



Half Year Financial Statement and Dividend Announcement for the Financial Period ended 30 September 2020

1(a) An income statement and a statement of comprehensive income for the group together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group income statement for the half year ("1H") ended 30 September 2020. These figures have not been audited.

	Notes	1H ended 30.09.20 S\$'000	1H ended 30.09.19 S\$'000	Change %
Revenue		576,228	562,330	2.5
Cost of sales		(423,226)	(414,525)	2.1
Gross profit		153,002	147,805	3.5
Other operating income	a	5,657	58,399	(90.3)
Distribution costs		(66,682)	(63,002)	5.8
Administrative expenses		(62,304)	(63,237)	(1.5)
Allowance for expected credit losses, net		(79)	(119)	(33.6)
Exchange (loss) gain	b	(5,377)	4,345	n/m
Other operating expenses	c	(2,964)	(25,521)	(88.4)
Profit before finance costs and share of results of associates		21,253	58,670	(63.8)
Finance costs	d	(9,982)	(13,284)	(24.9)
Share of results of associates		17,913	17,426	2.8
Profit before taxation	e	29,184	62,812	(53.5)
Income tax expense	f	(8,338)	(18,183)	(54.1)
Profit after taxation		20,846	44,629	(53.3)
Attributable to:				
Equity holders of the Company		13,716	38,711	(64.6)
Non-controlling interests	g	7,130	5,918	20.5
		20,846	44,629	(53.3)

n/m - not meaningful

(Note a) Other operating income comprised:

	1H ended 30.09.20 S\$'000	1H ended 30.09.19 S\$'000
Gain on disposal of property, plant and equipment and assets classified as held for sale ⁽¹⁾	6	48,450
Product development and engineering fee income	174	5
Interest income	1,363	1,643
Management fee income from associates	252	245
Operating lease income	232	226
Tooling income	334	341
Government grant	892	3,207
Gain on sales of parts, samples, scrap and surplus materials	531	791
Unrealised fair value gain on derivative financial instruments	446	-
Compensation income from customer for cancelled order	377	-
Rent concession related to COVID-19	176	-
Gain from deemed disposal and partial disposal of interest in associates ⁽²⁾	-	1,623
Gain from de-registration of a subsidiary	-	22
Others	874	1,846
	5,657	58,399

⁽¹⁾ Gain for 1H ended 30 September 2019 ("1HFY2020") included a S\$48.4 million gain from disposal of land and buildings, which was presented under assets classified as held for sale ("AHFS") as at 31 March 2019 and located in Huizhou, the People's Republic of China ("PRC" or "China"), by GP Electronics (Huizhou) Co., Ltd. ("GPEHZ"), a wholly owned subsidiary (the "GPEHZ Property Disposal").

⁽²⁾ During 1HFY2020, the Group's interest in STL Technology Co., Ltd ("STL") decreased from 34.27% to 30.08%, as a result of the issue of new shares by STL and the disposal of 100,000 STL shares in connection with the listing of the issued shares of STL on the mainboard of the Taipei Exchange.

(Note b) A net exchange loss was reported for 1H ended 30 September 2020 ("1HFY2021") due mainly to the appreciation of Chinese Renminbi ("Renminbi") against United States ("US") dollar. A net exchange gain was reported for 1HFY2020 due mainly to the depreciation of Renminbi against US dollar.

(Note c) Other operating expenses comprised:

	1H ended 30.09.20 S\$'000	1H ended 30.09.19 S\$'000
Property, plant and equipment written-off	192	99
Bank charges	712	775
Realised loss on derivative financial instruments	278	4,094
Closure and relocation costs ⁽³⁾	1,597	2,307
Restructuring charges ⁽⁴⁾	-	17,475
Others	185	771
	2,964	25,521

⁽³⁾ Costs for 1HFY2021 were mainly for relocation of the rechargeable batteries manufacturing facilities located in Huizhou, PRC. Costs for 1HFY2020 were mainly related to the closure of the rechargeable batteries manufacturing facilities located in Dongguan, PRC and the related relocation of operations to Malaysia.

⁽⁴⁾ Restructuring charges are costs expected to be incurred in connection with the relocation of part of GPEHZ's operations to Thailand and to set up another factory in a new location in PRC.

(Note d) Decrease in finance costs was due mainly to decrease in interest rates.

