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)

2011/2012 Final Results Announcement

FINANCIAL HIGHLIGHTS

- Consolidated turnover: HK$1,925 million, down 2%
- Loss attributable to owners of the Company: HK$25.0 million (2010/11 Profit attributable to owners of the Company: HK$85.1 million)
- Loss per share: 3.19 HK cents (2010/11 Earnings per share: 10.84 HK cents)
- Proposed final dividend per share: 2.5 HK cents (2010/11: 3.0 HK cents)

The Board of Directors of Gold Peak Industries (Holdings) Limited (the "Company") announces the audited consolidated results of the Company and its subsidiaries (the "Group") for the year ended 31 March 2012.

SUMMARY OF RESULTS

The Group's turnover for the financial year ended 31 March 2012 decreased by 2% over the previous year to HK$1,925 million. The consolidated net loss attributable to owners of the Company was HK$25.0 million. The consolidated net profit attributable to owners of the Company for the year ended 31 March 2011 was HK$85.1 million. The basic loss per share for the year amounted to 3.19 Hong Kong cents. The basic earnings per share for the year ended 31 March 2011 amounted to 10.84 Hong Kong cents.

BUSINESS REVIEW

GP Industries *(81.1% owned by Gold Peak as at 31 March 2012)*

The global economic slowdown has softened consumer demand in Europe and the United States, leading to an 8% decrease in revenue.

Weak export markets, volatile raw material prices and rising manufacturing costs in China have affected GP Industries' profitability, reducing the gross profit margin from 27.8% to 25.8%. A net exceptional loss of S$15.5 million, comprised mainly allowance for impairment losses and fair value losses on non-core investments, was reported. As a result, profit attributable to owners of GP Industries for the financial year decreased.

Electronics and Acoustics

- Sales from the electronics business decreased by 8% in Singapore dollar terms and 3% in US dollar terms due to weak export markets.
- Sales from the acoustics business dropped by 6% in Singapore dollar terms but remained flat in US dollar terms. Sales of acoustics products to the Americas and China grew but dropped in the European markets.
- Significant increase in component prices, in particular rare earth magnetic materials used in high performance speakers, reduced the profitability of both the electronics and acoustics business.
- The associated companies in the component business also contributed a lower profit.

Automotive wire harness

- Sales from the automotive wire harness business decreased by 8% in Singapore dollar terms and decreased by 6% in Renminbi terms as reported by Shanghai Jinting Automobile Harness Limited.
- Profit contribution from this business segment reduced mainly due to cost increases in China.

Other investments

- Profit contribution from Linkz Industries Limited decreased while Meiloon Industrial Co., Ltd reported a loss.
- A net exceptional loss of S$15.5 million, comprised mainly allowance for impairment losses and fair value losses on non-core investments, was reported.

GP Batteries *(49.7% owned by GP Industries as at 31 March 2012)*

- Turnover for the year decreased by 7% in Singapore dollar terms.
- Gross profit margin slightly decreased mainly due to a lag in price increase to cover high material costs, increase in wages in China and appreciation of the Renminbi.

PROSPECTS

The uncertainties relating to the European debt crisis will continue to affect the demand for the Group's products in Europe. Demand in the United States, China and some Asian markets will likely remain stable. Rising costs in China and volatile material costs will continue to exert pressure on the profitability. However, with certain commodities starting to show a downward price trend, the upward cost pressure may be reduced.

The Group will continue its strategy of investing in product innovation, brand and global distribution development. It will continue to invest in factory automation to counter cost increases in China.

The Group plans to increase its production capacity for professional audio products. GP Batteries is expanding its manufacturing facilities in Malaysia to capture strong outsourcing demand from other battery makers.

