



GOLDEN POWER GROUP HOLDINGS LIMITED

金力集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8038)

**THIRD QUARTERLY RESULTS ANNOUNCEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2016**

CHARACTERISTICS OF THE GROWTH ENTERPRISE MARKET (“GEM”) OF THE STOCK EXCHANGE OF HONG KONG LIMITED (THE “STOCK EXCHANGE”)

GEM has been positioned as a market designed to accommodate companies to which a high investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration. The greater risk profile and other characteristics of GEM mean that it is a market more suited to professional and other sophisticated investors.

Given the emerging nature of companies listed on GEM, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board of the Stock Exchange and no assurance is given that there will be a liquid market in the securities traded on GEM.

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*This announcement, for which the directors (the “**Directors**” or individually a “**Director**”) of Golden Power Group Holdings Limited (the “**Company**”) collectively and individually accept full responsibility, includes particulars given in compliance with the Rules Governing the Listing of Securities on GEM (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, the information contained in this announcement is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this announcement misleading.*

FINANCIAL HIGHLIGHTS

- Recorded an unaudited revenue of approximately HK\$220.82 million for the nine months ended 30 September 2016 (nine months ended 30 September 2015: approximately HK\$240.78 million), representing a decrease of approximately 8.29% over the same period of 2015.
- Recorded an unaudited profit attributable to the equity shareholders of the Company of approximately HK\$12.07 million for the nine months ended 30 September 2016 (nine months ended 30 September 2015: a profit of approximately HK\$22,000 which included the one-off listing expenses of approximately HK\$10.86 million).
- The profit attributable to the equity shareholders of the Company for the nine months ended 30 September 2016 was approximately HK\$12.07 million while that for the nine months ended 30 September 2015 when excluding the one-off listing expenses would be approximately HK\$10.88 million, representing an increase of approximately 10.94% over the same period of 2015. The increase was mainly due to reduction of production overheads, savings on staff costs, office utilities expenses and finance costs and the absence of listing expenses recognised for the nine months ended 30 September 2016.
- The basic earnings per share for the nine months ended 30 September 2016 was HK7.54 cents (nine months ended 30 September 2015: HK0.02 cents).
- The board of directors of the Company does not recommend the payment of an interim dividend for the nine months ended 30 September 2016 (nine months ended 30 September 2015: Nil).

THIRD QUARTERLY RESULTS

The board of directors (the “**Board**”) of the Company is pleased to announce the unaudited condensed consolidated quarterly results (the “**Results**”) of the Company and its subsidiaries (collectively the “**Group**”) for the nine months ended 30 September 2016 (the “**Period**”) together with the corresponding comparative figures as follows:

Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income (unaudited)

For the three months and nine months ended 30 September 2016

	Notes	For the three months ended 30 September		For the nine months ended 30 September	
		2016 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)	2016 HK\$'000 (Unaudited)	2015 HK\$'000 (Unaudited)
Revenue	3	75,136	91,425	220,818	240,778
Cost of sales		(53,675)	(63,857)	(157,911)	(180,879)
Gross profit		21,461	27,568	62,907	59,899
Other revenue		1,026	742	2,086	2,461
Other (loss)/gain — net		(223)	(791)	(2,397)	1,050
Selling and distribution expenses		(4,320)	(3,036)	(11,148)	(9,132)
Administrative expenses		(11,151)	(11,084)	(33,035)	(45,428)
Finance costs		(892)	(1,454)	(2,856)	(5,121)
Profit before income tax	4	5,901	11,945	15,557	3,729
Income tax expenses	5	(1,490)	(2,383)	(3,491)	(3,707)
Profit for the period		4,411	9,562	12,066	22
Other comprehensive (loss)/income					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences arising on translation of financial statements of foreign operations					
		(15)	(1,937)	(1,351)	(3,059)
Items that may not be reclassified subsequently to profit or loss:					
Revaluation of investment properties					
		—	—	27,511	—
Other comprehensive (loss)/income for the period		(15)	(1,937)	26,160	(3,059)
Total comprehensive (loss)/income for the period attributable to equity shareholders of the Company		4,396	7,625	38,226	(3,037)
Earnings per share (HK cents)	6				
— Basic		2.76	5.98	7.54	0.02
— Diluted		—	—	—	—

Condensed Consolidated Statement of Changes in Equity (unaudited)