(Note e) Profit before taxation was arrived at after charging the following:

	1H ended 30.09.20 S\$'000	1H ended 30.09.19 S\$'000
Depreciation and amortisation	(19,515)	(17,820)
Allowance for expected credit losses, net	(79)	(119)
Allowance for inventory obsolescence and write-off of inventory, net	(784)	(542)

(Note f) Decrease in income tax expense for 1HFY2021 was due mainly to taxation expenses for 1HFY2020 included taxation on gain on GPEHZ Property Disposal (note a) and withholding tax on dividend declared by GPEHZ out of its disposal gain.

There was no significant adjustment for under- or over-provision of income tax expense in respect of prior years for 1HFY2021 except for an over-provision of approximately S\$1,171,000 (1HFY2020: S\$1,260,000).

(Note g) Increase in share of profit by non-controlling interests was due mainly to increase in profit of Zhongyin (Ningbo) Battery Co Ltd, a 70% owned subsidiary.

Group statement of comprehensive income for 1H ended 30 September 2020.

	Notes	1H ended 30.09.20 S\$'000	1H ended 30.09.19 S\$'000
Profit after taxation for the financial period		20,846	44,629
Other comprehensive income (loss):			
Exchange translation surplus reclassified to profit or loss upon de-registration of a subsidiary		-	(22)
Items that will not be reclassified subsequently to profit or loss:			
Fair value gain (loss) on financial assets at fair value through other comprehensive income		270	(300)
Items that may be reclassified subsequently to profit or loss:			
Exchange translation surplus (deficit)		1,014	(14,310)
Net change in fair value of cash flow hedges		(178)	(186)
Net change in fair value of cash flow hedges reclassified to profit or loss		367	81
Share of other comprehensive loss of associates	h	(2,841)	(2,348)
Other comprehensive loss for the financial period, net of tax		(1,368)	(17,085)
Total comprehensive income for the financial period		19,478	27,544
Attributable to:			
Equity holders of the Company		12,506	24,334
Non-controlling interests		6,972	3,210
		19,478	27,544

(Note h) Share of other comprehensive loss of associates comprised exchange translation deficit.

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

As at	Notes	Group		Company	
		30.09.20 S\$'000	31.03.20 S\$'000	30.09.20 S\$'000	31.03.20 S\$'000
Non-current Assets					
Property, plant and equipment		355,322	336,061	228	253
Right-of-use assets	a	25,451	25,696	992	30
Interest in subsidiaries		-	-	432,125	423,960
Interest in associates		277,260	270,887	29,031	29,031
Financial assets at fair value through other comprehensive income		2,662	2,496	-	-
Non-current receivables		14,277	15,318	-	-
Deferred tax assets		5,022	3,833	-	-
Deposits and prepayments		1,783	3,879	-	-
Intangible assets		12,973	13,660	-	-
		694,750	671,830	462,376	453,274
Current Assets					
Inventories	b	185,264	167,917	-	-
Receivables and prepayments	b, c	264,345	220,566	29,247	37,046
Dividend receivable		-	4,909	7,063	10,871
Taxation recoverable		4,309	4,592	-	-
Derivative financial instruments		159	-	-	-
Bank balances, deposits and cash	d	170,045	221,098	2,839	6,309
		624,122	619,082	39,149	54,226
Assets classified as held for sale	e	3,488	7,969	-	-
		627,610	627,051	39,149	54,226
Current Liabilities					
Trade and other payables	b, f	292,790	236,840	35,922	24,427
Contract liabilities		5,765	8,004	-	-
Lease liabilities	a	9,868	9,536	377	32
Income tax payable		9,145	6,403	219	219
Derivative financial instruments		532	1,203	532	721
Bank and other loans	g	440,022	516,435	125,964	173,957
		758,122	778,421	163,014	199,356
Net Current Liabilities	i	(130,512)	(151,370)	(123,865)	(145,130)
Non-current Liabilities					
Bank and other loans	h	45,580	14,089	26,271	38
Lease liabilities	a	13,126	12,266	622	-
Provision for restructuring		17,670	18,369	-	-
Deferred tax liabilities		7,131	7,201	-	-
		83,507	51,925	26,893	38
Net Assets		480,731	468,535	311,618	308,106
Represented by:					
Issued capital		286,307	286,307	286,307	286,307
Treasury shares		(20,865)	(20,865)	(20,865)	(20,865)
Reserves		121,595	109,006	46,176	42,664
Equity attributable to equity holders of the Company		387,037	374,448	311,618	308,106
Non-controlling interests		93,694	94,087	-	-
Total Equity		480,731	468,535	311,618	308,106