CONSOLIDATED INCOME STATEMENT

	Notes	For year ended 31 March **2012** **HK$'000**	 2011 HK$'000
Turnover	2	**1,925,293**	1,957,516
Cost of sales		**(1,428,752)**	(1,433,754)
Gross profit		**496,541**	523,762
Other income		**59,815**	36,806
Selling and distribution expenses		**(215,476)**	(189,095)
Administrative expenses		**(280,967)**	(252,678)
Other expenses		**(5,930)**	(9,382)
Impairment loss recognised on available-for-sale investments		**(79,736)**	(82,272)
Change in fair value of investment properties		**(8,531)**	(3,611)
Change in fair value of investment in convertible note		**(15,431)**	-
Finance costs		**(47,164)**	(44,909)
Share of results of associates		**100,842**	164,781
Net loss on deemed partial disposal / disposal of associates		**-**	(5,069)
Profit before taxation	3	**3,963**	138,333
Taxation	4	**(22,382)**	(24,822)
(Loss) Profit for the year		**(18,419)**	113,511
Attributable to:			
Owners of the Company		**(25,003)**	85,084
Non-controlling interests		**6,584**	28,427
		(18,419)	113,511
(Loss) Earnings per share			
Basic	5	**(3.19) HK cents**	10.84 HK cents
Diluted	5	**(3.19) HK cents**	10.83 HK cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For year ended 31 March	
	2012	2011
	HK$'000	HK$'000
(Loss) Profit for the year	**(18,419)**	113,511
Other comprehensive income:		
Share of other comprehensive income of associates	**25,620**	27,444
Exchange differences arising on translation of foreign operations	**691**	17,976
Reclassification adjustments:		
Share of other comprehensive income of associates released upon disposal of associates	**-**	12,799
Exchange differences released upon deregistration of subsidiaries and an associate	**(869)**	(257)
Other comprehensive income for the year	**25,442**	57,962
Total comprehensive income for the year	**7,023**	171,473
Total comprehensive (expense) income attributable to:		
Owners of the Company	**(4,364)**	130,006
Non-controlling interests	**11,387**	41,467
	7,023	171,473

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	**As at 31 March** **2012** **HK$'000**	2011 HK$'000
Non-current assets			
Investment properties		**67,181**	75,362
Property, plant and equipment		**234,105**	249,192
Interests in associates		**1,851,279**	1,804,188
Available-for-sale investments		**46,871**	125,529
Investment in convertible note		**53,874**	-
Long term receivables		**29,158**	130,718
Technical know-how		**528**	640
Trademarks		**23,006**	27,188
Goodwill		**63,540**	63,560
Deferred taxation assets		**-**	1,187
		2,369,542	2,477,564
Current assets			
Inventories		**289,491**	320,850
Trade and other receivables and prepayments	7	**416,761**	453,853
Dividend receivable		**5,822**	3,000
Taxation recoverable		**266**	473
Bank balances, deposits and cash		**389,240**	474,409
		1,101,580	1,252,585
Current liabilities			
Creditors and accrued charges	8	**376,978**	391,653
Taxation payable		**39,554**	44,906
Obligations under finance leases			
– amount due within one year		**1,229**	1,447
Bank loans and import loans		**679,604**	733,080
		1,097,365	1,171,086
Net current assets		**4,215**	81,499
Total assets less current liabilities		**2,373,757**	2,559,063
Non-current liabilities			
Obligations under finance leases			
– amount due after one year		**784**	1,155
Borrowings		**394,385**	525,703
Deferred taxation liabilities		**22,094**	23,189
		417,263	550,047
Net assets		**1,956,494**	2,009,016
Capital and reserves			
Share capital		**392,346**	392,346
Reserves		**1,139,396**	1,178,634
Equity attributable to owners of the Company		**1,531,742**	1,570,980
Non-controlling interests		**424,752**	438,036
Total equity		**1,956,494**	2,009,016

NOTES:

1. Application of new or revised Hong Kong Financial Reporting Standards ("HKFRSs")

In the current year, the Group has applied the following new and revised HKFRSs issued by the Hong Kong Institute of Certified Public Accountants.

Amendments to HKFRSs	Improvements to HKFRSs issued in 2010
HKAS 24 (as revised in 2009)	Related party disclosures
Amendments to HK(IFRIC) - INT 14	Prepayments of a minimum funding requirement
HK(IFRIC) - INT 19	Extinguishing financial liabilities with equity instruments

The adoption of the new and revised HKFRSs in the current year has had no material impact on the Group's financial performance and positions for the current and prior years and/or on the disclosures set out in these consolidated financial statements.

