



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

First Quarter Financial Statement for the Financial Quarter ended 30 June 2017

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 first quarter ("Q1") ended 30 June 2017. These figures have not been audited.

	Notes	Q1 ended 30.06.17 S\$'000	Q1 ended 30.06.16 S\$'000	Change %
Revenue	a	274,801	242,097	13.5
Cost of sales		(205,361)	(183,817)	11.7
Gross profit		69,440	58,280	19.1
Other operating income *	b	2,207	1,846	19.6
Distribution costs	c	(27,582)	(23,366)	18.0
Administrative expenses		(31,701)	(29,890)	6.1
Exchange (loss) gain	d	(1,636)	2,721	n/m
Other operating expenses *		(765)	(666)	14.9
Profit before finance costs and share of results of associates		9,963	8,925	11.6
Finance costs *	e	(3,643)	(3,064)	18.9
Share of results of associates	f	8,129	7,166	13.4
Profit before taxation	g	14,449	13,027	10.9
Income tax expense	h	(5,137)	(4,807)	6.9
Profit after taxation		9,312	8,220	13.3
Attributable to:				
Equity holders of the Company		5,414	5,155	5.0
Non-controlling interests		3,898	3,065	27.2
		9,312	8,220	13.3

* Prior period comparative figures of other operating income, other operating expenses and finance costs have been reclassified to conform to current period's presentation.

n/m - not meaningful

- (Note a) Increase in revenue was due mainly to a 16.8% increase in revenue of GP Batteries International Limited ("GP Batteries").
- (Note b) Increase in other operating income was due partly to the net result of increase in tooling income, engineering fee income and interest income during Q1 ended 30 June 2017, and gain from disposal of intangible assets reported in Q1 ended 30 June 2016.
- (Note c) Increase in distribution costs was due partly to increase in revenue and partly to increase in expenditure for the Group's brand building activities.
- (Note d) The exchange loss for Q1 ended 30 June 2017 comprised mainly GP Batteries' exchange loss of S\$1.7 million.
- (Note e) Increase in finance costs was due mainly to increase in the Group's gross bank borrowings.
- (Note f) Increase in profit contributed by Linkz Industries Limited and Meiloon Industrial Co., Ltd. contributed to the increase in share of results of associates.
- (Note g) Profit before taxation was arrived at after crediting (charging) the following:

	Q1 ended 30.06.17 S\$'000	Q1 ended 30.06.16 S\$'000
Depreciation and amortisation	(5,970)	(5,472)
Allowance for and write-off of bad debt, net	(55)	(48)
Allowance for and write-off of inventory obsolescence, net	(453)	(644)
Interest income ⁽¹⁾	343	215
Gain on disposal of property, plant and equipment ⁽¹⁾	87	83
Gain from disposal of intangible assets ⁽¹⁾	-	286
Property, plant and equipment written off ⁽²⁾	(259)	(118)

⁽¹⁾ Reported under other operating income.

⁽²⁾ Reported under other operating expenses.

- (Note h) There was no significant adjustment for under- or over-provision of income tax expense in respect of prior years for Q1 this year except for an over-provision of approximately S\$48,000 (2016: S\$520,000).

Group statement of comprehensive income for Q1 ended 30 June 2017.

	Notes	Q1 ended 30.06.17 S\$'000	Q1 ended 30.06.16 S\$'000
Profit after taxation for the financial period		9,312	8,220
Other comprehensive income (loss):			
Items that may be reclassified subsequently to profit or loss:			
Exchange translation surplus (deficit)		1,020	(8,837)
Fair value gain on available-for-sale financial assets		-	203
Share of other comprehensive loss of associates	i	(2,628)	(1,554)
Other comprehensive loss for the financial period, net of tax		(1,608)	(10,188)
Total comprehensive income (loss) for the financial period		7,704	(1,968)
Attributable to:			
Equity holders of the Company		3,496	(1,100)
Non-controlling interests		4,208	(868)
		7,704	(1,968)