For the nine months ended 30 September 2016

	Share capital <i>HK\$'000</i>	Share premium <i>HK\$'000</i>	Capital reserve <i>HK\$'000</i>	Investment properties revaluation reserve <i>HK\$'000</i>	Statutory reserve <i>HK\$'000</i>	Exchange reserve <i>HK\$'000</i>	Retained earning <i>HK\$'000</i>	Total equity <i>HK\$'000</i>
At 1 January 2015 (audited)	—	—	9,819	—	3,411	2,062	19,725	35,017
Issue of shares	560	75,040	—	—	—	—	—	75,600
Capitalisation issue	1,040	(1,040)	—	—	—	—	—	—
Capital injection	—	—	20,000	—	—	—	—	20,000
Share issuing expenses	—	(13,927)	—	—	—	—	—	(13,927)
Total comprehensive loss for the period	—	—	—	—	—	(3,059)	22	(3,037)
Appropriation to statutory reserve	—	—	—	—	393	—	(393)	—
At 30 September 2015 (unaudited)	<u>1,600</u>	<u>60,073</u>	<u>29,819</u>	<u>—</u>	<u>3,804</u>	<u>(997)</u>	<u>19,354</u>	<u>113,653</u>
At 1 January 2016 (audited)	1,600	59,825	29,819	—	3,940	(2,654)	22,595	115,125
Profit for the year	—	—	—	—	—	—	12,066	12,066
Exchange differences arising on translation of financial statements of foreign operations	—	—	—	—	—	(1,351)	—	(1,351)
Revaluation of investment properties	—	—	—	27,511	—	—	—	27,511
Total comprehensive income for the period	—	—	—	27,511	—	(1,351)	12,066	38,226
Appropriation to statutory reserve	—	—	—	—	240	—	(240)	—
At 30 September 2016 (unaudited)	<u>1,600</u>	<u>59,825</u>	<u>29,819</u>	<u>27,511</u>	<u>4,180</u>	<u>(4,005)</u>	<u>34,421</u>	<u>153,351</u>

NOTES TO THE UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL

The Company was incorporated in the Cayman Islands on 7 June 2012 as an exempted company with limited liability under the Companies Law (as revised) of the Cayman Islands. The registered office of the Company is located at Clifton House, 75 Fort Street, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands. The headquarter and principal place of business of the Company in Hong Kong is located at Flat C, 20/F, Block 1, Tai Ping Industrial Centre, 57 Ting Kok Road, Tai Po, New Territories, Hong Kong. The Company's shares (the "Share" or "Shares") have been listed and traded on the Growth Enterprise Market ("GEM") of the Stock Exchange of Hong Kong Limited (the "Stock Exchange") since 5 June 2015 (the "Listing Date").

Pursuant to the reorganisation of the Group in connection with the listing of the Shares on GEM (the "Listing"), the Company became the holding company of the Group on 25 September 2014 (the "Reorganisation"). Details of the Reorganisation were set out in the section headed "History, Development and Reorganisation — Reorganisation" of the prospectus of the Company dated 29 May 2015 (the "Prospectus").

The principal activity of the Company is investment holding. The Group is principally engaged in the manufacture and sale of a broad range of batteries for various electronic devices to Hong Kong, the People's Republic of China (the "PRC") and international markets. The ultimate controlling party of the Group is Mr. Chu King Tien.

2. BASIS OF PREPARATION

The Results have not been audited by the Company's auditor but have been reviewed by the Company's audit committee. The Results have been prepared in accordance with Hong Kong Financial Reporting Standards, Hong Kong Accounting Standards and Interpretations issued by the Hong Kong Institute of Certified Public Accountants (collectively the "HKFRSs") and the disclosure requirements of the Rules Governing the Listing of Securities on GEM of the Stock Exchange (the "GEM Listing Rules").

The Results have been prepared under the historical cost basis. These condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements of the Company for the year ended 31 December 2015, which have been prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRS").

The Group has not early adopted the new and revised HKFRSs that have been issued but are not yet effective.

When preparing the Results, the Group's ability to continue as a going concern has been assessed. As at 30 September 2016, the Group had net current liabilities of HK\$23.04 million. The Results have been prepared on a going concern basis due to the reasons that (i) as at 30 September 2016, the Group had unutilised banking facilities of approximately HK\$58.28 million; and (ii) the Directors expect that the Group is able to renew all banking facilities upon expiry.

