

# REPORT OF THE DIRECTORS

The directors present their report together with the audited consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2014.

## 1 DIRECTORS

The directors of the Company in office at the date of this report are:

### *Executive:*

Victor Lo Chung Wing	(Chairman and Chief Executive Officer)	(appointed on 25 April 2014)
Richard Ku Yuk Hing	(Vice Chairman)	
Henry Leung Kwong Hang	(Chief Operating Officer and Chief Risk Officer)	
Leung Pak Chuen		(appointed on 29 May 2014)
Hui Wing Sun		
Brian Wong Tze Hang		

### *Independent Non-executive:*

Lim Jiew Keng	(Lead Independent Director)
Allan Choy Kam Wing	
Goh Boon Seong	

## 2 ARRANGEMENTS TO ENABLE DIRECTORS TO ACQUIRE BENEFITS BY MEANS OF THE ACQUISITION OF SHARES AND DEBENTURES

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement whose object is to enable the directors of the Company to acquire benefits by means of the acquisition of shares or debentures in the Company or any other body corporate, except for the Company's share option schemes as disclosed in paragraph 5 of this report.

## 3 DIRECTORS' INTERESTS IN SHARES AND DEBENTURES

The directors of the Company holding office at the end of the financial year had no interests in the share capital and debentures of the Company, the Company's ultimate holding company, Gold Peak Industries (Holdings) Limited ("Gold Peak") and the Company's immediate holding company, GP Industries Limited as recorded in the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act except as follows:

	Shareholdings registered in the name of directors			Shareholdings in which directors are deemed to have an interest		
	At 1 April 2013	At 31 March 2014	At 21 April 2014	At 1 April 2013	At 31 March 2014	At 21 April 2014
<b>Ordinary shares of the Company</b>						
Andrew Ng Sung On *	833,332	1,249,998	1,249,998	54,616,096	87,533,144	87,708,144
Richard Ku Yuk Hing	193,000	151,500	151,500	-	-	-
Hui Wing Sun	570,028	695,028	695,028	-	-	-
<b>Options to subscribe for ordinary shares of the Company</b>						
Andrew Ng Sung On *	190,000	-	-	-	-	-
Richard Ku Yuk Hing	170,000	-	-	-	-	-
Hui Wing Sun	150,000	-	-	-	-	-
Brian Wong Tze Hang	25,000	-	-	-	-	-

	Shareholdings registered in the name of directors			Shareholdings in which directors are deemed to have an interest		
	At 1 April 2013	At 31 March 2014	At 21 April 2014	At 1 April 2013	At 31 March 2014	At 21 April 2014
<b>Ordinary shares of NT\$10 each of Gold Peak Industries (Taiwan) Limited, a subsidiary of the Company</b>						
Andrew Ng Sung On *	500,000	500,000	500,000	-	-	-
Richard Ku Yuk Hing	200,000	200,000	200,000	-	-	-
Hui Wing Sun	200,000	200,000	200,000	-	-	-
<b>Ordinary shares of HK\$0.50 each of Gold Peak</b>						
Andrew Ng Sung On *	99,682,219	99,682,219	99,682,219	126,403,473	126,403,473	126,403,473
Richard Ku Yuk Hing	2,629,684	2,629,684	2,629,684	-	-	-
Henry Leung Kwong Hang	500,000	500,000	500,000	-	-	-
Hui Wing Sun	547,956	547,956	547,956	500,000	500,000	500,000
<b>Options to subscribe for ordinary shares of HK\$0.50 each of Gold Peak</b>						
Andrew Ng Sung On *	750,000	750,000	750,000	-	-	-
Richard Ku Yuk Hing	700,000	700,000	700,000	-	-	-
<b>Ordinary shares of GP Industries Limited</b>						
Andrew Ng Sung On *	378,412	378,412	378,412	414,098,443	414,098,443	414,098,443
Richard Ku Yuk Hing	340,000	340,000	340,000	-	-	-
Hui Wing Sun	77,430	77,430	77,430	-	-	-

\* Deceased on 17 April 2014

By virtue of Section 7 of the Singapore Companies Act, Mr Andrew Ng Sung On is deemed to have an interest in all the related corporations of the Company.

