

CONSOLIDATED PROFIT AND LOSS STATEMENT

Year ended 31 March 2005

	Note	The Group	
		2005 S\$'000	2004 S\$'000
Revenue	4	893,860	827,158
Cost of sales		(719,600)	(606,341)
Gross profit		174,260	220,817
Other operating income	5	7,136	1,395
Distribution expenses		(47,737)	(61,320)
Administrative expenses		(83,823)	(97,824)
Other operating expenses		(874)	(3,770)
Profit from operations		48,962	59,298
Finance costs	6	(11,775)	(9,717)
Profit before exceptional items		37,187	49,581
Exceptional items	7	(18,756)	-
Profit before share of results of associates		18,431	49,581
Share of results of associates		5,414	8,751
Profit before income tax	8	23,845	58,332
Income tax	10	(15,071)	(9,239)
Profit after income tax		8,774	49,093
Minority interests		(6,996)	(3,851)
Profit attributable to shareholders		1,778	45,242
Earnings per share (cents):			
- Basic	12	1.64	42.93
- Diluted	12	1.62	41.92

See accompanying notes to financial statements.

BALANCE SHEETS

At 31 March 2005

	Note	The Group		The Company	
		2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Non-current assets:					
Investment properties	13	20,478	-	800	-
Property, plant and equipment	14	285,607	300,341	6,613	7,426
Interest in subsidiaries	15	-	-	523,277	506,224
Interest in associates	16	49,877	30,453	20,630	11,453
Other investments	17	7,719	23,595	-	-
Deferred expenditure	18	30,085	36,699	1,723	2,036
Goodwill on consolidation	19	12,558	14,084	-	-
Total non-current assets		406,324	405,172	553,043	527,139
Current assets:					
Stocks	20	223,898	191,038	4,615	4,612
Debtors	21	224,107	203,719	7,814	9,662
Short-term investments	22	18,035	-	-	-
Tax recoverable		4,262	4,305	-	-
Deposits and prepayments	23	12,584	16,420	876	957
Bank balances, deposits and cash	24	41,172	53,229	6,902	9,055
Total current assets		524,058	468,711	20,207	24,286
Current liabilities:					
Creditors and accrued charges	25	150,739	154,836	19,007	15,813
Obligations under finance leases	26	2,814	3,299	22	22
Income tax payable		3,586	2,533	1,267	986
Bank loans and overdrafts	27	147,479	134,609	37,711	26,503
Notes	28	50,000	-	50,000	-
Total current liabilities		354,618	295,277	108,007	43,324
Net current assets (liabilities)		169,440	173,434	(87,800)	(19,038)
Non-current liabilities:					
Bank loans	29	82,057	34,872	65,823	16,785
Obligations under finance leases	26	5,844	6,727	2	24
Notes	28	104,367	155,355	104,367	155,355
Deferred tax liabilities	30	8,949	4,895	625	625
Total non-current liabilities		201,217	201,849	170,817	172,789
		374,547	376,757	294,426	335,312
Represented by:					
Share capital	31	87,563	85,436	87,563	85,436
Reserves		240,061	249,112	206,863	249,876
Shareholders' funds		327,624	334,548	294,426	335,312
Minority interests		46,923	42,209	-	-
		374,547	376,757	294,426	335,312

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY

Year ended 31 March 2005

		Share	Share	Capital/ Legal	Translation	Property	Dividend	Retained	Total
	Note	capital	premium	reserve#	reserve	revaluation	reserve	profits	
		S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group									
Balance at 1 April 2003		82,832	135,674	(29,039)	(28,047)	2,093	8,307	134,298	306,118
Issue of shares	31	2,604	3,714	-	-	-	-	-	6,318
Translation loss		-	-	-	(8,642)	-	-	-	(8,642)
Transfer to (from) reserves		-	-	402	-	-	-	(402)	-
Profit attributable to shareholders		-	-	-	-	-	-	45,242	45,242
Dividends									
- paid	11(a)	-	-	-	-	-	(8,307)	(6,181)	(14,488)
- proposed	11(b)	-	-	-	-	-	11,019	(11,019)	-
Balance at 31 March 2004		85,436	139,388	(28,637)	(36,689)	2,093	11,019	161,938	334,548
Effect of adopting FRS 40	13	-	-	-	-	-	-	5,613	5,613
Balance at 31 March 2004, restated		85,436	139,388	(28,637)	(36,689)	2,093	11,019	167,551	340,161
Issue of shares	31	2,127	3,718	-	-	-	-	-	5,845
Translation loss		-	-	-	(4,846)	-	-	-	(4,846)
Transfer to (from) reserves		-	-	38	-	(115)	-	77	-
Profit attributable to shareholders		-	-	-	-	-	-	1,778	1,778
Dividends									
- paid	11(a)	-	-	-	-	-	(11,019)	(4,295)	(15,314)
- proposed	11(b)	-	-	-	-	-	2,408	(2,408)	-
Balance at 31 March 2005		87,563	143,106	(28,599)	(41,535)	1,978	2,408	162,703	327,624

Comprises mainly goodwill arising from acquisition of subsidiaries and associates prior to 1 April 2001.

See accompanying notes to financial statements.

STATEMENTS OF CHANGES IN EQUITY (cont'd)

Year ended 31 March 2005

	Note	Share capital S\$'000	Share premium S\$'000	Translation reserve S\$'000	Dividend reserve S\$'000	Retained profits S\$'000	Total S\$'000
The Company							
Balance at 1 April 2003		82,832	135,674	(14,853)	8,307	104,035	315,995
Issue of shares	31	2,604	3,714	-	-	-	6,318
Translation loss		-	-	(8,078)	-	-	(8,078)
Profit attributable to shareholders		-	-	-	-	35,565	35,565
Dividends							
- paid	11(a)	-	-	-	(8,307)	(6,181)	(14,488)
- proposed	11(b)	-	-	-	11,019	(11,019)	-
Balance at 31 March 2004		85,436	139,388	(22,931)	11,019	122,400	335,312
Effect of adopting FRS 40	13	-	-	-	-	(246)	(246)
Balance at 31 March 2004, restated		85,436	139,388	(22,931)	11,019	122,154	335,066
Issue of shares	31	2,127	3,718	-	-	-	5,845
Translation loss		-	-	(6,763)	-	-	(6,763)
Loss attributable to shareholders		-	-	-	-	(24,408)	(24,408)
Dividends							
- paid	11(a)	-	-	-	(11,019)	(4,295)	(15,314)
- proposed	11(b)	-	-	-	2,408	(2,408)	-
Balance at 31 March 2005		87,563	143,106	(29,694)	2,408	91,043	294,426

See accompanying notes to financial statements.

CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 2005

	2005 S\$'000	2004 S\$'000
Cash flows from operating activities:		
Profit before income tax and share of results of associates	18,431	49,581
Adjustments for:		
Allowance for advances to an associate	14,680	-
Allowance for diminution in value of other investments	5,283	-
Amortisation of goodwill on consolidation	1,526	1,579
Amortisation of product development expenditure	5,211	5,170
Amortisation of technical knowhow	128	251
Depreciation of property, plant and equipment	38,585	37,702
(Gain) Loss on disposal of property, plant and equipment, net	(23)	1,538
Goodwill written off	-	696
Impairment loss on property, plant and equipment write back	-	(275)
Interest expense	11,775	9,717
Interest income	(310)	(337)
Loss on deregistration of an associate	54	-
Revaluation gain on investment properties	(3,250)	-
Revaluation gain on short-term investments	(8,377)	-
Operating profit before working capital changes	83,713	105,622
Stocks	(32,860)	(42,222)
Debtors	(21,097)	(17,299)
Deposits and prepayments	3,836	(789)
Creditors and accrued charges	(4,694)	6,384
Cash generated from operations	28,898	51,696
Interest received	302	324
Interest paid	(10,951)	(8,500)
Income tax paid	(8,423)	(6,248)
Net cash from operating activities	9,826	37,272
Cash flows from investing activities:		
Acquisition of a subsidiary, net of cash acquired (Note A)	-	369
Acquisition of associates	(15,415)	-
Advance to an associate	(16,796)	-
Cash received on deregistration of an associate	302	-
Dividends received from associates	2,293	3,843
Increase in other investments	-	(1,273)
Proceeds from disposal of short-term investments	-	57
Proceeds from return of other investments	457	602
Proceeds from disposal of property, plant and equipment	5,093	2,624
Purchase of additional investment in subsidiaries	-	(555)
Purchase of property, plant and equipment (Note B)	(37,517)	(39,834)
Net cash used in investing activities	(61,583)	(34,167)

CONSOLIDATED CASH FLOW STATEMENT (cont'd)

Year ended 31 March 2005

	2005 S\$'000	2004 S\$'000
Cash flows from financing activities:		
Bank loans obtained	63,599	30,803
Capital contributions from minority shareholders	1,846	-
Dividends paid	(15,314)	(14,488)
Dividends paid to minority shareholders	(4,136)	(2,834)
Issue of Notes	-	106,248
Issue of shares	5,845	6,318
Obligations under finance leases	(3,261)	(3,619)
Proceeds from obligations under finance leases	-	5,701
Repayment of Notes	-	(104,325)
Net cash from financing activities	48,579	23,804
Net effect of exchange rate changes in consolidating subsidiaries	(9,536)	(5,613)
Net (decrease) increase in cash and cash equivalents	(12,714)	21,296
Cash and cash equivalents at 1 April	52,934	31,638
Cash and cash equivalents at 31 March (Note C)	40,220	52,934

A. Acquisition of a subsidiary

A subsidiary was acquired on 1 October 2003. The assets and liabilities of the acquired subsidiary were as follows:

	2004 S\$'000
Property, plant and equipment	113
Bank balances, deposits and cash	387
Debtors	803
Stocks	389
Creditors and accrued charges	(1,608)
Minority interests	(33)
Net assets acquired	51
Transfer from interest in associates	(33)
Consideration of the acquisition	18
Less bank balances, deposits and cash acquired	(387)
Cash flow on acquisition, net of cash acquired	(369)

The impact of the acquisition on the consolidated profit and loss statement for financial year ended 31 March 2004 was not significant.