The Group has not early applied the following new and revised HKFRSs that have been issued but are not yet effective:

Amendments to HKFRSs	Annual improvements to HKFRSs 2009-2011 cycle[2]
Amendments to HKAS 1	Presentation of items of other comprehensive income[4]
Amendments to HKAS 12	Deferred tax: Recovery of underlying assets[1]
HKAS 19 (as revised in 2011)	Employee benefits[2]
HKAS 27 (as revised in 2011)	Separate financial statements[2]
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures[2]
Amendments to HKAS 32	Offsetting financial assets and financial liabilities[6]
Amendments to HKFRS 7	Disclosures - Transfers of financial assets[3]
Amendments to HKFRS 7	Disclosures - Offsetting financial assets and financial liabilities[2]
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures[5]
HKFRS 9	Financial instruments[5]
HKFRS 10	Consolidated financial statements[2]
HKFRS 11	Joint arrangements[2]
HKFRS 12	Disclosure of interests in other entities[2]
HKFRS 13	Fair value measurement[2]
HK(IFRIC) - INT 20	Stripping costs in the production phase of a surface mine[2]

[1] Effective for annual periods beginning on or after 1 January 2012.
[2] Effective for annual periods beginning on or after 1 January 2013.
[3] Effective for annual periods beginning on or after 1 July 2011.
[4] Effective for annual periods beginning on or after 1 July 2012.
[5] Effective for annual periods beginning on or after 1 January 2015.
[6] Effective for annual periods beginning on or after 1 January 2014.

HKFRS 9 "Financial instruments"

HKFRS 9 issued in 2009 introduces new requirements for the classification and measurement of financial assets. HKFRS 9 amended in 2010 includes the requirements for the classification and measurement of financial liabilities and for derecognition.

HKFRS 9 requires all recognised financial assets that are within the scope of HKAS 39 "Financial instruments: Recognition and measurement" to be subsequently measured at amortised cost or fair value. Specifically, debt investments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal outstanding are generally measured at amortised cost at the end of subsequent accounting periods. All other debt investments and equity investments are measured at their fair values at the end of subsequent accounting periods. In addition, under HKFRS 9, entities may make an irrevocable election to present subsequent changes in the fair value of an equity investment (that is not held for trading) in other comprehensive income, with only dividend income generally recognised in profit or loss.

The most significant effect of HKFRS 9 regarding the classification and measurement of financial liabilities relates to the presentation of changes in the fair value of a financial liability (designated as at fair value through profit or loss) attributable to changes in the credit risk of that liability. Specifically, under HKFRS 9, for financial liabilities that are designated as at fair value through profit or loss, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is presented in other comprehensive income, unless the presentation of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss. Previously, under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as at fair value through profit or loss was presented in profit or loss.

The directors anticipate that the adoption of HKFRS 9 in the future may have significant impact on amounts reported in respect of the Group's available-for-sale equity investments. It is not practicable to provide a reasonable estimate of that effect until a detailed review has been completed.

New and revised standards on consolidation, joint arrangements, associates and disclosures

In June 2011, a package of five standards on consolidation, joint arrangements, associates and disclosures was issued, including HKFRS 10, HKFRS 11, HKFRS 12, HKAS 27 (as revised in 2011) and HKAS 28 (as revised in 2011).

Key requirements of these five standards are described below.

HKFRS 10 replaces the parts of HKAS 27 "Consolidated and separate financial statements" that deal with consolidated financial statements and HK(SIC) - INT 12 "Consolidation - Special purpose entities". HKFRS 10 includes a new definition of control that contains three elements: (a) power over an investee, (b) exposure, or rights, to variable returns from its involvement with the investee, and (c) the ability to use its power over the investee to affect the amount of the investor's returns. Extensive guidance has been added in HKFRS 10 to deal with complex scenarios.

HKFRS 11 replaces HKAS 31 "Interests in joint ventures" and HK(SIC) - INT 13 "Jointly controlled entities - Non-monetary contributions by venturers". HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. Under HKFRS 11, joint arrangements are classified as joint operations or joint ventures, depending on the rights and obligations of the parties to the arrangements. In contrast, under HKAS 31, there are three types of joint arrangements: jointly controlled entities, jointly controlled assets and jointly controlled operations.

In addition, joint ventures under HKFRS 11 are required to be accounted for using the equity method of accounting, whereas the jointly controlled entity is currently accounted for using the proportionate accounting according to the Group's accounting policy in accordance with HKAS 31.

HKFRS 12 is a disclosure standard and is applicable to entities that have interests in subsidiaries, joint arrangements, associates and/or unconsolidated structured entities. In general, the disclosure requirements in HKFRS 12 are more extensive than those in the current standards.

These five standards are effective for annual periods beginning on or after 1 January 2013. Earlier application is permitted provided that all of these five standards are applied early at the same time.

