



GP Industries Limited
(Incorporated in the Republic of Singapore)
Co. Reg. No. 199502128C

INVESTMENT IN A SUBSIDIARY

The Board of Directors (the "Board") of GP Industries Limited (the "Company") would like to announce that GP Acoustics International Limited, an indirectly held wholly-owned subsidiary of the Company, has recently acquired 900 issued ordinary shares (the "Shares") of KEF Japan, Inc. ("KEF Japan"), representing 90% equity interest therein, for a cash consideration of JPY45 million (approximately S\$566,000) (the "Consideration"). KEF Japan is incorporated in Japan with an issued share capital of JPY50,000,000, comprising 1,000 ordinary shares of JPY50,000 each. The principal activities of KEF Japan is trading of acoustics products.

The Consideration was arrived at on a willing-seller willing-buyer basis after considering, *inter alia*, the net asset value of KEF Japan. Based on the unaudited management accounts of KEF Japan as at 31 March 2016, share of net asset acquired amounted to approximately S\$682,000. No person was commissioned to value the Shares.

The above-mentioned transaction is not expected to have any material impact on the Company's consolidated net tangible assets and earnings per share for the financial year ending 31 March 2017.

None of the Directors or controlling shareholders of the Company has any interest, direct or indirect (other than through their shareholdings in the Company), in the above-mentioned transaction.

By order of the Board

Kelly Kiar Lee Noi
Company Secretary
27 May 2016