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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 )**



**MAJOR AND CONNECTED TRANSACTION:  
DISPOSAL OF 49.1% EQUITY INTEREST IN LIGHTHOUSE**

The Board announces that on 25 May 2009, GP Technologies, a wholly-owned subsidiary of the Company, and Burgess, an indirectly wholly-owned subsidiary of GP Industries, entered into the Agreements with Linkz for the disposal of the Sale Shares to Linkz for an aggregate cash consideration of HK\$180 million.

The Disposal constitutes a major and connected transaction on the part of the Company under the Listing Rules and is subject to the Independent Shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules. An independent board committee will be established to advise the Independent Shareholders regarding the Disposal and an independent financial adviser will be appointed to advise the independent board committee and the Independent Shareholders.

A circular containing, among other things, further details of the Disposal, a letter from the independent board committee to the Independent Shareholders and a letter from the independent financial adviser to the independent board committee and the Independent Shareholders, together with a notice of extraordinary general meeting of the Company to seek approval from the Independent Shareholders will be despatched to the Shareholders as soon as practicable.

**INTRODUCTION**

On 25 May 2009, GP Technologies, a wholly-owned subsidiary of the Company, and Burgess, an indirectly wholly-owned subsidiary of GP Industries, entered into the Agreements with Linkz for disposal of the Sale Shares to Linkz for an aggregate cash consideration of HK\$180 million which shall be payable on Completion.

Under the Agreements, GP Technologies agreed to sell to Linkz and Linkz had agreed to purchase from GP Technologies the GP Sale Shares for a cash consideration of HK\$109 million whereas Burgess agreed to sell to Linkz and Linkz had agreed to purchase from Burgess the Burgess Sale Shares for a cash consideration of HK\$71 million.

The following is a summary of the principal terms of the Agreements.

## **AGREEMENTS**

### **Date**

25 May 2009

### **Parties**

- (i) GP Technologies Limited as vendor of the GP Sales Shares;
- (ii) Burgess Investments Limited as vendor of the Burgess Sale Shares;
- (iii) Linkz Industries Limited as purchaser of the GP Sale Shares and the Burgess Sale Shares; and
- (iv) Lighthouse Technologies Limited.

### **Assets to be disposed of**

- (i) GP Sale Shares; and
- (ii) Burgess Sale Shares.

### **Consideration**

The aggregate consideration for the disposal of the Sale Shares is HK\$180 million payable in cash by Linkz on Completion.

The consideration for the disposal of the GP Sale Shares is HK\$109 million whereas the consideration for the disposal of the Burgess Sale Shares is HK\$71 million.

The consideration was arrived after arm's length negotiation between the parties, having regard to the assets and liabilities of Lighthouse, the recent financial performance of Lighthouse and market environment.

### **Conditions**

Completion of the Agreements is conditional upon fulfillment of, among other things, the following conditions: -

- (i) the approval of shareholders of the Company having been obtained at a duly convened shareholders' meeting of the Company approving the Agreements and the transactions contemplated therein; and
- (ii) the approval of shareholders of GP Industries having been obtained at a duly convened shareholders' meeting of GP Industries approving the Agreements and the transactions contemplated therein.