The directors anticipate that these five standards will be adopted in the Group's consolidated financial statements for the annual period beginning 1 April 2013. The application of these five standards may have significant impact on amounts reported in the consolidated financial statements. The application of HKFRS 10 may result in the Group no longer consolidating some of its investees, and consolidating investees that were not previously consolidated (e.g. the Group's investment in associates may become the Group's subsidiaries based on the new definition of control and the related guidance in HKFRS 10). In addition, the application of HKFRS 11 may result in changes in the accounting of the Group's jointly controlled entity that is currently accounted for using proportionate consolidation. Under HKFRS 11, the jointly controlled entities will be classified as a joint operation or joint venture, depending on the rights and obligations of the parties to the joint arrangement. However, the directors have not yet performed a detailed analysis of the impact of the application of these standards and hence have not yet quantified the extent of the impact.

Amendments to HKAS 12 “Deferred tax - Recovery of underlying assets”

The amendments to HKAS 12 provide an exception to the general principles in HKAS 12 that the measurement of deferred tax assets and deferred tax liabilities should reflect the tax consequences that would follow from the manner in which the entity expects to recover the carrying amount of an asset. Specifically, under the amendments, investment properties that are measured using the fair value model in accordance with HKAS 40 “Investment property” are presumed to be recovered through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The amendments to HKAS 12 are effective for annual periods beginning on or after 1 April 2012. The directors anticipate that the application of the amendments to HKAS 12 will not have a significant impact on deferred tax recognised for investment properties that are measured using the fair value model.

The directors of the Company anticipate that the application of other new and revised HKFRSs will have no material impact on the Group's financial performance and positions.

2. Segment information

For the purposes of resources allocation and performance assessment, the executive directors, who are the chief operating decision maker, assess profit or loss of these operating divisions using a measure of operating profit which exclude: interest income, dividend income, rental income, change in fair value of investment properties, change in fair value of investment in convertible note, impairment loss recognised on available-for-sale investments, finance costs, net loss on deemed partial disposal / disposal of associates, unallocated expenses and unallocated other income.

The three main operating divisions of the Group, each of which constitutes an operating and reportable segment for financial reporting purpose, are:

Electronics - development, manufacture and distribution of electronics and acoustic products, automotive wire harness and other businesses through investments in subsidiaries, associates and a jointly controlled entity.

Batteries - development, manufacture and distribution of batteries and battery related products through the investment in a listed associate.

Other investments - holding of other investments which mainly engaged in selling and distribution business.

The Group's turnover represents sales of electronics and acoustics, automotive wire harness and other products.

The following is an analysis of the Group's revenue and results by these operating and reportable segments:

Year ended 31 March 2012

	Electronics	**Batteries**	**Other Investments**	**Total**
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
Turnover				
External sales	**1,925,293**	**-**	**-**	**1,925,293**
Results				
Segment results	**152,925**	**20,139**	**1,264**	**174,328**
Interest income and dividend income				**17,507**
Rental income				**3,284**
Impairment loss recognised on available-for-sale investments				**(79,736)**
Change in fair value of investment properties				**(8,531)**
Change in fair value of investment in convertible note				**(15,431)**
Finance costs				**(47,164)**
Unallocated expenses				**(47,190)**
Unallocated other income				**6,896**
Profit before taxation				**3,963**

Year ended 31 March 2011

	Electronics	Batteries	Other Investments	Total
	HK$'000	HK$'000	HK$'000	HK$'000
Turnover				
External sales	1,957,516	-	-	1,957,516
Results				
Segment results	215,475	55,706	5,120	276,301
Interest income and dividend income				12,433
Rental income				532
Impairment loss recognised on available-for-sale investments				(82,272)
Change in fair value of investment properties				(3,611)
Finance costs				(44,909)
Net loss on deemed partial disposal / disposal of associates				(5,069)
Unallocated expenses				(39,151)
Unallocated other income				24,079
Profit before taxation				138,333

The following table provides an analysis of the Group's sales from external customers based on location of customers:

	Turnover	
	For the year ended 31 March	
	2012	2011
	HK$'000	HK$'000
The People's Republic of China		
- Hong Kong	**148,077**	103,528
- Mainland China	**617,359**	630,190
Other Asian countries	**122,748**	115,017
Europe	**451,226**	480,411
Americas	**564,846**	603,281
Australia & New Zealand	**16,078**	15,676
Others	**4,959**	9,413
	1,925,293	1,957,516

