REPORT OF THE DIRECTORS

The directors present their report to the members together with the audited financial statements of the Company and of the Group for the financial year ended 31 March 1999.

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

Executive:
Victor Lo Chung Wing, Chairman
Leung Pak Chuen, Vice Chairman and Managing Director
Brian Li Yiu Cheung, Deputy Managing Director
Andrew Chuang Siu Leung
Raymond Wong Wai Kan
Leung Cheuk Sun
Michael Dean Smith

Non-executive:
Lim Ah Doo
Phua Bah Lee
Lim Hock Beng

2 Principal Activities
The principal activities of the Company comprise those of an investment holding company and the functions of a regional headquarters of the Group.

The principal activities of the Group's subsidiaries and associated companies are the development, manufacturing and marketing of electronic equipment, automotive wire harness, cables, cable assembly products and acoustics products.

There have been no significant changes in these activities during the financial year.

3 Acquisition and Disposal of Subsidiaries
a) During the financial year, the Company acquired an additional 400,000 ordinary shares in KH Industries (UK) Limited for a consideration of approximately S$1,143,000. The corresponding share of net tangible assets acquired amounted to approximately S$283,000. This increased the Group's equity interest in KH Industries (UK) Limited from 95% to 100%.

b) During the financial year, the Group's interest in Shenzhen Nike Electronic Ltd. increased from 54.5% to 70.6% as a result of return of part of the capital contributed by the minority shareholder. Following the capital reduction, the Group's share in the net liabilities of Shenzhen Nike Electronic Ltd. increased by approximately S$157,000.

c) There was no disposal of subsidiaries during the financial year.
4 Results and Appropriations for the Financial Year

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$’000</td>
<td>S$’000</td>
</tr>
<tr>
<td>Profit attributable to shareholders</td>
<td>14,816</td>
<td>7,792</td>
</tr>
<tr>
<td>Retained profits brought forward</td>
<td>23,802</td>
<td>9,351</td>
</tr>
<tr>
<td>Profit available for appropriation</td>
<td>38,618</td>
<td>17,143</td>
</tr>
<tr>
<td>Dividends:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interim dividend paid: - 5.0% tax-exempt</td>
<td>(2,400)</td>
<td>(2,400)</td>
</tr>
<tr>
<td>Final dividend proposed: - 7.5% tax-exempt</td>
<td>(3,600)</td>
<td>(3,600)</td>
</tr>
<tr>
<td>Transfer to reserves</td>
<td>(115)</td>
<td>-</td>
</tr>
<tr>
<td>Retained profits carried forward</td>
<td>32,503</td>
<td>11,143</td>
</tr>
</tbody>
</table>

5 Material Transfers to or from Reserves and Provisions
Except as disclosed in the accompanying financial statements, there were no material transfers to or from reserves and provisions of the Company and of the Group.

6 Issue of Shares and Debentures
a) During the financial year, KH Industries (UK) Limited issued 3,000,000 ordinary shares of £1.00 each at par for cash to provide additional working capital.

b) Save as aforesaid, there were no shares or debentures issued by the Company or any of the subsidiaries during the financial year.

7 Arrangements to Enable Directors to Acquire Shares or Debentures
Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement, to which the Company is a party, the objective of which is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate except for the Company’s Executives’ Share Option Scheme set out in paragraph 20.
8 Directors’ Interest in Shares and Debentures

According to the register of directors’ shareholdings kept by the Company for the purposes of Section 164 of the Companies Act, the undermentioned persons who were directors of the Company at 31 March 1999 had an interest in the shares of the Company and the Company’s ultimate holding company, Gold Peak Industries (Holdings) Limited (“Gold Peak”) as detailed below:

<table>
<thead>
<tr>
<th>Shareholdings registered</th>
<th>Shareholdings in which directors are deemed to have an interest</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>At beginning of year</td>
</tr>
<tr>
<td><strong>Interest in the Company’s ordinary shares of S$0.20 each</strong></td>
<td></td>
</tr>
<tr>
<td>Victor Lo Chung Wing</td>
<td>–</td>
</tr>
<tr>
<td>Leung Pak Chuen</td>
<td>–</td>
</tr>
<tr>
<td>Brian Li Yiu Cheung</td>
<td>180,000</td>
</tr>
<tr>
<td>Andrew Chuang Siu Leung</td>
<td>–</td>
</tr>
<tr>
<td>Raymond Wong Wai Kan</td>
<td>180,000</td>
</tr>
<tr>
<td>Leung Cheuk Sun</td>
<td>–</td>
</tr>
<tr>
<td>Michael Dean Smith</td>
<td>–</td>
</tr>
</tbody>
</table>

**Options to subscribe for the Company’s ordinary shares of S$0.20 each**

<table>
<thead>
<tr>
<th></th>
<th>At beginning of year</th>
<th>At end of year</th>
<th>At 21 April 1999</th>
<th>At beginning of year</th>
<th>At end of year</th>
<th>At 21 April 1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leung Pak Chuen</td>
<td>120,000</td>
<td>280,000</td>
<td>280,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Brian Li Yiu Cheung</td>
<td>100,000</td>
<td>220,000</td>
<td>220,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Andrew Chuang Siu Leung</td>
<td>80,000</td>
<td>160,000</td>
<td>160,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Raymond Wong Wai Kan</td>
<td>80,000</td>
<td>160,000</td>
<td>160,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Leung Cheuk Sun</td>
<td>80,000</td>
<td>160,000</td>
<td>160,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Michael Dean Smith</td>
<td>80,000</td>
<td>160,000</td>
<td>160,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
</tbody>
</table>

**Interest in Gold Peak’s ordinary shares of HK$0.50 each**

<table>
<thead>
<tr>
<th></th>
<th>At beginning of year</th>
<th>At end of year</th>
<th>At 21 April 1999</th>
<th>At beginning of year</th>
<th>At end of year</th>
<th>At 21 April 1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>Victor Lo Chung Wing</td>
<td>9,381,411</td>
<td>281,411</td>
<td>543,763</td>
<td>38,380,039</td>
<td>48,980,039</td>
<td>61,225,048</td>
</tr>
<tr>
<td>Leung Pak Chuen</td>
<td>1,242,065</td>
<td>1,242,065</td>
<td>1,552,561</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Brian Li Yiu Cheung</td>
<td>3,000</td>
<td>32,000</td>
<td>40,500</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Andrew Chuang Siu Leung</td>
<td>350,000</td>
<td>400,000</td>
<td>504,000</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Raymond Wong Wai Kan</td>
<td>25,329</td>
<td>25,329</td>
<td>40,000</td>
<td>386,000</td>
<td>386,000</td>
<td>475,081</td>
</tr>
<tr>
<td>Michael Dean Smith</td>
<td>40,141</td>
<td>40,141</td>
<td>40,141</td>
<td>865</td>
<td>865</td>
<td>865</td>
</tr>
</tbody>
</table>
8 Directors' Interest in Shares and Debentures (cont'd)

| Warrants to subscribe for Gold Peak's ordinary shares of HK$0.50 each |
|-------------------------------|-----------------|--------------------|-------------------|
| Victor Lo Chung Wing          | 1,900,000       | 1,900,000          | 2,086,820         |
| Leung Pak Chuen               | 248,413         | 248,413            | 272,838           |
| Brian Li Yiu Cheung           | 600             | 400                | 439               |
| Andrew Chuang Siu Leung       | 70,000          | 70,000             | 76,882            |
| Raymond Wong Wai Kan          | 1,065           | 1,065              | 1,169             |
| Michael Dean Smith            | 8,028           | 8,028              | 8,817             |

| Options to subscribe for Gold Peak's ordinary shares of HK$0.50 each |
|-------------------------------|-----------------|--------------------|-------------------|
| Victor Lo Chung Wing          | 2,500,000       | 1,000,000          | –                 |
| Andrew Chuang Siu Leung       | 350,000         | 150,000            | –                 |

9 Dividends

Dividends paid, declared or proposed since the end of the Company's last financial year were as follows:

a) A final tax-exempt dividend of 1.5 Singapore cents per share of S$0.20 each amounting to S$3,600,000, in respect of the financial year ended 31 March 1998 was paid on 16 October 1998.

b) An interim tax-exempt dividend of 1.0 Singapore cent per share of S$0.20 each amounting to S$2,400,000, in respect of the financial year ended 31 March 1999 was paid on 9 February 1999.

c) The directors recommended a final tax-exempt dividend of 1.5 Singapore cents per share of S$0.20 each amounting to S$3,600,000, in respect of the financial year ended 31 March 1999. The dividend payment date will be announced after the forthcoming Annual General Meeting.

Under the incentive scheme for companies setting up regional headquarters in Singapore, the Company was granted tax incentives under Section 13(10) of the Income Tax Act for an initial period of five years commencing on 1 November 1995. Dividends received by the Company from approved qualifying companies within the Group are exempted from Singapore tax.
10 Directors' Action Relating to Bad and Doubtful Debts
Before the profit and loss statement and the balance sheet of the Company were made out, the directors of the Company took reasonable steps to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts of the Company and have satisfied themselves that all known bad debts, if any, of the Company have been written off and that, where necessary, adequate provision has been made for doubtful debts.

At the date of this report, the directors of the Company are not aware of any circumstances which would render any amount written off or provided for bad and doubtful debts for the group of companies in the consolidated financial statements of the Company inadequate to any substantial extent.

11 Directors' Action Relating to Current Assets
Before the profit and loss statement and the balance sheet of the Company were made out, the directors of the Company took reasonable steps to ensure that any current assets of the Company which were unlikely to realise their book values in the ordinary course of business have been written down to their estimated realisable values or were adequately provided for.

At the date of this report, the directors of the Company are not aware of any circumstances which would render the value attributable to current assets in the consolidated financial statements misleading.

12 Charges on Assets and Existence of Contingent Liabilities after the End of the Financial Year
At the date of this report:

a) there does not exist any charge on the assets of the Company or any corporation in the Group which has arisen since the end of the financial year which secures the liability of any other person; and

b) there does not exist any contingent liability of the Company or any corporation in the Group which has arisen since the end of the financial year other than those arising out of the ordinary course of business.

13 Ability to Meet Obligations
No contingent or other liability of the Company or any corporation in the Group has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the directors of the Company, will or may substantially affect the ability of the Company and of the Group to meet their obligations as and when they fall due.
14 Other Circumstances Affecting Financial Statements
At the date of this report, the directors of the Company are not aware of any circumstances, not otherwise dealt with in this report or consolidated financial statements which would render any amount stated in the financial statements of the Company and the consolidated financial statements misleading.

15 Unusual Items
In the opinion of the directors of the Company, the results of operations of the Company and of the Group have not been substantially affected by any item, transaction or event of a material and unusual nature during the financial year except as disclosed in the financial statements.

16 Unusual Items after the End of the Financial Year
In the opinion of the directors of the Company, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which would affect substantially the results of the operations of the Company and of the Group for the financial year in which this report is made.

17 Directors' Receipt 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 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 that certain directors have received remuneration from related corporations in their capacity as directors and/or executives of those related corporations and except as disclosed in the financial statements.

18 Option to Take Up Unissued Shares
a) During the financial year, pursuant to the Company's Executives' Share Option Scheme, options to subscribe for a total 1,965,000 new ordinary shares of $0.20 each at an exercise price of US$0.30 per ordinary share were granted, details of which are as follows:

<table>
<thead>
<tr>
<th>Number of employees</th>
<th>Total number of ordinary shares of $0.20 each under options granted</th>
</tr>
</thead>
<tbody>
<tr>
<td>Executive directors</td>
<td>7                                                             650,000</td>
</tr>
<tr>
<td>Executives</td>
<td>62                                                            1,315,000</td>
</tr>
<tr>
<td></td>
<td>69                                                            1,965,000</td>
</tr>
</tbody>
</table>

The above options are exercisable from 23 July 1999 to 22 July 2003.
18 Option to Take Up Unissued Shares (cont'd)

The persons to whom the options have been granted do not have the right to participate by virtue of the options in any share issue of any other corporation within the Group.

b) No option to take up unissued shares of subsidiaries has been granted during the financial year.

19 Option Exercised

During the financial year, no shares of the Company or any corporation in the Group were issued by virtue of the exercise of an option to take up unissued shares.

20 Unissued Shares Under Option

a) The options on ordinary shares of S$0.20 each of the Company granted pursuant to the Company’s Executives’ Share Option Scheme were as follows:

<table>
<thead>
<tr>
<th>Share options</th>
<th>Expiry date</th>
<th>Exercise price</th>
<th>Number outstanding at 31.3.1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share options 1</td>
<td>2 February 2002</td>
<td>US$0.60</td>
<td>1,839,000</td>
</tr>
<tr>
<td>Share options 2</td>
<td>22 July 2003</td>
<td>US$0.30</td>
<td>1,830,000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>3,669,000</td>
</tr>
</tbody>
</table>

b) No option to take up unissued shares of subsidiaries were outstanding at the end of the financial year.