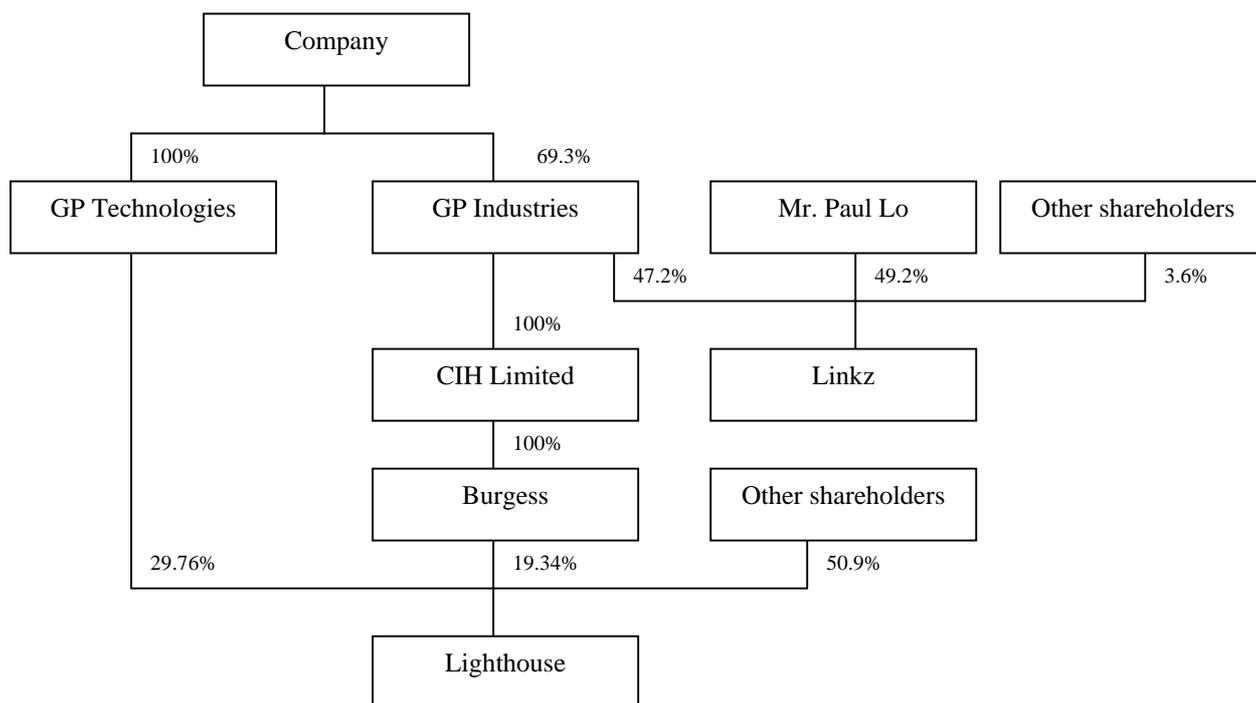
## Completion

Completion of the Agreements will take place simultaneously on 3 Business Days after the date on which all the conditions set out in the Agreements are fulfilled.