After taking into consideration the banking facilities already in place as at 30 September 2016, and funds expected to be generated internally from operations based on the Directors' estimation on future cash flows of the Group, the Directors are satisfied that the Group will have sufficient financial resources to meet its financial obligations as they fall due in the foreseeable future and consider that it is appropriate for the Results to be prepared on a going concern basis.

Should the Group be unable to continue in business as a going concern, adjustments would have to be made to restate the value of assets to their recoverable amounts, to reclassify non-current assets and non-current liabilities as current assets and current liabilities respectively and to provide for any further liabilities which might arise.

3. REVENUE

Geographical information

	For the three months ended 30 September		For the nine months ended 30 September	
	2016 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)
Africa	121	1,136	624	2,999
Hong Kong	16,053	18,898	51,535	56,138
Asia (except the PRC and Hong Kong)	8,750	4,791	21,419	17,309
Australia	2,590	17,699	11,592	30,691
PRC	21,031	24,792	56,437	66,264
Europe (except East Europe)	8,816	10,429	26,974	29,621
East Europe	1,374	505	3,457	8,047
Middle East	638	—	1,832	1,904
North America	11,478	7,832	35,236	15,647
South America	4,285	5,343	11,712	12,158
	75,136	91,425	220,818	240,778

4. PROFIT BEFORE INCOME TAX

	For the three months ended 30 September		For the nine months ended 30 September	
	2016 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)
Profit before income tax is arrived after charging:				
Finance costs				
Bank loans interest	712	1,358	2,381	4,512
Interest on import loans	180	93	472	606
Bank overdraft interest	—	3	3	3
Total interest expenses	892	1,454	2,856	5,121
Other items				
Depreciation of property, plant and equipment	3,202	3,614	8,579	10,188
Cost of inventories sold	53,675	63,857	157,911	180,879
Listing expenses	—	—	—	10,855

5. INCOME TAX EXPENSES

	For the three months ended 30 September		For the nine months ended 30 September	
	2016 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)
Current tax — Hong Kong profits tax				
Provision for the period	195	1,299	399	2,613
Current tax — PRC enterprise income tax (“EIT”)				
Provision for the period	1,213	807	2,591	923
Under-provision for the prior period	—	212	—	212
	<u>1,408</u>	<u>2,318</u>	<u>2,990</u>	<u>3,748</u>
Deferred taxation	<u>82</u>	<u>65</u>	<u>501</u>	<u>(41)</u>
Total income tax expenses	<u><u>1,490</u></u>	<u><u>2,383</u></u>	<u><u>3,491</u></u>	<u><u>3,707</u></u>

Hong Kong profits tax is calculated at 16.5% of the estimated assessable profits arising in Hong Kong for the three months and nine months ended 30 September 2016 and 2015, respectively.

The PRC subsidiaries of the Group are subjected to EIT at the rate of 25%.

Pursuant to the rules and regulations of the Cayman Islands and the British Virgin Islands, the Group is not subject to any income tax in the Cayman Islands and the British Virgin Islands for the three months and nine months ended 30 September 2016 and 2015, respectively.

6. EARNINGS PER SHARE

The calculation of the basic earnings per Share attributable to the equity shareholders of the Company is based on the following data:

	For the three months ended 30 September		For the nine months ended 30 September	
	2016 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)	2016 <i>HK\$'000</i> (unaudited)	2015 <i>HK\$'000</i> (unaudited)
Profit for the period attributable to equity shareholders of the Company	<u>4,411</u>	<u>9,562</u>	<u>12,066</u>	<u>22</u>
	<i>'000</i>	<i>'000</i>	<i>'000</i>	<i>'000</i>
Weighted average number of ordinary Shares for the purpose of calculating basic earnings per Share	<u><u>160,000</u></u>	<u>160,000</u>	<u><u>160,000</u></u>	<u>128,205</u>

Diluted earnings per Share has not been disclosed as no dilutive potential equity Shares in existence for the three months and the nine months ended 30 September 2016 and 2015, respectively.

7. DIVIDENDS

The Board does not recommend the payment of an interim dividend for the nine months ended 30 September 2016 (nine months ended 30 September 2015: nil).