21 Corporate Governance

The Company recognises the importance of good standards of corporate governance and fully supports the recommendations by the Stock Exchange of Singapore Limited on the enhancement of corporate governance.

a) Board of Directors

The Board currently comprises 10 directors, of whom 3 are independent non-executive directors. The Board directs the Group in strategic business plans and initiatives and oversees the management of the Group. It reviews the operating results with management. It also discusses matters pertaining to internal controls, audits and related party or interested person transactions with the Audit Committee. The Board supports recent developments to improve corporate governance and confirms compliance with the Best Practices Guide relating to Audit Committee issued by the Stock Exchange of Singapore Limited.
b) Audit Committee

The Board has adopted the principles of corporate governance under the Best Practices Guide as formulated by the Stock Exchange of Singapore Limited. The Audit Committee comprises 4 members, of whom 3 are independent non-executive directors. The Audit Committee performs the following functions:

i) reviews the annual audit plan of the Company's external auditors;

ii) reviews the results of the external auditors' examination and their evaluation of the Group's internal control system;

iii) nominates external auditors of the Company for reappointment;

iv) approves the internal audit plans and reviews results of internal audits as well as management's responses to the recommendations of the internal auditor;

v) reviews the Company's half year and full year results announcements, the accounts of the Company and the consolidated accounts of the Group before their submission to the Board of Directors;

vi) reviews the Group's related party and interested person transactions; and

vii) conducts any other reviews as required by the Listing Manual of the Stock Exchange of Singapore Limited.

The Audit Committee held 5 meetings during the financial year ended 31 March 1999. It has recommended the Board of Directors the reappointment of Deloitte & Touche as auditors of the Company.

c) Share options and dealings in the Company's securities

The Company's Executives' Share Option Scheme ("ESOS") is reviewed by the ESOS Committee comprising of 4 members of whom 3 are independent directors. The Group has adopted a Code of Best Practices on Securities Transactions to provide guidelines to its officers with regard to dealings in the Company's securities.
**22 Year 2000 compliance**

The Group defines Year 2000 ("Y2K") compliance as ensuring that the performance and functionality of the Group's hardware, software, products and services will not be adversely affected by dates during and after the Year 2000. With the following actions taken by the Group, the Y2K issue will have insignificant impact on the Group's operations.

The Group has set up a Steering Committee to address the Y2K issue. Supported by in-house Information Technology personnel, the Steering Committee has formulated plans and established procedures for all the companies within the Group to implement. Some of the procedures include taking inventory of all systems, equipment and machinery which may be affected by the Y2K problem, obtaining Y2K compliance confirmation from major suppliers, customers and other relevant parties and where appropriate, upgrading non-Y2K compliant equipment.

As at the date of this report, all major compliance testing, upgrading or replacement of critical equipment have been completed.

The Group has considered Y2K compliance a few years back in purchasing of hardware and software and therefore has been able to minimise the cost of Y2K compliance. It estimates that approximately S$260,000 will be incurred for replacement and upgrading of capital items, mainly computer equipment, for Y2K compliance purpose. Capital expenditure will be amortised according to the Group's fixed asset depreciation policy.

**23 Auditors**

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

On behalf of the Board

**Victor Lo Chung Wing**

Chairman

**Leung Pak Chuen**

Vice Chairman and Managing Director

12 August 1999
AU DIT ORS’ REPORT

To the members of GPE Industries Limited

We have audited the balance sheets of GPE Industries Limited and of the Group as at 31 March 1999, and the profit and loss statements of the Company and of the Group and consolidated cash flow statement of the Group for the year then ended as set out on pages 37 to 65. These financial statements are the responsibility of the Company’s directors. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Singapore Standards on Auditing. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

a) the accompanying financial statements and consolidated financial statements are properly drawn up in accordance with the provisions of the Companies Act and Statements of Accounting Standard and so as to give a true and fair view of:

i) the state of affairs of the Company and of the Group as at 31 March 1999 and of the results of the Company and of the Group and of the cash flows of the Group for the financial year then ended; and

ii) the other matters required by Section 201 of the Act to be dealt with in the financial statements and consolidated financial statements;

b) the accounting and other records and the registers required by the Act to be kept by the Company and by those subsidiaries incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

We have considered the financial statements and auditors’ reports of all the subsidiaries of which we have not acted as auditors, being financial statements included in the consolidated financial statements. The names of these subsidiaries are indicated in note 30 to the financial statements.

We are satisfied that the financial statements of the subsidiaries that are consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations as required by us for those purposes.

The auditors’ reports on the financial statements of the subsidiaries were not subject to any qualification and in respect of subsidiaries incorporated in Singapore did not include any comment made under Section 207(3) of the Act.

Deloitte & Touche
Certified Public Accountants

Wong-Yeo Siew Eng
Partner

Singapore
12 August 1999
# Profit and Loss Statements

Year ended 31 March 1999

<table>
<thead>
<tr>
<th>Notes</th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Turnover</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2, 3</td>
<td>257,137</td>
<td>295,069</td>
</tr>
<tr>
<td>Operating profit (loss)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>(4,502)</td>
<td>3,460</td>
</tr>
<tr>
<td>Share of results of associated companies</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>16,434</td>
<td>14,701</td>
</tr>
<tr>
<td>Profit before taxation</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>11,932</td>
<td>18,161</td>
</tr>
<tr>
<td>Taxation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>(3,070)</td>
<td>(2,652)</td>
</tr>
<tr>
<td>Profit after taxation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>8,862</td>
<td>15,509</td>
</tr>
<tr>
<td>Minority interests</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,142</td>
<td>319</td>
</tr>
<tr>
<td>Profit before extraordinary items</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>10,004</td>
<td>15,828</td>
</tr>
<tr>
<td>Extraordinary items</td>
<td></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>4,812</td>
<td>-</td>
</tr>
<tr>
<td>Profit attributable to shareholders</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>14,816</td>
<td>15,828</td>
</tr>
<tr>
<td>Retained profits brought forward</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>23,802</td>
<td>16,033</td>
</tr>
<tr>
<td>Profits available for appropriation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>38,618</td>
<td>31,861</td>
</tr>
<tr>
<td>Appropriations:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td></td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>(6,000)</td>
<td>(6,720)</td>
</tr>
<tr>
<td>Capitalisation of retained profits of a subsidiary</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>(1,339)</td>
</tr>
<tr>
<td>Transfer to reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>(115)</td>
<td>-</td>
</tr>
<tr>
<td>Retained profits carried forward</td>
<td></td>
<td></td>
</tr>
<tr>
<td>26</td>
<td>32,503</td>
<td>23,802</td>
</tr>
<tr>
<td>Basic earnings per share (cents)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>4.17</td>
<td>6.59</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements.
### BALANCE SHEETS
31 March 1999

#### The Group

<table>
<thead>
<tr>
<th>Notes</th>
<th>1999 S$'000</th>
<th>1998 S$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Assets</td>
<td>33,760</td>
<td>38,229</td>
</tr>
<tr>
<td>Interest in Subsidiaries</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Non-current Receivable</td>
<td>4,464</td>
<td>-</td>
</tr>
<tr>
<td>Deferred Expenditure</td>
<td>2,409</td>
<td>3,189</td>
</tr>
<tr>
<td>Pre-Operating Expenditure</td>
<td>233</td>
<td>383</td>
</tr>
<tr>
<td>Trademark</td>
<td>369</td>
<td>393</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>110,434</strong></td>
<td><strong>97,980</strong></td>
</tr>
</tbody>
</table>

#### The Company

<table>
<thead>
<tr>
<th>Notes</th>
<th>1999 S$'000</th>
<th>1998 S$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Assets</td>
<td>33,760</td>
<td>38,229</td>
</tr>
<tr>
<td>Interest in Associated Companies</td>
<td>69,199</td>
<td>55,786</td>
</tr>
<tr>
<td>Non-current Receivable</td>
<td>4,464</td>
<td>-</td>
</tr>
<tr>
<td>Deferred Expenditure</td>
<td>2,409</td>
<td>3,189</td>
</tr>
<tr>
<td>Pre-Operating Expenditure</td>
<td>233</td>
<td>383</td>
</tr>
<tr>
<td>Trademark</td>
<td>369</td>
<td>393</td>
</tr>
<tr>
<td><strong>Total Assets</strong></td>
<td><strong>110,434</strong></td>
<td><strong>97,980</strong></td>
</tr>
</tbody>
</table>

### Current Assets

<table>
<thead>
<tr>
<th>Notes</th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories</td>
<td>35,605</td>
<td>49,905</td>
</tr>
<tr>
<td>Debtors and bills receivable</td>
<td>63,104</td>
<td>64,266</td>
</tr>
<tr>
<td>Taxation recoverable</td>
<td>-</td>
<td>277</td>
</tr>
<tr>
<td>Bank balances, deposits and cash</td>
<td>35,445</td>
<td>27,405</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td><strong>134,196</strong></td>
<td><strong>141,853</strong></td>
</tr>
</tbody>
</table>

### Current Liabilities

<table>
<thead>
<tr>
<th>Notes</th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Creditors and accrued charges</td>
<td>45,833</td>
<td>62,762</td>
</tr>
<tr>
<td>Proposed dividend</td>
<td>3,600</td>
<td>3,600</td>
</tr>
<tr>
<td>Obligations under finance leases and hire purchase contracts</td>
<td>-</td>
<td>123</td>
</tr>
<tr>
<td>Taxation payable</td>
<td>488</td>
<td>227</td>
</tr>
<tr>
<td>Amount due to ultimate holding company</td>
<td>-</td>
<td>5,926</td>
</tr>
<tr>
<td>Bank loans and overdrafts</td>
<td>38,645</td>
<td>42,357</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td><strong>88,566</strong></td>
<td><strong>114,995</strong></td>
</tr>
</tbody>
</table>

### Net Current Assets (Liabilities)

<table>
<thead>
<tr>
<th>Notes</th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Current Liabilities</td>
<td>45,630</td>
<td>26,858</td>
</tr>
<tr>
<td><strong>Total Non-Current Liabilities</strong></td>
<td><strong>107,265</strong></td>
<td><strong>111,295</strong></td>
</tr>
</tbody>
</table>

### Non-Current Liabilities

<table>
<thead>
<tr>
<th>Notes</th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bank loans</td>
<td>36,662</td>
<td>2,614</td>
</tr>
<tr>
<td>Amount due to ultimate holding company</td>
<td>11,753</td>
<td>24,435</td>
</tr>
<tr>
<td>Deferred taxation</td>
<td>384</td>
<td>364</td>
</tr>
<tr>
<td><strong>Total Non-Current Liabilities</strong></td>
<td><strong>48,799</strong></td>
<td><strong>28,539</strong></td>
</tr>
</tbody>
</table>

### Represented by:

<table>
<thead>
<tr>
<th>Notes</th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Issued Capital</td>
<td>48,000</td>
<td>48,000</td>
</tr>
<tr>
<td>Reserves</td>
<td>58,662</td>
<td>63,295</td>
</tr>
<tr>
<td><strong>Shareholders' Funds</strong></td>
<td><strong>106,662</strong></td>
<td><strong>111,295</strong></td>
</tr>
<tr>
<td>Minority Interests</td>
<td>603</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Shareholders' Funds</strong></td>
<td><strong>107,265</strong></td>
<td><strong>111,295</strong></td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements.
### CONSOLIDATED CASH FLOW STATEMENT

Year ended 31 March 1999

<table>
<thead>
<tr>
<th></th>
<th>1999</th>
<th>1998</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td><strong>Cash flows from operating activities</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Loss) Profit before taxation and extraordinary items</td>
<td>(4,502)</td>
<td>3,460</td>
</tr>
<tr>
<td>Adjustments not involving cash flows:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortisation of deferred expenditure</td>
<td>1,313</td>
<td>1,282</td>
</tr>
<tr>
<td>Amortisation of pre-operating expenditure</td>
<td>176</td>
<td>247</td>
</tr>
<tr>
<td>Amortisation of trademark</td>
<td>53</td>
<td>49</td>
</tr>
<tr>
<td>Amortisation of capital reserve on consolidation</td>
<td>(426)</td>
<td>(332)</td>
</tr>
<tr>
<td>Depreciation of fixed assets</td>
<td>7,732</td>
<td>8,020</td>
</tr>
<tr>
<td>Interest expense</td>
<td>4,844</td>
<td>4,114</td>
</tr>
<tr>
<td>Interest income</td>
<td>(1,393)</td>
<td>(1,822)</td>
</tr>
<tr>
<td>Gain on disposal of fixed assets, net</td>
<td>(62)</td>
<td>(1,262)</td>
</tr>
<tr>
<td>Gain on disposal of a subsidiary</td>
<td>-</td>
<td>(39)</td>
</tr>
<tr>
<td>Gain on disposal of associated companies</td>
<td>-</td>
<td>(12)</td>
</tr>
<tr>
<td>Loss (Gain) on dilution of interest in an associated company</td>
<td>34</td>
<td>(10)</td>
</tr>
<tr>
<td>Fixed assets written-off</td>
<td>3</td>
<td>-</td>
</tr>
<tr>
<td>Deferred expenditure written-off</td>
<td>-</td>
<td>2</td>
</tr>
<tr>
<td><strong>Operating profit before working capital changes</strong></td>
<td>7,772</td>
<td>13,697</td>
</tr>
<tr>
<td>Inventories</td>
<td>12,445</td>
<td>(5,189)</td>
</tr>
<tr>
<td>Debtors and bills receivable</td>
<td>1,162</td>
<td>9,714</td>
</tr>
<tr>
<td>Creditors and accrued charges</td>
<td>(16,930)</td>
<td>6,755</td>
</tr>
<tr>
<td>Amount due to ultimate holding company</td>
<td>(5,926)</td>
<td>2,054</td>
</tr>
<tr>
<td><strong>Cash (used in) generated from operations</strong></td>
<td>(1,477)</td>
<td>27,031</td>
</tr>
<tr>
<td>Income tax paid, net of refunds received</td>
<td>(133)</td>
<td>(1,394)</td>
</tr>
<tr>
<td>Interest paid</td>
<td>(4,844)</td>
<td>(4,114)</td>
</tr>
<tr>
<td>Interest received</td>
<td>1,393</td>
<td>1,822</td>
</tr>
<tr>
<td><strong>Cash flow before extraordinary items</strong></td>
<td>(5,061)</td>
<td>23,345</td>
</tr>
<tr>
<td>Extraordinary item:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payment for cost for major restructuring of certain operations</td>
<td>(1,763)</td>
<td>-</td>
</tr>
<tr>
<td><strong>Net cash (used in) generated from operating activities</strong></td>
<td>(6,824)</td>
<td>23,345</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements.
CONSOLIDATED CASH FLOW STATEMENT (CONT'D)

