



“Following restructuring of business, the Group is now ready to return to growth. We will focus on core business and continue our efforts in automation, brand building and distribution development to further strengthen our competitiveness.”

The recovery of global economy remained slow in the financial year 2013 – 2014. Cost pressure from appreciation of Renminbi and wage increases in China continued to deplete the margin. Nevertheless, the Group has been rationalizing its capacities at different factories to improve cost efficiency. Benefits of automation and productivity improvement programs also started to come in, partly offsetting the rise in labour costs.

The Group's financial position has been strengthened with record low gearing ratio and improved cash flow. During the year, the Group has committed immense effort in restructuring the business and thus made impairments and provisions on several items. The Group reported impairment loss of S\$26.3 million on the investment in and receivables from the Vectrix Group and S\$17.6 million on fixed assets and goodwill in respect of Gold Peak Industries (Taiwan) Limited. Nevertheless, with the completion of the rights issue in March 2014, the financial position has been strengthened and the capital base enhanced.

Revenue for the year declined by 3.6% to S\$695.4 million. Gross profit margin improved by 1.6% to 22.5% due to cost reduction and productivity improvement attained during the year. Loss before income tax was S\$37.3 million as compared to a profit of S\$4.1 million last year. Loss per share was 42.97 Singapore cents compared to loss per share of 13.76 Singapore cents reported last year.

The Board of Directors recommended a final tax-exempt dividend of 1.0 Singapore cent per share.


The Vectrix Group was a drain on the Group's financial resources. The other shareholders of Vectrix decided not to inject further funds into the project. Accordingly, the shareholders of Vectrix are in the process of winding down the Vectrix project and a provision for compensation of Euro 2.9 million (approximately S\$5 million) to an affected customer has also been made. The electrical vehicle ("EV") division will be maintained as a small unit to take on small scale projects.

Following the restructuring of the EV business, the Group will focus on its core battery business. On production side, we will further automate our plants to increase productivity while controlling costs. Plants are being consolidated for better allocation of resources and maximized capacity. On the marketing side, we will be in full gear to expand market share in target markets and to increase penetration through our expanded global distribution network.

Looking ahead, the Group will focus on expanding its core battery business with elevated effort in automation, brand building and distribution development. The Group will also continue to rationalize its factories to improve efficiency and productivity. The sales organization will be strengthened to support market expansion in key markets.

In April 2014, we sadly lost our former Chairman and Chief Executive, the late Mr Andrew Ng. Andrew's contribution to the Group will never be forgotten and his invincible spirits will long live in our hearts. However our entire management team is very committed to building an even stronger GP Batteries to carry out Andrew's vision for the Group.

On behalf of the Board of Directors, I would like to express our gratitude to our shareholders, business partners and customers for their continual support. Special thanks are extended to our committed employees for their dedication and unfailing hard work during the past year.



Victor C. W. Lo
Chairman and Chief Executive Officer

17 June 2014



"With an extensive worldwide market coverage, GP is able to identify charging market requirement and strives to be the global charging specialist."

Parklin Ho, Director, Consumer Division



"Continue to drive market share growth in rechargeable segments through investment in distribution network and system automation."

Edward Lam, Head of Corporate Operations and Industrial Sales



"Driving corporate standards through SAP business process for greater efficiency and accuracy."

Michael Wong, Director, Information Technology, Group IT



CHARGING SPECIALIST



"Safe and quality products as well as value-added services are provided to customers via efficient distribution channels."

Percy Chan, Quality Director and Acting Head of Global Supply Chain



"Strong commitments in product quality, innovation, differentiation and automation turn all threats into our valuable opportunities."

Daniel Tong, General Manager, Strategic Business Unit, NiMH Battery and Charger



"We will grow our customer base and business by focusing on products with high capacity, consistent quality and enhanced safety."

Mingde Wang, Head of Strategic Business Unit, Lithium



"Grasping market opportunities with product innovation and technology advancement."

David Zheng, Head of Technical Operations





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ASIA



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Commanding a strong team and network of multinational sales and marketing experts worldwide.