

Unless otherwise defined, terms and expressions used in this announcement shall have the same meanings as those defined in the prospectus (the “**Prospectus**”) of Golden Power Group Holdings Limited (the “**Company**”) dated 29 May 2015.

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This announcement is for information purpose only and does not constitute an invitation or offer to acquire, purchase or subscribe for securities. Potential investors should read the Prospectus for detailed information about the Placing described below before deciding whether or not to invest in the Shares thereby being offered.

GoldenPower®

GOLDEN POWER GROUP HOLDINGS LIMITED

金力集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

**LISTING ON THE GROWTH ENTERPRISE MARKET OF
THE STOCK EXCHANGE OF HONG KONG LIMITED
BY WAY OF PLACING**

Number of Placing Shares : 56,000,000 Placing Shares
Placing Price : HK\$1.35 per Placing Share (payable in full on application in Hong Kong dollars plus brokerage of 1.00%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%)
Nominal value : HK\$0.01 per Share
Stock code : 8038

Sole Sponsor



Sole Bookrunner and Sole Lead Manager



Co-Lead Manager



- The Placing Price has been determined at HK\$1.35 per Placing Share (excluding brokerage of 1.00%, the SFC transaction levy of 0.0027% and the Stock Exchange trading fee of 0.005%).
- Based on the Placing Price of HK\$1.35 per Placing Share, the net proceeds to be received by the Company from the Placing, after deducting the underwriting fees and other expenses, are approximately HK\$40.16 million.
- The 56,000,000 Placing Shares offered under the Placing have been moderately over-subscribed and have been conditionally allocated to a total of 119 professional, institution and other investors.
- The Directors confirm that, to the best of their knowledge and belief, all the placees under the Placing (the “Placees”) are independent of and not connected with the Company and any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or significant shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, and their respective close associates, and are not any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing, and none of the Shares subscribed by the Placees has been financed directly or indirectly by a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them, and none of the Placees is accustomed to taking instructions from a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it. No Placees will individually be placed over 10% of the enlarged issued share capital of the Company immediately after completion of the Placing and the Capitalisation Issue.
- The Directors confirm that, immediately after the Capitalisation Issue and the completion of the Placing, the public float of the Company will be 35% of the enlarged issued share capital of the Company, and not more than 50% of the Shares in public hands at the time of Listing will be beneficially owned by the three largest public Shareholders.
- Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Friday, 5 June 2015. Shares will be traded in board lots of 2,000 Shares each. The stock code for the Shares is 8038.
- **Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.**

PLACING PRICE AND USE OF PROCEEDS

Pursuant to the Price Determination Agreement entered into between the Company and the Sole Lead Manager (for itself and on behalf of the other Underwriter) dated 1 June 2015, the Placing Price was agreed to be HK\$1.35 per Placing Share (excluding brokerage fee of 1.00%, SFC transaction levy of 0.0027% and Stock Exchange trading fee of 0.005%). The net proceeds to be received by the Company from the Placing, after deducting underwriting fees

and other expenses, are approximately HK\$40.16 million. The Directors intend to use such net proceeds in accordance with the purposes set forth in the section headed “Statement of Business Objectives and Use of Proceeds” in the Prospectus in the following manner:

- approximately HK\$36.14 million, representing approximately 90% of the net proceeds, will be used for repaying three bank loan facilities. These facilities were used for our Group’s trade payables financing. The reason for using bank borrowings to finance our Group’s trade payables, notwithstanding that interest will be payable, is mainly to provide flexibility on the cash flow of our Group as well as in accordance with the terms of the relevant bank loan facilities to commit a minimum amount of trade payables financing. The interest rates charged to these facilities are 1% per annum below the relevant standard bills rate quoted by the relevant bank, 3.75% per annum and the statutory loan interest rate published by the People’s Bank of China plus 20%, respectively. The credit period in respect of two of these facilities is 120 days whereas the remaining facility is repayable on demand. As at the Latest Practicable Date, the remaining loan balance in respect of these facilities was HK\$69.18 million; and
- approximately HK\$4.02 million, representing approximately 10% of the net proceeds, will be used for general working capital.

LEVEL OF INDICATIONS OF INTERESTS UNDER THE PLACING

The 56,000,000 Placing Shares offered under the Placing have been moderately over-subscribed.