<table>
<thead>
<tr>
<th></th>
<th>1999</th>
<th>1998</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Acquisition of a subsidiary - net of cash acquired</td>
<td>-</td>
<td>(42,131)</td>
</tr>
<tr>
<td>Payment for additional interest in a subsidiary</td>
<td>(1,143)</td>
<td>-</td>
</tr>
<tr>
<td>Proceeds from disposal of subsidiary, net of cash disposed</td>
<td>-</td>
<td>1,665</td>
</tr>
<tr>
<td>Proceeds from partial disposal of interest in a subsidiary</td>
<td>-</td>
<td>650</td>
</tr>
<tr>
<td>Proceeds from disposal of associated companies</td>
<td>-</td>
<td>1,481</td>
</tr>
<tr>
<td>Amount due from associated companies</td>
<td>(2,782)</td>
<td>2,909</td>
</tr>
<tr>
<td>Investment in associated companies</td>
<td>(3,549)</td>
<td>(9,571)</td>
</tr>
<tr>
<td>Dividends received from associated companies</td>
<td>5,741</td>
<td>12,474</td>
</tr>
<tr>
<td>Payment of deferred expenditure</td>
<td>(1,508)</td>
<td>(1,836)</td>
</tr>
<tr>
<td>Payment of pre-operating expenditure</td>
<td>-</td>
<td>(48)</td>
</tr>
<tr>
<td>Purchase of fixed assets</td>
<td>(2,931)</td>
<td>(8,594)</td>
</tr>
<tr>
<td>Proceeds from disposal of fixed assets</td>
<td>217</td>
<td>2,284</td>
</tr>
<tr>
<td>Proceeds from recovery of pre-operating expenditure</td>
<td>-</td>
<td>205</td>
</tr>
<tr>
<td>Cash flow before extraordinary items</td>
<td>(5,955)</td>
<td>(40,432)</td>
</tr>
<tr>
<td>Extraordinary item: Proceeds from disposal of associated companies, net of expenses</td>
<td>15,055</td>
<td>-</td>
</tr>
<tr>
<td>Net cash generated from (used in) investing activities</td>
<td>9,100</td>
<td>(40,432)</td>
</tr>
<tr>
<td>Cash flows from financing activities</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bank loans</td>
<td>30,525</td>
<td>5,314</td>
</tr>
<tr>
<td>Dividends paid</td>
<td>(6,000)</td>
<td>(6,720)</td>
</tr>
<tr>
<td>Issue of shares, net of expenses</td>
<td>-</td>
<td>19,475</td>
</tr>
<tr>
<td>Non-current receivable</td>
<td>(4,464)</td>
<td>-</td>
</tr>
<tr>
<td>Minority interests</td>
<td>(48)</td>
<td>-</td>
</tr>
<tr>
<td>Obligations under finance leases and hire purchase contracts</td>
<td>(123)</td>
<td>(342)</td>
</tr>
<tr>
<td>Additional capital contribution from minority shareholder</td>
<td>-</td>
<td>60</td>
</tr>
<tr>
<td>Amount due to ultimate holding company</td>
<td>(14,428)</td>
<td>-</td>
</tr>
<tr>
<td>Net cash generated from financing activities</td>
<td>5,462</td>
<td>17,787</td>
</tr>
<tr>
<td>Currency realignment</td>
<td>490</td>
<td>1,381</td>
</tr>
<tr>
<td>Net increase in cash</td>
<td>8,228</td>
<td>2,081</td>
</tr>
<tr>
<td>Cash at beginning of financial year</td>
<td>17,531</td>
<td>15,450</td>
</tr>
<tr>
<td>Cash at end of financial year</td>
<td>25,759</td>
<td>17,531</td>
</tr>
</tbody>
</table>

See accompanying notes to the financial statements.
NOTES TO THE FINANCIAL STATEMENTS
31 March 1999

1 General
The Company is incorporated in the Republic of Singapore and is listed on the Main Board of the Stock Exchange of Singapore Limited.

The principal activities of the Company comprise those of an investment holding company and the functions of a regional headquarters of the Group.

The principal activities of the Group's subsidiaries and associated companies are the development, manufacturing and marketing of electronic equipment, automotive wire harness, cables, cable assembly products and acoustics products.

2 Summary of Significant Accounting Policies
Basis of Accounting
The financial statements, which are expressed in Singapore dollars, have been prepared using the historical cost convention.

Basis of Consolidation
The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 March each year.

All material inter-company transactions and balances are eliminated on consolidation.

Capital reserve arising on consolidation, which represents the excess of fair value of the net assets of subsidiaries and associated companies acquired over the cost of investment in subsidiaries and associated companies at the dates of acquisition, is dealt with in reserves in the year of acquisition. To the extent that the excess of fair value of the net assets is charged to the profit and loss accounts of these companies after the acquisition, the corresponding amount of capital reserve is amortised and taken to the profit and loss account.

Goodwill arising on consolidation, which represents the excess of the cost of investment in subsidiaries and associated companies over the fair value of the net assets of the respective subsidiaries and associated companies at the dates of acquisition, is written off directly to reserves in the year of acquisition.

Turnover
Turnover of the Group represents the value of goods supplied and services rendered to customers and excludes intra-group turnover. Turnover of the Company represents dividend income, management fees for regional headquarters services and other services rendered during the financial year to companies in the Group.

Depreciation and Amortisation
Depreciation is provided to write off the cost of other fixed assets over their estimated useful lives using the reducing balance method or the straight line method at the following rates per annum:

- Leasehold improvements: 10% to 33 1/3%
- Furniture, fixtures and equipment: 6 2/3% to 25%
- Machinery and equipment: 10% to 33 1/3%
- Motor vehicles: 20% to 25%
- Moulds and tools: 20% to 33 1/3%

Freehold and long-term leasehold land are not amortised.

Medium and short-term leasehold land are amortised over the period of the leases using the straight line method.

Freehold buildings are amortised over their estimated useful lives at 2% per annum using the straight line method.

Leasehold buildings are amortised over their estimated useful lives at 3 1/3% to 5% per annum using the straight line method.

Construction in progress is not amortised.
2 Summary of Significant Accounting Policies (cont'd)

Deferred Expenditure

Product development expenditure and technical know-how

Expenditure incurred on projects in developing new products, including the respective cost of acquiring the rights to technical know-how for the production of the relevant new products is capitalised as an asset only when the project is clearly defined, the expenditure is separately identifiable, the technical feasibility of the product or process can be demonstrated and conditions exist to allow realisation of economic benefits. Expenditure on product development and technical know-how which do not meet these criteria are written off to the profit and loss statement.

Product development expenditure is amortised, using the straight line method, over a period of two to five years commencing in the year when the product is put into commercial use.

The cost of acquiring rights to technical know-how for the production of new products is amortised, using the straight line method, over a period of three to five years from the date of acquisition or the licence period, whichever is the shorter. Any excess of cost over the amount which is probable of being recovered from related future economic benefits is written off to the profit and loss statement.

Pre-operating Expenditure

Pre-operating expenditure incurred prior to the commencement of commercial operations of the companies within the Group comprise expenditure necessarily incurred in placing these companies in suitable condition to receive and process orders on a commercial basis and to continue operations on a long term basis. Accordingly, these expenses are capitalised and amortised using the straight line method, over a period of three to five years from the date of commencement of commercial operations of these companies.

Trademark

The cost of acquiring rights to a trademark licence for the marketing and manufacturing of new products is amortised, using the straight line method, over the licence period.

Research Expenditure

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

Foreign Currency Transactions

Transactions in foreign currencies during the year are recorded at the rates ruling at the date of the transaction. Foreign currency monetary assets and liabilities at the balance sheet date are translated at the exchange rates approximating those ruling on that date. Exchange gains and losses are dealt with in the profit and loss account except that exchange differences arising on inter-company monetary items that are in effect an extension of the company's net investment in a foreign subsidiary are taken directly to reserves.

Translation of Financial Statements of Overseas Operations

For the purpose of preparing the consolidated financial statements, the results, assets and liabilities of the overseas operations are translated at the approximate exchange rates ruling on the balance sheet date. Differences arising on translation of the net assets of the overseas operations at the beginning of the financial year are taken directly to reserves.

Interest in Subsidiaries

Interest in subsidiaries is stated at cost less provision for any permanent diminution in value of investment in the financial statements of the Company.

Associated Companies

An associated company is a company, other than a subsidiary, in which the Group holds a substantial percentage of equity voting capital as a long term investment and over which the Group exercises significant influence, including participation in financial and operating policy decisions.

Interest in associated companies is stated in the balance sheet of the Company at cost of investment less provision for any permanent diminution in value and in the balance sheet of the Group at cost of investment plus the Group's share of undistributed post-acquisition reserves of the associated companies.
2 Summary of Significant Accounting Policies (cont'd)
The results of associated companies are accounted for by the Company on the basis of dividends received and receivable during the year and by the Group using the equity method of accounting.

Construction in Progress
These are stated at cost and are included in the balance sheet until such time as they are identified for transfer to specific categories of fixed assets. Cost comprises material cost and all other cost directly incurred in relation to their construction.

Leased Assets
Leases are classified as finance leases when the terms of the leases transfer substantially all the risks and rewards of ownership to the Group. Assets acquired through finance leases or hire purchase contracts are capitalised at their fair values at the date of acquisition. The corresponding principal portions of commitments are shown as obligations of the Group. The finance costs, which represent the difference between the total commitments and the fair value of the assets acquired, are charged to the profit and loss account at a constant interest rate over the period of the respective leases or contracts.

All other leases are classified as operating leases and the rentals payable are charged to the profit and loss statement.

Inventories
Inventories are stated at the lower of cost and net realisable value. Cost comprise direct materials calculated using the first-in, first-out method and where applicable, direct labour costs and overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is calculated as the actual or estimated selling price less all further costs of production and the related costs of marketing, selling and distribution.

Taxation
The tax expense is determined on the basis of tax effect accounting, using the liability method. This applies to all significant timing differences except for timing differences which are not expected to reverse for some considerable period ahead. Deferred tax benefits are not recognised unless there is a reasonable expectation of their realisation.

Cash
Cash for the consolidated cash flow statements includes cash and cash equivalents less bank overdrafts.

3 Turnover

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
<td>1998</td>
<td></td>
</tr>
<tr>
<td></td>
<td>S$'000</td>
<td>S$'000</td>
<td></td>
</tr>
<tr>
<td>Product sales</td>
<td>257,137</td>
<td>295,069</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>The Company</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
<td>1998</td>
<td></td>
</tr>
<tr>
<td></td>
<td>S$'000</td>
<td>S$'000</td>
<td></td>
</tr>
<tr>
<td>Dividend income</td>
<td>6,602</td>
<td>9,458</td>
<td></td>
</tr>
<tr>
<td>Management fee income</td>
<td>2,183</td>
<td>2,221</td>
<td></td>
</tr>
<tr>
<td>Product development fee income</td>
<td>573</td>
<td>1,231</td>
<td></td>
</tr>
<tr>
<td></td>
<td>9,358</td>
<td>12,910</td>
<td></td>
</tr>
</tbody>
</table>
### 4 Operating Profit (Loss)

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating profit (loss)</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>after charging:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Directors' remuneration:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fees</td>
<td>115</td>
<td>107</td>
</tr>
<tr>
<td>Other emoluments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Company</td>
<td>202</td>
<td>150</td>
</tr>
<tr>
<td>- Subsidiaries</td>
<td>2,225</td>
<td>2,220</td>
</tr>
<tr>
<td>Amortisation of deferred expenditure</td>
<td>1,313</td>
<td>1,282</td>
</tr>
<tr>
<td>Amortisation of pre-operating expenditure</td>
<td>176</td>
<td>247</td>
</tr>
<tr>
<td>Amortisation of trademark</td>
<td>53</td>
<td>49</td>
</tr>
<tr>
<td>Auditors' remuneration:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payable to auditors of the Company</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Current year</td>
<td>62</td>
<td>61</td>
</tr>
<tr>
<td>- (Over)Under-provision in prior year</td>
<td>(1)</td>
<td>(6)</td>
</tr>
<tr>
<td>Non-audit services</td>
<td>15</td>
<td>13</td>
</tr>
<tr>
<td>Payable to other auditors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Audit services:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- Current year</td>
<td>391</td>
<td>377</td>
</tr>
<tr>
<td>- Under-provision in prior year</td>
<td>32</td>
<td>21</td>
</tr>
<tr>
<td>Non-audit services</td>
<td>108</td>
<td>137</td>
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<td>Depreciation of fixed assets</td>
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<td>8,020</td>
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<td>Interest expense:</td>
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<td>Bank loans, overdrafts and bills payable</td>
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<td>3,777</td>
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<td>Finance leases and hire purchase contracts</td>
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<td>Ultimate holding company</td>
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<tr>
<td>Associated companies</td>
<td>92</td>
<td>103</td>
</tr>
<tr>
<td>Related parties</td>
<td>32</td>
<td>-</td>
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<tr>
<td>Other borrowings</td>
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<tr>
<td>Provision for stock obsolescence</td>
<td>435</td>
<td>794</td>
</tr>
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<td>Provision for doubtful debts - trade</td>
<td>150</td>
<td>224</td>
</tr>
<tr>
<td>Loss on disposal of fixed assets</td>
<td>31</td>
<td>224</td>
</tr>
<tr>
<td>Fixed assets written-off</td>
<td>3</td>
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</tr>
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<td>Deferred expenditure written-off</td>
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<td>2</td>
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<tr>
<td>Loss on dilution of interest in associated companies</td>
<td>34</td>
<td>-</td>
</tr>
<tr>
<td>And after crediting:</td>
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<td></td>
</tr>
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<td>Amortisation of capital reserve on consolidation</td>
<td>426</td>
<td>332</td>
</tr>
<tr>
<td>Write-back on provision for doubtful debts - trade</td>
<td>16</td>
<td>-</td>
</tr>
<tr>
<td>Dividend income (gross):</td>
<td></td>
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</tr>
<tr>
<td>Subsidiaries</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Associated companies</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Management fees received from subsidiaries</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Management fees received from associated companies</td>
<td>1,280</td>
<td>817</td>
</tr>
<tr>
<td>Product development fee received from a subsidiary</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

