSAL

As disclosed in the Previous Announcements, the Board believes that the Previous Disposals represent a good opportunity for the Group to realise a majority portion of its non-core investment in STL Technology to enhance the capital strength of the Group and devote more resources to its core businesses. The Current Disposal is consistent with such intention of the Company on the investment in STL Technology. In view of the aforesaid and having considered that the Current Disposal was conducted through sales in open market, the Board considers that the terms of the Current Disposal are on normal commercial terms, in the ordinary and usual course of business of the Group and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios calculated based on the Consideration exceed 5% but less than 25%, the Current Disposal, on a standalone basis, constitutes a discloseable transaction for the Company and is subject to the reporting and announcement requirements under Chapter 14 of the Listing Rules.

As the Current Disposal and the Previous Disposals all relate to STL Shares and they are completed within a 12-month period, the Current Disposal and the Previous Disposals shall be aggregated as a series of transactions for the Company pursuant to Rule 14.22 of the Listing Rules. The Current Disposal and the Previous Disposals, in an aggregate of HK\$137,119,200, do not result in a higher classification than a discloseable transaction for the Company under Chapter 14 of the Listing Rules. Details of the Previous Disposals have been disclosed in the Previous Announcements.

DEFINITIONS

Unless the context otherwise requires, the following expressions have the following meanings in this announcement:

“Board”	the board of Directors
“Company”	Gold Peak Technology Group Limited (stock code: 40), a company incorporated in Hong Kong with limited liability and whose shares are listed on the Main Board of the Stock Exchange
“Consideration”	the consideration of TWD146,470,600 (equivalent to approximately HK\$39,122,300) in respect of the Current Disposal
“Current Disposal”	the disposals of an aggregate of 3,300,000 STL Shares by GP Battery Technology in the open market during the period from 1 June 2022 to 2 June 2022
“Derecognition”	the derecognition of STL Technology as an associate of GP Industries immediately after the disposal of STL shares on 6 April 2022
“Director(s)”	director(s) of the Company
“GP Battery Technology”	GP Battery Technology (HK) Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of GP Industries

“GP Industries”	GP Industries Limited, a company incorporated in the Republic of Singapore with limited liability, the shares of which are listed on the Singapore Exchange Securities Trading Limited and is owned as to 85.59% by the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	party(ies) independent of and not connected with the Company and its connected persons (as defined under the Listing Rules)
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“percentage ratios”	has the same meaning ascribed to it under Rule 14.07 of the Listing Rules
“Previous Announcements”	the two announcements of the Company dated 6 April 2022 and 31 May 2022, respectively, in respect of the Previous Disposals
“Previous Disposals”	the disposal of an aggregate 12,300,000 STL Shares by GP Battery Technology in the open market on 6 April 2022, 30 May 2022 and 31 May 2022 as disclosed in the Previous Announcements
“Shareholder(s)”	holder(s) of share(s) issued by the Company
“STL Share(s)”	the issued share(s) of STL Technology
“STL Technology”	STL Technology Co., Ltd., a company established in Taiwan whose shares are traded on the Taipei Exchange (stock code: 4931.TWO)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“TWD”	New Taiwan Dollar, the lawful currency of Taiwan
“%”	per cent.

For reference purposes only and unless otherwise specified, TWD amount has been translated into HK\$ using the rate of TWD1.00 to HK\$0.2671.

By Order of the Board of
Gold Peak Technology Group Limited
Louis WONG Man Kon
Company Secretary

Hong Kong, 2 June 2022
www.goldpeak.com

As at the date of this announcement, the Board consists of Messrs. Victor LO Chung Wing (Chairman & Chief Executive), Brian LI Yiu Cheung (Vice Chairman & Executive Vice President), Michael LAM Hin Lap, Brian WONG Tze Hang, Victor CHONG Toong Ying and Waltery LAW Wang Chak as Executive Directors, Ms. Karen NG Ka Fai as Non-Executive Director and Messrs. LUI Ming Wah, Frank CHAN Chi Chung, CHAN Kei Bui and Timothy TONG Wai Cheung as Independent Non-Executive Directors.