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金山工業(集團)有限公司
Gold Peak Industries (Holdings) Limited

(Incorporated in Hong Kong under the Companies Ordinance)

(Stock Code: 40)



**DISCLOSEABLE TRANSACTION
CONSTRUCTION AGREEMENT IN RELATION TO
THE CONSTRUCTION OF THE FACTORY PREMISES IN NINGBO, PRC**

The Board wishes to announce that on 5 January 2018 (after trading hours), Ningbo GP, an indirect 70%-owned subsidiary of GP Batteries, entered into the Construction Agreement with Ningbo Construction in relation to the construction of the Factory Premises at the Consideration of RMB70 million (or approximately HK\$84 million).

As at the date of this announcement, GP Batteries is a wholly-owned subsidiary of GP Industries which is in turn an 85.5%-owned subsidiary of the Company. GP Industries is a company listed on the Singapore Exchange Securities Trading Limited.

As the consideration payable by the Group in respect of the transaction contemplated under the Construction Agreement exceeds 5% but less than 25% of the applicable percentage ratios, the transaction contemplated under the Construction Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

INTRODUCTION

The Board wishes to announce that on 5 January 2018 (after trading hours), Ningbo GP, an indirect 70%-owned subsidiary of GP Batteries, entered into the Construction Agreement with Ningbo Construction in relation to the construction of the Factory Premises at the Consideration of RMB70 million (or approximately HK\$84 million). The Factory Premises are intended to be used by the ZYNB Group as the flagship factory for production of alkaline batteries.

To the best of the Directors' knowledge, information and belief and having made all reasonable enquiry, Ningbo Construction and its ultimate beneficial owner(s) are third parties independent of the Company and the connected persons of the Company.

PRINCIPAL TERMS OF THE CONSTRUCTION AGREEMENT

Date

5 January 2018 (after trading hours)

Parties

- (i) Ningbo GP, an indirect 70%-owned subsidiary of GP Batteries
- (ii) Ningbo Construction, a private company established in the PRC

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, Ningbo Construction and its ultimate beneficial owners are parties independent of and not connected with the Company and its connected persons.

Subject Matter

Ningbo Construction shall be responsible for the construction and engineering works of the Factory Premises based on the technical specifications as required under the Construction Agreement and the maintenance of the Factory Premises during (i) the warranty period of 36 months and (ii) various maintenance periods for different parts of the Factory Premises ranging from 2 years to 5 years, all commencing from the date of passing the completion inspection of the Factory Premises.

Construction Period

The construction period of the Factory Premises will be 422 days from 10 January 2018 to 8 March 2019.

Consideration and Payment Terms

The Consideration payable by Ningbo GP under the Construction Agreement shall be RMB70 million (or approximately HK\$84 million), which comprises the costs of construction and engineering works, the related professional and insurance charges and other professional expenses for the construction of the Factory Premises.

The Consideration was arrived at from a tender process whereby invitation to bid for the construction of the Factory Premises was solicited by Ningbo GP and the tender submitted by Ningbo Construction was considered the most appropriate in respect of the construction of the Factory Premises received.

INFORMATION ON THE COMPANY, GP BATTERIES, NINGBO GP AND NINGBO CONSTRUCTION

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, wire harness and cables.

As at the date of this announcement, GP Batteries is a wholly-owned subsidiary of GP Industries which is in turn an approximately 85.5%-owned subsidiary of the Company. GP Industries is a company listed on the Singapore Exchange Securities Trading Limited.

GP Batteries is engaged in the development, manufacture and marketing of batteries and battery-related products and Ningbo GP is principally engaged in manufacturing of alkaline batteries.

To the best of the Directors' knowledge, information and belief having made reasonable enquiries, Ningbo Construction is principally engaged in property development.

REASONS FOR AND BENEFITS OF THE CONSTRUCTION AGREEMENT

As disclosed in the announcements of the Company dated 17 May 2017 and 25 May 2017, respectively, in relation to the acquisition of the Land by Ningbo GP, in order to cater for the future business growth of the ZYNB Group and in connection with the recent internal corporate restructuring of the ZYNB Group, the ZYNB Group intends to construct factory buildings on the Land to which the existing operations of the ZYNB Group, currently housed in a factory building owned by ZYNB located in Ningbo National Hi-tech Industrial Development Zone (寧波國家高新區), will be transferred and expanded.