---

**NOTES TO THE FINANCIAL STATEMENTS (CONT'D)**
4 Operating Profit (Loss) (cont'd)

<table>
<thead>
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<th></th>
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<th></th>
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<tbody>
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<td>S$'000</td>
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<td>Banks</td>
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<td>596</td>
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<td>Ultimate holding company</td>
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<tr>
<td>Subsidiaries</td>
<td>-</td>
<td>-</td>
<td>1,557</td>
<td>650</td>
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<td>Associated companies</td>
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<td>247</td>
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<td>Related parties</td>
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<td>3</td>
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<tr>
<td>Third parties</td>
<td>484</td>
<td>811</td>
<td>-</td>
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<tr>
<td>Gain on disposal of fixed assets</td>
<td>93</td>
<td>1,486</td>
<td>-</td>
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<tr>
<td>Gain on disposal of a subsidiary</td>
<td>-</td>
<td>39</td>
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<td>Gain on disposal of associated companies</td>
<td>-</td>
<td>12</td>
<td>-</td>
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<tr>
<td>Gain on dilution of interest in an associated company</td>
<td>-</td>
<td>10</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Foreign exchange gain, net</td>
<td>2,625</td>
<td>2,660</td>
<td>1,233</td>
<td>2,765</td>
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5 Taxation

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
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<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td>The Company and its subsidiaries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current taxation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for taxation in respect of profit for the year</td>
<td>65</td>
<td>-</td>
<td>65</td>
<td>-</td>
</tr>
<tr>
<td>Foreign tax charged on profits of subsidiaries arising outside Singapore</td>
<td>357</td>
<td>506</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Under(Over)-provision in respect of previous years</td>
<td>139</td>
<td>(10)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Withholding tax on overseas dividend income</td>
<td>71</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deferred taxation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for taxation in respect of profit for the year</td>
<td>20</td>
<td>267</td>
<td>20</td>
<td>267</td>
</tr>
<tr>
<td>Share of taxation of associated companies</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overseas taxation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<td>Provision for taxation in respect of profit for the year</td>
<td>2,427</td>
<td>1,932</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Over-provision in respect of previous years</td>
<td>(9)</td>
<td>(145)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Deferred taxation:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision for taxation in respect of profit for the year</td>
<td>-</td>
<td>102</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
| Overseas taxation is calculated at the rates prevailing in the respective jurisdictions. Differences between effective tax rates and statutory tax rates are substantially due to non-deductible expenses and non-taxable income.
5 Taxation (cont’d)
The Company has been granted tax incentives under Section 13(10) of the Income Tax Act for an initial period of 5 years commencing on 1 November 1995 and dividend income received by the Company from approved qualifying companies within the Group is tax-exempt.

6 Extraordinary Items
Extraordinary items comprise:

<table>
<thead>
<tr>
<th>The Group</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
<td>1998</td>
</tr>
<tr>
<td>S$’000</td>
<td>S$’000</td>
<td></td>
</tr>
<tr>
<td>Gain on disposal of associated companies</td>
<td>9,736</td>
<td>–</td>
</tr>
<tr>
<td>Cost for major restructuring of certain operations</td>
<td>(5,209)</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>4,527</td>
<td>–</td>
</tr>
<tr>
<td>Less: minority shareholders’ share of cost of major restructuring of certain operations</td>
<td>(285)</td>
<td>–</td>
</tr>
<tr>
<td></td>
<td>4,812</td>
<td>–</td>
</tr>
</tbody>
</table>

The associated companies disposed during the year were Car Audio Electronics (Hong Kong) Limited and Car Audio Electronics (China) Co., Ltd.

7 Dividends

<table>
<thead>
<tr>
<th>Group and Company</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
<td>1998</td>
</tr>
<tr>
<td>S$’000</td>
<td>S$’000</td>
<td></td>
</tr>
<tr>
<td>Interim dividend paid:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- tax-exempt dividend of 1.0 (1998: 1.3) Singapore cents per ordinary share of S$0.20 each</td>
<td>2,400</td>
<td>3,120</td>
</tr>
<tr>
<td>Final dividend proposed:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- tax-exempt dividend of 1.5 (1998: 1.5) Singapore cents per ordinary share of S$0.20 each</td>
<td>3,600</td>
<td>3,600</td>
</tr>
<tr>
<td></td>
<td>6,000</td>
<td>6,720</td>
</tr>
</tbody>
</table>

8 Earnings Per Share
The basic earnings per share is calculated based on the Group’s profit before extraordinary items of S$10,004,000 (1998: S$15,828,000) and 240,000,000 (1998: proforma 240,000,000) ordinary shares of S$0.20 each of the Company in issue during the financial year.

Fully diluted earnings per share is not presented as the dilutive effect of the outstanding options is immaterial.
9 Directors' Remuneration

<table>
<thead>
<tr>
<th>Number of directors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
</tr>
<tr>
<td>$500,000 and above</td>
</tr>
<tr>
<td>$250,000 to $499,999</td>
</tr>
<tr>
<td>Below $250,000</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>1999</th>
<th>1998</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>10 Fixed Assets</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>The Group</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Freehold Land and Building</th>
<th>Leasehold Land and Building</th>
<th>Leasehold Improvements</th>
<th>Furniture, Fixtures and Equipment</th>
<th>Machinery and Equipment</th>
<th>Motor Vehicles</th>
<th>Moulds and Tools</th>
<th>Construction in Progress</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cost</strong></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>At 1 April 1998</td>
<td>3,566</td>
<td>9,907</td>
<td>6,054</td>
<td>18,323</td>
<td>20,988</td>
<td>1,264</td>
<td>17,561</td>
<td>713</td>
<td>78,376</td>
</tr>
<tr>
<td>Currency realignment</td>
<td>93</td>
<td>444</td>
<td>389</td>
<td>841</td>
<td>1,299</td>
<td>71</td>
<td>785</td>
<td>51</td>
<td>3,973</td>
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<tr>
<td>Additions</td>
<td>15</td>
<td>-</td>
<td>415</td>
<td>752</td>
<td>415</td>
<td>180</td>
<td>1,050</td>
<td>104</td>
<td>2,931</td>
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<tr>
<td>Reclassifications</td>
<td>-</td>
<td>-</td>
<td>248</td>
<td>-</td>
<td>194</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(442)</td>
</tr>
<tr>
<td>Disposals and write-offs</td>
<td>-</td>
<td>(393)</td>
<td>(366)</td>
<td>(682)</td>
<td>(111)</td>
<td>(317)</td>
<td>(4,771)</td>
<td>(120)</td>
<td>(6,760)</td>
</tr>
<tr>
<td>At 31 March 1999</td>
<td>3,674</td>
<td>9,958</td>
<td>6,740</td>
<td>19,234</td>
<td>19,234</td>
<td>1,198</td>
<td>14,625</td>
<td>306</td>
<td>78,520</td>
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<tr>
<td><strong>Accumulated depreciation</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 1998</td>
<td>229</td>
<td>1,277</td>
<td>2,451</td>
<td>11,908</td>
<td>11,035</td>
<td>722</td>
<td>12,525</td>
<td>-</td>
<td>40,147</td>
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<tr>
<td>Currency realignment</td>
<td>6</td>
<td>62</td>
<td>179</td>
<td>605</td>
<td>680</td>
<td>40</td>
<td>529</td>
<td>-</td>
<td>2,101</td>
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<td>979</td>
<td>1,796</td>
<td>2,240</td>
<td>176</td>
<td>2,152</td>
<td>-</td>
<td>7,732</td>
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<tr>
<td>Eliminated on disposals and write-offs</td>
<td>-</td>
<td>(179)</td>
<td>(209)</td>
<td>(415)</td>
<td>(82)</td>
<td>(260)</td>
<td>(4,075)</td>
<td>-</td>
<td>(5,220)</td>
</tr>
<tr>
<td>At 31 March 1999</td>
<td>280</td>
<td>1,504</td>
<td>3,400</td>
<td>13,894</td>
<td>13,873</td>
<td>678</td>
<td>11,131</td>
<td>-</td>
<td>44,760</td>
</tr>
<tr>
<td><strong>Depreciation charge for 1998</strong></td>
<td>44</td>
<td>368</td>
<td>659</td>
<td>2,043</td>
<td>2,152</td>
<td>192</td>
<td>2,562</td>
<td>-</td>
<td>8,020</td>
</tr>
<tr>
<td><strong>Net book value</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 31 March 1999</td>
<td>3,394</td>
<td>8,454</td>
<td>3,340</td>
<td>5,340</td>
<td>8,912</td>
<td>520</td>
<td>3,494</td>
<td>306</td>
<td>33,760</td>
</tr>
<tr>
<td>At 31 March 1998</td>
<td>3,337</td>
<td>8,630</td>
<td>3,603</td>
<td>6,415</td>
<td>9,853</td>
<td>542</td>
<td>5,036</td>
<td>713</td>
<td>38,229</td>
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</table>
10 Fixed Assets (cont'd)

The Company

<table>
<thead>
<tr>
<th></th>
<th>Leasehold improvements</th>
<th>Furniture, fixtures and equipment</th>
<th>Machinery and equipment</th>
<th>Motor vehicles</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
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</tr>
<tr>
<td>Cost</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>At 1 April 1998</td>
<td>930</td>
<td>1,208</td>
<td>731</td>
<td>154</td>
<td>3,023</td>
</tr>
<tr>
<td>Additions</td>
<td>-</td>
<td>343</td>
<td>-</td>
<td>-</td>
<td>343</td>
</tr>
<tr>
<td>Disposals</td>
<td>-</td>
<td>-</td>
<td>(2)</td>
<td>-</td>
<td>(2)</td>
</tr>
<tr>
<td>At 31 March 1999</td>
<td>930</td>
<td>1,551</td>
<td>729</td>
<td>154</td>
<td>3,364</td>
</tr>
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</table>

Accumulated depreciation

<table>
<thead>
<tr>
<th></th>
<th>S$'000</th>
<th>S$'000</th>
<th>S$'000</th>
<th>S$'000</th>
<th>S$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 1 April 1998</td>
<td>306</td>
<td>361</td>
<td>183</td>
<td>60</td>
<td>910</td>
</tr>
<tr>
<td>Provided for the year</td>
<td>188</td>
<td>243</td>
<td>111</td>
<td>26</td>
<td>568</td>
</tr>
<tr>
<td>Eliminated on disposals</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>At 31 March 1999</td>
<td>494</td>
<td>604</td>
<td>294</td>
<td>86</td>
<td>1,478</td>
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</table>

Depreciation charge for 1998

<table>
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<th>S$'000</th>
<th>S$'000</th>
<th>S$'000</th>
<th>S$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>184</td>
<td>204</td>
<td>111</td>
<td>27</td>
<td>526</td>
</tr>
</tbody>
</table>

Net book value

<table>
<thead>
<tr>
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<th>S$'000</th>
<th>S$'000</th>
<th>S$'000</th>
<th>S$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>At 31 March 1999</td>
<td>436</td>
<td>947</td>
<td>435</td>
<td>68</td>
<td>1,886</td>
</tr>
<tr>
<td>At 31 March 1998</td>
<td>624</td>
<td>847</td>
<td>548</td>
<td>94</td>
<td>2,113</td>
</tr>
</tbody>
</table>

As at 31 March 1999, none of the fixed assets of the Group were held under hire purchase contracts (1998: net book value S$680,000).

As at 31 March 1999, certain of the Group’s leasehold land and buildings with a net book value of approximately S$3,160,000 (1998: S$3,816,000) have been pledged to a bank as securities for mortgage loan facilities granted by the bank to the Group.