(Note i) 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	
		30.06.17 S\$'000	31.03.17 S\$'000	30.06.17 S\$'000	31.03.17 S\$'000
Non-current Assets					
Investment properties	a	-	1,791	-	-
Property, plant and equipment	b	272,640	247,962	157	172
Interest in subsidiaries		-	-	337,206	337,206
Interest in associates		248,781	247,725	29,031	29,031
Available-for-sale financial assets		6,214	6,291	-	-
Deferred tax assets		3,646	3,549	-	-
Deposits and prepayments		3,542	6,063	-	-
Intangible assets		18,230	18,542	-	-
		553,053	531,923	366,394	366,409
Current Assets					
Inventories	c	168,209	152,641	-	-
Receivables and prepayments		212,868	210,288	7,764	5,999
Dividend receivable		620	1,255	25,196	21,607
Taxation recoverable		2,615	2,358	-	-
Amount due from ultimate holding company		12	3	-	-
Bank balances, deposits and cash	d	171,961	184,699	20,629	27,445
		556,285	551,244	53,589	55,051
Assets classified as held for sale	e	10,091	1,057	-	-
		566,376	552,301	53,589	55,051
Current Liabilities					
Trade and other payables		247,999	232,946	2,043	1,873
Obligations under finance leases		67	87	-	-
Income tax payable		5,627	5,717	981	767
Amount due to ultimate holding company		959	865	81	-
Bank overdrafts, bank loans and other loans	f	237,298	203,952	28,317	26,303
		491,950	443,567	31,422	28,943
Net Current Assets		74,426	108,734	22,167	26,108
Non-current Liabilities					
Bank and other loans	f, g	114,666	131,692	87,721	95,522
Obligations under finance leases		84	94	-	-
Deferred tax liabilities		4,043	3,835	-	-
		118,793	135,621	87,721	95,522
Net Assets		508,686	505,036	300,840	296,995
Represented by:					
Issued capital		286,307	286,307	286,307	286,307
Treasury shares		(20,585)	(20,585)	(20,585)	(20,585)
Reserves		80,249	76,753	35,118	31,273
Equity attributable to equity holders of the Company		345,971	342,475	300,840	296,995
Non-controlling interests		162,715	162,561	-	-
Total Equity		508,686	505,036	300,840	296,995

- (Note a) The investment property in Huizhou, The People's Republic of China ("PRC"), has been reclassified to assets classified as held for sale ("AHFS") during Q1 ended 30 June 2017 (note e).
- (Note b) Increase in the Group's property, plant and equipment was due mainly to the acquisition of land for construction of factory building by a 70%-owned subsidiary of GP Batteries, Ningbo GP Pairdeer Batteries Co. Ltd, as announced by GP Batteries on 17 May 2017.
- (Note c) Increase in the Group's inventories was due mainly to increase in inventories of GP Batteries as a result of increase in turnover.
- (Note d) Decrease in the Company's bank balances, deposits and cash was due mainly to repayment of bank loans.
- (Note e) As at 30 June 2017 and 31 March 2017, AHFS comprised assets of certain subsidiaries of GP Batteries. Increase in AHFS was due to the reclassification of three properties, which are located in Huizhou, PRC and Hsin-Chu, Taiwan, from property, plant and equipment and investment property to AHFS during Q1 ended 30 June 2017.
- (Note f) Increase in the Group's bank overdrafts, bank loans and other loans repayable within a year was due mainly to increase in bank loans of GP Batteries.

Increase in total borrowings of the Group were due mainly to increase in the total bank loans of GP Batteries to finance the land acquisition (note b), and the expansion of the manufacturing facilities in Malaysia.

- (Note g) Decrease in the Group's bank and other loans repayable after one year was due mainly to repayment.