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW

The Group is principally engaged in the manufacture and sale of a broad range of batteries for various electronic devices to the PRC, Hong Kong and international markets both under its own brand “Golden Power” and the brands of its private label and OEM customers. The products are mainly categorised into two segments (i) disposable batteries; and (ii) rechargeable batteries and other battery-related products. The disposable batteries are categorised into two sub-segments namely (i) cylindrical batteries and; (ii) micro-button cells. Other battery-related products include battery chargers, battery power packs and electric fans.

The revenue of cylindrical batteries for the Period dropped by approximately HK\$8.94 million to approximately HK\$157.56 million as compared to approximately HK\$166.50 million for the same period of 2015, representing a decrease of approximately 5.37%. The decrease in such revenue was mainly due to the weak Renminbi (“RMB”) exchange against Hong Kong dollar (“HK\$”) and the customers’ delayed ordering behaviour during the Period.

The revenue of micro-button cells and rechargeable batteries and other battery-related products for the Period decreased by approximately HK\$11.02 million to approximately HK\$63.26 million as compared to approximately HK\$74.28 million for the same period of 2015, representing a decrease of approximately 14.84%. The decrease in such revenue was mainly due to a drop in sales in the PRC, South America and Australia during the Period.

Looking forward, the Group will continue to adopt stringent cost control and employ appropriate strategies to enhance its operation efficiency. Sales of cylindrical batteries to North American market is expected to increase in the fourth quarter of 2016, based on sales orders on hand and expected to receive, due to market recovery. For the micro-button cells, the demand in Europe is still lower than the management’s expectation due to the weak Euro against HK\$. The Group will put more effort on the sales of micro-button cells, concentrate on OEM market and continue to control the production overheads.

FINANCIAL REVIEW

Revenue and Profit attributable to equity shareholders

Revenue for the Period was approximately HK\$220.82 million, representing a decrease of approximately 8.29% as compared to the same period of 2015. Profit attributable to equity shareholders of the Company for the Period was approximately HK\$12.07 million whilst for the same period of 2015, the profit attributable to equity shareholders of the Company was approximately HK\$22,000 which included the one-off listing expenses of approximately HK\$10.86 million. Excluding such one-off listing expenses, the profit attributable to equity shareholders of the Company for the nine months ended 30 September 2015 would be approximately HK\$10.88 million as compared with that for the Period of approximately HK\$12.07 million, representing an increase of approximately 10.94% over the same period of 2015. The increase in profit for the Period was mainly due to the reduction of production overheads, savings on staff costs, office utilities expenses and finance costs and the absence of listing expenses recognised during the Period.

Gross Profit

The Group recorded a gross profit of approximately HK\$62.91 million for the Period (nine months ended 30 September 2015: approximately HK\$59.90 million), representing an increase of approximately 5.02%. The increase in gross profit for the Period was mainly due to the implementation of cost control on production overheads.

Expenses

During the Period, the selling and distribution expenses of the Group has increased by approximately 22.08% to approximately HK\$11.15 million, as compared to approximately HK\$9.13 million in the corresponding period in 2015. The increase in selling and distribution expenses was mainly due to the increase in marketing and promotion expenses of approximately HK\$2.41 million. The Group's administrative expenses has dropped by approximately HK\$12.39 million to approximately HK\$33.04 million during the Period as compared to approximately HK\$45.43 million for the same period of 2015. The decrease in administrative expenses was mainly due to the absence of listing expenses recognised during the Period. The one-off listing expenses recognised for the nine months ended 30 September 2015 was approximately HK\$10.86 million.

LIQUIDITY AND FINANCIAL RESOURCES

The Group operates a conservative set of treasury policies to ensure that no unnecessary risks are taken with the Group's assets. No investment other than cash is currently used.

The bank borrowings are repayable as follows:

	At 30 September 2016 HK\$'000 (unaudited)	At 31 December 2015 HK\$'000 (audited)
Within 1 year		
— Short-term loans	34,199	47,508
— Current portion of long-term loans	13,763	11,632
	47,962	59,140
Over 1 year but within 2 years	14,081	11,886
Over 2 years but within 5 years	28,147	21,312
Over 5 years	2,533	3,342
	<u>92,723</u>	<u>95,680</u>

As at 30 September 2016, the Group had borrowings of approximately HK\$92.72 million (as at 31 December 2015: approximately HK\$95.68 million). The debt ratio, calculated as total liabilities over total assets, of the Group as at 30 September 2016 was approximately 0.56 (as at 31 December 2015: approximately 0.64).