Particulars of the properties included in leasehold land and buildings and construction in progress above are as follows:

<table>
<thead>
<tr>
<th>Location</th>
<th>Description</th>
<th>Tenure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Singapore</td>
<td>A 2 storey factory building with built-up area of 3,482 square metres</td>
<td>30 years from 1994</td>
</tr>
<tr>
<td>No. 97 Pioneer Road</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Hong Kong

<table>
<thead>
<tr>
<th>Description</th>
<th>Tenure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Flat A, 28/F, Block 2, Greenknoll Court, 382 Castle Peak Road, Kwai Chung, New Territories, Hong Kong</td>
<td>50 years from 1997</td>
</tr>
</tbody>
</table>
### 10 Fixed Assets (cont’d)

<table>
<thead>
<tr>
<th>Location</th>
<th>Description</th>
<th>Tenure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Hong Kong</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unit 1 and 2, 14/F and two car park lots on Lower Ground Floor, Wah Sing Industrial Building, 12-14 Wah Sing Street, Kwai Chung, New Territories, Hong Kong</td>
<td>Two units of manufacturing plant of 622 square metres and two car park lots</td>
<td>50 years from 1997</td>
</tr>
<tr>
<td>Unit 2, 12/F, Wah Sing Industrial Building, 12-14 Wah Sing Street, Kwai Chung, New Territories, Hong Kong</td>
<td>A 344-square metre manufacturing plant</td>
<td>50 years from 1997</td>
</tr>
<tr>
<td>Unit 2, 13/F, Wah Sing Industrial Building, 12-14 Wah Sing Street, Kwai Chung, New Territories, Hong Kong</td>
<td>A 344-square metre manufacturing plant</td>
<td>50 years from 1997</td>
</tr>
<tr>
<td>Unit 2, 16/F, Wah Sing Industrial Building, 12-14 Wah Sing Street, Kwai Chung, New Territories, Hong Kong</td>
<td>A 344-square metre manufacturing plant</td>
<td>50 years from 1997</td>
</tr>
<tr>
<td>Unit 2, 18/F, Wah Sing Industrial Building, 12-14 Wah Sing Street, Kwai Chung, New Territories, Hong Kong</td>
<td>A 344-square metre manufacturing plant</td>
<td>50 years from 1997</td>
</tr>
<tr>
<td><strong>China</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fenghuang Gang Industrial District, Tangxia Zhen, Dongguan, Guangdong, China</td>
<td>A 10,000-square metre industrial land</td>
<td>50 years from 1992</td>
</tr>
<tr>
<td>Block A and B, 28 Daling Road, Shang Pai, Huizhou City, Guangdong, China (Formerly known as C, D District 9, Development Zone, Shang Pai, Long Feng, Huizhou Guangdong, China)</td>
<td>A 3,234-square metre residential building erected on land of 3,073-square metres</td>
<td>20 years from 1987</td>
</tr>
<tr>
<td>Flat 1207 and 1208, Tien Di Building, Song Yuen South Lane 9 Residential Area, Bao An Lu, Lou Wu, Shenzhen, China</td>
<td>Two residential flats of approximately 190 square metres</td>
<td>50 years from 1991</td>
</tr>
</tbody>
</table>
### 10 Fixed Assets (cont’d)

<table>
<thead>
<tr>
<th>Location</th>
<th>Description</th>
<th>Tenure</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>China</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3/F, Block 5</td>
<td>A 1,100-square metre office</td>
<td>10 years from 1993</td>
</tr>
<tr>
<td>8 Song Yan Lu, Lou Wu</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shenzhen, China</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>United Kingdom</strong></td>
<td>Factory building for manufacturing plant, warehouse and office with built-in area</td>
<td>Freehold</td>
</tr>
<tr>
<td>Ecclestone Road, Tovil, Maidstone, Kent ME15 6QP, United Kingdom</td>
<td>of 3,090 square metres</td>
<td></td>
</tr>
</tbody>
</table>

### 11 Interest in Subsidiaries

<table>
<thead>
<tr>
<th></th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
</tr>
<tr>
<td>Unlisted equity shares, at cost</td>
<td></td>
</tr>
<tr>
<td>Due from subsidiaries - non-trade</td>
<td>54,828</td>
</tr>
<tr>
<td>Due to subsidiaries - non-trade</td>
<td>-4,065</td>
</tr>
<tr>
<td></td>
<td>128,079</td>
</tr>
</tbody>
</table>

Particulars of the subsidiaries are set out in Note 30 to the financial statements. The amount due from and due to subsidiaries have no fixed terms of repayment. Certain amounts due from subsidiaries bear interest at commercial rates.

### 12 Interest in Associated Companies

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td>Unlisted equity shares, at cost</td>
<td>37,725</td>
<td>36,797</td>
</tr>
<tr>
<td>Share of post-acquisition reserves</td>
<td>22,040</td>
<td>12,337</td>
</tr>
<tr>
<td>Due from associated companies - trade</td>
<td>8,403</td>
<td>6,652</td>
</tr>
<tr>
<td>Due from associated companies - non-trade</td>
<td>1,031</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>69,199</td>
<td>55,786</td>
</tr>
</tbody>
</table>

Particulars of the principal associated companies are set out in Note 31 to the financial statements.
13 Non-current Receivable
This represents a loan to a business associate and is secured by shares of a company incorporated in Hong Kong which is engaged in the manufacture in China of products for the automotive industry. The Company holds an option to acquire the entire share capital of this Hong Kong company during the period from 1 January 1999 to 31 December 2001 at a price to be agreed. The loan bears interest at the lower of the Company's cost of funds and a bank's prime lending rate. It is repayable on 28 February 2002.

14 Deferred Expenditure

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th></th>
<th>The Company</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td>a) Product development expenditure and technical know-how acquired at cost</td>
<td>3,695</td>
<td>5,758</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less: Accumulated amortisation</td>
<td>(1,286)</td>
<td>(2,569)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>2,409</td>
<td>3,189</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>b) Accumulated amortisation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at beginning of the year</td>
<td>2,569</td>
<td>1,120</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Provision during the year</td>
<td>1,313</td>
<td>1,282</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>From acquisition of subsidiaries</td>
<td>-</td>
<td>33</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Currency realignment</td>
<td>183</td>
<td>134</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Written-off</td>
<td>(2,779)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Balance at end of year</td>
<td>1,286</td>
<td>2,569</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

15 Pre-operating Expenditure

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th></th>
<th>The Company</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td>Pre-operating expenditure</td>
<td>1,214</td>
<td>1,365</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less: Accumulated amortisation</td>
<td>(981)</td>
<td>(982)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>233</td>
<td>383</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
### 16 Trademark

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trademark acquired at cost</td>
<td>527</td>
<td>491</td>
</tr>
<tr>
<td>Less: Accumulated amortisation</td>
<td>(158)</td>
<td>(98)</td>
</tr>
<tr>
<td></td>
<td>369</td>
<td>393</td>
</tr>
</tbody>
</table>

### 17 Inventories

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Raw materials, net of provision</td>
<td>19,676</td>
<td>31,111</td>
</tr>
<tr>
<td>Work-in-progress, net of provision</td>
<td>2,063</td>
<td>2,750</td>
</tr>
<tr>
<td>Finished goods, net of provision</td>
<td>13,866</td>
<td>16,044</td>
</tr>
<tr>
<td></td>
<td>35,605</td>
<td>49,905</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inventories are stated after provision for obsolescence of</td>
<td>4,536</td>
<td>2,828</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Provision for obsolescence</th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Balance at beginning of year</td>
<td>2,828</td>
<td>1,567</td>
</tr>
<tr>
<td>Provision during the year</td>
<td>1,618</td>
<td>794</td>
</tr>
<tr>
<td>From acquisition of subsidiaries</td>
<td>-</td>
<td>1,498</td>
</tr>
<tr>
<td>Currency realignment</td>
<td>165</td>
<td>357</td>
</tr>
<tr>
<td>Provision utilised</td>
<td>(75)</td>
<td>(1,388)</td>
</tr>
<tr>
<td>Balance at end of year</td>
<td>4,536</td>
<td>2,828</td>
</tr>
</tbody>
</table>

For the year ended 31 March 1999, the provision for obsolescence included an amount of S$1,183,000 which has been recorded as extraordinary item (See Note 6).
## 18 Debtors and Bills Receivable

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td>a) Trade debtors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due from related parties - trade (Note 32)</td>
<td>30,555</td>
<td>35,702</td>
</tr>
<tr>
<td>Less: Provision for doubtful debts</td>
<td>(1,785)</td>
<td>(1,565)</td>
</tr>
<tr>
<td></td>
<td>43,705</td>
<td>52,375</td>
</tr>
<tr>
<td>Other debtors</td>
<td>12,495</td>
<td>18,238</td>
</tr>
<tr>
<td>Deposits and prepayments</td>
<td>2,365</td>
<td>2,348</td>
</tr>
<tr>
<td>Due from associated companies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- trade</td>
<td>3,973</td>
<td>4,381</td>
</tr>
<tr>
<td>- non-trade</td>
<td>566</td>
<td>1,296</td>
</tr>
<tr>
<td></td>
<td>63,104</td>
<td>64,266</td>
</tr>
</tbody>
</table>

b) Provision for doubtful debts

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td>Balance at beginning of year</td>
<td>1,565</td>
<td>954</td>
</tr>
<tr>
<td>Provision during the year</td>
<td>150</td>
<td>224</td>
</tr>
<tr>
<td>From acquisition of subsidiaries</td>
<td>-</td>
<td>319</td>
</tr>
<tr>
<td>Currency realignment</td>
<td>89</td>
<td>157</td>
</tr>
<tr>
<td>Written-off against bad debt</td>
<td>(3)</td>
<td>(89)</td>
</tr>
<tr>
<td>Provision written back</td>
<td>(16)</td>
<td>-</td>
</tr>
<tr>
<td>Balance at end of year</td>
<td>1,785</td>
<td>1,565</td>
</tr>
</tbody>
</table>

## 19 Creditors and Accrued Charges

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td>Trade creditors and accrued charges</td>
<td>44,007</td>
<td>52,130</td>
</tr>
<tr>
<td>Due to related parties - trade (Note 32)</td>
<td>1,185</td>
<td>3,236</td>
</tr>
<tr>
<td>Due to associated companies</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- trade</td>
<td>322</td>
<td>2,660</td>
</tr>
<tr>
<td>- non-trade</td>
<td>319</td>
<td>4,736</td>
</tr>
<tr>
<td></td>
<td>45,833</td>
<td>62,762</td>
</tr>
</tbody>
</table>
20 Obligations under Finance Leases and Hire Purchase Contracts

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th></th>
<th>The Company</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$’000</td>
<td>S$’000</td>
<td>S$’000</td>
<td>S$’000</td>
</tr>
<tr>
<td>Total hire purchase payments payable</td>
<td>-</td>
<td>123</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less: Charges allocated to future periods</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>-</td>
<td>123</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Less: Amount due within one year as shown under current liabilities</td>
<td>-</td>
<td>(123)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amount due in the second to fifth year inclusive</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>

Interest rates on hire purchase loan ranged from 7.0% to 11.8% per annum (1998: 6.9% to 7.7%).

21 Amount due to Ultimate Holding Company

The Company’s ultimate holding company is Gold Peak Industries (Holdings) Limited, a public company incorporated in Hong Kong and listed on the Stock Exchange of Hong Kong Limited. The amount due to the ultimate holding company is shown net of amount due from the ultimate holding company. Certain amounts due from and due to the ultimate holding company bear interest at commercial rates. The amounts due from and due to the ultimate holding company are non-trade in nature and have no fixed terms of repayment.

22 Bank Loans and Overdrafts

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th></th>
<th>The Company</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>S$’000</td>
<td>S$’000</td>
<td>S$’000</td>
<td>S$’000</td>
</tr>
<tr>
<td>Current portion of bank loans (Note 23)</td>
<td>6,426</td>
<td>995</td>
<td>5,433</td>
<td>-</td>
</tr>
<tr>
<td>Short term loans</td>
<td>22,251</td>
<td>29,976</td>
<td>12,254</td>
<td>5,958</td>
</tr>
<tr>
<td>Bank overdrafts</td>
<td>9,686</td>
<td>9,874</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Import loans</td>
<td>282</td>
<td>1,512</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td>38,645</td>
<td>42,357</td>
<td>17,687</td>
<td>5,958</td>
</tr>
<tr>
<td>Of which</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>- secured (mortgage loan)</td>
<td>593</td>
<td>639</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>- unsecured</td>
<td>38,052</td>
<td>41,718</td>
<td>17,687</td>
<td>5,958</td>
</tr>
<tr>
<td></td>
<td>38,645</td>
<td>42,357</td>
<td>17,687</td>
<td>5,958</td>
</tr>
</tbody>
</table>

Certain of the Group’s leasehold land and buildings have been pledged to a bank to obtain the above mortgage loan facilities (See Note 10).
### 23 Bank Loans

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td><strong>Bank loans:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured (mortgage loan)</td>
<td>2,074</td>
<td>2,572</td>
</tr>
<tr>
<td>Unsecured</td>
<td>41,014</td>
<td>1,037</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>43,088</td>
<td>3,609</td>
</tr>
<tr>
<td><strong>Less: Amounts due within one year (Note 22)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Secured (mortgage loans)</td>
<td>(593)</td>
<td>(639)</td>
</tr>
<tr>
<td>Unsecured</td>
<td>(5,833)</td>
<td>(356)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>36,662</td>
<td>2,614</td>
</tr>
</tbody>
</table>

The bank loans are repayable within the periods as follows:

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td><strong>More than one year, but not exceeding two years</strong></td>
<td>11,570</td>
<td>1,234</td>
</tr>
<tr>
<td><strong>More than two years, but not exceeding five years</strong></td>
<td>25,092</td>
<td>1,380</td>
</tr>
<tr>
<td><strong>More than five years</strong></td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>36,662</td>
<td>2,614</td>
</tr>
</tbody>
</table>

Certain of the Group’s leasehold land and buildings have been pledged to a bank to obtain the above mortgage loan facilities (See Note 10).