B. Property, plant and equipment

During the financial year, the Group acquired property, plant and equipment with an aggregate cost of S\$39,445,000 (2004 : S\$47,576,000) of which S\$1,928,000 (2004 : S\$7,742,000) was acquired under finance leases.

C. Cash and cash equivalents at 31 March comprise:

	2005 S\$'000	2004 S\$'000
Bank balances, deposits and cash (Note 24)	41,172	53,229
Bank overdrafts (Note 27)	(952)	(295)
	40,220	52,934

See accompanying notes to financial statements.

NOTES TO THE FINANCIAL STATEMENTS

At 31 March 2005

1 General

The Company (Registration No. 199002111N) is incorporated in the Republic of Singapore and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited with its registered office and principal place of business at 97 Pioneer Road, Singapore 639579. The financial statements are expressed in Singapore dollars ("S\$"), which is also the measurement currency of the Company.

The principal activities of the Company are those of manufacturing of batteries, investment holding and the carrying out of functions as the regional headquarters of the Group.

The principal activities of its subsidiaries are as disclosed in Note 34 to the financial statements.

The financial statements of the Company and of the Group for the year ended 31 March 2005 were authorised for issue by the Board of Directors on 20 June 2005.

2 Summary of significant accounting policies

Basis of Accounting

The financial statements are prepared in accordance with the historical cost convention, modified to include the revaluation of certain properties and investments, and are drawn up in accordance with the provisions of the Singapore Companies Act and Singapore Financial Reporting Standards ("FRS").

The Group has changed the accounting policy for the treatment of short-term investments. The method of computation for short-term investments is changed from carrying at lower of cost and market value to fair value. The Group had also opted to early adopt FRS 40 "Accounting for investment property" to carry all investment properties at fair value. The adoption of FRS 40 for investment properties and the change in accounting policy for short-term investments result in a more appropriate presentation of the events in the financial statements of the Group. The adoption of FRS 40 has been applied prospectively. The effect of the adoption of FRS 40 for investment property and the change in accounting of short-term investments are disclosed in Note 13 and Note 22 to the financial statement respectively.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company, that is, its subsidiaries made up to 31 March each year. Subsidiaries incorporated in the People's Republic of China ("PRC") have adopted 31 December as financial year ends in compliance with the local statutory requirement. Adjustments have been made for the effects of any significant transactions that have occurred between the accounting year end date of the subsidiaries and 31 March. Control is achieved where the Company has the power to govern the financial and operating policies of an investee company so as to obtain benefits from its activities. On acquisition, the assets and liabilities of the relevant subsidiaries are measured at their fair values at the date of acquisition. The interest of minority shareholders is stated at the minority's proportion of the fair values of the assets and liabilities recognised. The results of subsidiaries acquired or disposed of during the year are included in the consolidated profit and loss statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by other members of the Group. All significant inter-company transactions and balances between Group companies are eliminated on consolidation.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

2 Summary of significant accounting policies (cont'd)

Basis of consolidation (cont'd)

The losses applicable to the minority in a consolidated subsidiary may exceed the minority interest in the equity of the subsidiary. The excess, and any further losses applicable to the minority, are taken to the profit and loss statement except to the extent that the minority has a binding obligation to, and is able to, make good the losses. If the subsidiary subsequently reports profits, all such profits are taken to the profit and loss statement until the minority's share of losses previously absorbed has been recovered.

Goodwill

Goodwill arising on consolidation represents the excess of the cost of an acquisition over the Group's interest in the fair value of the identifiable assets and liabilities of a subsidiary or associate at the date of acquisition. Goodwill is recognised as an asset and amortised on a straight-line basis over its estimated useful life of 10 years with effect from dates of acquisition.

Goodwill arising from acquisition of an associate is included within the carrying amount of the associate. Goodwill arising on acquisition of subsidiaries is presented separately in the balance sheet.

On disposal of a subsidiary or associate, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on disposal.

Interest in subsidiaries

In the Company's financial statements, investments in subsidiaries are stated at cost less any impairment in net recoverable value that has been recognised in the profit and loss statement. A list of the Group's subsidiaries is shown in Note 34.

Interest in associates

An associate is defined as a company, not being a subsidiary, in which the Group has an interest of at least 20% of equity and in whose financial and operating policy decisions the Group exercises significant influence. A list of the Group's associates is shown in Note 35.

The investment in associates is carried at cost in the Company's financial statements less any impairment in net recoverable value that has been recognised in the profit and loss statement.

The results of associates are accounted for by the Group using the equity method of accounting.

The Group's share of results of associates is included in the profit and loss statement of the Group, and the share of post-acquisition retained profits and reserves of associates is added to the carrying value of investments in the balance sheet of the Group.

Investments

Other investments held on a long-term basis are stated at cost and an allowance for diminution is made where, in the opinion of the directors, there is a decline other than temporary in the value of such investments. Such a decline, if any, is charged as an expense in the period in which the decline is identified.

Short-term investments are carried at fair value. A change in the carrying value is recorded in the profit and loss statement.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

2 Summary of significant accounting policies (cont'd)

Revenue recognition

Revenue from the sale of products is recognised when significant risks and rewards of ownership are transferred to the buyer and the amounts of revenue and the costs of the transaction (including future costs) can be measured reliably.

Stocks

Stocks consisting of raw materials, work in progress and finished goods are stated at the lower of cost (first-in, first-out method) and net realisable value. Cost of work in progress and finished goods include direct material costs, direct labour costs and overheads that have been incurred in bringing the work in progress and finished goods to their present location and condition. Net realisable value represents the estimated selling price less all estimated costs to completion and costs to be incurred in marketing, selling and distribution.

Allowance for obsolete, slow-moving or defective stocks is made where necessary.

Investment properties

Investment properties are completed properties held on a long-term basis for their investment potential and for generation of rental income. Investment properties are stated at their fair values based on independent professional valuations at balance sheet date. A gain or loss arising from a change in the fair value of investment property is recognised in the profit and loss statement.

Property, plant and equipment

Freehold land are carried at historical cost or at their revalued amounts, being the fair value on the basis of their existing use at the date of revaluation.

Leasehold land and leasehold improvements are carried at historical cost, less accumulated depreciation and any impairment loss where the recoverable amount of the asset is estimated to be lower than its carrying amount. Buildings are carried at historical cost or at their revalued amounts, less accumulated depreciation and any impairment loss.

Any revaluation surplus arising on the revaluation of land and buildings is credited to the property revaluation reserve, except to the extent that it reverses a revaluation deficit for the same asset previously recognised as an expense, in which case the surplus is credited to the profit and loss statement to the extent of the deficit previously charged. A deficit in carrying amount arising on the revaluation of land and buildings is charged as an expense to the extent that it exceeds the balance, if any, held in the property revaluation reserve relating to a previous revaluation of that asset.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as income. Upon retirement or disposal of the revalued asset, the attributable revaluation surplus included in asset revaluation reserve is transferred directly to retained profits.

Depreciation is calculated to write off the cost or valuation of the properties over their estimated useful lives, using the straight-line method, on the following bases:

Buildings	- 2% to 5% per annum
Leasehold improvements	- 3 to 10 years depending on lease terms
Leasehold land with a lease term of less than 50 years	- over the respective lease periods

Freehold land and leasehold land with a remaining lease term of 50 years or more are not depreciated.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

2 Summary of significant accounting policies (cont'd)

Property, plant and equipment (cont'd)

Machinery, moulds and equipment, furniture, fixtures and equipment and motor vehicles are carried at historical cost, less accumulated depreciation and any impairment loss. Depreciation is calculated using the reducing balance method to write off the cost of the plant and equipment over their estimated useful lives, on the following bases:

Machinery, moulds and equipment	-	10% to 30% per annum
Furniture, fixtures and equipment	-	10% to 25% per annum
Motor vehicles	-	10% to 25% per annum

Machinery under construction are not depreciated until they are put into effective use.

Assets held under finance leases are depreciated over their estimated useful lives on the same basis as owned assets or, where shorter, the terms of the leases.

Fully depreciated assets still in use are retained in the financial statements.

Deferred expenditure

Deferred expenditure comprises product development expenditure and technical knowhow. Product development expenditure incurred on projects in developing new products is capitalised and deferred when the project is clearly defined, the expenditure is separately identifiable and there is reasonable certainty that the project is technically feasible and the outcome will be of commercial value. Product development expenditure is amortised, using the straight-line method, over a period of ten years commencing in the year when the product is put into commercial use.

Technical knowhow represents the cost of acquiring the right of technical knowhow (including licence) for the production of new products. The cost is amortised, using the straight-line method, over a period of three to five years from the date of acquisition.

Research expenditure is charged to the profit and loss statement in the financial year in which it is incurred.

Impairment of assets

At each balance sheet date, the carrying amounts of the assets of the Group and the Company are reviewed to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Recoverable amount is the greater of net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised as an expense immediately, unless the relevant asset is land or buildings at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised as income immediately, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

2 Summary of significant accounting policies (cont'd)

Foreign currency transaction

Transactions in foreign currencies are recorded in respective measurement currencies at the rates ruling at the dates of the transactions. At each balance sheet date, recorded monetary balances and balances carried at fair value that are denominated in foreign currencies are reported at the rates ruling at the balance sheet date. All exchange adjustment gains and losses are dealt with in the profit and loss statements except that exchange adjustment differences arising on monetary items that are in substance an extension of the Group's net investment or a hedge of the Group's net investment in a foreign entity are taken to translation reserve until disposal of the foreign entity.