As at 30 September 2016, the Group had cash and cash equivalents (the “**Liquidity Resources**”) of approximately HK\$9.76 million (as at 31 December 2015: approximately HK\$24.92 million) which were mainly denominated in HK\$ and RMB.

Save as disclosed in the Results, the Group had no material capital expenditure commitments as at 30 September 2016.

CAPITAL STRUCTURE

The Shares were successfully listed on GEM on 5 June 2015, and there has been no material changes in the capital structure of the Company since its Listing. The share capital of the Company comprises only ordinary shares. Total equity of the Company amounted to approximately HK\$153.35 million as at 30 September 2016 (as at 31 December 2015: approximately HK\$115.13 million).

SIGNIFICANT INVESTMENTS HELD

Except for investments in investment properties in respect of which the Group’s subsidiary namely Golden Power Properties Limited as the landlord has entered into a two-year term tenancy agreement with an independent third party on 20 June 2016 for a monthly rental at market rate, the Group did not hold any significant investment as at 30 September 2016.

MATERIAL ACQUISITIONS AND DISPOSALS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

The Group did not have any material acquisitions and disposals of subsidiaries, associates or joint ventures during the Period.

FUTURE PLANS FOR MATERIAL INVESTMENTS AND CAPITAL ASSETS

Save as disclosed in the Prospectus, the 2015 annual report of the Company and this announcement, the Group did not have any plans for material investments or capital assets as at 30 September 2016.

EMPLOYEES AND REMUNERATION POLICIES

The Directors believe that the quality of the employees is an important factor in sustaining the Group’s growth and improving its profitability. The Group’s remuneration package is structured with reference to the individual performance, working experience and prevailing salary levels in the market. In addition to basic salaries and mandatory provident fund, staff benefits include medical coverage scheme and the share option scheme.

As at 30 September 2016, the Group had a total of 507 employees (as at 30 September 2015: 561 employees). The Group’s staff costs, including Directors’ emoluments, amounted to approximately HK\$25.12 million during the Period (nine months ended 30 September 2015: approximately HK\$30.57 million).

DIRECTORS' AND CHIEF EXECUTIVE'S INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

Interests in the Company

As at 30 September 2016, the interests or short positions of the Directors or the chief executive of the Company in the Shares, underlying Shares or debentures of the Company (within the meaning of Part XV of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (the "SFO")) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the standard of dealings by the Directors as referred to in the GEM Listing Rules, were as follows:

Long positions in the Shares

Name	Nature of interest	Total number of Shares held	Approximate percentage of shareholding
Chu King Tien	Interest in a controlled corporation (Note 1)	84,000,000 ordinary Shares	52.50%

Note:

- These Shares are held by Golden Villa Ltd., which is wholly and beneficially owned by Mr. Chu King Tien. By virtue of the SFO, Mr. Chu King Tien is deemed to be interested in all the Shares held by Golden Villa Ltd. in the Company.

Interests in associated corporations of the Company

As at 30 September 2016, the interests or short positions of the Directors or chief executive of the Company in the shares, underlying shares and debentures of the Company's associated corporations (within the meaning of Part XV of the SFO (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which they were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered in the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to the standard of dealings by the Directors as referred to in, were as follows:

Long positions in the shares of the associated corporations

Name of Director	Name of associated corporation	Nature of interest	Number of Shares (long position)	Approximate percentage of shareholding
Mr. Chu King Tien	Golden Villa Ltd.	Beneficial owner	50,000	100%

Save as disclosed above, as at 30 September 2016, none of the Directors nor the chief executive of the Company has registered an interest or short position in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) (i) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which were taken or deemed to have under such provisions of the SFO); or (ii) which were required, pursuant to Section 352 of the SFO, to be entered into the register referred to therein; or (iii) which were required to be notified to the Company and the Stock Exchange pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules.