#### 4 DIRECTORS' RECEIPT OF AND ENTITLEMENT TO CONTRACTUAL BENEFITS

Since the beginning of the financial year, no director has received or become entitled to receive a benefit which is required to be disclosed under Section 201(8) of the Singapore Companies Act, by reason of a contract made by the Company or a related corporation with the director or with a firm of which he is a member, or with a company in which he has a substantial financial interest except for salaries, bonuses and other benefits as disclosed in the financial statements. Certain directors received remuneration from related corporations in their capacity as directors and/or executives of those related corporations.

## REPORT OF THE DIRECTORS (CONT'D)

### 5 SHARE OPTIONS

- (i) The Company's Executives' Share Option Scheme (the "Scheme") was approved by the shareholders of the Company at an Extraordinary General Meeting held on 20 December 1999. The Scheme was for a term of 10 financial years. The Scheme commenced on 1 April 1999 and expired on 31 March 2009. Since the expiry of the Scheme on 31 March 2009, no options have been granted pursuant to the Scheme.
- (ii) During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.
- (iii) Movements of the options granted to directors under the Scheme were as follows:

Name of directors	Aggregate options granted since commencement of the Scheme to 31 March 2009	Aggregate options exercised since commencement of the Scheme to 31 March 2014	Aggregate options lapsed since commencement of the Scheme to 31 March 2014	Aggregate options outstanding as at 31 March 2014
Andrew Ng Sung On	780,000	–	(780,000)	–
Richard Ku Yuk Hing	700,000	(530,000)	(170,000)	–
Hui Wing Sun	620,000	(320,000)	(300,000)	–
Brian Wong Tze Hang	55,000	(30,000)	(25,000)	–

All options granted under the Scheme were for the subscription of unissued ordinary shares of the Company.

- (iv) The Scheme was administered by the Remuneration Committee (the "Committee"). The Committee continues to administer the Scheme in respect of the outstanding options granted under the Scheme prior to their expiry. At the date of this report, the Committee comprises the following members:
- Goh Boon Seong (Chairman)  
Lim Jiew Keng  
Allan Choy Kam Wing
- (v) No member of the Committee shall be involved in any deliberation or decision-making in respect of any outstanding options offered or granted to him.
- (vi) The persons to whom the options were granted under the Scheme may, with prior approval of the Committee, participate in any other share option or share incentive schemes implemented by the Group.
- (vii) The shares under option may be exercised in whole or in part on the payment of the relevant subscription price. Options granted will lapse when the option holder ceases to be a full-time employee of the Company or any company of the Group.

### 6 UNISSUED SHARES UNDER OPTION

There were no unissued shares of the Company and subsidiaries under option at the end of the financial year.

## 7 AUDIT COMMITTEE

The Audit Committee of the Company is chaired by Mr Lim Jiew Keng, the Lead Independent Director, and includes Mr Allan Choy Kam Wing and Mr Goh Boon Seong, who are all independent directors. The Audit Committee has met four times since the last Directors' report and has reviewed the following, where relevant, with the executive directors and external and internal auditors of the Company:

- (a) the audit plans and results of the internal auditors' examination and evaluation of the Group's systems of internal accounting controls;
- (b) the Group's financial and operating results and accounting policies;
- (c) the statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group before their submission to the directors of the Company and external auditors' report on those financial statements;
- (d) the quarterly, half-yearly and annual announcements as well as the related press releases on the results and financial position of the Company and the Group;
- (e) the co-operation and assistance given by the management to the Group's external auditors; and
- (f) the re-appointment of the external auditors of the Group.

The Audit Committee has full access to and has the co-operation of the management and has been given the resources required for it to discharge its function properly. It also has full discretion to invite any director and executive officer to attend its meetings. The external and internal auditors have unrestricted access to the Audit Committee.

The Audit Committee has recommended to the directors the nomination of Deloitte & Touche LLP for re-appointment as external auditors of the Group at the forthcoming Annual General Meeting of the Company.

## 8 AUDITORS

The auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

ON BEHALF OF THE DIRECTORS

**Victor Lo Chung Wing**  
Chairman and Chief Executive Officer

**Richard Ku Yuk Hing**  
Vice Chairman

Singapore  
17 June 2014