Translation of foreign currency financial statements

For inclusion in the consolidated financial statements, assets and liabilities of the foreign subsidiaries and associates are translated at the rates of exchange approximating those ruling at the balance sheet date. The profit and loss statements are translated at the average rates of exchange for the year, and the opening net investment in the foreign entities are translated at the historical rates. The resulting currency translation differences are taken to the currency translation reserve. On disposal of a foreign entity, the accumulated currency translation differences are recognised in the profit and loss statements as part of the profit or loss on disposal.

Income tax

Tax expense is determined on the basis of tax effect accounting, using the liability method. Deferred taxation based on the liability method has been provided on the amount by which the book values of those property, plant and equipment which qualify for tax allowances exceed their written down values for tax purposes and other temporary differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits.

Future tax benefits arising from all temporary differences, unutilised tax losses and capital allowances are recognised to the extent that it is probable that taxable profits will be available against which the temporary differences, unutilised tax losses and capital allowances can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the tax asset is realised or the tax liability is settled, based on tax rates (and tax laws) that have been enacted or substantially enacted by the balance sheet date. Deferred tax is charged or credited to the profit and loss statements, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when they relate to income taxes levied by the same tax authority.

At each balance sheet date, unrecognised deferred tax assets and carrying amount of deferred tax assets are reviewed. A previously unrecognised deferred tax asset is recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered. The carrying amount of a deferred tax asset is conversely reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of the deferred tax asset to be realised.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

2 Summary of significant accounting policies (cont'd)

Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event where it is probable that it will result in an outflow of economic benefits that can be reasonably estimated.

Retirement benefit costs

Payments to defined contribution retirement benefit plans (including state-managed retirement benefit schemes) are charged as an expense when incurred.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets of the Group at their fair values at the date of the acquisition. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation. Lease payments are apportioned between finance costs and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are charged to the profit and loss statements over the term of the relevant lease.

Rentals payable under operating leases are charged to profit and loss statements on a straight-line basis over the term of the relevant lease.

Financial assets

Financial assets include cash and bank balances, trade and other receivables and equity investments. Trade and other receivables are stated at their nominal values as reduced by appropriate allowances for estimated irrecoverable amounts. Accounting policies for equity investments are described above.

Financial liabilities and equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. Significant financial liabilities include trade and other payables, bank loans, overdrafts, fixed and floating rate notes.

Trade and other payables are stated at their nominal values. Bank loans, overdrafts, fixed and floating rate notes are recorded at the proceeds received, net of transaction costs. Finance charges are accounted for on an accrual basis.

Equity instruments are recorded at the proceeds received, net of direct issue cost. Shares issued upon the exercise of share options are recorded when exercised and the exercise price is allocated between issued capital and share premiums accordingly.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

3 Financial instruments and risk management policies

a) Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a loss to the Group. The Group companies perform ongoing credit evaluation of their counterparty's financial condition and generally do not require a collateral.

The Group does not have any significant credit exposure to any single counterparty or any group of counterparties having similar characteristics.

b) Interest rate risk

The Group's interest rate risk relates to interest bearing debts and interest bearing assets.

The table below sets out the exposure to interest rate risks of the Group and the Company. Included in the table are the borrowings at carrying amounts, categorised by the earlier of the contractual repricing or maturity dates.

	Effective interest rate %	Repricing Period			Total S\$'000
		Less than 1 year S\$'000	Within 1 to 2 years S\$'000	More than 2 years S\$'000	
The Group					
Obligations under finance leases	2.6 - 7.3	-	1,827	6,831	8,658
Bank loans, floating interest rates	0.2 - 6.5	228,584	-	-	228,584
Notes, fixed rate	3.7	50,000	-	-	50,000
Notes, floating rate	2.4 - 3.2	104,367	-	-	104,367
Bank overdrafts	5.3 - 5.5	952	-	-	952
As at 31 March 2005		383,903	1,827	6,831	392,561
The Company					
Obligations under finance leases	2.6 - 7.3	-	-	10,026	10,026
Bank loans, floating interest rates	0.9 - 6.5	169,186	-	-	169,186
Notes, fixed rate	3.7	-	50,000	-	50,000
Notes, floating rate	1.8 - 2.1	105,355	-	-	105,355
Bank overdrafts	4.0 - 5.5	295	-	-	295
As at 31 March 2004		274,836	50,000	10,026	334,862

3 Financial instruments and risk management policies (cont'd)

	Effective interest rate %	Repricing Period			Total S\$'000
		Less than 1 year S\$'000	Within 1 to 2 years S\$'000	More than 2 years S\$'000	
The Company					
Obligations under finance leases	2.6	-	24	-	24
Bank loans, floating interest rates	0.7 - 4.0	103,466	-	-	103,466
Notes, fixed rate	3.7	50,000	-	-	50,000
Notes, floating rate	2.4 - 3.2	104,367	-	-	104,367
Bank overdrafts	5.5	68	-	-	68
As at 31 March 2005		257,901	24	-	257,925
Obligations under finance leases	2.6	-	-	46	46
Bank loans, floating interest rates	0.7 - 3.0	43,179	-	-	43,179
Notes, fixed rate	3.7	-	50,000	-	50,000
Notes, floating rate	1.8 - 2.1	105,355	-	-	105,355
Bank overdrafts	5.5	109	-	-	109
As at 31 March 2004		148,643	50,000	46	198,689

The repayment terms of the bank loans and Notes are disclosed in Notes 26 to 29 to the financial statements.

c) Foreign currency risk

The Group and Company transact business in various foreign currencies, including Hong Kong dollar and the United States dollar and therefore are exposed to foreign exchange risk. These risks are managed through natural hedges arising from offsetting financial assets and financial liabilities that are denominated in foreign currencies.

The significant currency exposure on the financial instruments that are denominated in currency other than the functional currency of the respective companies in the Group as at 31 March mainly arises from the financial instruments of the Company as indicated below:

	2005 USD'000	2004 USD'000
Bank loans	46,518	25,000
Notes	30,000	30,000

The Company has a number of investments in foreign subsidiaries, whose net assets are exposed to currency translation risk.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

3 Financial instruments and risk management policies (cont'd)

d) Liquidity risk

Liquidity risk refers to the risk in which the Group has difficulties in meeting its short-term obligations. Liquidity risk is managed by matching the payment and receipt cycle. The Group's operations are financed mainly through equity, retained profits and bank borrowings.

e) Fair value of financial assets and financial liabilities

The carrying amount of cash and cash equivalents, trade and other current receivables and payables, other liabilities and amounts payable, other than amounts receivable and payable to related parties and fixed rate note, approximate their respective fair values due to the relatively short term maturity of these financial instruments. As at 31 March 2005, the fair value of the fixed rate note was S\$50,100,000 (2004 : S\$50,325,000) compared to the net carrying amount of S\$50,000,000.

It is not practical within the constraints of cost to reliably determine the fair value of amounts receivable and payable to related parties as these balances have no fixed repayment terms.

f) Unrecognised financial instruments

The valuation of financial instruments not recognised in the balance sheet detailed in this note reflects amounts which the Group expects to pay to terminate the contracts or replace the contracts at their market rates at the balance sheet date.

The notional amount and fair value of financial instruments not recognised in the balance sheet as at 31 March are:

	The Group			
	2005		2004	
	Notional amount S\$'000	Fair value payable S\$'000	Notional amount S\$'000	Fair value receivable S\$'000
Forward foreign currency contracts	6,582	(94)	5,036	183

4 Revenue

	The Group	
	2005 S\$'000	2004 S\$'000
Sales of products	893,860	827,158

5 Other operating income

	The Group	
	2005 S\$'000	2004 S\$'000
Dividend income from investment in:		
Quoted securities	2,546	198
Unquoted securities	527	162
Foreign exchange gain, net	702	-
Gain on sale of property, plant and equipment	469	-
Incentive for reinvestment of profit in the PRC	1,281	-
Interest income	310	337
Management fee income	587	178
Rental income	714	520
	7,136	1,395

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

6 Finance costs

	The Group	
	2005 S\$'000	2004 S\$'000
Interest expense on:		
Bank loans and overdrafts	6,802	5,378
Fixed rate notes	1,850	1,835
Floating rate notes	2,452	2,177
Finance leases	671	327
	11,775	9,717

7 Exceptional items

	Note	The Group	
		2005 S\$'000	2004 S\$'000
Allowance for advances to an associate		14,680	-
Allowance for diminution in value of other investments	17	5,283	-
Expenses in relation to Cadmium issue in Huizhou, China		6,142	-
Provision for guarantee issued	25	4,278	-
Revaluation gain on investment properties	13	(3,250)	-
Revaluation gain on short-term investments	22	(8,377)	-
		18,756	-

8 Profit before income tax

In addition to the charges and credits disclosed elsewhere in the notes to the consolidated profit and loss statements, this item has been arrived at after charging (crediting):

	The Group	
	2005 S\$'000	2004 S\$'000
Allowance for stock obsolescence (write back) charged	(222)	3,387
Amortisation:		
Goodwill on consolidation ⁽¹⁾	1,526	1,579
Product development expenditure ⁽¹⁾	5,211	5,170
Technical knowhow ⁽¹⁾	128	251
Auditors' remuneration:		
Audit services		
- Auditors of the Company	140	137
- Other auditors	681	628
Non-audit services	37	72
Depreciation expense	38,585	37,702
Foreign exchange loss, net	-	1,973
Goodwill written off ⁽¹⁾	-	696
Impairment loss on property, plant and equipment write back ⁽²⁾	-	(275)
Loss on disposal of property, plant and equipment	446	1,538
Operating lease expense	4,600	3,001

⁽¹⁾ Included in administrative expenses in the consolidated profit and loss statements.

