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Gold Tat Group International Limited

金達集團國際有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 8266)

PROFIT WARNING

This announcement is made by the Company pursuant to Rule 17.10 of the GEM Listing Rules and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

The Board wishes to inform the shareholders of the Company and potential investors that based on the unaudited financial information currently available, the Group is expected to record a greater loss for the year ended 31 March 2014 as compared with that for the year ended 31 March 2013.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

This announcement is made by Gold Tat Group International Limited (the “**Company**” and together with its subsidiaries, the “**Group**”) pursuant to Rule 17.10 of the Rules Governing the Listing of Securities on the Growth Enterprise Market (“**GEM**”) of The Stock Exchange of Hong Kong Limited (the “**GEM Listing Rules**”) and the provisions of inside information under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong).

The board (the “**Board**”) of directors (the “**Directors**”) of the Company wishes to inform the shareholders of the Company and potential investors that based on the unaudited financial information currently available, the Group is expected to record a greater loss for the year ended 31 March 2014 as compared with that for the year ended 31 March 2013. The expected greater loss for the year ended 31 March 2014 was mainly attributable to (i) one-off acquisition-related costs for the acquisition (the “**Acquisition**”) of 70% of the issued share capital of Best Worldwide Corporation Limited; (ii) the impairment loss of goodwill in relation to the Acquisition; and (iii) the effective interest incurred on the convertible bonds issued by the Company to satisfy part of the consideration of the Acquisition.

The Acquisition was completed on 22 October 2013 (the “**Completion Date**”). The details of the Acquisition were set out in the Company’s announcements dated 30 May 2013 (the “**First Announcement**”) and 11 October 2013 and the Company’s circular dated 25 September 2013 (the “**Circular**”).

The consideration of the Acquisition paid by the Company to the vendor of the Acquisition was HK\$110,687,500. The payment of the consideration had been satisfied partly by cash and partly by the issue of convertible bonds in the principal amount of HK\$85,687,500 (the “**CB Consideration**”).

As disclosed in the Circular, the fair value of the CB Consideration as at the First Announcement was approximately HK\$81,572,000. The market price of shares of the Company has increased since the First Announcement and up to the Completion Date. Based on the draft valuation report prepared by an independent professional valuer, the fair value of the CB Consideration, as at the Completion Date, has increased to approximately HK\$185,023,000 as a result of such increase in the market price of shares of the Company, which in turn has resulted in a substantial amount of goodwill in connection with the Acquisition.

The management of the Group considered that there is impairment loss of goodwill in relation to the Acquisition which is largely due to the increase in the fair value of the CB Consideration mentioned above.

Shareholders and investors are reminded that the acquisition-related costs for the Acquisition are one-off in nature which are not be expected to repeat in the future and the abovementioned impairment loss of goodwill and the effective interest incurred on the convertible bonds are non-cash in nature and do not have impact on the operating cash flow of the Group.

The information contained in this announcement is only a preliminary assessment based on the information currently available and such information has not been confirmed or audited by the Company’s auditors.

Details of the Group’s performance will be disclosed in the Group’s final results announcement for the year ended 31 March 2014 in due course.

Shareholders of the Company and potential investors are advised to exercise caution when dealing in the shares of the Company.

By order of the Board
Gold Tat Group International Limited
Choi Ho Yan
Executive Director

Hong Kong, 11 June 2014

As at the date of this announcement, the Board comprises four executive Directors, namely, Mr. So Loi Fat (Chairman), Mr. Chan Wai Kwong, Peter, Mr. Choi Ho Yan and Mr. So Haw, Herman; and three independent non-executive Directors, namely, Mr. Chiu Wai Piu, Mr. Cheung Kwan Hung, Anthony and Mr. Heung Chee Hang, Eric.

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 enquires, 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.

This announcement will remain on the GEM website at www.hkgem.com on the “Latest Company Announcements” page for at least 7 days from the day of its publication and on the Company’s website at www.goldtatgroup.com.