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

As at	30.06.17 S\$'000	31.03.17 S\$'000
Amount repayable in one year or less, or on demand:		
Secured	67	87
Unsecured	237,298	203,952
	237,365	204,039
Amount repayable after one year:		
Secured	84	94
Unsecured	114,666	131,692
	114,750	131,786

Details of any collateral

As at	30.06.17 S\$'000	31.03.17 S\$'000
Net book value of property, plant and equipment held under finance leases:		
(i) Motor vehicles	229	140
(ii) Machinery and equipment	-	76

Other comments to paragraph 1(b)(ii)

As at 30 June 2017, bank balances, deposits and cash of the Group amounted to S\$171,961,000 (31 March 2017: S\$184,699,000), resulting in net borrowings of S\$180,154,000 (31 March 2017: S\$151,126,000).

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.

	Q1 ended 30.06.17 S\$'000	Q1 ended 30.06.16 S\$'000
Operating activities		
Profit before taxation	14,449	13,027
Adjustments for:		
Share of results of associates	(8,129)	(7,166)
Depreciation of property, plant and equipment	5,885	5,390
Amortisation of intangible assets	85	82
Finance costs *	3,643	3,064
Interest income	(343)	(215)
Loss on disposal and write-off of property, plant and equipment, net	172	35
Gain from disposal of intangible assets	-	(286)
Allowance for impairment loss on intangible assets	-	5
Allowance for and write-off of inventory obsolescence, net	453	644
Allowance for and write-off of bad-debt, net	55	48
Unrealised fair value gain on derivative financial instruments	-	(166)
Unrealised exchange loss (gain)	770	(2,541)
Operating cash flows before movements in working capital	17,040	11,921
Inventories	(17,175)	7,589
Receivables and prepayments *	(6,099)	(9,757)
Trade and other payables	17,592	4,882
Amount due to ultimate holding company	91	(135)
Cash generated from operations	11,449	14,500
Income tax paid	(3,416)	(3,405)
Finance costs paid *	(3,283)	(3,243)
Interest received	343	215
Net cash generated from operating activities	5,093	8,067
Investing activities		
Purchase of property, plant and equipment	(35,659)	(5,360)
Dividends received from associates	2,765	2,492
Proceeds from disposal of property, plant and equipment	3,245	767
Deposits paid for purchase of property, plant and equipment	(1,675)	(1,737)
Investment in an associate	-	(52)
Proceeds from disposal of intangible assets	-	286
Acquisition of intangible assets	-	(271)
Net cash used in investing activities	(31,324)	(3,875)

	Q1 ended 30.06.17 S\$'000	Q1 ended 30.06.16 S\$'000
Financing activities		
Drawdown of long-term bank and other loans	7,758	13,000
Repayment of long-term bank and other loans	(16,566)	(12,620)
Drawdown (Repayment) of short-term bank loans, net	26,160	(955)
Obligations under finance leases	(60)	(9)
Dividend paid to non-controlling interests	(4,054)	(6,349)
Purchase of treasury shares	-	(59)
A subsidiary's purchase of its own shares from non-controlling interests	-	(4)
Net cash generated from (used in) financing activities	13,238	(6,996)
Net decrease in cash and cash equivalents	(12,993)	(2,804)
Cash and cash equivalents at beginning of financial period	184,699	163,065
Effects of exchange rate changes on the balance of cash held in foreign currencies	(146)	(1,666)
Cash and cash equivalents at end of financial period	171,560	158,595
Cash and cash equivalents at end of financial period comprised:		
Bank balances, deposits and cash	171,961	159,639
Less: Bank overdrafts	(401)	(1,044)
	171,560	158,595

* Prior period comparative figures of finance costs, receivables and prepayments and finance costs paid have been reclassified to conform to current period's presentation.