⁽²⁾ Included in other operating expenses in the consolidated profit and loss statements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

9 Staff costs and number of employees

	The Group	
	2005 S\$'000	2004 S\$'000
Directors' remuneration:		
Fees	125	125
Emoluments	2,957	3,077
Salaries and wages	123,033	117,004
Defined contribution plans	4,592	4,853
	130,707	125,059
	2005	2004
Number of employees at 31 March	13,000	12,000

10 Income tax

	The Group	
	2005 S\$'000	2004 S\$'000
Current income tax:		
Singapore	-	180
Foreign	6,079	6,133
Under (Over) provision in prior year	3,444	(101)
	9,523	6,212
Deferred income tax:		
(Write back) Charge for current year	(290)	1,379
Underprovision in prior year	4,350	-
	4,060	1,379
Share of income tax of associates (foreign)	1,488	1,648
	15,071	9,239

The Company was awarded International Headquarters ("IHQ") status by the Economic Development Board for a period of 6 years with effect from 1 July 1990. It was subsequently granted extensions of the IHQ status from 1 July 1996 to 2007. Under this scheme, dividend income received from approved qualifying corporations within the Group is exempted from Singapore tax and certain types of income received from approved qualifying corporations are taxed at a concessionary rate of 10%.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

10 Income tax (cont'd)

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 20% to profit before income tax as a result of the following differences:

	The Group	
	2005 S\$'000	2004 S\$'000
Income tax at statutory rate	4,769	11,666
Add/(Less):		
Effect of different tax rates of overseas operations	34	(1,540)
Income not subject to tax	(272)	(3,090)
Utilisation of previously unrecognised deferred tax	(442)	(2,404)
Under (Over) provision in prior year	7,794	(101)
Non-allowable items	293	1,333
Unrecognised deferred tax benefits	2,895	3,375
Income tax at effective tax rate	15,071	9,239

A loss transfer system of group relief (group relief system) for companies was introduced in Singapore with effect from year of assessment 2003. Under the group relief system, a Singapore incorporated company belonging to a group may transfer its current year unabsorbed capital allowances, trade losses and donations (loss items) to another company belonging to the same group, to be deducted against the assessable income of the latter company.

A subsidiary intends to transfer unabsorbed capital allowances of approximately S\$ NIL (2004 : S\$2,114,000) to the Company under the group relief system, subject to compliance with the relevant rules and procedures and agreement of Inland Revenue Authority of Singapore.

11 Dividends

a) Dividends paid during the financial year are as follows:

	The Group and the Company	
	2005 S\$'000	2004 S\$'000
2004 proposed final tax-exempt dividend of 10.3 Singapore cents per share	11,019	-
2005 interim tax-exempt dividend of 3.8 Singapore cents per share	4,159	-
2003 proposed final tax-exempt dividend of 8.0 Singapore cents per share	-	8,307
2004 interim tax-exempt dividend of 5.7 Singapore cents per share	-	6,048
Dividends paid in excess of amounts proposed due to issue of new ordinary shares between date of announcement of the dividend and book closure date	136	133
	15,314	14,488

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

11 Dividends (cont'd)

b) Proposed dividends at 31 March are as follows:

	The Group and the Company	
	2005 S\$'000	2004 S\$'000
2005 proposed final tax-exempt dividend of 2.2 Singapore cents per share	2,408	-
2004 proposed final tax-exempt dividend of 10.3 Singapore cents per share	-	11,019

12 Earnings per share

The following data are used in computing basic and fully diluted earnings per share disclosed in the profit and loss statement.

a) Earnings

	The Group	
	2005 S\$'000	2004 S\$'000
Profit attributable to shareholders	1,778	45,242

b) Number of shares

	The Group	
	2005	2004
Weighted average number of ordinary shares used in calculating basic earnings per share	108,544,258	105,391,965
Adjustment for potentially dilutive ordinary shares	1,350,387	2,523,792
Weighted average number of ordinary shares used in calculating diluted earnings per share adjusted for the effects of all dilutive potential ordinary shares	109,894,645	107,915,757

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

13 Investment properties

	Note	The Group		The Company	
		2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
At 1 April					
- Transfer from property, plant and equipment	14	12,133	-	1,047	-
- Effect of adopting FRS 40 on opening retained profits		5,613	-	(246)	-
- As restated		17,746	-	801	-
Currency realignment		(518)	-	(1)	-
Revaluation gain	7	3,250	-	-	-
At 31 March		20,478	-	800	-

The carrying amount of investment property is the fair value of the property as determined by an independent appraiser having appropriate recognised professional qualification and adequate experience in the location and category of the property being valued where possible. Fair values were determined having regard to the existing use of the property, recent market transactions for similar properties in the same location as of the property being valued or capitalization of the net rental incomes with due allowance for reversionary income potential. Where independent appraisals are not sought, fair values were determined having regard to recent market transactions for similar properties in the same location of the property being valued.

Particulars of the properties included in investment properties are as follows:

Location	Description	Tenure
Singapore		
Symphony Heights 37 Hume Avenue, #06-04 Singapore	One unit of residential condominium of approximately 155 square metres	Freehold
China		
Land Lot K-6-B No 128 Xingguang Road/No 1558 Jiangnan Road Ningbo Science and Technology Park, Ningbo City, Jiangsu, China	A 137,886-square metre plot of land for factory building and a 9,500-square metre of land with a 2-storey factory and office building	50 years from 1999
Pao Lou Keng Gu Tang Au, Huizhou City Guangdong, China	A 10,200-square metre plot of land with a 3-storey factory building and a single-storey warehouse with gross floor area of 3,359 square metres and 1,000 square metres respectively	47 years from 2004
USA		
11225, 11235 and 11245 West Bernardo Court San Diego, CA 92127-1638, USA	Three industrial buildings	Freehold

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

14 Property, plant and equipment

	Freehold land and buildings S\$'000	Leasehold land, buildings and leasehold improvements S\$'000	Machinery, moulds and equipment S\$'000	Machinery under construction S\$'000	Furniture, fixtures, equipment and motor vehicles S\$'000	Total S\$'000
The Group						
Cost/Valuation:						
At 1 April 2004	34,305	58,912	410,034	10,221	47,155	560,627
Currency realignment	714	(940)	218	(101)	(319)	(428)
Transfer to investment properties (Note 13)	(4,835)	(7,962)	-	-	-	(12,797)
Transfer	-	-	6,428	(6,428)	-	-
Additions	99	6,539	13,719	12,624	6,464	39,445
Disposals	-	(5,029)	(10,240)	-	(1,760)	(17,029)
At 31 March 2005	30,283	51,520	420,159	16,316	51,540	569,818
Represented by:						
Cost	22,056	51,520	420,159	16,316	51,540	561,591
Valuation	8,227	-	-	-	-	8,227
Total	30,283	51,520	420,159	16,316	51,540	569,818
Accumulated depreciation:						
At 1 April 2004	5,666	17,656	205,101	-	29,800	258,223
Currency realignment	151	(333)	(1,500)	-	(258)	(1,940)
Transfer to investment properties (Note 13)	(618)	(46)	-	-	-	(664)
Depreciation for the year	533	2,280	31,294	-	4,478	38,585
Disposals	-	(2,451)	(7,949)	-	(1,615)	(12,015)
At 31 March 2005	5,732	17,106	226,946	-	32,405	282,189
Impairment loss:						
At 1 April 2004	-	2,063	-	-	-	2,063
Currency realignment	-	(41)	-	-	-	(41)
At 31 March 2005	-	2,022	-	-	-	2,022
Depreciation for last year	679	2,662	30,019	-	4,342	37,702
Net book value:						
At 31 March 2005	24,551	32,392	193,213	16,316	19,135	285,607
At 31 March 2004	28,639	39,193	204,933	10,221	17,355	300,341
Net book value of assets that would have been included in the financial statements had the assets been carried at cost less depreciation:						
At 31 March 2005	23,152	32,392	193,213	16,316	19,135	284,208
At 31 March 2004	27,096	39,193	204,933	10,221	17,355	298,798

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

14 Property, plant and equipment (cont'd)

	Freehold land and building S\$'000	Leasehold land, building and leasehold improvements S\$'000	Machinery, moulds and equipment S\$'000	Furniture, fixtures, equipment and motor vehicle S\$'000	Total S\$'000
The Company					
Cost:					
At 1 April 2004	1,103	4,513	5,754	1,404	12,774
Additions	-	17	726	101	844
Disposals	-	-	(31)	-	(31)
Transfer to investment properties (Note 13)	(1,103)	-	-	-	(1,103)
At 31 March 2005	-	4,530	6,449	1,505	12,484
Accumulated depreciation:					
At 1 April 2004	56	1,003	3,236	1,053	5,348
Depreciation for the year	-	110	397	97	604
Disposals	-	-	(25)	-	(25)
Transfer to investment properties (Note 13)	(56)	-	-	-	(56)
At 31 March 2005	-	1,113	3,608	1,150	5,871
Depreciation for last year	11	111	438	103	663
Net book value:					
At 31 March 2005	-	3,417	2,841	355	6,613
At 31 March 2004	1,047	3,510	2,518	351	7,426

The net book value of fixed assets includes an amount of S\$11,323,000 (2004 : S\$11,520,000) for the Group and S\$57,000 (2004 : S\$77,000) for the Company in respect of certain machinery, moulds, equipment and motor vehicles held under finance leases (Note 26).

Land and buildings with a total net book value of S\$3,845,000 (2004 : S\$3,922,000) for the Group have been pledged to banks as securities for banking facilities granted (Note 29).

