

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.



GOLDLION HOLDINGS LIMITED

Parties

Landlord : GGCPL
Tenant : GWTCCL

Premises subject to the New Lease

The Leased Premises.

Term

Lease of a fixed term of two years commencing from 15 July 2013 and expiring on 14 July 2015.

Rental and building management fee

Monthly rental and building management fee have been agreed at RMB90,900 and RMB38,148 respectively which are based on the prevailing market rate. The rental value was supported by an independent valuation dated 31 May 2013.

Outgoings and other charges

All taxes, charges and outgoings levied on the Leased Premises by the PRC government or other lawful authority shall be borne by each of GGCPL and GWTCCL according to the relevant regulations of the PRC.

Payment terms

Upon signing of the New Lease, GWTCCL shall pay to GGCPL one month's rental and building management fee.

During the term of the New Lease, GWTCCL shall pay to GGCPL the monthly rental and building management fee on the first day of each calendar month.

Deposit

The aggregate amount of deposit payable by GWTCCL to GGCPL is RMB269,656 under the New Lease, comprising of the following amounts:

- (1) rental deposit in the amount of RMB181,800;
- (2) management deposit in the amount of RMB76,296; and
- (3) electricity deposit in the amount of RMB11,560.

As at the date of the New Lease, a total amount of RMB261,256 was paid by GWTCCL to GGCPL as part payment of the aforesaid aggregate amount of deposit. The remaining balance of RMB8,400 shall be paid by GWTCCL to GGCPL within 5 days from the date of the New Lease.

User

For commercial use.

HISTORICAL TRANSACTION VALUES

The aggregate consideration received by the Group under the Existing Lease, together with the relevant annual caps, are as follows:

| For the year ended | Annual Cap (RMB) | Consideration received (RMB) |
|---------------------------|-----------------------------|---|
| 31 December 2011 | 693,000 | Approximately 693,000 |
| 31 December 2012 | 1,499,000 | Approximately 1,499,000 |

PROPOSED ANNUAL CAPS

Based on the unaudited aggregate consideration in connection with the Existing Lease for the five months ended 31 May 2013 of approximately RMB624,000, the aggregate consideration in connection with the Existing Lease and the proposed annual cap in connection with the New Lease for the year ending 31 December 2013 is expected to be approximately RMB1,522,000.

The annual caps under the New Lease for the years ending 31 December 2014 and 31 December 2015 are as follows:

| | Year ending 31 December 2014 | Year ending 31 December 2015 |
|--------------|---|---|
| Amount (RMB) | 1,549,000 | 833,000 <i>(Note)</i> |

Note: The Continuing Connected Transaction under the New Lease will expire on 14 July 2015.

The annual caps are based primarily on the rental and management fee payable to the Group under the New Lease.

REASONS FOR THE CONTINUING CONNECTED TRANSACTION

The principal activities of the Group are distribution and manufacturing of garments, leather goods and accessories, licensing of brand name, and property investment and development. The Leased Premises are held by the Group for the purpose of earning rental income.

The Directors consider it is beneficial to the Group to renew the Existing Lease at market rate so that the Group can receive rental and building management fee income continuously without the interruption causing by the search of new tenants.

The Directors (including the independent non-executive Directors) are of the view that the Continuing Connected Transaction has been conducted in the ordinary and usual course of business of the Group. The Directors (including the independent non-executive Directors) consider that the New Lease is entered into after arm's length negotiations and on normal commercial terms, and the terms of the Continuing Connected Transaction under such agreement and the related annual caps are fair and reasonable and are in the interests of the Company and the Shareholders as a whole.

GWTCCL is principally engaged in operation of commercial club, information technology consulting and catering services.

IMPLICATIONS UNDER THE LISTING RULES

GWTCCL is indirectly owned as to 75% by Mr. Tsang, a son of Dr. Tsang Hin Chi (the Chairman of the Company) and Madam Wong Lei Kuan (an executive Director of the Company), and a brother of Mr. Tsang Chi Ming, Ricky (the Deputy Chairman and Chief Executive Officer of the Company). Mr. Tsang is also a beneficiary of the Dr. Tsang Hin Chi's family trust, the 62.42% controlling shareholder of the Company. Mr. Tsang is therefore a connected person to the Company under the Listing Rules and the entering into of the New Lease constitutes a continuing connected transaction of the Company under Chapter 14A of the Listing Rules.