Interest rates on mortgage loans ranged from 6.0% to 6.7% per annum (1998: 6.6% to 16.3%). Interest rates on other bank loans ranged from 6.2% to 7.7% per annum (1998: 6.9% to 7.7%).
24 Deferred Taxation

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred taxation on:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Excess of capital allowance over depreciation</td>
<td>394</td>
<td>395</td>
</tr>
<tr>
<td>Other temporary timing differences</td>
<td>(10)</td>
<td>102</td>
</tr>
<tr>
<td>Tax losses and unutilised capital allowance</td>
<td>-</td>
<td>(133)</td>
</tr>
<tr>
<td></td>
<td>384</td>
<td>364</td>
</tr>
</tbody>
</table>

No deferred taxation has been provided on other timing differences as it is not expected that these timing differences will reverse in the foreseeable future. Had deferred taxation been provided on these timing differences, the potential deferred taxation written back for the Group for the financial year would be S$347,000 (1998: write-back of S$432,000). At the end of the financial year, the full potential deferred taxation liability for the Group not recognised is as follows:

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
</tr>
<tr>
<td>On excess of capital allowance over depreciation</td>
<td>465</td>
</tr>
<tr>
<td>On other timing differences</td>
<td>(71)</td>
</tr>
<tr>
<td>Tax losses</td>
<td>(241)</td>
</tr>
<tr>
<td></td>
<td>153</td>
</tr>
</tbody>
</table>

25 Issued Capital

<table>
<thead>
<tr>
<th></th>
<th>Group and Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
</tr>
<tr>
<td>Authorised:</td>
<td></td>
</tr>
<tr>
<td>500,000,000 ordinary shares of S$0.20 each</td>
<td>100,000</td>
</tr>
<tr>
<td>Issued and fully paid:</td>
<td></td>
</tr>
<tr>
<td>240,000,000 ordinary shares of S$0.20 each</td>
<td>48,000</td>
</tr>
</tbody>
</table>

a) Pursuant to the Company’s Executives' Share Option Scheme, share options which entitle the holders to subscribe for a total of 1,965,000 new ordinary shares of S$0.20 each in the Company were granted during the financial year to eligible executives of the Company and its subsidiaries.

Holders of the above options can, upon exercise of the options, subscribe for shares in the Company at a price of US$0.30 per share during the period from 23 July 1999 to 22 July 2003.
25 Issued Capital  (cont'd)

b) At the end of the financial year, unissued ordinary shares of S$0.20 each of the Company under the
Company's Executives' Share Option Scheme were as follows:

<table>
<thead>
<tr>
<th>Expiry date</th>
<th>Exercise price</th>
<th>Number outstanding at 31.3.1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share options 1</td>
<td>2 February 2002</td>
<td>US$0.60</td>
</tr>
<tr>
<td>Share options 2</td>
<td>22 July 2003</td>
<td>US$0.30</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

26 Reserves

<table>
<thead>
<tr>
<th>Share premium</th>
<th>Capital reserve</th>
<th>Legal reserve</th>
<th>Goodwill net of capital reserve on consolidation</th>
<th>Translation reserve</th>
<th>Retained profits</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
<td>S$'000</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>The Group</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 April 1998</td>
<td>52,152</td>
<td>8</td>
<td>63</td>
<td>(35,463)</td>
<td>6,333</td>
<td>23,802</td>
</tr>
<tr>
<td>Share of reserves of associated companies</td>
<td>-</td>
<td>8</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>8</td>
</tr>
<tr>
<td>Transfer to reserves</td>
<td>-</td>
<td>-</td>
<td>115</td>
<td>-</td>
<td>-</td>
<td>(115)</td>
</tr>
<tr>
<td>Goodwill arising on increase in interests in subsidiaries</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(1,017)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Amortisation of capital reserve on consolidation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(426)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Share of reserves of associated companies</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(132)</td>
<td>-</td>
</tr>
<tr>
<td>Translation surplus</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>4,518</td>
<td>-</td>
</tr>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>14,816</td>
</tr>
<tr>
<td>Dividends</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(6,000)</td>
<td>-</td>
</tr>
<tr>
<td>Balance at 31 March 1999</td>
<td>52,152</td>
<td>16</td>
<td>178</td>
<td>(36,906)</td>
<td>10,719</td>
<td>32,503</td>
</tr>
<tr>
<td>The Company</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 1 April 1998</td>
<td>52,152</td>
<td>9,351</td>
<td>61,503</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Profit for the year</td>
<td>-</td>
<td>7,792</td>
<td>7,792</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends</td>
<td>-</td>
<td>(6,000)</td>
<td>(6,000)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance at 31 March 1999</td>
<td>52,152</td>
<td>11,143</td>
<td>63,295</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Legal reserve represents that part of the profit after taxation of certain subsidiaries in the People's Republic of China ("PRC") transferred in accordance with local requirements. The legal reserve cannot be reduced except where approval is obtained from the relevant PRC authority to apply the amount either in setting off
accumulated losses or increasing capital.

27 Lease Commitments

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
<td>1998</td>
</tr>
<tr>
<td>S$'000</td>
<td>56'000</td>
<td>56'000</td>
</tr>
</tbody>
</table>

The amount of commitments in respect of future operating lease rentals which have not been provided for in the financial statements are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>Within 1 year</td>
<td>2,596</td>
<td>2,964</td>
</tr>
<tr>
<td>Within 2 to 5 years</td>
<td>4,202</td>
<td>5,549</td>
</tr>
<tr>
<td>After 5 years</td>
<td>4,337</td>
<td>-</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11,135</td>
<td>14,818</td>
</tr>
</tbody>
</table>

28 Capital Commitments

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
<td>1998</td>
</tr>
<tr>
<td>S$'000</td>
<td>56'000</td>
<td>56'000</td>
</tr>
</tbody>
</table>

Capital expenditure contracted for but not provided for:

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>28</td>
<td>158</td>
<td>-</td>
</tr>
</tbody>
</table>

Investment in an associated company:

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>-</td>
<td>930</td>
<td>-</td>
</tr>
</tbody>
</table>

Acquisition of subsidiaries and associated companies (Note 34):

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>22,756</td>
<td>-</td>
</tr>
</tbody>
</table>

29 Contingent Liabilities

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
<th>The Company</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
<td>1998</td>
</tr>
<tr>
<td>S$'000</td>
<td>56'000</td>
<td>56'000</td>
</tr>
</tbody>
</table>

Export bills discounted with recourse:

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>7,212</td>
<td>8,832</td>
<td>-</td>
</tr>
</tbody>
</table>

Guarantees given to certain banks in respect of banking facilities utilised by:

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidiaries</td>
<td>-</td>
<td>32,708</td>
</tr>
<tr>
<td>Associated companies</td>
<td>203</td>
<td>195</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>7,415</td>
<td>9,027</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>1999</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>32,911</td>
<td>14,758</td>
</tr>
</tbody>
</table>
### 30 Subsidiaries

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Place of incorporation and operation</th>
<th>Principal activities</th>
<th>Percentage of equity held 1999</th>
<th>Percentage of equity held 1998</th>
<th>Cost of investment 1999 S$'000</th>
<th>Cost of investment 1998 S$'000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Celestion International Limited (4) (6)</td>
<td>England and Wales</td>
<td>Design and trading of loudspeaker.</td>
<td>100</td>
<td>95</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Famingo Pte Ltd (5)</td>
<td>Singapore</td>
<td>Investment holding.</td>
<td>100</td>
<td>100</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>GP Acoustics Limited (3)</td>
<td>British Virgin Islands</td>
<td>Investment holding.</td>
<td>100</td>
<td>100</td>
<td>51,554</td>
<td>51,554</td>
</tr>
<tr>
<td>GP Audio (HK) Limited (4) (6)</td>
<td>Hong Kong</td>
<td>Marketing and trading of audio equipment.</td>
<td>100</td>
<td>100</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>GP Audio International (Pte) Limited (4)</td>
<td>Singapore</td>
<td>Property holding.</td>
<td>100</td>
<td>100</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>GP Auto Cable (Huizhou) Limited (1) (4)</td>
<td>The People's Republic of China</td>
<td>Manufacturing of automotive wire harness.</td>
<td>90</td>
<td>90</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>GP Auto Parts Limited (6)</td>
<td>Hong Kong</td>
<td>Investment holding, marketing and trading of automotive wire harness.</td>
<td>100</td>
<td>100</td>
<td>5,121</td>
<td>5,121</td>
</tr>
<tr>
<td>GP Electronics (China) Limited (6)</td>
<td>Hong Kong</td>
<td>Investment holding.</td>
<td>100</td>
<td>100</td>
<td>4,536</td>
<td>4,536</td>
</tr>
<tr>
<td>GP Electronics (Huizhou) Ltd. (1)</td>
<td>The People's Republic of China</td>
<td>Manufacturing of tuners and home audio products.</td>
<td>70</td>
<td>70</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Goldmax International Limited (4) (6)</td>
<td>Hong Kong</td>
<td>Investment holding and trading of loudspeaker.</td>
<td>70</td>
<td>70</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Goldmax International (China) Limited (1) (4)</td>
<td>The People's Republic of China</td>
<td>Manufacturing and trading of loudspeaker</td>
<td>59.5</td>
<td>59.5</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>GPE International Limited (6)</td>
<td>Hong Kong</td>
<td>Marketing and trading of audio equipment.</td>
<td>100</td>
<td>100</td>
<td>919</td>
<td>919</td>
</tr>
<tr>
<td>GPE Manufacturing (HK) Limited (6)</td>
<td>Hong Kong</td>
<td>Manufacturing of audio equipment.</td>
<td>100</td>
<td>100</td>
<td>9,995</td>
<td>9,995</td>
</tr>
<tr>
<td>KEF Audio (UK) Limited (4) (6)</td>
<td>England and Wales</td>
<td>Design and trading of loudspeaker.</td>
<td>100</td>
<td>95</td>
<td>-</td>
<td>-</td>
</tr>
</tbody>
</table>
30 Subsidiaries (cont’d)

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Place of incorporation and operation</th>
<th>Principal activities</th>
<th>Percentage of equity held</th>
<th>Cost of investment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>1999</td>
<td>1998</td>
</tr>
<tr>
<td>Key Sure Industrial Limited (4) (6)</td>
<td>Hong Kong</td>
<td>Investment holding.</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Key Win Industrial Limited (4) (6)</td>
<td>Hong Kong</td>
<td>Investment holding.</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>KH Industries (UK) Limited (4) (6)</td>
<td>England and Wales</td>
<td>Investment holding.</td>
<td>100</td>
<td>95</td>
</tr>
<tr>
<td>KH Manufacturing (UK) Limited (4) (6)</td>
<td>England and Wales</td>
<td>Manufacturing of loudspeaker.</td>
<td>100</td>
<td>95</td>
</tr>
<tr>
<td>Nike Enterprises Limited (6)</td>
<td>Hong Kong</td>
<td>Investment holding and marketing of car audio and multi-media products.</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Povan International Limited (3) (4)</td>
<td>British Virgin Islands</td>
<td>Investment holding and trading of car audio and multi-media products.</td>
<td>100</td>
<td>100</td>
</tr>
<tr>
<td>Shenzhen Nike Electronic Ltd. (1) (4)</td>
<td>The People’s Republic of China</td>
<td>Development of audio products.</td>
<td>70.6</td>
<td>54.5</td>
</tr>
<tr>
<td>Smart Tech International Limited (2)</td>
<td>Hong Kong</td>
<td>Property holding.</td>
<td>100</td>
<td>100</td>
</tr>
</tbody>
</table>

80,836  80,836

(1) These subsidiaries, in compliance with their local statutory requirement, adopt 31 December as their financial year end. Such financial year end is not co-terminous with that of the Company. Adjustments are made for the effect of any significant transactions that occur between 1 January and the date of the Group’s financial statements. The financial statements of the significant subsidiaries are subject to review by member firms of Deloitte Touche Tohmatsu (of which Deloitte & Touche, Singapore is a member) up to 31 March.

(2) The financial statement of this subsidiary is audited by a firm which is not a member firm of Deloitte Touche Tohmatsu.

(3) The financial statements of these subsidiaries are not audited as there are no such statutory audit requirements in their countries of incorporation but are subject to review by a member firm of Deloitte Touche Tohmatsu.

(4) Held by subsidiaries of the Company.

(5) Held by a subsidiary of the Company at 31 March 1998.