The freehold land and buildings of the Group amounting to S\$8,227,000 (2004 : S\$8,391,000) stated at valuation were revalued by an independent professional valuer, Vigers (JB) Sdn Bhd, in March 1994 based on the open market value on a willing buyer and willing seller basis for existing use. The resulting revaluation surpluses have been credited to the property revaluation reserve and the balance as at year end amounted to S\$1,978,000 (2004 : S\$2,093,000) for the Group.

There was a write back of impairment loss of S\$275,000 for the Group in the previous financial year.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

14 Property, plant and equipment (cont'd)

Particulars of the properties included in freehold land, leasehold land and buildings are as follows:

Location	Description	Tenure
Singapore		
No. 50, Gul Crescent, Singapore	A 2-storey factory building with built-up area of 2,615 square metres	60 years from 1992
97 Pioneer Road, Singapore	A 2-storey factory building with built-up area of 6,407 square metres	56 years from 1994
Taiwan		
No. 211 Chung Cheng Road, Section 2 Hukow, Hsin-chu 30302, Taiwan	A 2-storey factory building with built-up area of 6,654 square metres and a warehouse with built-up area of 169 square metres	Freehold
Room 1011 and 1200, International Trade Building, No. 205 Tun Hua South Section 1, Taipei 10647, Taiwan	Office space of 500 square metres	Freehold
Lots 98-86 to 98-96 and Lot 98-182 Chung Pei Shih, Sub-Section Shan Pei Shih Section, Hukow Hsiang, Hsin-chu County, Taiwan	A 2,108-square metre plot of land	Freehold
207, 208 & 209, Mei Chih Cheng Hukow Hsiang, Hsin-chu County, Taiwan	Three 2-storey residential buildings of approximately 255 square metres	Freehold
Malaysia		
No. 5, Jalan Tampoi Tujuh, Kawasan Perindustrian Tampoi, 81200 Johor Bahru, Johor, Malaysia	A 19,652-square metre plot of land with a 3-storey factory building with built-up area of 6,000 square metres	Freehold
	A 18,110-square metre plot of land with a warehouse with built-up area of 1,200 square metres	Freehold
Units No. A3-03, A3-04, TF-03 & TF-04 Putri Indah, Jalan Indra Putra, Johor Bahru, Johor, Malaysia	Four units of residential condominium of approximately 516 square metres	Freehold

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

14 Property, plant and equipment (cont'd)

Location	Description	Tenure
Malaysia (cont'd)		
Lot 6975, Mukim of Senai-Kulai, Johor, Malaysia	A 39,885-square metre plot of land for factory building	Freehold
#18-00 and #19-00 Pacific Mall, Johor Bahru, Johor, Malaysia	Two storeys of office buildings of approximately 2,582 square metres	Freehold
China		
Land Lot No. 9 Development District Upper Lung Fung Terrace Huizhou City Guangdong, China	A 2,892-square metre plot of land with a 7-storey staff quarters with built-up area of 6,239 square metres	20 years from 1988
No. 1-2, First Hong Ye Dong Road Hong Ye Industrial Area Tang Xia, Dongguan, Guangdong, China	A 3-storey factory building with built-up area of 4,119 square metres	50 years from 1993
Road 12, Hong Ye Road Hong Ye Industrial Area (138) Tang Xia, Dongguan, Guangdong, China	A 30,821-square metre plot of land with a 3-storey factory building and 7-storey staff quarters with built-up area of 9,840 square metres and 13,269 square metres respectively	50 years from 1995
3-603, 66, Yu Jian Lou Tang Xin Jie, Tang Xia, Dongguan, Guangdong, China	A 73-square metre staff quarters	50 years from 1994
Block No 43 Wen Hua Xin Cun Tang Xia, Dongguan, Guangdong, China	A 1,988-square metre staff quarters	50 years from 1995
Block No 41 Hong Ye Da Dao Hong Ye Industrial Area Tang Xia, Dongguan, Guangdong, China	A 1,465-square metre staff quarters	50 years from 1993
No. 1, 5 Long and No. 2, 193 Long Yong Ye Road Zhang Qiao Zhen Pu Dong Area Shanghai, China	A 2,362-square metre staff quarters	70 years from 1995

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

14 Property, plant and equipment (cont'd)

Location	Description	Tenure
China (cont'd)		
Room 1, 25/F, Block F, Peace Garden, Yang Pu District, 2200 Kong Jiang Lu Shanghai, China	One unit of residential flat with built-up area of 64 square metres	65 years from 1997
Gu Tang Au Industrial Development District, Huizhou City, Guangdong, China	A 13,034-square metre plot of land with a 3-storey factory building and staff quarters with built-up area of 11,149 square metres	50 years from 1997
	A 2,008-square metre plot of land with a 7-storey staff quarters with built-up area of 4,484 square metres	50 years from 1998
	A 6,162-square metre plot of land for industrial use	50 years from 1998
	A 2,461-square metre plot of land with a 2-storey factory building with built-up area of 1,700 square metres	50 years from 2003
	A 13,590-square metre plot of land with a factory building with built-up area of 6,427 square metres	50 years from 1997
Lot No. 22 and No. 48 Peng Nam Industrial District Huizhou City Guangdong, China	A 8,752-square metre plot of land with a 3-storey factory building and 5-storey staff quarters with built-up area of 3,078 square metres and 1,224 square metres respectively	48 years from 2000
99 Dahetou Road Duantang, Ningbo, China	Four factory buildings and office buildings with built-up area of 33,266 square metres	50 years from 1998
Canada		
Suite 7, 7780 Woodbine Avenue Markham, Ontario L3R 2N7, Canada	A 500-square metre office and warehouse	Freehold

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

14 Property, plant and equipment (cont'd)

Location	Description	Tenure
Denmark		
Tigervej 1, 7700 Thisted, Denmark	A 17,483-square metre plot of land with a factory building with built-up area of 6,489 square metres	Freehold
	A 14,345-square metre plot of land for industrial use	Freehold
Poland		
ul. Zielona 22 PL 83-200 Starogard Gd.	A 19,736-square metre plot of land with a factory building and warehouse with built-up area of 3,060 square metres	78 years from 1997
	A plot of land of 5,911 square metres for industrial use	Freehold

15 Interest in subsidiaries

	The Company	
	2005 S\$'000	2004 S\$'000
Unquoted equity shares, at cost	154,622	154,622
Amounts due from subsidiaries - non-trade	380,321	364,758
Amounts due to subsidiaries - non-trade	(11,666)	(13,156)
	368,655	351,602
Total interest in subsidiaries	523,277	506,224

Particulars of the subsidiaries are set out in Note 34 to the financial statements. The amounts due to and from subsidiaries are unsecured, non-interest bearing and not expected to be repaid within the next 12 months.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

16 Interest in associates

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Unquoted equity shares, at cost	45,146	33,516	20,630	11,453
Goodwill on acquisition				
Prior to 1 April 2001	(18,512)	(18,512)	-	-
After 1 April 2001	3,099	-	-	-
	29,733	15,004	20,630	11,453
Advance to an associate	16,796	-	-	-
Less: Allowance for advance	(13,926)	-	-	-
	2,870	-	-	-
Share of post-acquisition profits	17,730	15,885	-	-
Share of post-acquisition translation differences	(456)	(436)	-	-
	49,877	30,453	20,630	11,453

Goodwill on acquisition prior to 1 April 2001 was written off to capital reserves whereas goodwill on acquisition after 1 April 2001 were amortised over 10 years. Movement of goodwill on acquisition arising after 1 April 2001:

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Attributable to acquisition of an associate	3,376	-	-	-
Amortisation for the year	(277)	-	-	-
At 31 March	3,099	-	-	-

The amortisation of goodwill arising on acquisition of an associate is included in the share of results of associates.

The advance to an associate is unsecured, non-interest bearing and has no fixed terms of repayment.

Particulars of the associates are set out in Note 35 to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

17 Other investments

	Note	The Group	
		2005 S\$'000	2004 S\$'000
Quoted equity securities:			
At cost		21,326	21,326
Currency realignment		(324)	-
Transfer to short-term investments	22	(9,807)	-
Allowance for diminution in value	7	(5,283)	-
		5,912	21,326
Unquoted equity securities, at cost		1,807	2,269
		7,719	23,595
Quoted equity securities, at market value		4,377	77,935

18 Deferred expenditure

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Product development expenditure				
Cost:				
At 1 April	55,582	57,556	3,133	3,133
Currency realignment	(1,896)	(1,974)	-	-
At 31 March	53,686	55,582	3,133	3,133
Accumulated amortisation:				
At 1 April	19,009	14,641	1,097	783
Currency realignment	(619)	(802)	-	-
Amortisation for the year	5,211	5,170	313	314
At 31 March	23,601	19,009	1,410	1,097
Net	30,085	36,573	1,723	2,036

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

18 Deferred expenditure (cont'd)

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Technical knowhow				
Cost:				
At 1 April	9,048	9,517	-	-
Currency realignment	(124)	(469)	-	-
At 31 March	8,924	9,048	-	-
Accumulated amortisation:				
At 1 April	8,922	9,113	-	-
Currency realignment	(126)	(442)	-	-
Amortisation for the year	128	251	-	-
At 31 March	8,924	8,922	-	-
Net	-	126	-	-
Total deferred expenditure at 31 March	30,085	36,699	1,723	2,036

19 Goodwill on consolidation

	The Group	
	2005 S\$'000	2004 S\$'000
Cost:		
At 1 April and 31 March	16,079	16,079
Accumulated amortisation:		
At 1 April	1,995	416
Amortisation for the year	1,526	1,579
At 31 March	3,521	1,995
Net	12,558	14,084

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

20 Stocks

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Raw materials, at cost	85,354	74,152	1,499	1,327
Work in progress, at cost	34,142	34,474	2,645	3,142
Finished goods:				
At cost	100,291	79,085	282	49
At net realisable value after allowances	4,111	3,327	189	94
	223,898	191,038	4,615	4,612

21 Debtors

	Note	The Group		The Company	
		2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Trade					
Outside parties		156,561	166,738	-	-
Less: Allowances for doubtful debts		(5,716)	(9,594)	-	-
		150,845	157,144	-	-
Amounts due from:					
Associates	35	21,995	4,606	162	76
Less: Allowances for doubtful debts		(188)	-	-	-
		21,807	4,606	162	76
Related parties	36	153	149	-	-
		21,960	4,755	162	76
Total Trade		172,805	161,899	162	76

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

21 Debtors (cont'd)

	Note	The Group		The Company	
		2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Non-trade					
Outside parties		40,142	33,685	2,006	3,878
Amounts due from:					
Associates	35	6,735	6,061	5,315	5,383
Less: Allowances for doubtful debts		(566)	-	-	-
		6,169	6,061	5,315	5,383
Related parties	36	4,991	2,074	331	325
		11,160	8,135	5,646	5,708
Total Non-trade		51,302	41,820	7,652	9,586
Total Debtors		224,107	203,719	7,814	9,662

The amounts due from associates and related parties are unsecured, non-interest bearing and repayable on demand.