- (Note a) Increase in the Company's right-of-use assets and total lease liabilities was due to the renewal of the lease of its office during 1HFY2021, for a period of 3 years.
- (Note b) Increase in the Group's inventories, receivables and prepayments and trade and other payables was due mainly to increase in business activity level during the financial quarter ended 30 September 2020 ("2QFY2021") when compared to the financial quarter ended 31 March 2020 ("4QFY2020"). During 4QFY2020, the Group's operations was adversely affected by the sudden COVID-19 outbreak, including temporary closure of factory operations and manpower shortage due to movement controls. The Group's revenue was S\$310.5 million for 2QFY2021, compared to S\$235.1 million for 4QFY2020. As a result, inventories, trade receivables and trade payables of the Group increased.
- (Note c) Decrease in the Company's receivables and prepayment was due mainly to repayment by a subsidiary.
- (Note d) Decrease in the Group's bank balances, deposits and cash was due mainly to repayment of bank and other loans (note g).
- (Note e) Decrease in AHFS was due mainly to the handover of the control of the factory which was classified as AHFS as at 31 March 2020.
- (Note f) Increase in the Company's trade and other payables was due mainly to advance received from subsidiaries.
- (Note g) Decrease in bank and other loans of the Group and the Company repayable within a year was due mainly to repayment and reclassification to non-current liabilities (note h).
- (Note h) Increase in bank and other loans of the Group and the Company repayable after one year was due mainly to reclassification of certain bank and other loans, which was presented under current liabilities as at 31 March 2020, to non-current liabilities as at 30 September 2020. As at 31 March 2020, the Group did not comply with certain financial covenants (computed based on the Group's borrowings and earnings) committed under certain loan and banking facility agreements (the "Affected Loans") for the test period ended 31 March 2020 due to the adverse impact of COVID-19 pandemic. By 4 August 2020, the Group had obtained all required consents from lenders of the Affected Loans to waive such non-compliance. As a result:
- (i) as at 31 March 2020, bank and other loans repayable within a year included principal amount of the Affected Loans which were scheduled to be repaid after 31 March 2021 (the "Non-current Portion of the Affected Loans"), amounted to S\$130,157,000 and S\$94,500,000 for the Group and the Company respectively.
 - (ii) as at 30 September 2020, the Non-current Portion of the Affected Loans, to the extent scheduled to be repaid after 30 September 2021, were presented under non-current liabilities.
- (Note i) The net current liability position of the Group as at 30 September 2020 was due mainly to the following:
- (i) the Group's strategy to consolidate some of the Group's older factories into new highly automated mega factories and to rebalance the Group's manufacturing capacity in Asia led to a period of higher investments in property, plant and equipment ("CAPEX") in the past few years. From 1 April 2017 to 30 September 2020, the Group's CAPEX amounted to S\$264.3 million in aggregate. These investments were funded primarily by the Group's internal resources, including cash and short term banking facilities.

- (ii) bank and other loans of the Group repayable within a year as at 30 September 2020 included the Company's term loans amounted to S\$80.5 million which have final maturity dates falling before 30 September 2021. The Company plans to arrange new term loans before 31 March 2021 to refinance such maturing term loans and repay some of the short term borrowings so as to improve the Group's and the Company's liquidity position.

Taking into consideration the Group's internally generated funds and available banking facilities, the Group has sufficient resources to settle its current liabilities as they fall due.

The net current liability position as at 31 March 2020 was due mainly to the presentation of the Non-current Portion of the Affected Loans under current liabilities (note h).

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

As at	30.09.20 S\$'000	31.03.20 S\$'000
Amount repayable in one year or less, or on demand:		
Secured ⁽¹⁾	739	820
Unsecured	439,988	516,402
	440,727	517,222
Amount repayable after one year:		
Secured ⁽²⁾	1,579	1,862
Unsecured	45,559	14,051
	47,138	15,913

⁽¹⁾ Included lease liabilities of S\$705,000 which were secured against leased assets (31 March 2020: S\$787,000).

