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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)



MAJOR TRANSACTION

ON-MARKET DISPOSAL OF INTERESTS IN AN EQUITY INVESTMENT

THE CURRENT DISPOSAL

Reference is made to the Circular. The Board wishes to announce that on 16 September 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 1,005,000 STL Shares (representing approximately 1.57% of the total issued STL Shares as at the date of this announcement) at a weighted average price of TWD41.72 per STL Share for an aggregate Consideration of TWD41,932,350 (equivalent to approximately HK\$10,504,100) (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 4.29% by GP Battery Technology. Immediately after the Current Disposal, STL Technology will be owned as to approximately 2.72% 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

Although none of the applicable percentage ratios calculated based on the Consideration exceeds 5%, the Current Disposal, on a standalone basis, does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules, 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.

As one or more of the applicable percentage ratios calculated based on the total consideration for the Current Disposal and the Previous Disposals exceed 25% but less than 75%, the Current Disposal and the Previous Disposals, in an aggregate of HK\$150,963,300, constitute a major transaction for the Company under Chapter 14 of the Listing Rules which would be subject to the approval of the Shareholders at the general meeting of the Company.

The approval of the Shareholders for the Current Disposal has been obtained at the General Meeting by way of the Disposal Mandate, details of which have been disclosed in the Circular . The Current Disposal was conducted pursuant to and in compliance with the terms of the Disposal Mandate.

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Prior to the Current Disposal, STL Technology is owned as to approximately 4.29% by GP Battery Technology. Immediately after the Current Disposal, STL Technology will be owned as to approximately 2.72% by GP Battery Technology and accounted for as an equity instrument at fair value through profit or loss.

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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	374,465	1,626,744	407,499	1,993,051	499,259
(Loss) Profit before tax	(49,158)	(12,314)	83,175	20,835	143,498	35,946
(Loss) Profit after tax	(39,667)	(9,937)	63,245	15,843	142,575	35,715

According to the audited accounts of STL Technology, STL Technology recorded audited net assets of approximately TWD885,780,000 (equivalent to approximately HK\$221,888,000) 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	10,458
Less: Carrying amount of the investment in STL Technology for the Current Disposal as at 31 March 2022	(4,012)
Unaudited profit before and after tax (before non-controlling interest) on the Current Disposal	<u>6,446</u>

For illustrative purpose only, set out below is the expected gain on the Current Disposal and the Previous Disposals, in aggregate:

	<u>HK\$'000</u>
Net proceeds for the Current Disposal and the Previous Disposals	150,391
Less: Carrying amount of the investment in STL Technology for the Current Disposal and the Previous Disposals as at 31 March 2022	(67,483)
Translation deficit as at 31 March 2022	(22,428)
Unaudited profit before and after tax (before non-controlling interest) on the Current Disposal and Previous Disposals	<u>60,480</u>

As disclosed in the Circular, 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 (other than the profits on the Current Disposal and the Previous Disposal(s) disclosed above) 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 Circular, 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

Although none of the applicable percentage ratios calculated based on the Consideration exceeds 5%, the Current Disposal, on a standalone basis, does not constitute a notifiable transaction for the Company under Chapter 14 of the Listing Rules, 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.

As one or more of the applicable percentage ratios calculated based on the total consideration for the Current Disposal and the Previous Disposals exceed 25% but less than 75%, the Current Disposal and the Previous Disposals, in an aggregate of HK\$150,963,300, constitute a major transaction for the Company under Chapter 14 of the Listing Rules which would be subject to the approval of the Shareholders at the general meeting of the Company.

The approval of the Shareholders for the Current Disposal has been obtained at the General Meeting by way of the Disposal Mandate, details of which have been disclosed in the Circular. The Current Disposal was conducted pursuant to and in compliance with the terms of the Disposal Mandate.

DEFINITIONS

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

“Board”	the board of Directors
“Circular”	the circular of the Company dated 5 August 2022 relating to the possible major transaction in respect of the Disposal Mandate
“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 TWD41,932,350 (equivalent to approximately HK\$10,504,100) in respect of the Current Disposal
“Current Disposal”	the disposals of an aggregate of 1,005,000 STL Shares by GP Battery Technology in the open market on 16 September 2022
“Director(s)”	director(s) of the Company
“Disposal Mandate”	the general and conditional mandate granted by the Shareholders to the Company at the General Meeting to dispose of up to 2,741,614 STL Shares, details of which have been disclosed in the Circular
“General Meeting”	the general meeting of the Company held on 15 September 2022 at which the Disposal Mandate was approved by the Shareholders

“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 Disposals”	the disposal of an aggregate 15,900,000 STL Shares by GP Battery Technology in the open market from 6 April 2022 to 6 June 2022, details of which have been disclosed in the four announcements of the Company dated 6 April 2022, 31 May 2022, 2 June 2022 and 6 June 2022, respectively
“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\$0.2505.

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

Hong Kong, 16 September 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.