22 Short-term investments

	Note	The Group	
		2005 S\$'000	2004 S\$'000
Quoted equity securities:			
Transfer from other investments	17	9,807	-
Currency realignment		(149)	-
Revaluation gain	7	8,377	-
		18,035	-
Quoted equity securities, at market value		32,201	-

The above represents equity investment in a listed company. The fair value of the investment as at 31 March 2005 was derived from the professional valuation made by China Everbright Capital Limited, an independent Investment Advisor and a Commodities Trading Advisor in Hong Kong. Fair value was determined based on the net asset value and earnings multiples of the listed company.

The revaluation gain of S\$8,377,000 is the result of the change in accounting policy for short-term investments in the current year. The change in accounting policy had no impact on the results of prior year.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

23 Deposits and prepayments

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Deposits	3,402	2,992	680	346
Prepayments	9,182	13,428	196	611
	12,584	16,420	876	957

24 Bank balances, deposits and cash

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Fixed deposits	1,570	4,802	-	2,460
Bank balances and cash	39,602	48,427	6,902	6,595
	41,172	53,229	6,902	9,055

Fixed deposits bear interest at 0.8% to 1.3% (2004 : 0.1% to 1.2%) per annum and mature within 3 months from end of the financial year.

25 Creditors and accrued charges

	Note	The Group		The Company	
		2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Trade					
Outside parties		100,649	102,840	9,281	9,498
Amounts due to:					
Subsidiaries	34	-	-	2,135	3,454
Associates	35	22,245	18,351	397	353
Related parties	36	1,868	1,419	-	-
Interest payable		2,494	1,896	2,299	1,830
Accrued charges		16,131	24,826	600	662
		143,387	149,332	14,712	15,797
Non-trade					
Outside parties		1,759	3,444	-	-
Guarantee issued to a bank *		4,278	-	4,278	-
Amounts due to:					
Associates	35	74	31	-	-
Related parties	36	1,241	2,029	17	16
		7,352	5,504	4,295	16
		150,739	154,836	19,007	15,813

The amounts due to associates and related parties are unsecured, non-interest bearing and repayable on demand.

* This represents the Company's obligation in respect of a guarantee issued to a bank for a loan granted to an associate. The associate is not in a financial position to pay the loan when it falls due (Note 7).

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

26 Obligations under finance leases

Future minimum lease payments under finance leases together with the present value of net minimum lease payments are as follows:

	Total minimum lease payments		Present value of payments	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
The Group				
Within 1 year	3,155	3,740	2,814	3,299
Within 2 to 5 years	6,033	7,280	5,844	6,727
	9,188	11,020	8,658	10,026
Less: Future finance charges	(530)	(994)		
Present value of lease obligations	8,658	10,026		
Less: Amounts due within 1 year	(2,814)	(3,299)		
Amounts due within 2 to 5 years	5,844	6,727		
The Company				
Within 1 year	25	25	22	22
Within 2 to 5 years	2	27	2	24
	27	52	24	46
Less: Future finance charges	(3)	(6)		
Present value of lease obligations	24	46		
Less: Amounts due within 1 year	(22)	(22)		
Amounts due within 2 to 5 years	2	24		

The effective interest rates for the above are set out in Note 3(b) to the financial statements.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

27 Bank loans and overdrafts

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Current portion of long-term bank loans (Note 29)	13,022	33,649	-	25,177
Short-term bank loans - unsecured	107,563	65,423	37,643	901
Bank overdrafts - unsecured	952	295	68	109
Import loans - unsecured	25,942	35,242	-	316
	147,479	134,609	37,711	26,503

The effective interest rates for the above are set out in Note 3(b) to the financial statements.

28 Notes

	Date of issue	Date of redemption	The Group and the Company	
			2005 S\$'000	2004 S\$'000
Unsecured notes issued under S\$500 million Multi-Currency Debt Issuance Programme				
Series 1 Fixed rate note *	22 May 2002	22 May 2005	50,000	50,000
Series 2 Floating rate note	16 October 2003	16 October 2006	49,367	50,355
Series 3 Floating rate note	16 October 2003	16 October 2006	55,000	55,000
			154,367	155,355
Amounts due within 1 year			50,000	-
Amounts due within 2 to 5 years			104,367	155,355
			154,367	155,355

The effective interest rates for the above are set out in Note 3(b) to the financial statements.

* Listed on the Singapore Exchange Securities Trading Limited on 23 May 2002

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

29 Bank loans

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Long-term bank loans:				
Secured	15	735	-	-
Unsecured	95,064	67,786	65,823	41,962
	95,079	68,521	65,823	41,962
Less:				
Amounts due within 1 year:				
Secured	(15)	(725)	-	-
Unsecured	(13,007)	(32,924)	-	(25,177)
Current portion of long-term bank loans (Note 27)	(13,022)	(33,649)	-	(25,177)
Long-term portion of bank loans	82,057	34,872	65,823	16,785

The above includes a bank loan amounting to S\$15,000 (2004 : S\$735,000) secured by a mortgage over two storeys of office building of a subsidiary. The effective interest rates for the above are set out in Note 3(b) to the financial statements.

The long-term portions of bank loans are repayable as follows:

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
More than 1 year but not exceeding 2 years	32,690	11	16,456	-
More than 2 years but not exceeding 5 years	49,367	34,861	49,367	16,785
	82,057	34,872	65,823	16,785

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

30 Deferred tax liabilities

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Deferred tax liabilities	11,652	7,967	625	625
Deferred tax assets	(2,703)	(3,072)	-	-
Net deferred tax liabilities	8,949	4,895	625	625

Movements in the deferred tax liabilities and assets recognised by the Group are as follows:

	Capital allowances S\$'000	Revaluation of investment properties S\$'000	Tax losses S\$'000	Deferred expenditure S\$'000	Others S\$'000	Total S\$'000
Deferred tax liabilities						
At 1 April 2004	12,280	-	(4,764)	2,115	(1,664)	7,967
Currency realignment	(149)	-	62	(40)	51	(76)
Charge to profit and loss	2,445	650	1,770	(59)	(1,045)	3,761
At 31 March 2005	14,576	650	(2,932)	2,016	(2,658)	11,652
Deferred tax assets						
At 1 April 2004	(230)	-	(1,310)	-	(1,532)	(3,072)
Currency realignment	40	-	28	-	2	70
Charge to profit and loss	184	-	(730)	-	845	299
At 31 March 2005	(6)	-	(2,012)	-	(685)	(2,703)
Net deferred tax liabilities						8,949

The deferred tax liabilities of the Company of S\$625,000 (2004 : S\$625,000) are due to temporary differences arising mainly from capital allowances.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

30 Deferred tax liabilities (cont'd)

No deferred tax assets has been recognised on the following temporary differences due to uncertainty of its recoverability:

	The Group	
	2005 S\$'000	2004 S\$'000
Unutilised tax losses	20,098	18,177
Difference in accounting and tax depreciation	66	(7,356)
Others	132	81
	20,296	10,902

The use of these temporary differences is subject to the agreement of the relevant tax authorities and compliance with certain provisions of the tax legislation.

31 Share capital

	The Group and the Company			
	2005 Number of ordinary shares of S\$0.80 each	2004	2005 S\$'000	2004 S\$'000
Authorised	156,250,000	156,250,000	125,000	125,000
Issued and fully paid:				
At 1 April	106,795,168	103,540,168	85,436	82,832
Issued during the year	2,659,000	3,255,000	2,127	2,604
At 31 March	109,454,168	106,795,168	87,563	85,436

Details of share options exercised during the financial year to subscribe for ordinary shares of S\$0.80 each of the Company are as follows:

	Exercise price	Number exercised		Cash consideration received	
		2005 '000	2004 '000	2005 S\$'000	2004 S\$'000
1992 Scheme					
No. 7	S\$3.08	1,319	896	4,063	2,759
1999 Scheme					
No. 1	S\$1.41	202	1,136	285	1,602
No. 2	S\$1.60	212	1,223	339	1,957
No. 3	S\$1.25	926	-	1,158	-
		1,340	2,359	1,782	3,559
		2,659	3,255	5,845	6,318

The proceeds were used as working capital for the Company.