⁽²⁾ Included lease liabilities of S\$1,558,000 which were secured against leased assets (31 March 2020: S\$1,824,000).

Details of any collateral

As at	30.09.20 S\$'000	31.03.20 S\$'000
Net book value of property, plant and equipment held under secured borrowings:		
(i) Motor vehicles	516	608
(ii) Machinery and equipment	2,343	2,543

Other comments to paragraph 1(b)(ii)

As at 30 September 2020, bank balances, deposits and cash of the Group amounted to S\$170,045,000 (31 March 2020: S\$221,098,000), resulting in net borrowings of S\$317,820,000 (31 March 2020: S\$312,037,000).

1(c) A statement of cash flow (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

	1H ended 30.09.20 S\$'000	1H ended 30.09.19 S\$'000
Operating activities		
Profit before taxation	29,184	62,812
Adjustments for:		
Share of results of associates	(17,913)	(17,426)
Depreciation of property, plant and equipment	13,095	12,971
Depreciation of right-of-use assets	6,250	4,683
Amortisation of intangible assets	170	166
Finance costs	9,982	13,284
Interest income	(1,363)	(1,643)
Loss (Gain) on disposal and write-off of property, plant and equipment / assets classified as held for sale, net	186	(48,351)
Restructuring charges	-	17,475
Allowance for inventory obsolescence and write-off of inventory, net	784	542
Allowance for expected credit losses, net	79	119
Utilisation of prepaid rent	-	535
Gain from deemed disposal and partial disposal of interest in associates	-	(1,623)
Gain from de-registration of a subsidiary	-	(22)
Realised loss on derivative financial instruments	278	4,094
Unrealised fair value gain on derivative financial instruments	(446)	-
Rent concession related to COVID-19	(176)	-
Unrealised exchange loss (gain)	1,022	(634)
Operating cash flows before movements in working capital	41,132	46,982
Inventories	(23,966)	3,239
Receivables and prepayments	(59,221)	(37,943)
Trade and other payables, and contract liabilities	62,738	6,910
Cash generated from operations	20,683	19,188
Income tax paid	(4,101)	(13,266)
Finance costs paid	(9,577)	(12,432)
Interest received	843	1,306
Net cash generated from (used in) operating activities	7,848	(5,204)
Investing activities		
Purchase of property, plant and equipment	(30,680)	(36,517)
Deposits paid for purchase of property, plant and equipment	(1,524)	(2,346)
Deposits received for sale of assets classified as held for sale	-	24,493
Dividends received from associates	10,042	8,240
Proceeds from disposal of property, plant and equipment	165	618
Compensation received for disposal of assets classified as held for sale	14,427	-
Additional investment in an associate	(157)	-
Proceeds from disposal of financial assets at fair value through other comprehensive income	5	-
Net cash used in investing activities	(7,722)	(5,512)

	1H ended 30.09.20 S\$'000	1H ended 30.09.19 S\$'000
Financing activities		
Drawdown of bank and other loans	9,363	34,518
Repayment of bank and other loans	(44,172)	(46,454)
Payment of lease liabilities	(4,575)	(3,938)
Dividends paid	-	(10,891)
Lease liabilities	-	2,486
Dividend paid to non-controlling interests	(7,365)	(3,538)
Net cash used in financing activities	(46,749)	(27,817)
Net decrease in cash and cash equivalents	(46,623)	(38,533)
Cash and cash equivalents at beginning of financial period	221,098	247,478
Effects of exchange rate changes on the balance of cash held in foreign currencies	(4,430)	(7,401)
Cash and cash equivalents at end of financial period, representing bank balances, deposits and cash	170,045	201,544

1(d)(i) A statement (for the issuer and the group) of changes in equity together with a comparative statement for the corresponding period of the immediately preceding financial year.