3. Profit before taxation

	For the year ended 31 March	
	2012	2011
	HK$'000	HK$'000
Profit before taxation has been arrived at after charging:		
Amortisation of trademarks	**4,182**	4,182
Depreciation of property, plant and equipment	**36,443**	38,855

4. Taxation

	For the year ended 31 March	
	2012	2011
	HK$'000	HK$'000
The charge comprises:		
The Company and its subsidiaries:		
Hong Kong Profits Tax		
- Charge for the year	**3,825**	7,770
Taxation in jurisdictions other than Hong Kong		
- Charge for the year	**16,759**	18,677
- Under (Over) provision in previous years	**1,682**	(7,093)
	18,441	11,584
	22,266	19,354
Deferred taxation charge		
Current year	**116**	5,468
	22,382	24,822

Taxation in jurisdictions other than Hong Kong is calculated at the rates prevailing in the respective jurisdictions.

5. (Loss) Earnings per share

The calculation of the basic and diluted (loss) earnings per share attributable to the owners of the Company is based on the following data:

	For the year ended 31 March	
	2012	2011
(Loss) Earnings	**HK$'000**	HK$'000
(Loss) Profit for the year attributable to owners of the Company and the (loss) earnings for the purpose of basic (loss) earnings per share	**(25,003)**	85,084
Effect of dilutive potential shares of subsidiaries and associates based on the dilution of their (loss) earnings per share	**-**	(80)
(Loss) Earnings for the purpose of diluted (loss) earnings per share	**(25,003)**	85,004
Number of shares	**'000**	'000
Number of shares in issue during the year, for the purposes of basic and diluted (loss) earnings per share	**784,693**	784,693

The computation of diluted loss per share for the year ended 31 March 2012 did not assume the exercise of the share options of the Company, as well as the share options of GP Industries and GP Batteries, the subsidiary and the associate of the Group respectively, because the exercise prices of the Company's, GP Industries' and GP Batteries' share options were higher than the average market prices for the respective shares for the year ended 31 March 2012.

The computation of diluted earnings per share for the year ended 31 March 2011 had not assumed the exercise of the Company's share options because the exercise prices of the Company's share options were higher than the average market prices of those shares.

6. Dividends

	For the year ended 31 March	
	2012	2011
	HK$'000	HK$'000
Dividends recognised as distribution during the year:		
2011 Final dividend - 3.0 HK cents (2011: 2010 Final dividend - 3.5 HK cents) per share	**23,541**	27,464
2012 Interim dividend - 1.5 HK cents (2011: 2011 Interim dividend - 2.5 HK cents) per share	**11,770**	19,617
	35,311	47,081

The final dividend of 2.5 HK cents (2011: 3.0 HK cents) per share has been proposed by the directors and it is subject to approval by the shareholders in the forthcoming annual general meeting. This dividend has been recognised in the dividend reserve of the Company. On the basis of 4.0 HK cents (2011: 5.5 HK cents) per share for 2012, total interim and final dividends amount to HK$31.4 million (2011: HK$43.2 million).

7. Trade and other receivables and prepayments

The Group allows its trade customers with credit periods normally ranging from 30 days to 120 days. The following is an ageing of trade and bills receivables presented based on the invoice date at the end of the reporting period:

	As at 31 March	
	2012	2011
Trade and bills receivables	**HK$'000**	HK$'000
0 - 60 days	**237,939**	227,361
61 - 90 days	**11,050**	12,007
Over 90 days	**9,138**	13,701
	258,127	253,069
Other receivables, deposits and prepayments	**147,106**	141,637
Consideration receivable for the disposal of partial interest of investment in Gerard Corporation Pty Ltd.	**11,528**	59,147
	416,761	453,853

8. Creditors and accrued charges

The following is an ageing of creditors presented based on the invoice date at the end of the reporting period:

	As at 31 March	
	2012	2011
Trade creditors	**HK$'000**	HK$'000
0 - 60 days	**214,809**	169,953
61 - 90 days	**34,195**	48,819
Over 90 days	**17,101**	19,456
	266,105	238,228
Other payables and accrued charges	**110,873**	153,425
	376,978	391,653

FINANCIAL REVIEW

During the year, the Group's net bank borrowings decreased by HK$100 million to HK$687 million. As at 31 March 2012, the aggregate of the Group’s shareholders’ funds and non-controlling interests was HK$1,956 million and the Group’s gearing ratio (the ratio of consolidated net bank borrowings to shareholders’ funds and non-controlling interests) was 0.35 (31 March 2011: 0.39). The gearing ratios of the Company, GP Industries and GP Batteries were 0.36 (31 March 2011: 0.40), 0.14 (31 March 2011: 0.16) and 0.40 (31 March 2011: 0.39) respectively.