Details of outstanding share options of the Company are set out in paragraph 6 of the Directors' Report.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

32 Commitments

As at the balance sheet date, commitments of the Group and Company which have not been provided for in the financial statements are as follows:

a) Operating lease commitments

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Within 1 year	3,299	3,648	49	52
After 1 year and within 5 years	4,346	3,997	198	210
After 5 years	9,636	9,960	2,047	2,232
	17,281	17,605	2,294	2,494

Operating lease commitments are mainly in respect of non-cancellable leases for the rental of factory spaces, office premises and office equipment.

b) Capital expenditure commitments

	The Group	
	2005 S\$'000	2004 S\$'000
Capital expenditure contracted but not provided for	3,606	5,877
Capital expenditure authorised but not contracted for	11,851	7,355
	15,457	13,232

33 Contingent liabilities - unsecured

	The Group		The Company	
	2005 S\$'000	2004 S\$'000	2005 S\$'000	2004 S\$'000
Guarantees given in respect of banking and other facilities granted to:				
Subsidiaries (Note 34)	-	-	288,103	295,916
Associates (Note 35)	2,637	2,848	2,637	2,690
Export bills discounted with recourse	1,171	3,582	-	-
	3,808	6,430	290,740	298,606

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

34 Subsidiaries

Particulars of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Percentage of paid-up capital beneficially owned by the Group		Principal activities
		2005 %	2004 %	
AB Ejendomsaktieselskabet Thisted ^{(3) #}	Denmark	100	100	Property investment
Advanced Battery Technology Limited ^{(3) #}	British Virgin Islands	80	80	Intellectual property
Alkaline Batteries A/S ^{(3) #}	Denmark	100	100	Manufacturing of batteries
Alkaline Batteries Limited ^{(2) #}	British Virgin Islands	100	100	Marketing and trading in batteries
Alkaline Batteries (L) Bhd ^{(2) #}	Malaysia	100	100	Marketing and trading in batteries
Allied Brilliant Trading Ltd ^{(3) #}	Taiwan	80	80	Marketing and trading in batteries
Bestasi Sdn Bhd ^{(3) #}	Malaysia	100	100	Property investment
Bolder Technologies Pte Ltd ⁽¹⁾	Singapore	100	100	Manufacturing of batteries
Champion World Limited ^{(7) #}	British Virgin Islands	100	100	Investment holding
Changzhou Lithium Batteries Ltd ^{(7) # (a)}	PRC	55	-	Manufacturing of batteries
Danish Polish Batteries Sp. z.o.o ^{(3) #}	Poland	100	100	Manufacturing of batteries
Dongguan Chao Ba Batteries Co Ltd ^{(4) #}	PRC	100	100	Manufacturing of batteries
Dongguan Yinfea Battery Products Co Ltd ^{(4) #}	PRC	100	100	Manufacturing of batteries
Douza Investments Ltd ^{(7) #}	British Virgin Islands	100	100	Investment holding

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

34 Subsidiaries (cont'd)

Particulars of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Percentage of paid-up capital beneficially owned by the Group		Principal activities
		2005 %	2004 %	
Energy Pack Netherlands Holdings B.V. ⁽⁷⁾	Netherlands	100	100	Investment holding and provision of logistic support
EVB Technology Limited ⁽⁷⁾	Bermuda	100	100	Investment holding
EVB Technology (HK) Limited ^{(3) #}	Hong Kong	100	100	Manufacturing of batteries
EVB Technology Pte Ltd ⁽¹¹⁾	Singapore	100	100	Manufacturing of batteries
Geewin Industrial Limited ^{(5) #}	Hong Kong	100	100	Provision of logistic support
Geewin Industrial (S) Pte Ltd ⁽⁷⁾	Singapore	100	100	Investment holding
Gold Peak Industries (North America) Inc ^{(3) #}	United States of America	80	80	Marketing and trading in batteries
Gold Peak Industries (Taiwan) Limited ⁽³⁾	Taiwan	80	80	Manufacturing of batteries
Gold Won Electrochemical Company Limited ^{(5) #}	Hong Kong	100	100	Investment holding and provision of logistic support
GP Batteries (China) Limited ^{(4) #}	PRC	85	85	Manufacturing of batteries
GP Batteries (Dongguan) Co Ltd ^{(7) #}	PRC	100	100	Manufacturing of batteries
GP Batteries (Malaysia) Sdn Bhd ⁽³⁾	Malaysia	100	100	Manufacturing of batteries
GP Batteries (U.K.) Limited ^{(5) #}	United Kingdom	51	51	Marketing and trading in batteries
GP Batteries (USA) Inc ^{(6) #}	United States of America	100	100	Manufacturing and marketing of batteries
GP Battery Marketing (Europe) S.A. ^{(6) # (b)}	France	100	100	Marketing and trading in batteries
GP Battery Marketing (H.K.) Limited ^{(3) #}	Hong Kong	100	100	Marketing and trading in batteries

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

34 Subsidiaries (cont'd)

Particulars of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Percentage of paid-up capital beneficially owned by the Group		Principal activities
		2005 %	2004 %	
GP Battery Marketing (Malaysia) Sdn Bhd ^{(3) #}	Malaysia	70	70	Marketing and trading in batteries
GP Battery Marketing Inc ^{(5) #}	Canada	75	75	Marketing and trading in batteries
GP Battery Marketing (China) Ltd ^{(5) #}	Hong Kong	100	100	Investment holding
GP Battery Marketing (Latin America) Inc. ^{(5) #}	United States of America	100	100	Marketing and trading in batteries
GP Battery Marketing (Singapore) Pte Ltd ⁽¹⁾	Singapore	100	100	Marketing and trading in batteries
GP Batteries Europe B.V. ^{(5) # (a)}	Netherlands	80	-	Marketing and trading in batteries
GP Battery (Ningbo) Co., Ltd ^{(7) # (a)}	PRC	100	-	Marketing and trading in batteries
GP Battery (Poland) Sp. z.o.o. ^{(3) #}	Poland	100	100	Marketing and trading in batteries
GP Battery Technology (HK) Limited ⁽³⁾	Hong Kong	100	100	Investment holding
GPI International Limited ^{(3) #}	Hong Kong	100	100	Marketing and trading in batteries
GP Lithium Batteries Limited ^{(7) #}	British Virgin Islands	100	100	Dormant
GP Lithium Batteries LLC ^{(7) #}	United States of America	100	100	Dormant
GP Lithium Batteries (Asia) Limited ^{(3) #}	Hong Kong	80	80	Marketing and trading in batteries

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

34 Subsidiaries (cont'd)

Particulars of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Percentage of paid-up capital beneficially owned by the Group		Principal activities
		2005 %	2004 %	
GP Lithium Batteries (S) Pte Ltd ^{(7) #}	Singapore	100	100	Investment holding and provision of logistic support
Hayle Limited ^{(2) #}	British Virgin Islands	100	100	Trading in batteries and battery materials
Huizhou Advance Battery Technology Company Limited ^{(4) #}	PRC	100	100	Manufacturing of batteries
Huizhou Chao Ba Batteries Co Ltd ^{(4) #}	PRC	90	90	Marketing and trading in batteries
Huizhou Gold Won Electrochemical Company Limited ^{(5) #}	PRC	85	85	Manufacturing of battery parts
Huizhou Modern Battery Limited ^{(4) #}	PRC	100	100	Manufacturing of batteries
Huizhou Power Pack Co Ltd ^{(4) #}	PRC	100	100	Manufacturing of batteries
Lehman Overseas Limited ^{(2) #}	British Virgin Islands	100	100	Trading in batteries and battery materials
Lucky Concept Ltd ^{(7) #}	British Virgin Islands	100	100	Investment holding
Ningbo Pairdeer Economy and Trade Co Ltd ^{(7) #}	PRC	68	68	Trading in batteries and battery materials
North America Land Holdings Inc ^{(6) #}	United States of America	100	100	Property investment
Power Era Limited ^{(5) #}	Hong Kong	100	100	Investment holding
Powerbank Limited ^{(5) #}	Hong Kong	100	100	Manufacturing of batteries

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

34 Subsidiaries (cont'd)

Particulars of the subsidiaries are as follows:

Name of subsidiaries	Country of incorporation	Percentage of paid-up capital beneficially owned by the Group		Principal activities
		2005 %	2004 %	
Praisewell International Limited ^{(5) #}	Hong Kong	100	100	Investment holding
Shanghai Bi Ba Batteries Co Ltd ^{(4) #}	PRC	100	100	Manufacturing of batteries
Shenzhen Sylva Electrochemical Ltd ^{(4) #}	PRC	100	100	Manufacturing of batteries
Shenzhen JetPower Batteries Limited ^{(4) #}	PRC	100	100	Manufacturing of batteries
Surplus Enterprise Limited ^{(5) #}	Hong Kong	100	100	Investment holding
Sylva Development Limited ^{(7) #}	British Virgin Islands	100	100	Property investment
Sylva Industries (China) Limited ^{(3) #}	Hong Kong	100	100	Investment holding
Sylva Industries Limited ⁽³⁾	Hong Kong	100	100	Manufacturing of batteries
Whitehill Electrochemical Company Limited ^{(3) #}	Hong Kong	100	100	Investment holding and provision of logistic support
Zhongyin (Ningbo) Battery Co. Ltd ⁽⁴⁾	PRC	75	75	Manufacturing of batteries

Held by subsidiaries of the Company

⁽¹⁾ Audited by Deloitte & Touche, Singapore

⁽²⁾ Audited by Deloitte & Touche, Singapore for consolidation purposes

⁽³⁾ Audited by overseas practices of Deloitte Touche Tohmatsu

⁽⁴⁾ Audited by overseas practices of Deloitte Touche Tohmatsu for consolidation purposes

⁽⁵⁾ Audited by other accounting firms as these subsidiaries are not significant

⁽⁶⁾ Not audited as subsidiaries do not have statutory reporting requirements in their respective countries of incorporation and/or are not significant

⁽⁷⁾ Reviewed by Deloitte & Touche, Singapore for consolidation purposes

^(a) Incorporated during the financial year

^(b) Commenced de-registration procedures during the financial year

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

35 Associates

Particulars of the associates are as follows:

