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)

2012/2013 Final Results Announcement

FINANCIAL HIGHLIGHTS

- Consolidated turnover: HK$1,905 million, down 1%
- Profit attributable to owners of the Company: HK$40.3 million (2011/12: Loss attributable to owners of the Company: HK$25.0 million)
- Earnings per share: 5.14 HK cents (2011/12: Loss per share: 3.19 HK cents)
- Proposed final dividend per share: 3.0 HK cents (2011/12: 2.5 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 2013.

SUMMARY OF RESULTS

The Group's turnover for the financial year ended 31 March 2013 decreased by 1% over the previous year to HK$1,905 million. The consolidated net profit attributable to owners of the Company was HK$40.3 million. The consolidated net loss attributable to owners of the Company for the year ended 31 March 2012 was HK$25.0 million. The basic earnings per share for the year amounted to 5.14 Hong Kong cents. The basic loss per share for the year ended 31 March 2012 amounted to 3.19 Hong Kong cents.

BUSINESS REVIEW

GP Industries *(81.4% owned by Gold Peak as at 31 March 2013)*

On 21 December 2012, GP Industries entered into a conditional equity transfer agreement to divest its entire 50% equity interest in Shanghai Jinting Automobile Harness Limited (the "Jinting Disposal"). The Jinting Disposal was completed on 20 May 2013. In early June, the Group received its share of dividend and consideration money in the aggregate amount of approximately HK$380 million under the agreement.

Despite weak market conditions in most key markets, GP Industries' revenue in Singapore dollar terms and gross profit margin increased in the financial year.

The associates contributed lower profit in aggregate, due mainly to the losses brought by the 49.7% owned associate, GP Batteries International Limited.

Electronics and Acoustics

- Revenue from the electronics business increased by 7%, mainly from increased sales of professional electronic products.
- Revenue from the acoustics business decreased by 4%. Sales of acoustics products to Asia increased by 10%, sales to America held steady and sales to Europe decreased by 17%.
- Increased sales, new product introductions, process re-engineering and more stable material costs helped improve the profitability of the electronics and acoustics business.
- Share of profit from associated companies in the components business also increased.
- Total profit contribution from the business segment increased by 67%.

Automotive wire harness

- Revenue from Jinting decreased by 19% in Renminbi terms while profit after taxation decreased by S$2.0 million.
- Revenue from the export oriented automotive wire harness business grew strongly.
- Total profit contribution from the business segment decreased by 14%.

Other investments

- Linkz Industries Limited contributed more pre-tax profit.
- Meiloon Industrial Co., Ltd. also brought a pre-tax profit, compared to a pre-tax loss last year.

GP Batteries *(49.7% owned by GP Industries as at 31 March 2013)*

- Revenue for the year decreased by 7%.
- GP Batteries recorded impairment charges of S$18.4 million.
- Loss after taxation attributable to equity holders of GP Batteries was S$16.2 million, compared to a profit of S$6.5 million last year.

PROSPECTS

It is expected that Europe will continue to be weak in the near future and this could affect some of the Group's businesses in Europe. Consumer demand in the US, China and some Asian markets will likely remain stable.

While the core businesses of GP Batteries remain sound, the management will take appropriate actions to contain losses from its loss-making business units.

The Group will continue its strategy to invest in product innovation, brand building and global distribution network.

The Jinting Disposal will strengthen the Group's financial position and further reduce its gearing ratio. However, profit contribution from the automotive wire harness business segment is expected to decrease. With the proceeds from the Jinting Disposal, the Group will expand the production capacity for its electronics and acoustics business and will further automate its factories.

CONSOLIDATED INCOME STATEMENT

	Notes	For year ended 31 March 2013 HK$'000	2012 HK$'000
Turnover	2	**1,905,003**	1,925,293
Cost of sales		**(1,377,841)**	(1,428,752)
Gross profit		**527,162**	496,541
Other income		**41,069**	59,815
Selling and distribution expenses		**(196,422)**	(215,476)
Administrative expenses		**(285,468)**	(280,967)
Other expenses		**(37,630)**	(5,930)
Impairment loss recognised on available-for-sale investments		**-**	(79,736)
Change in fair value of investment properties		**(1,246)**	(8,531)
Change in fair value of investment in convertible note		**(14,403)**	(15,431)
Finance costs		**(48,707)**	(47,164)
Share of results of associates		**77,234**	100,842
Profit before taxation	3	**61,589**	3,963
Taxation	4	**(1,229)**	(22,382)
Profit (loss) for the year		**60,360**	(18,419)
Profit (loss) for the year attributable to:			
Owners of the Company		**40,338**	(25,003)
Non-controlling interests		**20,022**	6,584
		60,360	(18,419)
Earnings (loss) per share - Basic and diluted	5	**5.14 HK cents**	(3.19) HK cents