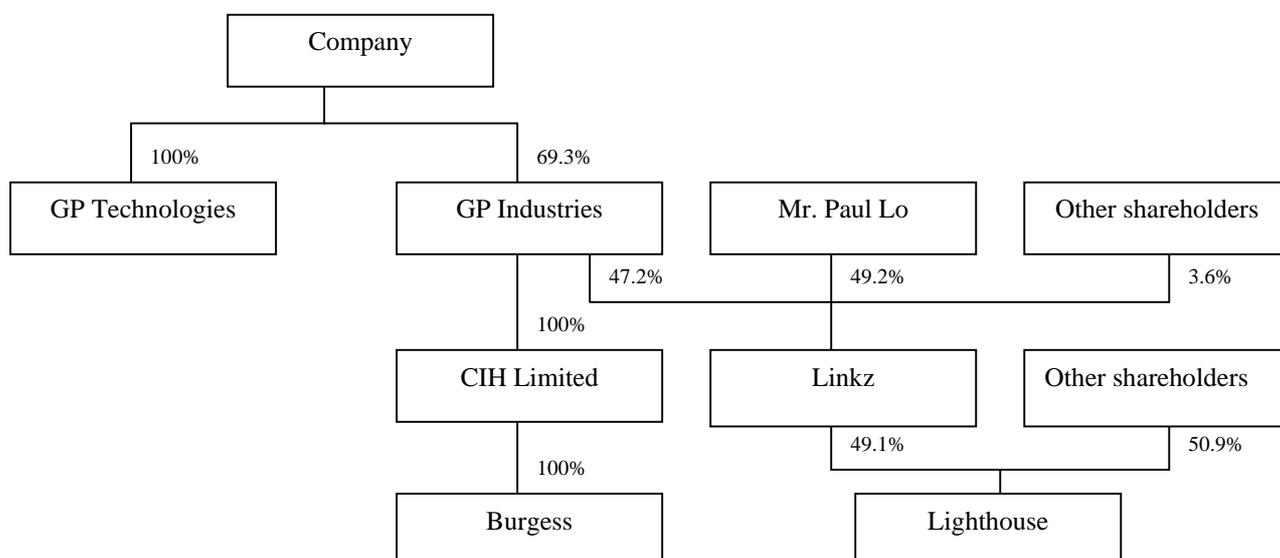
## EFFECT ON SHAREHOLDING STRUCTURE

The shareholding structures of the Group immediately before and after the Disposal are set out as follows:

*Shareholding Structure of the Group immediately before the Disposal:*



*Shareholding Structure of the Group immediately after the Disposal:*



## **INFORMATION REGARDING LIGHTHOUSE**

Lighthouse is an associate of the Company. It is principally engaged in the development, manufacturing and marketing of LED display screens for indoor and outdoor applications. For the year ended 31 December 2007, the audited consolidated profit before taxation is HK\$22.9 million whereas the audited consolidated profit after taxation is HK\$19.7 million. For the year ended 31 December 2008, the unaudited consolidated profit before taxation is HK\$14.1 million whereas the unaudited consolidated profit after taxation is HK\$12.9 million.

The unaudited net asset value of Lighthouse as at 31 December 2008 amounted to approximately HK\$326.7 million.

## **USE OF PROCEEDS AND FINANCIAL EFFECT OF THE DISPOSAL**

The Group intends to use the sale proceeds of the Disposal for general working capital purposes.

Based on the carrying value of Lighthouse in the accounts of the Group, the Group is expected to record an unaudited gain upon the Disposal of approximately HK\$17 million before deduction of all necessary charges for the year ending 31 March 2010.

## **REASONS AND BENEFITS OF THE DISPOSAL**

The proposed transactions will streamline the existing shareholding structure in respect of the Group's investment in Lighthouse and also result in a gross cash inflow of HK\$109 million to the Company and HK\$71 million to GP Industries.

The Board considers the terms of the Disposal are fair and reasonable, and the Disposal is in the interests of the Company and the Shareholders as a whole.

## **GENERAL**

The Company acts as an investment holding company. The activities of its principal subsidiaries and associates are investment holding and development, manufacturing, marketing and trading of batteries, electronics and components, acoustics products, cables, wire harness, light fittings products and LED display screens. GP Industries is the main investment vehicle of the Company which holds an approximately 69.3% interest in GP Industries as at the date of this announcement.

Linkz is a 47.2% owned associate of GP Industries. It is an ODM/OEM manufacturer of network/data wires and cables.

The Disposal constitutes a major transaction on the part of the Company under Chapter 14 of the Listing Rules. Mr. Paul Lo is a director of the Company and he holds 49.2% shareholdings in Linkz. The Disposal accordingly constitutes a connected transaction on the part of the Company under Chapter 14A of the Listing Rules and is therefore subject to the independent shareholders' approval requirements under Chapters 14 and 14A of the Listing Rules. An extraordinary general meeting of the Company will be convened and held to seek approval from the Independent Shareholders. Linkz and its associates will be required to abstain from voting at the extraordinary general meeting.

An independent board committee will be established to advise the Independent Shareholders regarding the Disposal. An independent financial adviser will be appointed to advise the independent board committee and the Independent Shareholders on whether the Disposal is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

A circular containing, among other things, further details of the Disposal, a letter from the independent board committee to the Independent Shareholders and a letter from the independent financial adviser to the independent board committee and the Independent Shareholders, together with a notice of extraordinary general meeting of the Company to seek approval from the Independent Shareholders will be despatched to the Shareholders as soon as practicable.