Name of associates	Country of incorporation	Percentage of paid-up capital beneficially owned by the Group		Principal activities
		2005 %	2004 %	
Advance Technology Co Ltd ^{(5) #}	Taiwan	50	50	Manufacturing of battery parts
Aim High Group Ltd ^{(5) # (a)}	British Virgin Islands	50	-	Marketing and trading in batteries
AZ Limited ^{(5) *}	Russia	20	-	Marketing and trading in batteries
Danionics Asia Limited ^{(4) # (b)}	Hong Kong	50	-	Investment holding
Danionics International A/S ^{(1) *}	Denmark	50	-	Provision of research and development support and trading of batteries
Danionics (Shenzhen) Limited ^{(4) *}	PRC	50	-	Manufacturing of batteries
Gold Yi Industries Co Ltd ^{(2) #}	Hong Kong	45	45	Investment holding and provision of logistic support
GP Battery Marketing (Germany) GmbH ^{(2) #}	Germany	35	35	Marketing and trading in batteries
GP Battery Marketing Italy S.r.l. ^{(5) #}	Italy	40	40	Marketing and trading in batteries
GP Battery Marketing (Korea) Limited ^{(1) #}	South Korea	50	50	Marketing and trading in batteries
GP Battery Marketing (Thailand) Co Ltd ^{(1) #}	Thailand	49	49	Marketing and trading in batteries
Huizhou Gold Yi Industries Co Ltd ^{(3) *}	PRC	38.3	38.3	Manufacturing of battery parts
Huizhou Long Tek Plastic Limited ^{(3) *}	PRC	42.5	42.5	Manufacturing of battery parts

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

35 Associates (cont'd)

Particulars of the associates are as follows:

Name of associates	Country of incorporation	Percentage of paid-up capital beneficially owned by the Group		Principal activities
		2005 %	2004 %	
Long Tek Industries Co Ltd ^{(2) #}	Hong Kong	50	50	Investment holding and provision of logistic support
Ningbo GP Sanyo Energy Co., Ltd ^{(5) (b)}	PRC	49	-	Manufacturing of batteries
Shanghai Jin Jiang Battery Co Ltd ^{# (c)}	PRC	-	35	Manufacturing of batteries
T. G. Battery Co (China) Ltd ^{(3) *}	PRC	42.5	42.5	Manufacturing of batteries
T.G. Battery Co (Hong Kong) Limited ⁽¹⁾	Hong Kong	50	50	Investment holding and provision of logistic support

* Held by subsidiaries of the Company

Held by associates of the Company

⁽¹⁾ Audited by overseas practices of Deloitte Touche Tohmatsu

⁽²⁾ Audited by other accounting firms as these associates are not significant

⁽³⁾ The result of these associates which are included in the audited consolidated financial statements of their respective holding companies are not separately audited as they are not significant

⁽⁴⁾ Not audited as associates do not have statutory reporting requirements in their respective countries of incorporation and/or are not significant

⁽⁵⁾ Reviewed by Deloitte & Touche, Singapore for consolidation purposes

^(a) Acquired during the financial year for a consideration of US\$3,600,000

^(b) Incorporated during the financial year

^(c) De-registered during the financial year

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

36 Related party transactions

Related parties in these financial statements refer to entities owned or controlled directly or indirectly by Gold Peak Industries (Holdings) Limited ("GPIH") which has significant influence over the Company and associates.

GPIH, a company incorporated in Hong Kong and listed on the Stock Exchange of Hong Kong Limited, is the Company's major shareholder. GPIH invests in the Company through a subsidiary, GP Industries Limited, a company incorporated in Singapore and listed on the Singapore Exchange Securities Trading Limited.

The amounts due from or to related parties are unsecured, non-interest bearing and repayable on demand. The Group has transactions with related parties on normal commercial terms as agreed between the parties as follows:

	The Group	
	2005	2004
	S\$'000	S\$'000
Sales to related parties	225	475
Purchases from related parties	12,591	13,427
Rental and other services received from related parties	304	302
Rental and other services paid to related parties	1,152	1,345
Sales to associates	44,037	22,931
Purchases from associates	74,003	70,038

37 Segment information

The Group's activities are primarily based in the People's Republic of China including Hong Kong and other Asian countries. The dominant source and nature of the Group's risk and returns are based on the geographical areas where its production facilities and assets are located. Therefore, the primary segment is geographical segments by location of assets.

Segment revenue, assets and capital expenditure are analysed based on the location of production facilities and assets. Capital expenditure includes the total cost incurred to acquire property, plant and equipment.

The Group operates in only one main business segment and that is the development, manufacturing, distribution and trading in batteries and battery related products.

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

37 Segment information (cont'd)

Geographical segments by location of production facilities and assets

	Asia S\$'000	North and South America S\$'000	Europe and Others S\$'000	Elimination S\$'000	Consolidated S\$'000
2005					
Revenue					
External sales	778,509	52,458	62,893	-	893,860
Inter-segment sales	57,907	10	6,937	(64,854)	-
Total revenue	836,416	52,468	69,830	(64,854)	893,860
Results					
Segment results before interest, taxation and exceptional items	49,189	2,880	(3,417)		48,652
Exceptional items	(19,615)	859	-		(18,756)
Segment results before interest, taxation but after exceptional items	29,574	3,739	(3,417)		29,896
Interest income					310
Finance costs					30,206 (11,775)
Profit before share of results of associates					18,431
Share of results of associates	5,920	-	(506)		5,414
Profit before income tax					23,845
Income tax					(15,071)
Profit after income tax					8,774
Minority interests					(6,996)
Profit attributable to shareholders					1,778

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

35 Segment information (cont'd)

Geographical segments by location of production facilities and assets

	Asia S\$'000	North and South America S\$'000	Europe and Others S\$'000	Consolidated S\$'000
2005				
Balance sheet				
Segments assets	732,468	90,920	52,855	876,243
Interest in associates	41,182	-	8,695	49,877
	773,650	90,920	61,550	926,120
Unallocated assets				4,262
Consolidated total assets				930,382
Segments liabilities	138,071	2,229	10,438	150,738
Unallocated liabilities				405,097
Consolidated total liabilities				555,835
Other information				
Addition of property, plant and equipment	36,118	277	3,050	39,445
Non-cash expenses:				
Allowance for advances to an associate	14,680	-	-	14,680
Allowance for diminution in value of other investments	5,283	-	-	5,283
Amortisation	6,865	-	-	6,865
Depreciation	34,864	853	2,868	38,585
Gain on disposal of property, plant and equipment	(11)	-	(12)	(23)
Revaluation gain on investment properties	(2,391)	(859)	-	(3,250)
Revaluation gain on short-term investments	(8,377)	-	-	(8,377)

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

37 Segment information (cont'd)

Geographical segments by location of production facilities and assets

	Asia S\$'000	North and South America S\$'000	Europe and Others S\$'000	Elimination S\$'000	Consolidated S\$'000
2004					
Revenue					
External sales	723,174	43,536	60,448	-	827,158
Inter-segment sales	65,914	-	12,569	(78,483)	-
Total revenue	789,088	43,536	73,017	(78,483)	827,158
Results					
Segment results before interest, taxation and exceptional items	51,101	3,140	4,720		58,961
Exceptional item	-	-	-		-
Segment results before interest, taxation but after exceptional items	51,101	3,140	4,720		58,961
Interest income					337
Finance costs					59,298 (9,717)
Profit before share of results of associates					49,581
Share of results of associates	7,448	-	1,303		8,751
Profit before income tax					58,332
Income tax					(9,239)
Profit after income tax					49,093
Minority interests					(3,851)
Profit attributable to shareholders					45,242

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

37 Segment information (cont'd)

Geographical segments by location of production facilities and assets

	Asia S\$'000	North and South America S\$'000	Europe and Others S\$'000	Consolidated S\$'000
2004				
Balance sheet				
Segments assets	701,566	88,094	49,465	839,125
Interest in associates	29,120	-	1,333	30,453
	730,686	88,094	50,798	869,578
Unallocated assets				4,305
Consolidated total assets				873,883
Segments liabilities	142,076	2,105	10,655	154,836
Unallocated liabilities				342,290
Consolidated total liabilities				497,126
Other information				
Addition of property, plant and equipment	44,282	362	6,376	51,020
Non-cash expenses (write back):				
Amortisation	7,000	-	-	7,000
Depreciation	34,457	1,012	2,233	37,702
Goodwill written off	659	-	37	696
Impairment loss of property, plant and equipment write back	-	-	(275)	(275)
Loss on disposal of property, plant and equipment	1,094	-	444	1,538

Revenue from external customers by geographical customers

	The Group	
	2005 S\$'000	2004 S\$'000
Asia	503,352	489,858
North and South America	156,436	143,412
Europe and others	234,072	193,888
	893,860	827,158

NOTES TO THE FINANCIAL STATEMENTS (cont'd)

At 31 March 2005

38 Subsequent events

The Group acquired a 40% interest in Jetview Limited ("Jetview") at a cash consideration of US\$5,800,000 in April 2005. Jetview and its subsidiaries are primarily engaged in the design and assembly of Lithium ion and Lithium polymer battery packs for notebook computers and other electronic devices in Taiwan and China for sales to the OEM market worldwide.

The Company entered into a subscription agreement for the issue of Series 4 Floating Rate Note S\$60 million under its S\$500 million Multi-Currency Debt Issuance Programme in June 2005

39 Comparative figures

Certain adjustments have been made to the prior year's financial statements. The effects of the material adjustments are as follows:

	As previously reported S\$'000	Adjustments S\$'000	As restated S\$'000
The Group			
Balance sheet as at 31 March 2004:			
Properties, plant and equipment	296,897	3,444	300,341
Creditors and accrued charges	151,392	3,444	154,836