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 S\$'000	Total equity S\$'000
	Issued capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Legal reserve S\$'000	Capital reserve on consolidation S\$'000	Exchange translation reserve S\$'000	Available-for-sale financial assets reserve S\$'000	Share-based payment reserve S\$'000	Property revaluation reserve S\$'000	Retained profits S\$'000	Total S\$'000		
Group													
Balance at 01.04.17	286,307	(20,585)	3,132	16,453	22,617	(105,471)	545	1,467	596	137,414	342,475	162,561	505,036
<u>Total comprehensive income (loss)</u>													
Profit for the financial period	-	-	-	-	-	-	-	-	-	5,414	5,414	3,898	9,312
Other comprehensive income (loss):													
Exchange translation surplus	-	-	-	-	-	608	-	-	-	-	608	412	1,020
Share of other comprehensive loss of associates	-	-	-	-	-	(2,526)	-	-	-	-	(2,526)	(102)	(2,628)
Other comprehensive (loss) income for the financial period	-	-	-	-	-	(1,918)	-	-	-	-	(1,918)	310	(1,608)
Total comprehensive (loss) income for the financial period	-	-	-	-	-	(1,918)	-	-	-	5,414	3,496	4,208	7,704
<u>Transactions with owners, recognised directly in equity</u>													
Contributions by and distributions to owners:													
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(4,054)	(4,054)
Total transactions with owners	-	-	-	-	-	-	-	-	-	-	-	(4,054)	(4,054)
Balance at 30.06.17	286,307	(20,585)	3,132	16,453	22,617	(107,389)	545	1,467	596	142,828	345,971	162,715	508,686

	Attributable to equity holders of the Company											Non-controlling interests S\$'000	Total equity S\$'000
	Issued capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Legal reserve S\$'000	Capital reserve on consolidation S\$'000	Exchange translation reserve S\$'000	Available-for-sale financial assets reserve S\$'000	Share-based payment reserve S\$'000	Property revaluation reserve S\$'000	Retained profits S\$'000	Total S\$'000		
Group													
Balance at 01.04.16	286,307	(20,514)	3,132	14,946	22,236	(104,417)	352	1,467	596	133,441	337,546	164,527	502,073
Total comprehensive income (loss)													
Profit for the financial period	-	-	-	-	-	-	-	-	-	5,155	5,155	3,065	8,220
Other comprehensive income (loss):													
Exchange translation deficit	-	-	-	-	-	(4,842)	-	-	-	-	(4,842)	(3,995)	(8,837)
Fair value gain on available-for-sale financial assets	-	-	-	-	-	-	131	-	-	-	131	72	203
Share of other comprehensive loss of associates	-	-	-	-	-	(1,544)	-	-	-	-	(1,544)	(10)	(1,554)
Other comprehensive (loss) income for the financial period	-	-	-	-	-	(6,386)	131	-	-	-	(6,255)	(3,933)	(10,188)
Total comprehensive (loss) income for the financial period	-	-	-	-	-	(6,386)	131	-	-	5,155	(1,100)	(868)	(1,968)
Transactions with owners, recognised directly in equity													
Contributions by and distributions to owners:													
Purchase of treasury shares	-	(59)	-	-	-	-	-	-	-	-	(59)	-	(59)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(6,349)	(6,349)
Total contributions by and distributions to owners	-	(59)	-	-	-	-	-	-	-	-	(59)	(6,349)	(6,408)
Changes in ownership interests in subsidiaries:													
Acquisition of a subsidiary / deemed acquisition of additional interest in a subsidiary	-	-	-	-	2	-	-	-	-	-	2	69	71
Total transactions with owners	-	(59)	-	-	2	-	-	-	-	-	(57)	(6,280)	(6,337)
Transfer to reserve	-	-	-	481	-	-	-	-	-	(481)	-	-	-
Capitalisation of profits by a subsidiary	-	-	-	-	176	-	-	-	-	(176)	-	-	-
Balance at 30.06.16	286,307	(20,573)	3,132	15,427	22,414	(110,803)	483	1,467	596	137,939	336,389	157,379	493,768