(6) The financial statements of these subsidiaries are audited by member firms of Deloitte Touche Tohmatsu.
### 31 Interest in Associated Companies

Principal associated companies of the Group are as follows:

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Place of incorporation and operation</th>
<th>Principal activities</th>
<th>Place of location</th>
<th>Percentage of equity held</th>
<th>Cost of investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Car Audio Electronics (China) Co., Ltd.</td>
<td>The People's Republic of China</td>
<td>Manufacturing of car audio equipment.</td>
<td>-</td>
<td>34.30*</td>
<td>-</td>
</tr>
<tr>
<td>Car Audio Electronics (Hong Kong) Limited (1)</td>
<td>Hong Kong</td>
<td>Investment holding.</td>
<td>-</td>
<td>49.00*</td>
<td>-</td>
</tr>
<tr>
<td>Chang Chun FAW Xugang Electronics Co., Ltd.</td>
<td>The People's Republic of China</td>
<td>Manufacturing of car audio equipment.</td>
<td>32.00</td>
<td>32.00</td>
<td>972</td>
</tr>
<tr>
<td>Chongqing Changhua Automobile Harness Company Limited</td>
<td>The People's Republic of China</td>
<td>Manufacturing of automotive wire harness.</td>
<td>25.00*</td>
<td>25.00*</td>
<td>-</td>
</tr>
<tr>
<td>Chongqing Xugang Electronics Co., Ltd.</td>
<td>The People's Republic of China</td>
<td>Manufacturing of car audio equipment.</td>
<td>35.00</td>
<td>35.00</td>
<td>177</td>
</tr>
<tr>
<td>Coretech Industries (Huizhou) Ltd. #</td>
<td>The People's Republic of China</td>
<td>Manufacturing of cable assemblies.</td>
<td>29.40*</td>
<td>29.40*</td>
<td>-</td>
</tr>
<tr>
<td>Dai-ichi Audio Parts Industry Inc. (2)</td>
<td>Philippines</td>
<td>Dormant.</td>
<td>20.00*</td>
<td>20.00*</td>
<td>18</td>
</tr>
<tr>
<td>Dongguan Jifu Metallic Products Ltd.</td>
<td>The People's Republic of China</td>
<td>Manufacturing of metallic products.</td>
<td>30.00*</td>
<td>30.00*</td>
<td>-</td>
</tr>
<tr>
<td>Dongguan Meiloon Acoustic Equipments Company Ltd</td>
<td>The People's Republic of China</td>
<td>Manufacturing of loudspeaker.</td>
<td>22.15*</td>
<td>21.06*</td>
<td>-</td>
</tr>
<tr>
<td>Dongguan Xuguang Electronics Co., Ltd</td>
<td>The People's Republic of China</td>
<td>Manufacturing of audio and multi-media products.</td>
<td>49.00*</td>
<td>49.00*</td>
<td>1,856</td>
</tr>
<tr>
<td>Eastern Prosper International Limited (5)</td>
<td>British Virgin Islands</td>
<td>Trading of loudspeaker.</td>
<td>25.00*</td>
<td>25.00*</td>
<td>-</td>
</tr>
<tr>
<td>Furukawa GP Auto</td>
<td>Hong Kong</td>
<td>Investment</td>
<td>50.00</td>
<td>50.00</td>
<td>3,164</td>
</tr>
</tbody>
</table>
### 31 Interest in Associated Companies (cont'd)

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Place of incorporation and operation</th>
<th>Principal activities</th>
<th>Percentage of equity held</th>
<th>Cost of investment</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>The Group 1999</td>
<td>1998</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>The Company 1999</td>
<td>1998</td>
</tr>
<tr>
<td>Gold Light Holdings Limited (5)</td>
<td>Cayman Islands</td>
<td>Investment holding.</td>
<td>25.00* 25.00*</td>
<td>4,000 4,000</td>
<td>- -</td>
</tr>
<tr>
<td>Hewtech-LTK Limited #</td>
<td>Hong Kong</td>
<td>Manufacturing of electrical wires.</td>
<td>19.60* 19.60*</td>
<td>- - - -</td>
<td></td>
</tr>
<tr>
<td>Lacosta Wiring Company Limited #</td>
<td>Hong Kong</td>
<td>Investment holding.</td>
<td>49.00* 49.00*</td>
<td>- - - -</td>
<td></td>
</tr>
<tr>
<td>LTK Cable Technology, Inc #</td>
<td>United States of America</td>
<td>Trading of electronic cables and wires and cable assemblies.</td>
<td>49.00* 49.00*</td>
<td>- - - -</td>
<td></td>
</tr>
<tr>
<td>LTK Electric Wire (Huizhou) Ltd #</td>
<td>The People's Republic of China</td>
<td>Manufacturing of electronic cables and wires.</td>
<td>39.20* 39.20*</td>
<td>- - - -</td>
<td></td>
</tr>
<tr>
<td>LTK Industries Limited (1) (4)</td>
<td>Hong Kong</td>
<td>Investment holding.</td>
<td>49.00 49.00</td>
<td>8,631 7,375</td>
<td>8,219 6,963</td>
</tr>
<tr>
<td>LTK International Limited #</td>
<td>Hong Kong</td>
<td>Trading of electronic cables and wires and cable assemblies.</td>
<td>49.00* 49.00*</td>
<td>- - - -</td>
<td></td>
</tr>
<tr>
<td>LTK Wiring Company Limited #</td>
<td>Hong Kong</td>
<td>Investment holding.</td>
<td>49.00* 49.00*</td>
<td>- - - -</td>
<td></td>
</tr>
<tr>
<td>Maxson Industries Limited</td>
<td>Hong Kong</td>
<td>Investment holding and trading.</td>
<td>34.30* 34.30*</td>
<td>446 446</td>
<td>- -</td>
</tr>
<tr>
<td>Maxson Industries (Huizhou) Limited</td>
<td>The People's Republic of China</td>
<td>Plastic mould fabrication and manufacturing of injection moulded plastic components.</td>
<td>34.30* 34.30*</td>
<td>- - - -</td>
<td></td>
</tr>
<tr>
<td>Meiloon Industrial Co., Ltd. (3)</td>
<td>Taiwan</td>
<td>Manufacturing of loudspeaker.</td>
<td>23.32* 23.40*</td>
<td>13,434 13,366</td>
<td>- -</td>
</tr>
</tbody>
</table>
### 31 Interest in Associated Companies (cont'd)

<table>
<thead>
<tr>
<th>Name of company</th>
<th>Place of incorporation and operation</th>
<th>Principal activities</th>
<th>Percentage of equity held</th>
<th>Cost of investment</th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Melooln International Limited</td>
<td>Hong Kong</td>
<td>Investment holding and trading.</td>
<td>23.32*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>23.40*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Saisho Onkyo, Inc. (2)</td>
<td>Philippines</td>
<td>Manufacturing of loudspeaker.</td>
<td>20.00*</td>
<td>20.00*</td>
<td>1,860</td>
<td>1,859</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Shanghai Jinting Automobile Harness Limited</td>
<td>The People's Republic of China</td>
<td>Manufacturing of automotive wire harness.</td>
<td>25.00*</td>
<td>38.75*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Shanghai LTK Electric Wire Ltd. #</td>
<td>The People's Republic of China</td>
<td>Manufacturing of cables.</td>
<td>39.20*</td>
<td>39.20*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Shanghai LTK Electronic Cables Ltd. #</td>
<td>The People's Republic of China</td>
<td>Manufacturing of cables.</td>
<td>39.20*</td>
<td>39.20*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Sheen Fortune Shipping Limited</td>
<td>Hong Kong</td>
<td>Provision of logistics and accounting services.</td>
<td>25.00*</td>
<td>25.00*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Shenzhen Xugang Electronic Co., Ltd.</td>
<td>The People's Republic of China</td>
<td>Manufacturing of car audio equipment.</td>
<td>-</td>
<td>36.75*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Super System Trading Limited</td>
<td>Hong Kong</td>
<td>Sourcing of raw material.</td>
<td>25.00*</td>
<td>25.00*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Time Interconnect Limited (formerly known as LTK Wire Products Limited) #</td>
<td>Hong Kong</td>
<td>Manufacturing of cable assemblies.</td>
<td>49.00*</td>
<td>49.00*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Wisefull Technology Limited</td>
<td>Hong Kong</td>
<td>Investment holding and trading of metallic products.</td>
<td>30.00*</td>
<td>30.00*</td>
<td>243</td>
<td>243</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Xuzhou Huaxia Harness Co., Ltd.</td>
<td>The People's Republic of China</td>
<td>Manufacturing of automotive wire harness.</td>
<td>25.00*</td>
<td>25.00*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Xuzhou Xugang Electronic Industries Co. Ltd.</td>
<td>The People's Republic of China</td>
<td>Manufacturing of car audio equipment.</td>
<td>49.00</td>
<td>49.00</td>
<td>2,924</td>
<td>2,788</td>
<td>1,011</td>
<td>1,011</td>
</tr>
</tbody>
</table>
31 Interest in Associated Companies (cont’d)
Information relating to auditors of the above associated companies are as follows:
(1) Audited by member firms of Deloitte Touche Tohmatsu (of which Deloitte & Touche, Singapore is a member).
(2) Audited by an associated firm of PricewaterhouseCoopers.
(3) Audited by a member firm of Grant Thornton International.
(4) The consolidated financial statements of LTK Industries Limited are audited by a member firm of Deloitte Touche Tohmatsu.
(5) These companies do not appoint any auditors as there are no such statutory requirements in their countries of incorporation. However, they are subject to review by a member firm of Deloitte Touche Tohmatsu.

The other associated companies are audited by other accounting firms. However, certain significant corporations are subject to review by a member firm of Deloitte Touche Tohmatsu.

# Subsidiaries or associated companies of LTK Industries Limited
* Indirect shareholdings

32 Related Party Transactions
Related parties are entities with common direct or indirect shareholders and/or directors. In addition to the related party information disclosed elsewhere in the financial statements, the Group has significant transactions with related parties within Gold Peak Group on normal commercial terms agreed between the parties as follows:

<table>
<thead>
<tr>
<th></th>
<th>The Group</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
</tr>
<tr>
<td></td>
<td>S$’000</td>
</tr>
<tr>
<td>Sales</td>
<td>25,042</td>
</tr>
<tr>
<td>Purchases</td>
<td>(8,556)</td>
</tr>
<tr>
<td>Rental income</td>
<td>137</td>
</tr>
<tr>
<td>Rental expenses</td>
<td>(1,131)</td>
</tr>
<tr>
<td>Engineering fee income</td>
<td>-</td>
</tr>
<tr>
<td>Transfer of fixed assets (from) to a related party</td>
<td>(2)</td>
</tr>
</tbody>
</table>
33 Segment Information

Industry segments
The principal activities of the Group are the development, manufacturing and marketing of electronic equipment, automotive wire harness, cables, cable assembly products, acoustics products and parts and components. A breakdown by industry segments of the Group's turnover, profit before interest and taxation, and identifiable assets is set out below:

<table>
<thead>
<tr>
<th></th>
<th>Turnover</th>
<th>Profit before interest and taxation</th>
<th>Identifiable assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
<td>1998</td>
<td>1999</td>
</tr>
<tr>
<td>Electronics</td>
<td>136,983</td>
<td>153,137</td>
<td>5,151</td>
</tr>
<tr>
<td>Cable and Harness</td>
<td>65,919</td>
<td>65,042</td>
<td>9,036</td>
</tr>
<tr>
<td>Acoustics</td>
<td>54,235</td>
<td>76,890</td>
<td>1,196</td>
</tr>
<tr>
<td></td>
<td>257,137</td>
<td>295,069</td>
<td>15,383</td>
</tr>
</tbody>
</table>

Geographical segments
A breakdown by geographical location of the Group's turnover, profit (loss) before interest and taxation, and identifiable assets is set out below:

<table>
<thead>
<tr>
<th></th>
<th>Turnover</th>
<th>Profit (loss) before interest and taxation</th>
<th>Identifiable assets</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1999</td>
<td>1998</td>
<td>1999</td>
</tr>
<tr>
<td></td>
<td>$'000</td>
<td>$'000</td>
<td>$'000</td>
</tr>
<tr>
<td>Asia</td>
<td>112,093</td>
<td>114,327</td>
<td>12,482</td>
</tr>
<tr>
<td>Europe</td>
<td>84,029</td>
<td>127,661</td>
<td>(517)</td>
</tr>
<tr>
<td>America</td>
<td>57,251</td>
<td>42,015</td>
<td>3,801</td>
</tr>
<tr>
<td>Others</td>
<td>3,764</td>
<td>11,066</td>
<td>(383)</td>
</tr>
<tr>
<td></td>
<td>257,137</td>
<td>295,069</td>
<td>15,383</td>
</tr>
</tbody>
</table>

34 Subsequent Events
The Company had announced on 12 February 1999 that it had entered into conditional sale and purchase agreements with Whitehill Investment Limited ("Whitehill") and Gold Peak Industries (Holdings) Limited ("Gold Peak") whereby the Company will purchase from Whitehill its interest in certain corporations comprising the Component Group of Gold Peak for an aggregate consideration of HK$101,948,000 (approximately S$22,756,000). An Extraordinary General Meeting of the Company was convened on 9 April 1999 during which the shareholders of the Company approved the acquisition of the Component Group. The Group will equity account for the net assets and results of operations of the Component Group with effect from the financial year ending 31 March 2000.

The estimated share of net assets of the Component Group acquired is S$12.1 million, resulting in an estimated goodwill of S$11.2 million after taking into account the estimated incidental costs of the acquisition.