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	For year ended 31 March	
	2013	2012
	HK$'000	HK$'000
Profit (loss) for the year	**60,360**	(18,419)
Other comprehensive income:		
Share of other comprehensive (expense) income of associates	**(2,821)**	25,620
Exchange differences arising on translation of foreign operations	**(8,413)**	691
Reclassification adjustments:		
Exchange differences released upon deregistration of subsidiaries and an associate	**-**	(869)
Other comprehensive (expense) income for the year	**(11,234)**	25,442
Total comprehensive income for the year	**49,126**	7,023
Total comprehensive income (expense) attributable to:		
Owners of the Company	**31,218**	(4,364)
Non-controlling interests	**17,908**	11,387
	49,126	7,023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 March **2013** **HK$'000**	2012 HK$'000
Non-current assets			
Investment properties		**51,400**	67,181
Property, plant and equipment		**176,514**	234,105
Interests in associates		**1,778,129**	1,851,279
Available-for-sale investments		**47,053**	46,871
Investment in convertible note		**40,832**	53,874
Long term receivable		**-**	29,158
Technical know-how		**421**	528
Trademarks		**18,824**	23,006
Goodwill		**54,190**	63,540
		2,167,363	2,369,542
Current assets			
Inventories		**206,768**	289,491
Trade and other receivables and prepayments	7	**271,248**	416,761
Dividend receivable		**14,021**	5,822
Taxation recoverable		**139**	266
Bank balances, deposits and cash		**418,240**	389,240
		910,416	1,101,580
Assets classified as held for sale		**426,448**	-
		1,336,864	1,101,580
Current liabilities			
Creditors and accrued charges	8	**308,235**	376,978
Taxation payable		**17,517**	39,554
Obligations under finance leases			
– amount due within one year		**741**	1,229
Bank loans and import loans		**599,664**	679,604
		926,157	1,097,365
Liabilities associated with assets classified as held for sale		**103,838**	-
		1,029,995	1,097,365
Net current assets		**306,869**	4,215
Total assets less current liabilities		**2,474,232**	2,373,757
Non-current liabilities			
Obligations under finance leases			
– amount due after one year		**43**	784
Borrowings		**513,210**	394,385
Deferred taxation liabilities		**13,682**	22,094
		526,935	417,263
Net assets		**1,947,297**	1,956,494
Capital and reserves			
Share capital		**392,346**	392,346
Reserves		**1,136,916**	1,139,396
Equity attributable to owners of the Company		**1,529,262**	1,531,742
Non-controlling interests		**418,035**	424,752
Total equity		**1,947,297**	1,956,494

NOTES:

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

   In the current year, the Group has applied the following amendments to standards issued by the Hong Kong Institute of Certified Public Accountants (the "HKICPA").

Amendments to HKAS 12	Deferred tax: Recovery of underlying assets
Amendments to HKFRS 7	Financial instruments: Disclosures - Transfers of financial assets

Except as described below, the application of the amendments to standards 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.

<u>Amendments to HKAS 12 "Deferred tax: Recovery of underlying assets"</u>

The Group has applied for the first time the amendments to HKAS 12 "Deferred tax: Recovery of underlying assets" in the current year. 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 entirely through sale for the purposes of measuring deferred taxes, unless the presumption is rebutted in certain circumstances.

The Group measures its investment properties using the fair value model. As a result of the application of the amendments to HKAS 12, the directors reviewed the Group's investment property portfolios and concluded that none of the Group's investment properties are held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale. Therefore, the directors have determined that the "sale" presumption set out in the amendments to HKAS 12 is not rebutted.

Application of the amendments to HKAS 12 has no impact on deferred taxes on change in fair value of the investment properties as same tax rate was applied to income generated through use of investment properties or through disposal of investment properties. There is no impact on the deferred tax as at 31 March 2012 and 2013 because the fair value of the investment properties is significantly lower than the acquisition cost, resulting in the capital loss. As a result, there are no material financial effects on the Group's financial performance and position for current and prior years.