SUBSTANTIAL SHAREHOLDERS' AND OTHER PERSONS' INTERESTS AND SHORT POSITIONS IN SHARES, UNDERLYING SHARES AND DEBENTURES

So far as the Directors are aware, as at 30 September 2016, the following persons (other than the Directors and the chief executive of the Company) had or deemed or taken to have an interest and/or short position in the Shares, the underlying Shares or debentures of the Company which were required to be recorded in the register of interests required to be kept by the Company pursuant to Section 336 of the SFO, or which would fall to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO and the GEM Listing Rules:

Long positions in the Shares

Name	Nature of interest	Total number of Shares held	Approximate percentage of shareholding
Golden Villa Ltd.	Beneficial owner	84,000,000 ordinary shares	52.50%
Ms. Mo Yuk Ling	Interest of spouse (<i>Note 1</i>)	84,000,000 ordinary shares	52.50%

Note:

1. Ms. Mo Yuk Ling is the spouse of Mr. Chu King Tien. Under the SFO, Ms. Mo Yuk Ling is deemed to be interested in the same number of Shares in which Mr. Chu King Tien is interested.

Save as disclosed above, as at 30 September 2016, the Directors were not aware of any other persons who had or deemed or taken to have any interests or short positions in the Shares, underlying Shares or debentures of the Company which would fall to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO or which were recorded in the register of interests required to be kept by the Company under Section 336 of the SFO.

PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

Neither the Company nor any of its subsidiaries has purchased, sold or redeemed any of the listed securities of the Company during the Period.

SHARE OPTION SCHEME

The Company has adopted a share option scheme on 15 May 2015 (the “**Share Option Scheme**”). The terms of the Share Option Scheme are in accordance with the provisions of Chapter 23 of the GEM Listing Rules. The principal terms of the Share Option Scheme are summarised in the section headed “D. Share Option Scheme” in Appendix V of the Prospectus. Since the Listing Date and up to the date of this announcement, no option has been granted, exercised or lapsed under the Share Option Scheme.

MODEL CODE FOR DIRECTORS’ SECURITIES TRANSACTIONS

The Company has adopted the standards set out in Rules 5.48 to 5.67 of the GEM Listing Rules as the code of conduct regarding securities transactions by the Directors. Having made specific enquiry to all the Directors, the Company was not aware of any non-compliance with the required standards of dealings and its code of conduct regarding securities transactions by the Directors throughout the Period.

CORPORATE GOVERNANCE CODE

The Company’s corporate governance practices are based on the code principles of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 15 of the GEM Listing Rules. The Company is committed to ensuring a quality board and transparency and accountability to shareholders of the Company. The Company has complied with the CG Code throughout the Period.

DIRECTORS’ MATERIAL INTERESTS IN CONTRACTS

No Director had a material interest in any contract of significance to the business of the Group to which the Company or any of its subsidiaries was a party during the Period.

COMPETING BUSINESS

For the Period, the Directors are not aware of any business or interest of the Directors, the controlling shareholder(s) of the Company and their respective close associates (as defined under the GEM Listing Rules) that compete or may compete with the business of the Group and any other conflict of interest which any such person has or may have with the Group.

INTERESTS OF THE COMPLIANCE ADVISER

As notified by the Company’s compliance adviser, RaffAello Capital Limited (the “**Compliance Adviser**”), except for the compliance adviser agreement entered into between the Company and the Compliance Adviser on 25 September 2014, neither the Compliance Adviser nor its directors, employees or close associates (as defined under the GEM Listing Rules) had any interests in the Shares of the Company or any member of the Group (including options or rights to subscribe for such securities) as at 30 September 2016 or otherwise in relation to the Company which is required to be notified to the Company pursuant to Rule 6A.32 of the GEM Listing Rules.

AUDIT COMMITTEE

The Company has established an audit committee (the “**Audit Committee**”) on 15 May 2015 with written terms of reference in compliance with Rules 5.28 to 5.33 of the GEM Listing Rules and the CG Code. The duties of the Audit Committee are to, among other things, review relationship with the Company’s external auditors, review the Company’s financial information, oversee the Company’s financial reporting, risk management and internal control systems and oversee the Company’s continuing connected transactions. The Audit Committee comprises three independent non-executive Directors namely, Mr. Hui Kwok Wah, Mr. Ma Sai Yam and Mr. Chow Chun Hin Leslie. Mr. Hui Kwok Wah currently serves as the chairman of the Audit Committee. The Results have not been audited by the Company’s auditor but have been reviewed by the Audit Committee, which was of the opinion that the preparation of the Results complied with the applicable accounting standards, the GEM Listing Rules and legal requirements, and adequate disclosures have been made.

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

Hong Kong, 9 November 2016

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

This announcement will be published on the GEM’s website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the date of its publication. This announcement will also be published on the Company’s website at www.goldenpower.com.