## **DEFINITIONS**

In this announcement, the following expressions have the meanings set out below unless the context otherwise requires:

<b>"Agreements"</b>	the sale and purchase agreement for disposal of the GP Sale Shares entered into between GP Technologies, Linkz and Lighthouse dated 25 May 2009 and the sale and purchase agreement for disposal of the Burgess Sale Shares entered into between Burgess, Linkz and Lighthouse dated 25 May 2009
<b>"Board"</b>	the board of Directors of the Company
<b>"Burgess"</b>	Burgess Investments Limited, a company incorporated in the Bahamas with limited liability and an indirectly wholly-owned subsidiary of GP Industries
<b>"Burgess Sale Shares"</b>	499,890 shares in Lighthouse, which is equivalent to 19.34% of the entire issued share capital of Lighthouse and comprising 19.34% the voting rights of Lighthouse
<b>"Business Day"</b>	a day (other than a Saturday, Sunday or public holiday) on which licensed commercial banks in Hong Kong are open for general banking business for members of the public in Hong Kong
<b>"Company"</b>	Gold Peak Industries (Holdings) Limited (Stock code: 40), whose shares are listed on the Main Board of the Stock Exchange
<b>"Completion"</b>	completion of the sale and purchase of the Sale Shares
<b>"connected person(s)"</b>	has the meaning ascribed to it under the Listing Rules
<b>"Directors"</b>	directors of the Company
<b>"Disposal"</b>	disposal of the Sale Shares by GP Technologies and Burgess to Linkz under the Agreements

<b>"GP Industries"</b>	GP Industries Limited, a company incorporated in the Republic of Singapore with limited liability and an approximately 69.3% owned subsidiary of the Company, the shares of which are listed on the Singapore Stock Exchange
<b>"GP Sale Shares"</b>	769,100 shares in Lighthouse, which is equivalent to 29.76% of the entire issued share capital of Lighthouse and comprising 29.76% the voting rights of Lighthouse
<b>"GP Technologies"</b>	GP Technologies Limited, a company incorporated in Hong Kong with limited liability and a wholly-owned subsidiary of the Company
<b>"Group"</b>	the Company and its subsidiaries
<b>"Hong Kong"</b>	the Hong Kong Special Administrative Region of the PRC
<b>"Independent Shareholders"</b>	Shareholders other than Linkz and its associates
<b>"Lighthouse"</b>	Lighthouse Technologies Limited, a company incorporated in Hong Kong with limited liability
<b>"Linkz"</b>	Linkz Industries Limited, a company incorporated in Hong Kong with limited liability and an approximately 47.2% owned associate of GP Industries
<b>"Listing Rules"</b>	the Rules Governing the Listing of Securities on the Stock Exchange
<b>"Mr. Paul Lo"</b>	Mr. Paul LO Chung Wai, a Director of the Company
<b>"PRC"</b>	the People's Republic of China
<b>"Sale Shares"</b>	GP Sale Shares and Burgess Sale Shares
<b>"Share(s)"</b>	ordinary share(s) of HK\$0.50 each in the share capital of the Company
<b>"Shareholder(s)"</b>	holder(s) of any Share
<b>"Stock Exchange"</b>	The Stock Exchange of Hong Kong Limited
<b>"HK\$"</b>	Hong Kong dollars, the lawful currency of Hong Kong
<b>"%"</b>	per cent.

By Order of the Board  
**WONG Man Kit**  
*Company Secretary*

Hong Kong, 25 May 2009  
[www.goldpeak.com](http://www.goldpeak.com)

*As at the date of this announcement, the Board consists of Mr. Victor LO Chung Wing (Chairman & Chief Executive), Mr. Andrew NG Sung On (Vice Chairman), Mr. Kevin LO Chung Ping, Mr. Paul LO Chung Wai, Mr. LEUNG Pak Chuen, Mr. Richard KU Yuk Hing, Mr. Andrew CHUANG Siu Leung and Mr. CHAU Kwok Wai as Executive Directors, Mr. Raymond WONG Wai Kan and Mr. Vincent CHEUNG Ting Kau as Non-Executive Directors and Mr. LUI Ming Wah, Mr. Frank CHAN Chi Chung and Mr. CHAN Kei Bui as Independent Non-Executive Directors.*