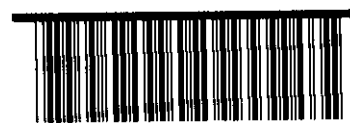


**REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 28 FEBRUARY 2003
FOR
DYNAMIC BATTERIES LIMITED**



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DYNAMIC BATTERIES LIMITED

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for the Year Ended 28 February 2003**

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DYNAMIC BATTERIES LIMITED

COMPANY INFORMATION
for the Year Ended 28 February 2003

DIRECTORS:

G J Trollope
K V Burger
G B Mons
G M Scrutton

SECRETARY:

P Buttrick

REGISTERED OFFICE:

Unit 1 Gillibrands Road
East Gillibrands Estate
Skelmersdale
Lancashire
WN8 9TA

REGISTERED NUMBER:

02939230 (England and Wales)

AUDITORS:

Hanley & Co.
Spring Court
Spring Road
Hale
Cheshire
WA14 2UQ

DYNAMIC BATTERIES LIMITED

REPORT OF THE DIRECTORS
for the Year Ended 28 February 2003

The directors present their report with the financial statements of the company for the year ended 28 February 2003.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of holding funds on behalf of UK operations.

DIRECTORS

The directors during the year under review were:

G J Trollope
K V Burger
G B Mons
G M Scrutton

The directors holding office at 28 February 2003 did not hold any beneficial interest in the issued share capital of the company at 1 March 2002 or 28 February 2003.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

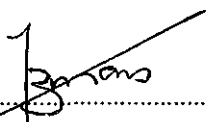
The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AUDITORS

The auditors, Hanley & Co., will be proposed for re-appointment in accordance with Section 385 of the Companies Act 1985.

This report has been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

ON BEHALF OF THE BOARD:


- Director
Date: 7TH July, 2003

DYNAMIC BATTERIES LIMITED

**REPORT OF THE INDEPENDENT AUDITORS TO THE SHAREHOLDERS OF
DYNAMIC BATTERIES LIMITED**

We have audited the financial statements of Dynamic Batteries Limited for the year ended 28 February 2003 on pages four to seven. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), under the historical cost convention and the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditors

As described on page two the company's directors are responsible for the preparation of financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Report of the Directors is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Report of the Directors and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 28 February 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Hanley & Co.
Spring Court
Spring Road
Hale
Cheshire
WA14 2UQ



Date: 7 July 2003

DYNAMIC BATTERIES LIMITED**PROFIT AND LOSS ACCOUNT**
for the Year Ended 28 February 2003

		Year Ended 28.2.03	Period 1.7.01 to 28.2.02
	Notes	£	£
TURNOVER		-	-
OPERATING PROFIT	2	-	-
Interest receivable and similar income		<u>118,262</u>	<u>62,957</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		118,262	62,957
Tax on profit on ordinary activities	3	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>118,262</u>	<u>62,957</u>
RETAINED PROFIT FOR THE YEAR		<u>£118,262</u>	<u>£62,957</u>



The notes form part of these financial statements

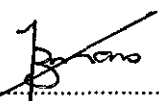
DYNAMIC BATTERIES LIMITED

BALANCE SHEET 28 February 2003

		<u>28.2.03</u>	<u>28.2.02</u>
	Notes	£	£
CURRENT ASSETS			
Debtors	4	2	2
Cash at bank		<u>3,181,219</u>	<u>3,062,957</u>
		3,181,221	3,062,959
CREDITORS			
Amounts falling due within one year	5	<u>3,000,000</u>	<u>3,000,000</u>
NET CURRENT ASSETS		<u>181,221</u>	<u>62,959</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u><u>£181,221</u></u>	<u><u>£62,959</u></u>
CAPITAL AND RESERVES			
Called up share capital	6	2	2
Profit and loss account	7	<u>181,219</u>	<u>62,957</u>
SHAREHOLDERS' FUNDS		<u><u>£181,221</u></u>	<u><u>£62,959</u></u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies and with the Financial Reporting Standard for Smaller Entities (effective June 2002).

ON BEHALF OF THE BOARD:



 - Director
 Approved by the Board on 7TH JULY, 2003

DYNAMIC BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS for the Year Ended 28 February 2003

1. ACCOUNTING POLICIES

Accounting convention

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002).

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

2. OPERATING PROFIT

The operating profit is stated after charging:

	Year Ended 28.2.03 £	Period 1.7.01 to 28.2.02 £
Directors' emoluments and other benefits etc	<u>—</u>	<u>—</u>

3. TAXATION

Analysis of the tax charge

No liability to UK corporation tax arose on ordinary activities for the year ended 28 February 2003 nor for the period ended 28 February 2002.

4. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.03 £	28.2.02 £
Other debtors	<u>2</u>	<u>2</u>

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28.2.03 £	28.2.02 £
Amounts owed to group undertakings	<u>3,000,000</u>	<u>3,000,000</u>

6. CALLED UP SHARE CAPITAL

Authorised:

Number:	Class:	Nominal value:	28.2.03 £	28.2.02 £
1,000	Ordinary	£1	<u>1,000</u>	<u>1,000</u>

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	28.2.03 £	28.2.02 £
2	Ordinary	£1	<u>2</u>	<u>2</u>



DYNAMIC BATTERIES LIMITED

NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 28 February 2003

7. RESERVES

	Profit and loss account £
At 1 March 2002	62,957
Retained profit for the year	<u>118,262</u>
At 28 February 2003	<u>181,219</u>

8. ULTIMATE PARENT COMPANY

The parent company is Powertech Batteries International Holdings (Pty) Limited, incorporated in the Republic of South Africa. The ultimate controlling party as of this date is Allied Electronics Corporation Limited, incorporated in the Republic of South Africa.



DYNAMIC BATTERIES LIMITED

PROFIT AND LOSS ACCOUNT
for the Year Ended 28 February 2003

	Year Ended 28.2.03		Period 1.7.01 to 28.2.02	
	£	£	£	£
Income		-		-
Other income				
Interest received		<u>118,262</u>		<u>62,957</u>
		118,262		62,957
NET PROFIT		<u><u>£118,262</u></u>		<u><u>£62,957</u></u>

