The Group's revenue for the year ended 31 March 2015 was S$719.3 million, an increase of 3.4% over last year. Sales of primary batteries increased by 7.0% while sales of rechargeable batteries decreased by 8.4%. Sales in Americas and Asia grew by 20.1% and 5.2% respectively while sales in Europe dropped by 9.9%. Gross profit margin improved by 0.6% to 23.1% due to decrease in material prices and factory overhead.

Distribution expenses increased by 13.6% to S$58.0 million over last year due to additional expenditure in advertising and promotion globally for brand building. Administrative expenses were S$76.8 million, a decrease of 2.3% over last year.

Finance costs were S$5.4 million, a decrease of 26.1% over last year, which was mainly attributable to reduced gross borrowings from S$151.9 million as at 31 March 2014 to S$124.9 million as at 31 March 2015.

Net other operating income of S$14.7 million was mainly due to (i) an exchange gain of S$6.6 million arising from the translation of US dollar denominated monetary assets into local currencies, which had weakened against US dollar; and (ii) a gain of S$9.2 million arising from the disposal of the factory building in Singapore.

Share of results of associates was S$0.7 million as compared to a loss of S$4.7 million last year. The improvement for this year was mainly due to the cessation of loss-making operations of the Vectrix Group.

Profit before income tax was S$41.6 million as compared to a loss of S$37.3 million last year. Gearing ratio of the Group was at a record low of 17% as at 31 March 2015.

REVIEW BY PRODUCTS

Primary Batteries

Sales of primary batteries increased by 7% over last year. Sales of alkaline batteries reported significant growth over last year. The Group is well poised to capture sales opportunities from other battery companies as they arise.

To cope with international regulations, the button cell plant in Shanghai has ceased the production of cells containing mercury. Sales of carbon zinc batteries remained stable while primary lithium batteries grew steadily.

Rechargeable Batteries

Sales of rechargeable batteries decreased by 8.4% over last year. The nickel metal hydride business was still facing challenges especially in the consumer market. The Group will continue to focus on automation and technology development to drive cost and quality competitiveness.

Rechargeable lithium batteries business was undergoing the period of consolidation. With the continuous efforts to rationalize the rechargeable lithium factories, it is expected that business will return to a growing pattern. The Group will focus on major application segments with its miniature batteries.

The Group has renewed a sub-contracting manufacturing agreement with Boston-Power Inc of the US to provide lithium-ion batteries for electric vehicle applications.

Sales of the Portable PowerBank reported a steady growth over last year, especially in the European regions. The Group will focus to grow the business by expanding the distribution channels and developing new product ranges.

REVIEW BY MARKET SEGMENTS

Consumer Market

Consumer market segment sales declined over last year. Weakening of certain currencies against US dollar affected the businesses especially in the European regions. According to the Nielsen's Report, GP alkaline and rechargeable battery were ranked No. 1 in sales volume in Hong Kong for eleven consecutive years (2004-2014). The Group will continue to invest in building the GP brand and explore opportunities both offline and online.

Industrial Market

Overall sales in industrial market segment dropped over last year due to slowdown and overstock in some of the Group's customers. The Group will continue to focus on key customers in target market segments.

A co-brand GP PowerBank with world renowned fashion brand VIVIENNE TAM

BUSINESS PROCESS RE-ENGINEERING

The Group will continue its efforts to streamline and rationalize the operations for both manufacturing and sales offices. The SAP system has been implemented in most of the operations and is expected to complete in the coming financial year.

ENVIRONMENT, HEALTH & SAFETY

The Group's Environment, Health and Safety Joint Committee conducted several environmental protection seminars and cleaning campaigns in Mainland China to advocate the importance of environmental friendliness. During the year, the Group also received numerous awards in recognition of the environmental protection efforts.

The Group received "Hong Kong - Guangdong Cleaner Partner (Supply Chain)" award from the Economic & Information Commission of Guangdong Province and the Government of the Hong Kong Special Administrative Region.

Four of the factories in Guangdong province received "Hong Kong - Guangdong Cleaner Partner (Manufacturing)" awards.

Five factories continued to receive the "Green Medal" of Hang Seng Pearl River Delta Environmental Awards 2013/14 by Federation of Hong Kong Industries to recognize their achievement in environmental and economic efficiency. Among them, three were named "5 Years+ entrants" to recognize their participation in the Awards for five consecutive years.

COMMUNITY INVOLVEMENT

The Group has organized and participated in various social caring events such as blood donation, charity fundraising, tree planting and visits to elderly community centers. The Group has also sponsored the Hong Kong Society for Quality to hold student project competitions for local university undergraduates.

As a social responsible organization, the Group has sustained the standard of ISO26000 and continued to receive the CSR Advocate Mark from Hong Kong Quality Assurance Agency (HKQAA) as a recognition for its strong commitment in practising good corporate citizenship.