

**Unaudited Condensed Interim Consolidated Financial Statements for the half
year (“1H”) ended 30 September 2021 (“1HFY2022”)**

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A. Business Review and Outlook

Review of Results

During the financial half year ended 30 September 2021 ("1HFY2022"), revenue of the Group's continuing operations increased by S\$56.7 million or 10.1% to S\$619.0 million, due mainly to a S\$51.4 million or 64.2% increase in revenue of the Electronics and Acoustics Business.

On 31 August 2021, the Group completed the disposal of the subsidiaries in the Automotive Wire Harness Business. Pursuant to the prevailing financial reporting standards, results of operations of the disposed Automotive Wire Harness Business for 1HFY2022 and prior period comparative figures for the financial half year ended 30 September 2020 ("1HFY2021") are presented separately under discontinued operations.

Gross profit margin decreased slightly from 26.8% in 1HFY2021 to 26.1% in 1HFY2022. The decrease was due mainly to appreciation of Chinese Renminbi ("RMB") and significant increases in material costs across a wide range of raw materials and components. Comparing 1HFY2022 and 1HFY2021, RMB appreciated by more than 7% against the United States ("US") Dollar. While material and component price increases varied from type to type, it is common to find 15% to 25% cost increase for some materials and components in higher demand. However, selling price increases to customers and improvements in sales mix with increase in sales of the KEF acoustic systems partially offset the adverse effects of RMB appreciation and material price increase on gross profit margin of the Group.

Distribution costs increased by S\$5.8 million or 8.8% to S\$71.5 million, due partly to rapid and substantial increases in global shipping costs. The standard container shipping cost from key Chinese ports to the key USA ports increased from approximately US\$2,500 per container in past years to its peak of around US\$23,000 per container in 1HFY2022.

Administrative expenses increased by S\$13.0 million or 21.2% to S\$74.3 million due mainly to staff costs increases on a year-on-year comparison basis. During 1HFY2021, the Group implemented aggressive cost control measures and received some government subsidies from various countries during COVID-19 lockdown period, which contributed to reduce staff cost for comparison basis in 1HFY2021.

Profit from continuing operations attributable to equity holders of the Company increased by S\$1.9 million to S\$14.8 million, or 14.6% over the profit same period last year.

Net loss from discontinued operations arose from disposal of the Automotive Wire Harness Business in 1HFY2022 amounted to S\$3.05 million, which included the cumulative translation deficit of S\$2.07 million charged back to profit or loss.

Including discontinued operations, total profit attributable to equity holders of the Company decreased from S\$13.7 million for 1HFY2021 to S\$11.7 million for 1HFY2022. Basing on the weighted average of 483,864,398 shares in issue, basic earnings per share for 1HFY2022 was 2.42 Singapore cents, compared to 2.83 Singapore cents reported in 1HFY2021.

The Directors have declared an interim dividend of 1.25 Singapore cents per share.

Business Review

Batteries Business – The revenue of the Batteries Business for 1HFY2022 was S\$487.6 million, an increase of 1.1% when compared to 1HFY2021. Sales of primary and rechargeable batteries in 1HFY2022 increased by 0.7% and 0.6% respectively. In geographical terms, sales to Europe and Asia increased by 9.4% and 5.7% respectively while sales to the Americas decreased by 16.7%.

The relocation of the Nickel Metal Hydride rechargeable and Carbon Zinc 9-volt batteries manufacturing facilities from Huizhou to the new manufacturing campus located at Xiegang, Dongguan is expected to be completed in the early half of the next financial year commencing on 1 April 2022 (“FY2023”). Renovation of the Malaysian and Vietnam factories were delayed by the surge of domestic COVID-19 cases and the resulting lockdown measures which delayed the factories’ achieving normal production capacity in 1HFY2022. However, the capital investments required for setting up the new factories are expected to be mostly completed in the early part of FY2023, significantly reducing the investment needed for this business thereafter.

Gross profit margin of the Batteries Business has been affected by the rapidly increased material costs and the strengthened RMB. Although the Management worked closely with customers to increase product prices, the delay between contract renewal negotiations and customer’s acceptance of price increases against the time when material prices actually increased resulted in reduced gross profit margin for the period. During 1HFY2022, disruptions to global shipping caused significant delays and drastic increases in shipping costs. The combined impact of these adverse factors and a decrease in aggregate share of profit from associates led to a decline in profit contribution from the Battery Business.