RESULTS OF ALLOCATION

Pursuant to the Placing, 56,000,000 Placing Shares have been conditionally allocated to a total of 119 professional, institutional and other investors. The distribution of the Placing Shares is set forth below:

	Aggregate number of Placing Shares Allocated	Aggregate percentage of the total number of Placing Shares allocated	Approximate percentage of shareholding over the enlarged issued share capital of the Company immediately after completion of the Placing and the Capitalisation Issue
Top Placee	5,554,000	9.92%	3.47%
Top 5 Placees	23,008,000	41.09%	14.38%
Top 10 Placees	39,956,000	71.35%	24.97%
Top 25 Placees	53,666,000	95.83%	33.54%

Number of Placing Shares allocated	Number of Placees
2,000 to 10,000	71
10,001 to 100,000	21
100,001 to 500,000	7
500,001 to 1,000,000	7
1,000,001 to 2,000,000	3
2,000,001 to 5,000,000	8
5,000,001 to above	2
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Total:	<u><u>119</u></u>

The Directors confirm that, to the best of their knowledge and belief, all the Placees are independent of and not connected with the Company and any of the Directors, chief executive, Controlling Shareholders, substantial shareholders or significant shareholders (as defined under the GEM Listing Rules) of the Company or any of its subsidiaries, and their respective close associates, and are not any person or group of persons as stated in Rule 10.12(4) of the GEM Listing Rules or any nominees of the foregoing, and none of the Shares subscribed by the Placees has been financed directly or indirectly by a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them, and none of the Placees is accustomed to taking instructions from a Director, chief executive, Controlling Shareholder or substantial shareholder of the Company or any of its subsidiaries or a close associate of any of them in relation to the acquisition, disposal, voting or other disposition of the Shares registered in his/her/its name or otherwise held by him/her/it. No Placees will individually be placed over 10% of the enlarged issued share capital of the Company immediately after completion of the Placing and the Capitalisation Issue.

Investors should be aware that the concentration of Shareholders may affect the liquidity of the Shares. Consequently, Shareholders and potential investors are advised to exercise caution when dealing in the Shares.

MINIMUM PUBLIC FLOAT REQUIREMENT

Pursuant to Rule 11.23(7) of the GEM Listing Rules, the Company is required to maintain a public float of not less than 25% of its total issued share capital at the time when the Shares commence dealings on GEM and at all times thereafter. Pursuant to Rule 11.23(8) of the GEM Listing Rules, not more than 50% of the Shares in public hands at the time of the Listing shall be beneficially owned by the three largest public Shareholders. The Directors confirm that, immediately after completion of the Placing and the Capitalisation Issue, the public float of the Company will be 35% of the issued share capital of the Company and not more than 50% of the Shares in public hands at the time of the Listing will be beneficially owned by the three largest public Shareholders at the time of the Listing.

DEPOSIT OF SHARE CERTIFICATES INTO CCASS

Subject to the granting of the listing of, and permission to deal in, the Shares on GEM and the compliance by the Company with the stock admission requirements of HKSCC, the Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the Listing Date (i.e. 5 June 2015) or such other date as determined by HKSCC. Settlement of transactions between participants of the Stock Exchange is required to

take place in CCASS on the second business day after any trading day. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. All necessary arrangements have been made for the Shares to be admitted into CCASS.

No receipt will be issued for application monies paid. The Company will not issue any temporary documents of title.

The share certificates issued in respect of the Placing Shares will be deposited into CCASS on or about Thursday, 4 June 2015 for credit to the respective CCASS Participants' stock accounts or CCASS Investor Participants' stock accounts of the Sole Bookrunner, the Placees or their agents (as the case may be) based on their respective instructions.

Prospective investors of the Placing shares should note that the Sole Lead Manager (for itself and on behalf of the other Underwriter) is entitled to terminate the Underwriting Agreement by giving notice in writing to the Company upon the occurrence of any of the events set out in the section headed "Underwriting — Underwriting Arrangements and Expenses — Grounds for termination" in the Prospectus at any time prior to 8:00 a.m. (Hong Kong time) on the Listing Date (i.e. 5 June 2015). In the event that the Underwriting Agreement is terminated, the Placing will lapse and thereafter, all money received will be refunded to applicants of the Placing without interests and the Stock Exchange will be notified immediately. Notice of the lapse of the Placing will be published by the Company on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.goldenpower.com on the next business day immediately following the date of such lapse.

All share certificates will only become valid certificates of title when the Placing has become unconditional in all respects and the Underwriting Agreement has not been terminated in accordance with its terms and conditions prior to 8:00 a.m. on the Listing Date.

COMMENCEMENT OF DEALINGS

Dealings in the Shares on GEM are expected to commence at 9:00 a.m. on Friday, 5 June 2015. Shares will be traded in board lots of 2,000 Shares each. The stock code for the Shares is 8038. If there is any change to the expected timetable, an announcement will be published immediately by the Company on the website of the Stock Exchange at www.hkexnews.hk and the Company's website at www.goldenpower.com.

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

Hong Kong, 4 June 2015

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

This announcement, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with 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, (i) the information

contained in this announcement is accurate and complete in all material respects and not misleading or deceptive; (ii) there are no other matters the omission of which would make any statement herein or this announcement misleading; and (iii) all opinions expressed in this announcement have been arrived at after due and careful consideration and are founded on bases and assumptions that are fair and reasonable.

This announcement will remain on the Stock Exchange's website at www.hkexnews.hk for at least 7 days from the date of its posting. This announcement will also be published on the Company's website at www.goldenpower.com.