Accordingly, the entering into of the Construction Agreement by Ningbo GP is in line with the aforesaid intention of the ZYNB Group and the Directors believe that the terms of the Construction Agreement (including the Consideration) are fair and reasonable and in the interests of the Company and its shareholders as a whole.

FINANCIAL EFFECTS OF THE CONSTRUCTION AGREEMENT

The transaction contemplated under the Construction Agreement is not expected to have any impact on the earnings per share and net tangible assets per share of GP Batteries and its subsidiaries for the year ending 31 March 2018.

The Consideration payable under the Construction Agreement, being RMB70 million (or approximately HK\$84 million), will be financed by internal resources and bank borrowings from the ZYNB Group.

LISTING RULES IMPLICATION

As the consideration payable by the Group in respect of the transaction contemplated under the Construction Agreement exceeds 5% but less than 25% of the applicable percentage ratios, the transaction contemplated under the Construction Agreement constitutes a discloseable transaction for the Company under Chapter 14 of the Listing Rules.

DEFINITIONS

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

“Board”	the board of Directors
“Company”	Gold Peak Industries (Holdings) 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 total fee payable by Ningbo GP to Ningbo Construction under the Construction Agreement, being RMB70 million (or approximately HK\$84 million)
“Construction Agreement”	the agreement dated 5 January 2018 and entered into between Ningbo GP and Ningbo Construction in relation to the construction of the Factory Premises
“connected person(s)”	has the same meaning ascribed to it under the Listing Rules
“Director(s)”	director(s) of the Company
“Factory Premises”	the factory premises comprising two workshops, a warehouse and other civil construction with an aggregate floor area of approximately 54,306.33 sq. m.
“GP Batteries”	GP Batteries International Limited, a company incorporated in the Republic of Singapore with limited liability and is a wholly-owned subsidiary of GP Industries as at the date of this announcement
“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 85.5% by the Company as at the date of this announcement
“Group”	the Company and its subsidiaries
“Hong Kong”	Hong Kong Special Administrative Region of the PRC

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Independent Third Party(ies)”	party(ies) independent of and not connected with the Company and its connected persons
“Land”	the piece of land located at No. 6, East Mingfeng Road, Jiangbei Gaoxin Park (江北高新園民豐路東側 6 號地塊), Jiangbei district (江北區) in Ningbo, Zhejiang Province, PRC
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Ningbo Construction”	Ningbo Construction Group Co., Ltd (寧波市建設集團股份有限公司), a private company established in the PRC and an Independent Third Party
“Ningbo GP”	Ningbo GP Pairdeer Batteries Co., Ltd. (寧波金山雙鹿電池有限公司), a wholly-owned subsidiary of ZYNB and an indirect 70%-owned subsidiary of GP Batteries
“percentage ratios”	has the same meaning ascribed to it under the Listing Rules
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excluding Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan
“RMB”	Renminbi, the lawful currency of the PRC
“sq. m.”	square metres
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“ZYNB”	Zhongyin (Ningbo) Battery Co., Ltd. (中銀(寧波)電池有限公司), a 70%-owned subsidiary of GP Batteries
“ZYNB Group”	ZYNB and its subsidiaries
“%”	per cent.

For reference purposes only and unless otherwise specified, RMB amount has been translated into HK\$ using the rate of RMB1.00 to HK\$1.20.

For reference purposes only, the Chinese names of the PRC entities have been translated into English in this announcement. In the event of any discrepancies between the Chinese names of these PRC entities and their respective English translations, the Chinese version shall prevail.

By Order of the Board
WONG Man Kit
Company Secretary

Hong Kong, 5 January 2018
www.goldpeak.com

As at the date of this announcement, the Board consists of Messrs. Victor LO Chung Wing (Chairman & Chief Executive), LEUNG Pak Chuen, Richard KU Yuk Hing, Andrew CHUANG Siu Leung and Brian LI Yiu Cheung as Executive Directors, Messrs. LUI Ming Wah, Frank CHAN Chi Chung and CHAN Kei Bui as Independent Non-Executive Directors and Ms. Karen NG Ka Fai as Non-Executive Director.