	Issued capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Retained profits S\$'000	Total equity S\$'000
Company					
Balance at 01.04.17	286,307	(20,585)	614	30,659	296,995
Profit and total comprehensive income for the financial period	-	-	-	3,845	3,845
Balance at 30.06.17	286,307	(20,585)	614	34,504	300,840
Company					
Balance at 01.04.16	286,307	(20,514)	614	28,292	294,699
Profit and total comprehensive income for the financial period	-	-	-	4,129	4,129
Transactions with owners, recognised directly in equity					
Purchase of treasury shares	-	(59)	-	-	(59)
Balance at 30.06.16	286,307	(20,573)	614	32,421	298,769

- 1(d)(ii) **Details of any changes in the company's share capital arising from rights issue, bonus issue, 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 2017 to 30 June 2017.

There were no shares that may be issued on conversion of any outstanding convertibles as at 30 June 2017 and 2016.

As at	30.06.17	30.06.16
Treasury shares held	36,889,300	36,869,300
Subsidiary holdings held	-	-
	36,889,300	36,869,300
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	7.61%	7.61%

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	30.06.17	31.03.17
Total number of issued shares	521,358,482	521,358,482
Less: treasury shares	(36,889,300)	(36,889,300)
Total number of issued shares excluding treasury shares	484,469,182	484,469,182

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 June 2017, 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 June 2017, 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.

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

Other than the adoption of certain revisions to various existing Financial Reporting Standards ("FRS"), the new FRS and Interpretations of FRS ("INT FRS") that are mandatory on the Group for its financial year commenced on 1 April 2017, the Group has adopted the same accounting policies and methods of computation for the current financial period as those adopted for the audited financial statements for the financial year ended 31 March 2017.

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 revised FRS, new FRS and INT FRS effective for the Company's financial year commenced on 1 April 2017 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")	Q1 ended 30.06.17 Singapore cents	Q1 ended 30.06.16 Singapore cents
Basic EPS	1.12	1.06
Diluted EPS	1.12	1.06

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:

	Q1 ended 30.06.17	Q1 ended 30.06.16
Weighted average number of ordinary shares used in calculating basic EPS	484,469,182	484,495,368
Adjustment for dilutive potential ordinary shares	-	-
Weighted average number of ordinary shares used in calculating diluted EPS	484,469,182	484,495,368

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	
	30.06.17 Singapore cents	31.03.17 Singapore cents	30.06.17 Singapore cents	31.03.17 Singapore cents
Net asset value per ordinary share based on 484,469,182 issued shares excluding treasury shares as at 30 June 2017 (31 March 2017: 484,469,182)	71.41	70.69	62.10	61.30

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 financial quarter ended 30 June 2017 ("Q1FY2018") was S\$274.8 million, an increase of 13.5% over the revenue reported for the financial quarter ended 30 June 2016 ("Q1FY2017"). The increase was mainly attributable to a 16.8% revenue growth of GP Batteries International Limited ("GP Batteries").

Gross profit increased by 19.1% to S\$69.4 million, as a result of the 13.5% increase in revenue and improved gross profit margin of GP Batteries. At the same time, distribution costs increased by 18.0%, due mainly to the increase in revenue and the Group's increased investment in brand building activities. During Q1FY2018, the Group reported a net exchange loss of S\$1.6 million, compared to a net exchange gain of S\$2.7 million for Q1FY2017.

For Q1FY2018, profit before taxation increased by 10.9% to S\$14.4 million, compared to S\$13.0 million for Q1FY2017. Profit after taxation attributable to equity holders for Q1FY2018 increased by 5.0% to S\$5.4 million, compared to S\$5.2 million reported for Q1FY2017.

Based on the weighted average of 484,469,182 shares in issue (Q1FY2017: 484,495,368 shares), basic earnings per share for Q1FY2018 were 1.12 Singapore cents, compared to 1.06 Singapore cents for Q1FY2017.