At 31 March 2012, 63% (31 March 2011: 58%) of the Group’s bank borrowings was revolving or repayable within one year whereas 37% (31 March 2011: 42%) was repayable between one to five years. Most of these bank borrowings are in US dollars, Singapore dollars and Hong Kong dollars.

The Group’s exposure to foreign currency arises mainly from the net cash flow and the translation of net monetary assets or liabilities of its overseas subsidiaries. The Group and its major associates continued to manage foreign exchange risks prudently. Forward contracts, borrowings in local currencies and local sourcing have been arranged to minimise the impact of currency fluctuation.

DIVIDENDS

An interim dividend of 1.5 HK cents (2011: 2.5 HK cents) per share was paid in January 2012.

The Board will propose at the forthcoming annual general meeting of the Company (the “AGM”) the payment of a final dividend of 2.5 HK cents (2011: 3.0 HK cents) per share to shareholders on the Register of Shareholders of the Company on 12 September 2012, making a total dividend of 4.0 HK cents (2011: 5.5 HK cents) per share for the whole year. If approved at the AGM, the proposed final dividend will be paid on 28 September 2012.

CLOSURE OF REGISTER

The AGM will be held on 30 August 2012. The Register of Shareholders of the Company will be closed from 28 to 30 August 2012, both days inclusive, during which period no transfer will be effected. In order to be eligible to attend and vote at the AGM, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Registrars, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 27 August 2012.

Shareholders whose names appear on the Register of Shareholders of the Company on 12 September 2012 will be entitled to receive the proposed final dividend. The Register of Shareholders of the Company will be closed from 10 to 12 September 2012, both days inclusive, during which period no transfer will be effected. In order to qualify for the proposed final dividend, all transfers accompanied by the relevant share certificates must be lodged with the Company’s Registrars, Tricor Abacus Limited at 26th Floor, Tesbury Centre, 28 Queen’s Road East, Wanchai, Hong Kong not later than 4:30 p.m. on 7 September 2012.

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

Neither the Company nor any of its subsidiaries purchased, sold or redeemed any of the Company’s listed securities during the year.

CORPORATE GOVERNANCE PRACTICES

The Company has complied with the code provisions of the Code on Corporate Governance Practices as set out in Appendix 14 of the Listing Rules throughout the year, except for the following deviations:

Code Provision A.2.1 stipulates that the roles of chairman and chief executive officer should be separate and should not be performed by the same individual. Mr. Victor LO Chung Wing is currently the Chairman and Chief Executive of the Company. The Board considers that the present structure will not impair the balance of power and authority between the Board and the management of the Group as the Group’s principal businesses are separately listed and each business is run by a different board of directors.

Code Provision A.4.1 stipulates that non-executive directors should be appointed for a specific term, subject to re-election. Currently, all non-executive directors are not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meeting of the Company in accordance with the provisions of the articles of association of the Company. Since their appointments will be reviewed when they are due for re-election, the Board considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those set out in the Code on Corporate Governance Practices.

DIRECTORS’ DEALING IN SECURITIES OF THE COMPANY

The Company has adopted the “Model Code for Securities Transactions by Directors of Listed Issuers” set out in Appendix 10 to the Listing Rules (the “Model Code”) as its code of conduct regarding the directors’ securities transactions. Having made specific enquiry of all directors, the Company confirmed that all directors have complied with the required standard set out in the Model Code throughout the year.

AUDIT COMMITTEE

The Company has an audit committee which was established in compliance with Rule 3.21 of the Listing Rules for the purpose of reviewing and providing supervision over the Group's financial reporting process and internal controls. The audit committee comprises three independent non-executive directors and one non-executive director of the Company. The final results for the year ended 31 March 2012 have been reviewed by the Company's audit committee.

By Order of the Board
WONG Man Kit
Company Secretary

Hong Kong, 21 June 2012
www.goldpeak.com

BOARD OF DIRECTORS

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