Electronics and Acoustics Business – The revenue of the Electronics and Acoustics Business for 1HFY2022 was S\$131.4 million, a 64.2% increase when compared to the revenue reported in 1HFY2021 with strong growth in both the professional audio manufacturing business and the branded acoustics business.

The professional audio manufacturing business reported a 54.6% increase in revenue in 1HFY2022 with increased sales to all major geographical markets, including a 97.8% increase to the Americas. The increase was mainly driven by the recovery of the professional audio business after key global markets started to reopen when the pandemic gradually subsided.

Sales of KEF products increased by 73.4%, with growth in sales of both traditional premium loudspeakers and wireless music systems. KEF achieved its highest revenue ever reported in 1HFY2022. KEF’s new products launched in the last financial year continued to achieve impressive sales increases in all major geographical markets. For 1HFY2022, KEF reported a 74.6% growth in revenue in the Americas, an 80.3% revenue growth in Europe and a 53.6% revenue growth in Asia when compared to 1HFY2021. The Celestion brand professional speaker driver business also reported a revenue growth of 51.0%, with 67.3% and 65.0% increase in sales to the Americas and Asia respectively, also mainly driven by a recovery of the professional audio market after COVID-19 started to subside in these markets.

Strong revenue growth of the subsidiaries and an increase in aggregate share of profit of associated companies resulted in a significant increase in profit contribution from the Electronics and Acoustics Business. The inventory holding level of this business segment increased due to the strong sales leading to the need for maintaining a higher level of inventory for products and critical components to safeguard against the global shortages in electronics components and shipping capacity. While this strategy helped to support the revenue growth achieved, it also required significantly higher working capital for the business.

Automotive Wire Harness Business – During 1HFY2022, profit after taxation of the Automotive Wire Harness Business amounted to S\$0.16 million, compared to S\$0.84 million in 1HFY2021. The Automotive Wire Harness Business was disposed of on 31 August 2021 and the disposal resulted in a loss of S\$3.21 million in 1HFY2022, which included S\$2.07 million translation deficit charged back to profit or loss and goodwill written-off amounted to S\$0.27 million.

Other Industrial Investments – This business segment includes the Group’s investments in Meiloon Industrial Co., Ltd. (“Meiloon”) and Linkz Industries Limited (“Linkz”). During 1HFY2022, Meiloon reported an increase in revenue and contributed more profit while profit contribution from Linkz decreased.

Outlook

More global economies are re-opening for domestic activities and foreign visitors when COVID-19 starts to subside and general business sentiment improves. However, the Batteries Business will continue to be affected by material supply disruptions, steep cost increases and shipping challenges. When the project to rebalance the Group’s manufacturing facilities is completed in the early part of FY2023, the business is expected to improve from reduced redundant operations and better economies of scale. The demands for the Group’s professional audio manufacturing business and Celestion professional speaker driver business, which were hard-hit during the outbreak of COVID-19 as activities involving crowd gatherings were banned, are expected to continue to recover. With a strong product program and aggressive sales expansion, revenue of KEF is expected to continue to grow.

Disruptions to global shipping services and shortages of electronics components are expected to continue to pose challenges to the Group in optimizing inventory level and working capital requirements in order to meet delivery commitments.

The Group’s strategy to invest into building its brands, its sales and distribution capabilities, into technology and product development and into rebalancing its production capacity in China and South East Asia helped the Group maintain relatively stable business performance during the COVID-19 pandemic. The Group will continue this strategy to further strengthen the competitiveness of its brands and products in key priority markets.