Business Review

Electronics and Acoustics Business - Revenue from the electronics and acoustics business in Q1FY2018 grew by 7.1% when compared to Q1FY2017. Sales of electronics products decreased by 2.2% while sales of acoustics products continued its growth and increased by 26.2% when compared to Q1FY2017. Sales of acoustics products increased by 16.4% to the US market and by 70.6% to the Asia market while sales to Europe decreased by 3.9%. The associates which are engaged in the production of parts and components contributed less profit in aggregate. Profit contribution from the electronics and acoustics business decreased by 34.1% in Q1FY2018 when compared to Q1FY2017.

Automotive Wire Harness Business - Sales of the automotive wire harness business decreased by 7.5% in Q1FY2018 when compared to Q1FY2017. Sales to China increased by 48.5%. Sales to the US, however, decreased by 29.2% as some wire harnesses being supplied to a key US customer approached the end of their production cycle. In Q1FY2018, profit contribution from this business decreased by 30.5% when compared to Q1FY2017.

Battery Business - The revenue of GP Batteries for Q1FY2018 was S\$207.2 million, a 16.8% increase over the revenue for Q1FY2017. Sales of primary batteries and rechargeable batteries increased by 18.6% and 11.3% respectively. The increase in sales of rechargeable batteries contributed to the improvement in gross profit margin to 23.4% for Q1FY2018, compared to 21.4% for Q1FY2017.

In geographical terms, sales increased across all regions. Sales in both the Americas and Europe for Q1FY2018 increased by 45.7% over Q1FY2017.

During Q1FY2018, GP Batteries reported a net exchange loss of S\$1.7 million, compared to a net exchange gain of S\$2.0 million in Q1FY2017.

For Q1FY2018, GP Batteries reported a profit after taxation attributable to its equity holders of S\$3.1 million, compared to S\$1.2 million for Q1FY2017.

Other Industrial Investments - This business segment includes the Group's investments in Meiloon Industrial Co., Ltd. ("Meiloon") and Linkz Industries Limited ("Linkz"). In Q1FY2018, both Meiloon and Linkz contributed more profit before taxation, as both of them reported revenue growth. Profit contribution from this business segment increased by 112.4% during Q1FY2018 when compared to Q1FY2017.

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.

Consumer demand in the US is expected to gradually strengthen and demand in China is expected to remain stable. Consumer demand in Europe is expected to gradually regain some growth at the current lower level. However, recent weakening of the United States Dollar could affect some of the Group's businesses.

GP Batteries' enlarged production capacity in Malaysia is expected to continue contributing to the growth of the battery business, despite rising commodity prices and keen competition in the industry. GP Batteries' strategy is to continue to consolidate the smaller factories in China and Taiwan into larger ones to benefit from economies of scale for future competitiveness. GP Batteries recognises that the older sites in Huizhou could be rezoned by the local government as non-industrial sites and is therefore actively seeking buyers to dispose of those sites. The Taiwan plant has ceased production for approximately one year and will also be disposed of. Accordingly, these properties have been reclassified as "assets classified as held for sale" in the statement of financial position as at 30 June 2017.

The Group will continue to enhance the competitiveness of its businesses by investing in technology, new product development, further automating the Group's factories and to continue building the Group's brands and distribution networks in key markets.

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? No

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

(e) Other comments relating to Dividend

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

No dividend has been declared/recommended for the financial quarter ended 30 June 2017.

13. Interested person transactions

Pursuant to the shareholders' mandate on interested person transactions approved by the shareholders at the Annual General Meeting held on 29 July 2016, the interested person transactions entered into by the Group during Q1 ended 30 June 2017 are as follows:

Name of interested person	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)	
	Q1 ended 30.06.17 S\$'000	Q1 ended 30.06.16 S\$'000	Q1 ended 30.06.17 S\$'000	Q1 ended 30.06.16 S\$'000
Sales:				
Light Engine Ltd	-	-	37	49
Gold Peak Industries (Holdings) Limited	-	-	-	5

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

We, Leung Pak Chuen 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 June 2017 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

Leung Pak Chuen
Executive Vice Chairman

Brian Li Yiu Cheung
Managing Director

8 August 2017