

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

金山工業(集團)有限公司
Gold Peak Industries (Holdings) Limited

(Incorporated in Hong Kong under the Companies Ordinance)
(Stock Code: 40)



**Announcement of 2009/2010 Final Results of
GP Industries Limited**

Pursuant to Paragraph 13.09(1) of the Listing Rules, the Board of Directors of Gold Peak Industries (Holdings) Limited is pleased to announce the unaudited consolidated results of GP Industries Limited for the year ended 31 March 2010. GP Industries Group's turnover increased by 11% to S\$268 million and its net profits is S\$33.9 million, compared to a loss of S\$6.1 million last year.

Pursuant to Paragraph 13.09(1) of the Listing Rules, the Board of Directors of Gold Peak Industries (Holdings) Limited (the "Company") is pleased to announce the unaudited consolidated results of GP Industries Limited ("GP Industries" and together with its subsidiaries, "GP Industries Group") for the year ended 31 March 2010. GP Industries is a subsidiary of the Company and is listed on the Singapore Exchange Securities Trading Limited.

GP INDUSTRIES LIMITED
UNAUDITED CONSOLIDATED RESULTS

	For the year ended 31 March 2010		For the year ended 31 March 2009	
	S\$'000	HK\$'000 (Note)	S\$'000	HK\$'000 (Note)
Turnover	267,879	1,457,503	242,363	1,313,644
Cost of sales	<u>(192,588)</u>	<u>(1,047,852)</u>	<u>(177,882)</u>	<u>(964,147)</u>
Gross profit	75,291	409,651	64,481	349,497
Other operating income	9,001	48,973	15,217	82,478
Distribution costs	(30,315)	(164,941)	(33,789)	(183,141)
Administrative expenses	(38,437)	(209,132)	(41,579)	(225,364)
Exchange gain	685	3,727	4,653	25,220
Other operating expenses	<u>(3,906)</u>	<u>(21,252)</u>	<u>(770)</u>	<u>(4,174)</u>
Profit from operations	12,319	67,026	8,213	44,516
Finance costs	(4,731)	(25,741)	(6,393)	(34,651)
Exceptional items	(4,190)	(22,797)	(14,987)	(81,232)
Share of results of associates	<u>41,126</u>	<u>223,762</u>	<u>14,550</u>	<u>78,863</u>
Profit before taxation	44,524	242,250	1,383	7,496
Taxation	<u>(10,355)</u>	<u>(56,340)</u>	<u>(7,727)</u>	<u>(41,881)</u>
Profit (Loss) after taxation	<u>34,169</u>	<u>185,910</u>	<u>(6,344)</u>	<u>(34,385)</u>
Attributable to:				
Equity holders of GP Industries	33,854	184,196	(6,069)	(32,894)
Minority interests	315	1,714	(275)	(1,491)
	<u>34,169</u>	<u>185,910</u>	<u>(6,344)</u>	<u>(34,385)</u>
Earnings (Loss) per share	<u>S cents 6.05</u>	<u>HK cents 32.92</u>	<u>S cents (1.05)</u>	<u>HK cents (5.69)</u>
Final dividend per share	<u>S cents 2.0</u>	<u>HK cents 10.88</u>	<u>S cents 1.0</u>	<u>HK cents 5.42</u>

Note:-

The Hong Kong dollar equivalents as shown above for illustrative purposes are converted at the average exchange rates for the respective periods.

REVIEW OF RESULTS

Revenue of GP Industries Group for the financial year ended 31 March 2010 increased by 11% to S\$268 million, mainly attributable to recovery of the electronics business and the S\$38 million revenue contributed by Shanghai Jintong Automobile Harness Limited (“Jintong”), a jointly managed automotive wire harness manufacturer serving mainly the Chinese automotive industry. GP Industries Group raised its effective shareholding in Jintong to 50% in November 2009 and the financial result of Jintong is now accounted for by the proportionate consolidation method from November 2009 onwards.

GP Industries Group’s gross profit margin continued to improve. Profit from operations for the financial year increased from S\$8.2 million last year to S\$12.3 million this year. The improvement was primarily driven by recovery of the electronics business, additional contribution from Jintong to the automotive wire harness business and GP Industries Group’s effective cost-control measures. The performance of GP Batteries International Limited (“GP Batteries”) also recovered strongly and contributed a significantly higher profit after taxation of S\$18.0 million when compared with S\$0.9 million last year. GP Industries Group reported a net exceptional loss of S\$4.2 million this year, against a net exceptional loss of S\$15.0 million last year.

In the financial year, the performance of some of GP Industries Group’s businesses have returned to or exceeded pre-economic crisis levels. Profit attributable to equity holders of GP Industries for the financial year was S\$33.9 million, compared to a loss of S\$6.1 million last year.