	Attributable to equity holders of the Company												Non-controlling interests	Total equity		
	Issued capital	Treasury shares	Capital reserve	Legal reserve	Capital reserve on consolidation	Exchange translation reserve	Fair value reserve	Share-based payment reserve	Property revaluation reserve	Hedging reserve	Retained profits	Total			S\$'000	S\$'000
Group																
Balance at 01.04.20	286,307	(20,865)	5,368	21,193	30,461	(108,597)	(3,516)	1,895	596	(721)	162,327	374,448	94,087	468,535		
<u>Total comprehensive income (loss)</u>																
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	13,716	13,716	7,130	20,846		
Other comprehensive (loss) income for the financial period	-	-	-	-	-	(1,669)	270	-	-	189	-	(1,210)	(158)	(1,368)		
Total comprehensive (loss) income for the financial period	-	-	-	-	-	(1,669)	270	-	-	189	13,716	12,506	6,972	19,478		
Share of change in net assets of associates other than other comprehensive income	-	-	-	-	-	-	-	75	-	-	8	83	-	83		
<u>Transactions with owners, recognised directly in equity</u>																
Contributions by and distributions to owners:																
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	(7,365)	(7,365)		
Changes in ownership interests in subsidiaries:																
De-registration of a subsidiary	-	-	(279)	(226)	-	-	-	-	-	-	505	-	-	-		
Total transactions with owners	-	-	(279)	(226)	-	-	-	-	-	-	505	-	(7,365)	(7,365)		
Transfer from fair value reserve upon disposal of financial assets at fair value through other comprehensive income	-	-	-	-	-	-	1	-	-	-	(1)	-	-	-		
Balance at 30.09.20	286,307	(20,865)	5,089	20,967	30,461	(110,266)	(3,245)	1,970	596	(532)	176,555	387,037	93,694	480,731		

	Attributable to equity holders of the Company												Non-controlling interests	Total equity	
	Issued capital	Treasury shares	Capital reserve	Legal reserve	Capital reserve on consolidation	Exchange translation reserve	Fair value reserve	Share-based payment reserve	Property revaluation reserve	Hedging reserve	Retained profits	Total			S\$'000
Group															
Balance at 31.03.19, as previously reported	286,307	(20,865)	5,868	18,011	31,365	(115,322)	(2,174)	1,627	596	(356)	163,455	368,512	86,786	455,298	
Initial application of SFRS(I) 16 ⁽¹⁾	-	-	-	-	-	-	-	-	-	-	(2,224)	(2,224)	-	(2,224)	
Balance at 01.04.19, as restated	286,307	(20,865)	5,868	18,011	31,365	(115,322)	(2,174)	1,627	596	(356)	161,231	366,288	86,786	453,074	
<u>Total comprehensive income (loss)</u>															
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	38,711	38,711	5,918	44,629	
Other comprehensive loss for the financial period	-	-	-	-	-	(13,972)	(300)	-	-	(105)	-	(14,377)	(2,708)	(17,085)	
Total comprehensive (loss) income for the financial period	-	-	-	-	-	(13,972)	(300)	-	-	(105)	38,711	24,334	3,210	27,544	
Share of change in net assets of associates other than other comprehensive income	-	-	-	-	-	-	-	139	-	-	-	139	-	139	
<u>Transactions with owners, recognised directly in equity</u>															
Contributions by and distributions to owners:															
Dividends paid	-	-	-	-	-	-	-	-	-	-	(10,891)	(10,891)	(3,538)	(14,429)	
Total transactions with owners	-	-	-	-	-	-	-	-	-	-	(10,891)	(10,891)	(3,538)	(14,429)	
Transfer to reserve	-	-	-	3,533	-	-	-	-	-	-	(3,533)	-	-	-	
Balance at 30.09.19	286,307	(20,865)	5,868	21,544	31,365	(129,294)	(2,474)	1,766	596	(461)	185,518	379,870	86,458	466,328	

(1) Singapore Financial Reporting Standards (International) ("SFRS(I)") 16 Leases.

	Issued capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Hedging reserve S\$'000	Retained profits S\$'000	Total equity S\$'000
Company						
Balance at 01.04.20	286,307	(20,865)	614	(721)	42,771	308,106
Total comprehensive income						
Profit for the financial period	-	-	-	-	3,323	3,323
Other comprehensive income for the financial period	-	-	-	189	-	189
Total comprehensive income for the financial period	-	-	-	189	3,323	3,512
Balance at 30.09.20	286,307	(20,865)	614	(532)	46,094	311,618
Balance at 31.03.19, as previously reported	286,307	(20,865)	614	(356)	29,231	294,931
Initial application of SFRS(l) 16	-	-	-	-	(17)	(17)
Balance at 01.04.19, as restated	286,307	(20,865)	614	(356)	29,214	294,914
Total comprehensive income (loss)						
Profit for the financial period	-	-	-	-	32,953	32,953
Other comprehensive loss for the financial period	-	-	-	(105)	-	(105)
Total comprehensive (loss) income for the financial period	-	-	-	(105)	32,953	32,848
Transactions with owners, recognised directly in equity						
Dividend paid	-	-	-	-	(10,891)	(10,891)
Balance at 30.09.19	286,307	(20,865)	614	(461)	51,276	316,871