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[1]
Amendments to HKFRS 7	Disclosures - Offsetting financial assets and financial liabilities[1]
Amendments to HKFRS 9 and HKFRS 7	Mandatory effective date of HKFRS 9 and transition disclosures[3]
Amendments to HKFRS 10, HKFRS 11 and HKFRS 12	Consolidated financial statements, joint arrangements and disclosure of interests in other entities: Transition guidance[1]

Amendments to HKFRS 10, HKFRS 12 and HKAS 27	Investment entities[2]
HKFRS 9	Financial instruments[3]
HKFRS 10	Consolidated financial statements[1]
HKFRS 11	Joint arrangements[1]
HKFRS 12	Disclosure of interests in other entities[1]
HKFRS 13	Fair value measurement[1]
HKAS 19 (as revised in 2011)	Employee benefits[1]
HKAS 27 (as revised in 2011)	Separate financial statements[1]
HKAS 28 (as revised in 2011)	Investments in associates and joint ventures[1]
Amendments to HKAS 1	Presentation of items of other comprehensive income[4]
Amendments to HKAS 32	Offsetting financial assets and financial liabilities[2]
HK(IFRIC) - INT 20	Stripping costs in the production phase of a surface mine[1]

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

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.

Key requirements of HKFRS 9 are described as follows:

- All recognised financial assets that are within the scope of HKAS 39 "Financial instruments: Recognition and measurement" are 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 reporting 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.

- With regard to the measurement of financial liabilities designated as at fair value through profit or loss, HKFRS 9 requires that 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 recognition 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 of financial liabilities attributable to changes in the financial liabilities' credit risk are not subsequently reclassified to profit or loss. Under HKAS 39, the entire amount of the change in the fair value of the financial liability designated as fair value through profit or loss was presented in profit or loss.

HKFRS 9 is effective for annual periods beginning on or after 1 January 2015, with earlier application permitted.

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. However, 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. HK(SIC) - INT 12 "Consolidation - Special purpose entities" will be withdrawn upon the effective date of HKFRS 10. Under HKFRS 10, there is only one basis for consolidation, that is, control. In addition, 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". HKFRS 11 deals with how a joint arrangement of which two or more parties have joint control should be classified. HK(SIC) - INT 13 "Jointly controlled entities - Non-monetary contributions by venturers" will be withdrawn upon the effective date of HKFRS 11. 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 jointly controlled entities under HKAS 31 can be accounted for using the equity method of accounting or proportionate consolidation.

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.

In July 2012, the amendments to HKFRS 10, HKFRS 11 and HKFRS 12 were issued to clarify certain transitional guidance on the application of these five HKFRSs for the first time.

These five standards, together with the amendments relating to the transitional guidance, are effective for annual periods beginning on or after 1 January 2013 with earlier application permitted provided that all of these standards are applied at the same time.

The directors anticipate that the application of these five standards may have a significant impact on amounts reported in the consolidated financial statements. For example, the application of HKFRS 10 may affect the accounting for the Group's 49.7% ownership interest in GP Batteries International Limited ("GPBI") that is currently classified as the Group's associate. Taking into account the new definition of control and the additional guidance on control set out in HKFRS 10, the application of HKFRS 10 may result in GPBI being treated as the Group's subsidiary. If GPBI is consolidated as the Group's subsidiary, the assets and liabilities as well as income and expenses of GPBI and its subsidiaries will be presented as separate line items in the consolidated statement of financial position, consolidated income statement and consolidated statement of comprehensive income respectively, rather than being presented as one line item in the Group's consolidated financial statements. The financial information of GPBI was disclosed in the Company’s announcement dated 27 May 2013. The directors are still in the progress to determine and quantify the impact of the application of the new accounting standards.

The application of HKFRS 11 will change the classification and subsequent accounting of the Group's jointly controlled entity. For example, under HKAS 31, the Group's jointly controlled entity has been accounted for using proportionate consolidation method. Under HKFRS 11, this jointly controlled entity which will be reclassified as a joint venture under the new accounting standards will be accounted for using the equity method instead, resulting in the aggregation of the Group's proportionate share of jointly controlled entity's net assets and items of profit or loss and other comprehensive income into a single line item which will be presented in the consolidated statement of financial position, in the consolidated income statement and in the consolidated statement of comprehensive income as "interest in a joint venture", "share of profits of a joint venture" and "share of other comprehensive income of a joint venture", respectively. Subsequent to the end of the reporting period, the jointly controlled entity was disposed. As a result, the directors anticipate that the application of HKFRS 11 will have no material impact on the Group's financial performance and positions based on the analysis as at 31 March 2013.

<u>HKFRS 13 "Fair value measurement"</u>

HKFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. The standard defines fair value, establishes a framework for measuring fair value, and requires disclosures about fair value measurements. The scope of HKFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other HKFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. In general, the disclosure requirements in HKFRS 13 are more extensive than those in the current standards. For example, quantitative and qualitative disclosures based on the three-level fair value hierarchy currently required for financial instruments only under HKFRS 7 "Financial instruments: Disclosures" will be extended by HKFRS 13 to cover all assets and liabilities within its scope.