Based on the weighted average number of 559,669,267 shares in issue (2009: 576,601,925 shares), basic earnings per share for the financial year was 6.05 Singapore cents, compared with a loss of 1.05 Singapore cents last year.

BUSINESS REVIEW

Electronics and Acoustics - Sales from the electronics business for the financial year increased by 16% over last year, mainly due to a 35% increase in sales of professional audio equipment as a result of strong market reception for new products launched. Sales from subsidiaries in the components business was lower this year. Associated companies of the components business recovered strongly and the aggregate contribution from associates increased by more than 40% when compared to last year. Sales from the acoustics business during the financial year decreased by 15% when compared to last year. Sales to America reduced by 23% and sales to Europe dropped by 18%. The sales drop was also aggravated by the depreciation of Euro against Singapore dollar. Sales to China grew by more than 18% and sales to other Asian markets grew by 12%. Cost-control measures mitigated the adverse effects of lower revenue. Total profit contribution from the electronics and acoustics business increased by 60% over the profit reported last financial year.

Automotive wire harness - In November 2009, GP Industries Group completed the acquisition of the 50% equity interest in Jinting, which contributed approximately S\$38 million to the revenue of GP Industries Group for the period from November 2009 to March 2010. Profit contribution from the automotive wire harness business also increased substantially as a result of the additional contribution from Jinting. In addition, GP Industries Group reported an exceptional gain of S\$10.1 million upon its acquisition of interest in Jinting from negative goodwill on acquisition.

Other businesses - Profit contribution from the cable associate Linkz Industries Limited (“Linkz”) increased despite lower sales in the financial year. Sales of the 20%-owned Meiloon Industrial Co., Ltd. (“Meiloon”) dropped by 25% and contributed lower profit. However, Meiloon’s results were improving and returned to profit in the financial quarter ended 31 December 2009. During the financial year, GP Industries Group exited from the light fittings business. Linkz had entered into an agreement prior to 31 March 2010 to issue new Linkz shares as consideration for its acquisition which would dilute GP Industries’ interest in Linkz from 47% to 37%. An exceptional loss on dilution of interest in Linkz amounted to approximately S\$2.1 million was reported during the financial year. A net exceptional charge of S\$13.1 million, which comprised mainly impairment allowance on investments, was also reported from this business segment.

GP Batteries - GP Batteries’ turnover for the financial year was S\$799 million, a decrease of 8% comparing to last financial year due mainly to decrease in sales to Europe particularly in the first half of the financial year. However, gross profit margin for the financial year ended 31 March 2010 was approximately 23%, compared to 21% for last year (excluding the effect of commodity hedging contracts) mainly due to sales mix with better margin as well as effective cost-control measures. Profit after tax attributable to equity holders of GP Batteries for the financial year was S\$37.1 million, compared to S\$0.2 million last year. During the financial year, GP Industries acquired additional GP Batteries shares from the open market and increased its interest therein from 49.15% to 49.79%, which resulted in an exceptional gain of S\$0.9 million from the negative goodwill pursuant to the share purchase.

PROSPECTS

Demand for GP Industries Group’s products should continue to improve as the global economy continues to strengthen. Robust economic growth in China and the rest of Asia is expected to boost the demand for GP Industries Group’s automotive wire harness and acoustics products. However, the uncertainties which originated from the Euro-zone debt crisis may affect consumer sentiment and volatility in currencies, liquidity and material costs may negatively affect some of GP Industries Group’s businesses.

GP Industries Group will continue to invest into development of new products and marketing of its brands. Cost-control and streamlining measures instituted last year will continue to contribute to the competitiveness of GP Industries Group's products. GP Batteries will further explore business opportunities in the electric transportation business.

GP Industries Group has made significant progress in strengthening its balance sheet and has reduced its gearing level (net bank borrowing to equity) from approximately 49% as at 30 September 2008 to approximately 25% as at 31 March 2010.

By Order of the Board
WONG Man Kit
Company Secretary

Hong Kong, 29 May 2010
www.goldpeak.com

As at the date of this announcement, the Board of Directors of the Company consists of Messrs. Victor LO Chung Wing (Chairman & Chief Executive), Andrew NG Sung On (Vice Chairman), Kevin LO Chung Ping, Paul LO Chung Wai, LEUNG Pak Chuen, Richard KU Yuk Hing and Andrew CHUANG Siu Leung as Executive Directors, Messrs. CHAU Kwok Wai, Raymond WONG Wai Kan and Vincent CHEUNG Ting Kau as Non-Executive Directors, and Messrs. LUI Ming Wah, Frank CHAN Chi Chung and CHAN Kei Biu as Independent Non-Executive Directors.