1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, subdivision, consolidation, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State the number of shares that may be issued on conversion of all the outstanding convertibles, if any, against the total number of issued shares excluding treasury shares and subsidiary holdings of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year. State also the number of shares held as treasury shares and the number of subsidiary holdings, if any, and the percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of shares outstanding in a class that is listed as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

There was no change in the Company's issued capital during the period from 31 March 2020 to 30 September 2020.

There were no shares that may be issued on conversion of any outstanding convertibles as at 30 September 2020 and 2019.

As at	30.09.20	30.09.19
Treasury shares held	37,311,800	37,311,800
Subsidiary holdings held	-	-
	37,311,800	37,311,800
Percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of issued shares excluding treasury shares and subsidiary holdings	7.71%	7.71%

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at	30.09.20	31.03.20
Total number of issued shares	521,358,482	521,358,482
Less: treasury shares	(37,311,800)	(37,311,800)
Total number of issued shares excluding treasury shares	484,046,682	484,046,682

1(d)(iv) A statement showing all sales, transfers, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

As at 30 September 2020, there were no sales, transfers, cancellation and/or use of treasury shares.

1(d)(v) A statement showing all sales, transfers, cancellation and/or use of subsidiary holdings as at the end of the current financial period reported on.

As at 30 September 2020, there were no sales, transfers, cancellation and/or use of subsidiary holdings.

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

3A. Where the latest financial statements are subject to an adverse opinion, qualified opinion or disclaimer of opinion:-

(a) Updates on the efforts taken to resolve each outstanding audit issue.

Not applicable.

(b) Confirmation from the Board that the impact of all outstanding audit issues on the financial statements have been adequately disclosed.

Not applicable.

4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.

Except as disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period compared with those of the audited financial statements as at 31 March 2020.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

The adoption of the various new/revised SFRS(I) and SFRS(I) Interpretations effective for the Company's financial year commenced on 1 April 2020 does not have a material financial effect on the Group and the Company.

The Group has early adopted Amendments to SFRS(I) 16 *Covid-19-Related Rent Concessions*. The Group applied the practical expedient not to assess a rent concession occurring as a direct consequence of the COVID-19 pandemic as a lease modification. The adoption does not have a material financial effect on the Group and the Company.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

Earnings per share ("EPS")	1H ended 30.09.20 Singapore cents	1H ended 30.09.19 Singapore cents
Basic EPS	2.83	8.00
Diluted EPS	2.83	8.00

Basic EPS is computed based on the weighted average number of shares in issue during the financial period. The weighted average number of ordinary shares represents the number of ordinary shares in issue at the beginning of the financial period, adjusted for new ordinary shares issued during the financial period multiplied by a time-weighted factor. The adjustments to the weighted average number of shares for computing diluted EPS are as follows:

	1H ended 30.09.20	1H ended 30.09.19
Weighted average number of ordinary shares used in calculating basic EPS	484,046,682	484,046,682
Adjustment for dilutive potential ordinary shares	-	-
Weighted average number of ordinary shares used in calculating diluted EPS	484,046,682	484,046,682

7. **Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:**
(a) current financial period reported on; and
(b) immediately preceding financial year.

As at	Group		Company	
	30.09.20 Singapore cents	31.03.20 Singapore cents	30.09.20 Singapore cents	31.03.20 Singapore cents
Net asset value per ordinary share based on 484,046,682 issued shares excluding treasury shares as at 30 September 2020 (31 March 2020: 484,046,682)	79.96	77.36	64.38	63.65

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and
(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

Review of Results

The Group's revenue for the six-month period ended 30 September 2020 ("1HFY2021") was S\$576.2 million, a 2.5% increase compared to the revenue reported for the six-month period ended 30 September 2019 ("1HFY2020"). Revenue of the Batteries Business increased by 12.3% while revenue of the Electronics and Acoustics Business declined by 29.6% and the Automotive Wire Harness Business decreased by 27.8%.