HKFRS 13 is effective for annual periods beginning on or after 1 January 2013, with earlier application permitted.

The directors anticipate that HKFRS 13 will be adopted in the Group’s consolidated financial statements for the annual period beginning 1 April 2013 and that the application of the new standard may affect the amounts reported in the consolidated financial statements and result in more extensive disclosures in the consolidated financial statements.

<u>Amendments to HKAS 1 "Presentation of items of other comprehensive income"</u>

The amendments to HKAS 1 "Presentation of items of other comprehensive income" introduce new terminology for the statement of comprehensive income and income statement. Under the amendments to HKAS 1, a "statement of comprehensive income" is renamed as a "statement of profit or loss and other comprehensive income" and an "income statement" is renamed as a "statement of profit or loss". The amendments to HKAS 1 retain the option to present profit or loss and other comprehensive income in either a single statement or in two separate but consecutive statements. However, the amendments to HKAS 1 require items of other comprehensive income to be grouped into two categories: (a) items that will not be reclassified subsequently to profit or loss; and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. Income tax on items of other comprehensive income is required to be allocated on the same basis - the amendments do not change the option to present items of other comprehensive income either before tax or net of tax.

The amendments to HKAS 1 are effective for annual periods beginning on or after 1 July 2012. The presentation of items of other comprehensive income will be modified accordingly when the amendments are applied in future accounting periods.

The directors anticipate that the application of these new and revised HKFRSs will have no material impact on the Group's consolidated financial statements.

2. Segment information

For the purposes of resources allocation and performance assessment, the executive directors, who are the chief operating decision makers, 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, 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 2013

	Electronics	Batteries	Other Investments	Total
	HK$'000	**HK$'000**	**HK$'000**	**HK$'000**
Turnover				
External sales	**1,905,003**	**-**	**-**	**1,905,003**
Results				
Segment results	**190,822**	**(49,648)**	**1,825**	**142,999**
Interest income and dividend income				**11,456**
Rental income				**2,589**
Change in fair value of investment properties				**(1,246)**
Change in fair value of investment in convertible note				**(14,403)**
Finance costs				**(48,707)**
Unallocated expenses				**(49,946)**
Unallocated other income				**18,847**
Profit before taxation				**61,589**

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

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	
	2013	2012
	HK$'000	HK$'000
The People's Republic of China		
- Hong Kong	**197,601**	148,077
- Mainland China	**541,611**	617,359
Other Asian countries	**101,553**	122,748
Europe	**395,934**	451,226
Americas	**643,669**	564,846
Australia & New Zealand	**15,774**	16,078
Others	**8,861**	4,959
	1,905,003	1,925,293

	For the year ended 31 March	
3. Profit before taxation	**2013**	2012
	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	**36,151**	36,443

	For the year ended 31 March	
4. Taxation	**2013**	2012
	HK$'000	HK$'000
The charge comprises:		
Hong Kong Profits Tax		
- charge for the year	**9,473**	3,825
Taxation in jurisdictions other than Hong Kong		
- charge for the year	**22,985**	16,759
- (over) under provision in previous years	**(22,709)**	1,682
	276	18,441
	9,749	22,266
Deferred taxation (credit) charge		
Current year	**(8,520)**	116
	1,229	22,382

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

5. Earnings (loss) per share

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

	For the year ended 31 March	
	2013	2012
Earnings (loss)	**HK$'000**	HK$'000
Profit (loss) for the year attributable to owners of the Company	**40,338**	(25,003)
Number of shares	**'000**	'000
Number of shares in issue during the year for the purposes of basic earnings (loss) per share	**784,693**	784,693

The computation of diluted earnings (loss) per share for the year ended 31 March 2013 and 2012 did not assume the exercise of the share options of the Company, as well as the share options of GP Industries and GPBI, the subsidiary and the associate of the Group respectively, because the exercise prices of the Company's, GP Industries' and GPBI's share options were higher than the average market prices for the respective shares for the year ended 31 March 2013 and 2012.

6. Dividends

	For the year ended 31 March	
	2013	2012
	HK$'000	HK$'000
Dividends recognised as distribution during the year:		
2012 Final dividend - 2.5 HK cents (2012: 2011 Final dividend - 3.0 HK cents) per share	**19,618**	23,541
2013 Interim dividend - 2.0 HK cents (2012: 2012 Interim dividend - 1.5 HK cents) per share	**15,694**	11,770
	35,312	35,311

A final dividend of 3.0 HK cents (2012: 2.5 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 of HK$ 23,541,000 (2012: HK$ 19,618,000) has been recognised in the dividend reserve of the Company.