35 Reclassification and Comparative Figures
Certain reclassifications have been made to the prior year's financial statements to enhance comparability with current year's financial statements.
STATEMENT OF DIRECTORS

In the opinion of the directors, the accompanying financial statements set out on pages 37 to 65 are drawn up so as to give a true and fair view of the state of affairs of the Company and of the Group at 31 March 1999 and of the results of the business of the Company and of the Group and the cash flows of the Group for the financial year then ended and at the date of this statement there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

On behalf of the Board

Victor Lo Chung Wing  Leung Pak Chuen
Chairman  Vice Chairman and Managing Director

12 August 1999
ADDITIONAL INFORMATION
for the year ended 31 March 1999
(SES Listing Manual Requirement)

Interested Person Transactions
Interested person transactions carried out during the financial year pursuant to the Shareholders’ Mandate obtained under Chapter 9A of the Listing Manual of the Stock Exchange of Singapore Limited by the Company are as follows:

<table>
<thead>
<tr>
<th></th>
<th>1999</th>
<th>1998</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>14,059</td>
<td>34,604</td>
</tr>
<tr>
<td>Purchases</td>
<td>(6,584)</td>
<td>(11,135)</td>
</tr>
<tr>
<td>Subcontracting income</td>
<td>516</td>
<td>420</td>
</tr>
</tbody>
</table>
SHAREHOLDING STATISTICS
As at 12 August 1999

This page does not form part of the audited accounts

Authorised Share Capital : $100,000,000
Issued Share Capital : $48,000,000
Class of Shares : Ordinary Shares of $0.20
Voting Rights : One vote per share

Analysis of Size of Shareholdings

<table>
<thead>
<tr>
<th>Size of shareholdings</th>
<th>No. of shareholders</th>
<th>%</th>
<th>No. of shares</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 - 1,000</td>
<td>480</td>
<td>14.36</td>
<td>480,000</td>
<td>0.20</td>
</tr>
<tr>
<td>1,001 - 10,000</td>
<td>2,289</td>
<td>68.49</td>
<td>11,884,500</td>
<td>4.95</td>
</tr>
<tr>
<td>10,001 - 1,000,000</td>
<td>562</td>
<td>16.82</td>
<td>25,095,500</td>
<td>10.46</td>
</tr>
<tr>
<td>1,000,001 and above</td>
<td>11</td>
<td>0.33</td>
<td>202,540,000</td>
<td>84.39</td>
</tr>
<tr>
<td>Total</td>
<td>3,342</td>
<td>100.00</td>
<td>240,000,000</td>
<td>100.00</td>
</tr>
</tbody>
</table>

Substantial Shareholders
(as shown in the Register of Substantial Shareholders)

<table>
<thead>
<tr>
<th>Shares registered in the name of substantial shareholder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gold Peak Industries (Holdings) Limited</td>
</tr>
</tbody>
</table>
## SHAREHOLDING STATISTICS

As at 12 August 1999

### Twenty Largest Shareholders

<table>
<thead>
<tr>
<th>No.</th>
<th>Name</th>
<th>No. of shares</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Gold Peak Industries (Holdings) Limited</td>
<td>158,546,000</td>
<td>66.06</td>
</tr>
<tr>
<td>2</td>
<td>Diamond Coin Holdings Limited</td>
<td>7,875,000</td>
<td>3.28</td>
</tr>
<tr>
<td>3</td>
<td>Mighty Holdings Limited</td>
<td>7,875,000</td>
<td>3.28</td>
</tr>
<tr>
<td>4</td>
<td>Ablewood International Limited</td>
<td>7,425,000</td>
<td>3.09</td>
</tr>
<tr>
<td>5</td>
<td>Artful Enterprises Limited</td>
<td>6,562,000</td>
<td>2.73</td>
</tr>
<tr>
<td>6</td>
<td>ING Nominees (Singapore) Pte Ltd</td>
<td>5,920,000</td>
<td>2.47</td>
</tr>
<tr>
<td>7</td>
<td>Vickers Ballas &amp; Co Pte Ltd</td>
<td>1,991,000</td>
<td>0.83</td>
</tr>
<tr>
<td>8</td>
<td>Phillip Securities Pte Ltd</td>
<td>1,990,000</td>
<td>0.83</td>
</tr>
<tr>
<td>9</td>
<td>Citibank Nominees Singapore Pte Ltd</td>
<td>1,855,000</td>
<td>0.77</td>
</tr>
<tr>
<td>10</td>
<td>Goh Nan Kioh</td>
<td>1,435,000</td>
<td>0.60</td>
</tr>
<tr>
<td>11</td>
<td>Bank of East Asia Nominees Pte Ltd</td>
<td>1,066,000</td>
<td>0.45</td>
</tr>
<tr>
<td>12</td>
<td>Tokyo-Mitsubishi International (S) Ltd</td>
<td>1,000,000</td>
<td>0.42</td>
</tr>
<tr>
<td>13</td>
<td>Raffles Nominees Pte Ltd</td>
<td>885,500</td>
<td>0.37</td>
</tr>
<tr>
<td>14</td>
<td>Citibank Consumer Nominees Pte Ltd</td>
<td>720,000</td>
<td>0.30</td>
</tr>
<tr>
<td>15</td>
<td>HSBC (Singapore) Nominees Pte Ltd</td>
<td>667,000</td>
<td>0.28</td>
</tr>
<tr>
<td>16</td>
<td>Keppel Securities Pte Ltd</td>
<td>535,000</td>
<td>0.22</td>
</tr>
<tr>
<td>17</td>
<td>Wong Ng Leong @ Wong Geok Kiong</td>
<td>500,000</td>
<td>0.21</td>
</tr>
<tr>
<td>18</td>
<td>The Asia Life Assurance Society Ltd - Singapore Life Fund</td>
<td>460,000</td>
<td>0.19</td>
</tr>
<tr>
<td>19</td>
<td>United Overseas Bank Nominees Pte Ltd</td>
<td>380,000</td>
<td>0.16</td>
</tr>
<tr>
<td>20</td>
<td>Keppel Bank Nominees Pte Ltd</td>
<td>319,000</td>
<td>0.13</td>
</tr>
</tbody>
</table>

Total: 208,006,500 (86.67%)
GP E'S EXTENSIVE MANUFACTURING & DISTRIBUTION NETWORK

Headquarters

GPE Industries Limited
97 Pioneer Road, Singapore  639579
Tel : (65) 863 2800    Fax : (65) 863 2900
E-mail : gpeind@gpe-ind.com.sg
Website : http://www.gpe-ind.com.sg

Electronics Group

Manufacturing

HONG KONG

GPE Manufacturing (HK) Limited
6/F Gold Peak Building
30 Kwai Wing Road
Kwai Chung, NT, Hong Kong
Tel: (852) 2424 3521    Fax: (852) 2489 1309

CHINA

GP Electronics (Huizhou) Limited
Bai Hui Building, Long Feng
Huizhou, Guangdong, China
Tel: (86) 752 226 1298    Fax: (86) 752 226 1286

Dongguan Xuguang Electronics Co. Ltd.
8-3/4, 138 Hong Ye Industrial Road
Dongguan, Tangxia Village,
Guangdong, China
Tel: (86) 769 772 8021    Fax: (86) 769 772 3094

Dongguan Jifu Metallic Products Limited
3, 10th Road, Horug Yeh
138 Industrial District, Tangxia Town
Dongguan, Guangdong, China
Tel: (86) 769 772 5315    Fax: (86) 769 772 4315

Xuzhou Xugang Electronic Industries Company Limited
Jiangsu Toppower Electronic Group Industrial Park
4th District, Jin Shan Qiao Economic &
Technological Development Zone
Xuzhou, Jiangsu, China
Tel: (86) 516 779 1700    Fax: (86) 516 779 1771

Chongqing Xugang Electronics Co. Ltd.
No 282 Jian Xin East Road
Jiang Bei District
Chongqing, China
Tel: (86) 23 6770 6663    Fax: (86) 23 6770 8813

Whitehill Precision Parts (Huizhou) Ltd.
G/F, Hui Zhan Industrial Bldg.
13 Eling Xi Rd, Huizhou, China
Tel: (86) 752 226 1385    Fax: (86) 752 226 0144

Shinwa Industries (China) Ltd.
8 Ping Nan Zhong Rd, Ping Nan Ind. District
Zhong Kai No.4 Road, Huizhou, China
Tel: (86) 752 260 2373    Fax: (86) 752 260 2401

SPG Industry (China) Limited
Gu Tang Au Industrial District
Huizhou, China
Tel: (86) 752 226 1652    Fax: (86) 752 226 0919

SPG Tech (China) Ltd.
Gu Tang Au Industrial District
Huizhou, China
Tel: (86) 752 227 5368    Fax: (86) 752 227 5011

Xuzhou Baoshan Precision Hardware Plastic Parts Co., Ltd.
Jin Shan Qiao Economic &
Technological Development Zone
No.4, Xuzhou, Jiangsu, China
Tel: (86) 516 779 1653 / 779 1930
Fax: (86) 516 779 1653

Xuzhou Gloria Electronics Co., Ltd
Jin Shan Qiao Economic &
Technological Development Zone
Xuzhou, Jiangsu, China
Tel: (86) 516 371 1097    Fax: (86) 516 373 4491

Shenzhen Gloria Electronics Ltd.
5/F, Block B, District 47, Bao An,
Fan Shen j i You San (1), Shenzhen, China
Tel: (86) 755 780 3234    Fax: (86) 755 780 3234

Chang Chun FAW Xugang Electronics Co., Ltd
148-1 Dong Feng Street, Changchun, China
Tel: (86) 431 599 8068

Sales & Marketing

HONG KONG

GPE International Limited &
GP Audio (HK) Limited
6/F Gold Peak Building
30 Kwai Wing Road
Kwai Chung, NT, Hong Kong
Tel: (852) 2424 3521    Fax: (852) 2489 1309
Shinwa Industries (HK) Limited
1906-1910 CCT Telecom Building
11 Wo Shing Street
Fo Tan, NT, Hong Kong
Tel: (852) 2602 1500    Fax: (852) 2694 1184

SPG Industry (HK) Limited
Unit 3117-3124, Tower 1
Metroplaza, 223 Hing Fong Road
Kwai Fong, NT, Hong Kong
Tel: (852) 2489 9311    Fax: (852) 2480 0294

Cable & Harness Group

Manufacturing - Automotive Wire Harness

CHINA

GP Auto Cable (Huizhou) Limited
No 20 Xing San Street, Jing Long Road
Xiao Jin Kuo Town, Huizhou, Guangdong, China
Tel: (86) 752 229 0187    Fax: (86) 752 229 0400

Xuzhou Huaxia Harness Company Limited
11/F Jiuzhou Building, 271 Qing Nian Road,
Xuzhou, Jiangsu, China
Tel: (86) 516 375 6990    Fax: (86) 516 370 1992

Chongqing Changhua Automobile Harness Co., Ltd
No 58 Jianguo Village Changan Factory
Jiangbei District, Chongqing, China
Tel: (86) 23 6774 3126    Fax: (86) 23 6785 5061

Shanghai Jinting Automobile Harness Limited
5582 Cao An Road, Anting Town,
Jiading District, Shanghai, China
Tel: (86) 21 5957 7760    Fax: (86) 21 5957 6400

Tianjin Jinyu Electric Co., Ltd
No. 12 Nankou Road, Hebei District
Tianjin, China
Tel: (86) 22 2635 1555    Fax: (86) 22 2627 2055

Sales & Marketing - Automotive Wire Harness

HONG KONG

GP Auto Parts Limited
7/F Gold Peak Building, 30 Kwai Wing Road,
Kwai Chung, NT, Hong Kong
Tel: (852) 2424 3521    Fax: (852) 2418 1649

Manufacturing - Wires & Cables

CHINA

LTK Electric Wire (Huizhou) Limited
Gu Tang Au Industrial District
Huizhou, Guangdong, China
Tel: (86) 752 226 0188    Fax: (86) 752 226 0210

Hewtech - LTK Wire Products Limited
Wu Tong Shan, Luo Fu District
Shenzhen, Guangdong, China
Tel: (86) 755 571 0525    Fax: (86) 755 571 0812

Shanghai LTK Electric Wire Ltd
12, Lane 5 Luopu Road
Anting Town, Jiading, Shanghai, China
Tel: (86) 21 5957 7816 / 5957 7321
Fax: (86) 21 5957 9588

Shanghai LTK Electronic Cables Limited
5561 Cao An Road, Anting Town
Jiading District, Shanghai, China
Tel: (86) 21 5957 3389    Fax: (86) 21 5957 3089

Sales & Marketing - Wires & Cables

HONG KONG

LTK International Limited
Unit 14-16, 13/F Vanta Industrial Centre
21-33 Tai Lin Pai Road,
Kwai Chung, NT, Hong Kong
Tel: (852) 2425 4399    Fax: (852) 2480 6327

TAIWAN

LTK Cable Technology Limited
No.17, 7/F., Lane 174, Hsin Ming Road
Nei Hu, 114 Taipei, Taiwan
Tel: (886) 2 2793 7220    Fax: (886) 2 2793 7221

USA

LTK Cable Technology, Inc.
1972 Hartog Drive, San Jose,
CA 95131, USA
Tel: (1) 408 453 8863    Fax: (1) 408 453 8865

Shenzhen Showroom
Room C02, 4th Floor,
Sai Ge Dian Zi Bao Shui Shi Chang
Shennan Zhong Lu, Shenzhen, China
Tel: (86) 755 322 3672    Fax: (86) 755 228 3271
LTK’s Representative Offices

CHINA
Beijing Representative Office
Room 1204, Kingdom Building, No.132 Xiwai Street, Xicheng District, Beijing, China
Tel: (86) 10 6831 1155 Ext. 11204
Fax: (86) 10 6830 3524

Shanghai Representative Office
Room 905, Aviation Science & Technology Bldg, No. 45 Cao Xi Road (North)
Shanghai, China
Tel: (86) 21 6474 7872 Fax: (86) 21 6474 7873

Dalian Representative Office
Room 702, Blk B
Dalian Friendship Shopping Centre
No.1 Qi Yi Street, Zhong Shan District
Dalian, China
Tel: (86) 411 2659 898 Ext. 702 Fax: (86) 411 2640 579

Xiamen Representative Office
Room 2, 20 F., Jian Ye Building A
No 28, Hu Bin Road North
Xiamen, Fujian, China
Tel: (86) 592 505 8586 Fax: (86) 592 505 8465

Shenzhen Representative Office
Room E, 16/F Zhen Ye Building
Bao An Road South, Shenzhen, China
Tel: (86) 755 586 3220 / 586 3221 Fax: (86) 755 586 3350

Dongguan Melloon Acoustic Equipments Co Ltd
Feng Huang Gang Industrial Estate
Tangxia Town, Dongguan, China
Tel: (86) 769 791 1366 Fax: (86) 769 772 3249

Maxson Industries (Huizhou) Ltd
Jin Long Road, 36 Chang Hu Street, Xiao Jin Kou Town, Huizhou, China
Tel: (86) 752 229 1343 Fax: (86) 752 229 1994

TAIWAN
Meiloon Industrial Co Ltd
No. 77 Lane 1775 Chuen-Ryh Road
Taoyuan City, Taiwan
Tel: (886) 3 326 1611 Fax: (886) 3 325 4241

PHILIPPINES
Saisho Onkyo Inc.
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