Gross profit for 1HFY2021 increased by 3.5% to S\$153.0 million due to improvement in gross profit margin from 26.3% in 1HFY2020 to 26.6% in 1HFY2021.

The Group's other operating income decreased by S\$52.7 million from S\$58.4 million for 1HFY2020 to S\$5.7 million for 1HFY2021. In 1HFY2020, the S\$58.4 million income included a gain of S\$48.4 million from the disposal of property.

Appreciation of Chinese Renminbi ("Renminbi") against United States ("US") dollar during 1HFY2021 contributed to an exchange loss of S\$5.4 million for the period, compared to an exchange gain of S\$4.3 million for 1HFY2020. Other operating expenses decreased by S\$22.6 million in 1HFY2021 when compared to 1HFY2020 as, in 1HFY2020, the Group reported a provision for restructuring costs of S\$17.5 million for relocation of the operations of GP Electronics (Huizhou) Co., Ltd. and a S\$4.1 million realised loss on derivative financial instruments due to depreciation of Renminbi against US dollar.

Finance costs decreased from S\$13.3 million for 1HFY2020 to S\$10.0 million for 1HFY2021 due to a decrease in interest rates and taxation expenses decreased by S\$9.8 million to S\$8.3 million in 1HFY2021 due mainly to taxation expense on the property disposal gain in 1HFY2020.

The Group's profit after taxation attributable to equity holders for 1HFY2021 was S\$13.7 million, compared to S\$38.7 million reported for 1HFY2020.

Based on the weighted average of 484,046,682 shares in issue, basic earnings per share for 1HFY2021 was 2.83 Singapore cents, compared to 8.00 Singapore cents reported in 1HFY2020.

The Directors do not declare any interim dividend for the financial year ending 31 March 2021, so as to conserve the Group's financial resources in view of the uncertainties ahead.

Business Review

Batteries Business - The revenue of the Batteries Business for 1HFY2021 was S\$482.2 million, a 12.3% increase when compared to the revenue reported in 1HFY2020. Sales of primary batteries increased by 15.5% while sales of rechargeable batteries decreased by 4.1%. In geographical terms, sales in the Americas and Asia increased by 44.9% and 9.6% respectively while sales in Europe maintained. The increase in sales in the Americas was due mainly to increase in sales of primary batteries.

Gross profit margin for 1HFY2021 improved as a result of better cost management and customer mix, and increase in sales including Delivered Duty Paid (“DDP”) terms. Distribution costs increased due to higher customs duty, transportation, packaging and other distribution costs, as a result of increase in DDP sales, and increase in advertising and promotion expenses.

Aggregate profit contribution from associates of the Batteries Business increased by S\$1.1 million in 1HFY2021 as compared to 1HFY2020.

Electronics and Acoustics Business - The revenue of the Electronics and Acoustics Business for 1HFY2021 was S\$80.1 million, a 29.6% decrease when compared to the revenue reported in 1HFY2020. Sales of private label professional audio products decreased by 51.0% due to COVID-19 in key markets resulting in cessation of all public performances and significantly suppressed market demand. Sales of Celestion products decreased by 37.4%. Sales of KEF products to the Americas increased by 23.3% due to increase in on-line transactions. Sales of KEF products in Europe increased by 4.5% while sales to Asia decreased by 19.7%. However, capacity and cost cutting measures implemented helped to maintain overall profitability in this business.

Aggregate profit contributed from associated companies which manufacture parts and components increased slightly.

Automotive Wire Harness Business - The revenue of the Automotive Wire Harness Business for 1HFY2021 was S\$14.0 million, a decline of 27.8% when compared to the revenue reported in 1HFY2020. Sales to the Americas decreased by 43.5% due mainly to reduced demand for passenger cars in the US as the market was locked down during the pandemic. Sales to China decreased by 2.4% as the lockdown order to prevent the spread of pandemic during the first few months of calendar year 2020 was removed in the later months and car sales recovered relatively quickly. Capacity and cost adjustment measures implemented also helped to maintain profitability in this business.

Other Industrial Investments - This business segment includes the Group’s investments in Meiloon Industrial Co., Ltd. (“Meiloon”) and Linkz Industries Limited (“Linkz”). During 1HFY2021, Meiloon reported a decrease in revenue and contributed less profit while Linkz reported a slight decrease in revenue but contributed more profit.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

Not applicable.