On the basis of 5.0 HK cents (2012: 4.0 HK cents) per share for 2013, total interim and final dividends amount to HK$39.2 million (2012: HK$31.4 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, net of allowance for doubtful debts, presented based on the invoice date at the end of the reporting period:

	As at 31 March	
	2013	2012
Trade and bills receivables	**HK$'000**	HK$'000
0 - 60 days	**160,132**	237,939
61 - 90 days	**6,844**	11,050
Over 90 days	**8,879**	9,138
	175,855	258,127
Other receivables, deposits and prepayments (note)	**95,393**	147,106
Consideration receivable for the disposal of partial interest of investment in Gerard Corporation Pty Ltd.	**-**	11,528
	271,248	416,761

Note: The amount mainly includes loans to independent third parties, VAT recoverable and prepaid expenses.

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	
	2013	2012
Trade creditors	**HK$'000**	HK$'000
0 - 60 days	**121,002**	214,809
61 - 90 days	**58,143**	34,195
Over 90 days	**18,112**	17,101
	197,257	266,105
Other payables and accrued charges (note)	**110,978**	110,873
	308,235	376,978

Note: The amount mainly includes accrual for operating expenses, receipt in advance and other tax payables.

9. Event after the reporting period

On 21 December 2012, the Group and another independent shareholder of Jinting entered into a conditional equity transfer agreement with an independent third party for the disposal of their 50% and 25% equity interests in Jinting respectively. Subsequent to the end of the reporting period, the conditions for the disposal were satisfied and the parties to the agreement completed their registration changes with the relevant Administration for Industry and Commerce and obtained the approval for the disposal from the Ministry of Commerce in the PRC. Accordingly, the disposal was completed on 20 May 2013.

FINANCIAL REVIEW

During the year, the Group's net bank borrowings increased by HK$9 million to HK$695 million. As at 31 March 2013, the aggregate of the Group’s shareholders’ funds and non-controlling interests was HK$1,947 million and the Group’s gearing ratio (the ratio of consolidated net bank borrowings to shareholders’ funds and non-controlling interests) was 0.36 (31 March 2012: 0.35). The gearing ratios of the Company, GP Industries and GPBI were 0.35 (31 March 2012: 0.36), 0.15 (31 March 2012: 0.14) and 0.39 (31 March 2012: 0.40) respectively.

At 31 March 2013, 54% (31 March 2012: 63%) of the Group’s bank borrowings was revolving or repayable within one year whereas 46% (31 March 2012: 37%) was repayable from 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 2.0 HK cents (2012: 1.5 HK cents) per share was paid in January 2013.

The Board will propose at the forthcoming annual general meeting of the Company (the “AGM”) the payment of a final dividend of 3.0 HK cents (2012: 2.5 HK cents) per share to shareholders on the Register of Shareholders of the Company on 11 September 2013, making a total dividend of 5.0 HK cents (2012: 4.0 HK cents) per share for the whole year. If approved at the AGM, the proposed final dividend will be paid on 18 September 2013.

CLOSURE OF REGISTER

The AGM will be held on 29 August 2013. The Register of Shareholders of the Company will be closed from 27 to 29 August 2013, 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 26 August 2013.

Shareholders whose names appear on the Register of Shareholders of the Company on 11 September 2013 will be entitled to receive the proposed final dividend. The Register of Shareholders of the Company will be closed from 9 to 11 September 2013, 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 6 September 2013.

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.

Code Provision A.6.7 stipulates, among other things, that the independent non-executive directors and other non-executive directors should attend general meetings. Mr. Vincent CHEUNG Ting Kau, a non-executive director of the Company, did not attend the annual general meeting of the Company held on 30 August 2012 and the extraordinary general meeting of the company held on 26 February 2013 due to his other commitments. Mr. CHAN Kei Biu, an independent non-executive director of the Company, did not attend the extraordinary general meeting of the company held on 26 February 2013 due to his other commitments.

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 2013 have been reviewed by the Company's audit committee.

By Order of the Board
WONG Man Kit
Company Secretary

Hong Kong, 18 June 2013
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, Mr. Vincent CHEUNG Ting Kau as Non-Executive Director, and Messrs. LUI Ming Wah, Frank CHAN Chi Chung and CHAN Kei Biu as Independent Non-Executive Directors.