B. Condensed Interim Consolidated Statement of Profit or Loss**Half year ended 30 September 2021**

	Note	1H ended 30.09.21 S\$'000	1H ended 30.09.20 * S\$'000	Change %
<u>Continuing operations</u>				
Revenue	4	618,955	562,207	10.1
Cost of sales		(457,546)	(411,808)	11.1
Gross profit		161,409	150,399	7.3
Other operating income	5	8,023	5,277	52.0
Distribution costs		(71,464)	(65,664)	8.8
Administrative expenses		(74,273)	(61,298)	21.2
Allowance for expected credit losses, net		(56)	(79)	(29.1)
Other operating expenses #	6	(4,591)	(8,376)	(45.2)
Profit before finance costs and share of results of associates		19,048	20,259	(6.0)
Finance costs		(9,521)	(9,979)	(4.6)
Share of results of associates #		11,921	15,654	(23.8)
Profit before taxation	7	21,448	25,934	(17.3)
Income tax expense #	8	(4,235)	(5,925)	(28.5)
Profit after taxation from continuing operations		17,213	20,009	(14.0)
<u>Discontinued operations</u>				
(Loss) Profit after taxation from discontinued operations	20	(3,050)	837	n/m
Profit after taxation		14,163	20,846	(32.1)
Attributable to:				
Equity holders of the Company				
Continuing operations		14,763	12,879	14.6
Discontinued operations		(3,050)	837	n/m
		11,713	13,716	(14.6)
Non-controlling interests				
Continuing operations		2,450	7,130	(65.6)
Discontinued operations		-	-	-
		2,450	7,130	(65.6)
		14,163	20,846	(32.1)

* The comparative figures (including those of the relevant notes to the condensed interim consolidated financial statements) have been re-presented due to discontinued operations (Note 20) attributable to the disposed automotive wire harness business ("AWH Business").

Prior period comparative figures have been reclassified to conform to current period's presentation.

n/m – not meaningful

C. Condensed Interim Consolidated Statement of Comprehensive Income**Half year ended 30 September 2021**

	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Profit after taxation for the financial period	14,163	20,846
Other comprehensive income (loss):		
<u>Items that will not be reclassified subsequently to profit or loss:</u>		
Fair value gain on financial assets at fair value through other comprehensive income	2	270
Share of other comprehensive loss of associates		
- Property revaluation deficit	(117)	-
<u>Items that are or may be reclassified subsequently to profit or loss:</u>		
Foreign exchange translation		
- Exchange translation surplus	8,684	1,014
- Exchange translation deficit, net, reclassified to profit or loss upon de-registration / disposal of subsidiaries	2,246	-
Cash flow hedges		
- Net change in fair value of cash flow hedges	-	(178)
- Realised cash flow hedges reclassified to profit or loss	-	367
Share of other comprehensive income (loss) of associates		
- Exchange translation surplus (deficit)	5,462	(2,841)
Other comprehensive income (loss) for the financial period, net of tax	16,277	(1,368)
Total comprehensive income for the financial period	30,440	19,478
Attributable to:		
Equity holders of the Company	26,153	12,506
Non-controlling interests	4,287	6,972
	30,440	19,478
Total comprehensive income (loss) attributable to equity holders of the Company:		
From continuing operations	27,174	12,365
From discontinued operations	(1,021)	141
	26,153	12,506

D. Condensed Interim Statements of Financial Position**As at 30 September 2021**

As at	Note	Group		Company	
		30.09.21 S\$'000	31.03.21 S\$'000	30.09.21 S\$'000	31.03.21 S\$'000
Non-current Assets					
Property, plant and equipment	11	395,599	386,321	214	241
Right-of-use assets		48,368	44,206	608	800
Interest in subsidiaries		-	-	421,923	433,526
Interest in associates		316,223	304,316	29,031	29,031
Financial assets at fair value through other comprehensive income	12	1,987	1,968	-	-
Non-current receivables		1,948	14,924	26,240	32,000
Deferred tax assets		4,833	4,812	-	-
Deposits and prepayments		4,362	5,843	-	-
Intangible assets	13	12,223	12,551	-	-
		785,543	774,941	478,016	495,598
Current Assets					
Inventories		245,171	206,443	-	-
Receivables and prepayments		301,238	276,294	6,698	8,880
Dividend receivable		1,225	4,299	5,052	22,003
Taxation recoverable		4,806	4,729	-	-
Derivative financial instruments		335	-	-	-
Short-term investments		1,151	1,291	-	-
Bank balances, deposits and cash		165,185	226,067	19,279	13,059
		719,111	719,123	31,029	43,942
Assets classified as held for sale		7,453	7,311	-	-
		726,564	726,434	31,029	43,942
Total Assets		1,512,107	1,501,375	509,045	539,540
Current Liabilities					
Trade and other payables		327,267	336,422	24,517	31,080
Contract liabilities		10,992	8,910	-	-
Provision for restructuring		17,475	-	-	-
Lease liabilities		8,351	10,490	390	383
Income tax payable		8,262	10,664	223	411
Derivative financial instruments		80	1,233	-	146
Bank and other loans		388,825	411,191	66,256	58,917
		761,252	778,910	91,386	90,937
Net Current Liabilities		(34,688)	(52,476)	(60,357)	(46,995)
Non-current Liabilities					
Bank and other loans		157,585	150,196	94,058	120,380
Lease liabilities		42,616	34,525	232	428
Provision for restructuring		-	17,318	-	-
Deferred tax liabilities		9,856	10,051	-	-
		210,057	212,090	94,290	120,808
Net Assets		540,798	510,375	323,369	327,795
Represented by:					
Issued capital	15	286,307	286,307	286,307	286,307
Treasury shares	15	(20,978)	(20,865)	(20,978)	(20,865)
Reserves		180,037	153,788	58,040	62,353
Equity attributable to equity holders of the Company		445,366	419,230	323,369	327,795
Non-controlling interests		95,432	91,145	-	-
Total Equity		540,798	510,375	323,369	327,795