One of the relevant applicable percentage ratios in respect of the annual consideration for the Continuing Connected Transaction is more than 0.1% and the annual consideration exceeds HK\$1,000,000. However, as all the relevant applicable percentage ratios are less than 5%, the Continuing Connected Transaction is subject to the reporting, announcement and annual review requirements as set out in Chapter 14A of the Listing Rules, but is exempt from the independent shareholders' approval requirement under Chapter 14A of the Listing Rules.

As family members of Mr. Tsang, Dr. Tsang Hin Chi, Madam Wong Lei Kuan and Mr. Tsang Chi Ming, Ricky were deemed to be materially interested in the Continuing Connected Transaction. Accordingly, they abstained from voting on the relevant resolutions of the Board approving the same.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms have the following meanings:

| | |
|------------------------------------|--|
| “Board” | the board of Directors; |
| “Company” | Goldlion Holdings Limited (stock code: 533), a company incorporated in Hong Kong, the Shares of which are listed on the Main Board of the Stock Exchange; |
| “Continuing Connected Transaction” | the leasing of the Leased Premises by the Group to GWTCCL as contemplated under the New Lease; |
| “Director(s)” | the director(s) of the Company; |
| “Existing Lease” | the lease agreement dated 4 July 2011 entered into between GWTCCL as tenant and GGCPL as landlord in respect of the leasing of the Leased Premises, further details of which have been set out in the announcement of the Company dated 4 July 2011; |
| “GGCPL” | 廣州金利來城市房產有限公司 (Guangzhou Goldlion City Properties Company Limited*), an indirect wholly-owned subsidiary of the Company established in the PRC with limited liability; |
| “Group” | the Company and its subsidiaries; |

| | |
|-------------------|---|
| “GWTCCCL” | 廣州世貿中心俱樂部有限公司 (Guangzhou World Trade Center Club Company Limited*), a company incorporated in the PRC with limited liability and indirectly owned as to 75% by Mr. Tsang as at the date of this announcement; |
| “HK\$” | Hong Kong dollar(s), the lawful currency of Hong Kong; |
| “Hong Kong” | the Hong Kong Special Administrative Region of the PRC; |
| “Leased Premises” | Units 01 to 03 on the 3rd Floor of Goldlion Digital Network Centre (金利來數碼網絡大廈), No. 138 Tiyu Dong Road, Tianhe District, Guangzhou City, Guangdong Province, PRC, with a total gross floor area of approximately 1,156 square meters; |
| “Listing Rules” | the Rules Governing the Listing of Securities on the Stock Exchange; |
| “Mr. Tsang” | Mr. Tsang Chi Hung; |
| “New Lease” | the lease agreement dated 24 June 2013 entered into between GWTCCCL as tenant and GGCPPL as landlord in respect of the leasing of the Leased Premises; |
| “PRC” | the People’s Republic of China and for the purpose of this announcement excluding Taiwan or the Hong Kong and Macau Special Administrative Regions; |
| “RMB” | Renminbi, the lawful currency of the PRC; |
| “Share(s)” | ordinary share(s) of HK\$0.10 each in the share capital of the Company; |
| “Shareholders” | holders of the Shares; |
| “Stock Exchange” | The Stock Exchange of Hong Kong Limited. |

By order of the Board
Kam Yiu Kwok
Company Secretary

Hong Kong, 24 June 2013

** For identification purpose only*

As at the date of this announcement, the Directors of the Company comprise Dr. Tsang Hin Chi, Mr. Tsang Chi Ming, Ricky and Madam Wong Lei Kuan as executive Directors; Mr. Ng Ming Wah, Charles and Dr. Wong Ying Ho, Kennedy as non-executive Directors; and Dr. Lau Yue Sun, Mr. Li Ka Fai, David and Mr. Nguyen, Van Tu Peter as independent non-executive Directors.