10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The COVID-19 pandemic is still prevalent globally and is expected to continue disrupting the market demand for some of the Group's products. The US China trade dispute, if remains unresolved, will continue to affect US market demand for some of the Group's China-made products due to the additional US import tariff.

Demand for the Group's battery products is more resilient to the economic fluctuations. However, lock down and supply chain problems faced by some competitors may cause more consolidation of the market and lead to more business opportunities for the Group's battery products. Demand for the Group's private label professional audio products may continue to be adversely affected if mass gatherings stay disallowed. Sales of KEF products remained robust so far and new speakers introduced by KEF received a number of major awards thus resulting in a strong order book. The proprietary Metamaterial Absorption Technology (MAT) developed by KEF has just won the "Innovation of the Year" award from What Hi-Fi? magazine of the United Kingdom. Revenue from the sales of battery products and KEF products accounted for 83.7% and 7.4% of the Group's revenue for 1HFY2021 respectively.

Volatilities in raw material prices and currency exchange rates may continue to affect the Group's results and price competition may intensify later on, hurting revenue and profitability.

Construction of the state-of-the-art manufacturing campus by the Group's battery manufacturing subsidiaries in Ningbo, China, is nearing completion. The strategy to rebalance the Group's manufacturing capacity among factories in China, Malaysia, Vietnam and Thailand is being delayed due to travel restrictions, although the Group's new Malaysian factory is making progress. Completion of the factory relocation projects in Southeast Asia will not only provide a more diverse supply base for the Group's products but also free up some of the Group's land and buildings in China for disposal, proceeds from which will strengthen the Group's balance sheet and cash flow. The Group's 20.27% owned associate, Meiloon, started to build a new factory in Indonesia. On 23 October 2020, the Company had announced that a wholly owned subsidiary of Meiloon had accepted an offer to return its factory site located in Suzhou, China, to the Suzhou city government for a compensation equivalent to approximately S\$140.4 million.

Despite the very challenging business environment globally, the Group will continue to build its brands and its distribution networks. The Group is further strengthening its eCommerce infrastructure and capabilities, in order to benefit from the rapidly growing eCommerce channels. The Group will also continue to invest into technology, new products and automation of its factories to further enhance the competitiveness of the Group's businesses.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? No

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	Interim	Interim Special
Dividend Type Dividend Amount per Share	Cash 1.25 Singapore cents per ordinary share tax-exempt (1-tier)	Cash 0.55 Singapore cent per ordinary share tax-exempt (1-tier)

(c) Date payable

Not applicable.

(d) Record date

Not applicable.

(e) Other comments relating to Dividend

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect and the reason(s) for the decision.

In view of the adverse impact on the economy and economic uncertainties caused by the COVID-19 outbreak, the Directors do not declare any interim dividend for the financial year ending 31 March 2021, in order to conserve the Group's financial resources amid the uncertainties.

13. Interested person transactions

Pursuant to the shareholders' mandate on interested person transactions approved by the shareholders at the Annual General Meeting held on 11 September 2020, the interested person transactions entered into by the Group during 1H ended 30 September 2020 are as follows:

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 during the financial period under review (excluding transactions less than S\$100,000)	
		1H ended 30.09.20 S\$'000	1H ended 30.09.19 S\$'000	1H ended 30.09.20 S\$'000	1H ended 30.09.19 S\$'000
Sales:					
Huizhou Light Engine Limited	(Note a)	-	-	-	59
Time Interconnect Technology (Huizhou) Limited	(Note a)	-	-	46	-
Subcontracting service income:					
Time Interconnect Technology (Huizhou) Limited	(Note a)	-	-	-	13

(Note a) An associate of a controlling shareholder.

14. Negative confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

We, Victor Lo Chung Wing and Brian Li Yiu Cheung, being two directors of GP Industries Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of their knowledge, nothing has come to the attention of the board of directors of the Company which may render the unaudited financial statements for the financial period ended 30 September 2020 to be false or misleading in any material aspect.

15. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

BY ORDER OF THE BOARD

Victor Lo Chung Wing
Chairman and Chief Executive Officer

Brian Li Yiu Cheung
Executive Vice President

13 November 2020