E. Condensed Interim Statements of Changes in Equity

Half year ended 30 September 2021

	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	Fair value reserve S\$'000	Share-based payment reserve S\$'000	Property revaluation reserve S\$'000	Retained profits S\$'000	Total S\$'000		
Group													
Balance at 01.04.21	286,307	(20,865)	11,856	21,050	30,465	(104,448)	(1,498)	2,091	1,072	193,200	419,230	91,145	510,375
<u>Total comprehensive income (loss)</u>													
Profit for the financial period	-	-	-	-	-	-	-	-	-	11,713	11,713	2,450	14,163
Other comprehensive income (loss) for the financial period	-	-	-	-	-	14,555	2	-	(117)	-	14,440	1,837	16,277
Total comprehensive income (loss) for the financial period	-	-	-	-	-	14,555	2	-	(117)	11,713	26,153	4,287	30,440
Share of change in net assets of associates other than other comprehensive income	-	-	-	-	-	-	-	96	-	-	96	-	96
<u>Transactions with owners, recognised directly in equity</u>													
Contributions by and distributions to owners:													
Purchase of treasury shares	-	(113)	-	-	-	-	-	-	-	-	(113)	-	(113)
Total transactions with owners	-	(113)	-	-	-	-	-	-	-	-	(113)	-	(113)
Transfer to reserve	-	-	-	(2,753)	(863)	-	-	-	-	3,616	-	-	-
Balance at 30.09.21	286,307	(20,978)	11,856	18,297	29,602	(89,893)	(1,496)	2,187	955	208,529	445,366	95,432	540,798

	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	Fair value reserve S\$'000	Share-based payment reserve S\$'000	Property revaluation reserve S\$'000	Hedging reserve S\$'000	Retained profits S\$'000	Total 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

	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 01.04.21	286,307	(20,865)	614	-	61,739	327,795
<u>Total comprehensive loss</u>						
Loss for the financial period	-	-	-	-	(4,313)	(4,313)
Total comprehensive loss for the financial period	-	-	-	-	(4,313)	(4,313)
<u>Transactions with owners, recognised directly in equity</u>						
Purchase of treasury shares	-	(113)	-	-	-	(113)
Balance at 30.09.21	286,307	(20,978)	614	-	57,426	323,369
Balance at 01.04.20	286,307	(20,865)	614	(721)	42,771	308,106
<u>Total comprehensive income</u>						
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

F. Condensed Interim Consolidated Statement of Cash Flows**Half year ended 30 September 2021**

	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Operating activities		
Profit before taxation from continuing operations *	21,448	25,934
(Loss) Profit before taxation from discontinued operations * (Note 20)	(2,698)	991
Profit before taxation *	18,750	26,925
Adjustments for:		
Share of results of associates	(11,921)	(15,654)
Depreciation of property, plant and equipment	14,571	13,095
Depreciation of right-of-use assets	7,626	6,250
Amortisation of intangible assets	164	170
Finance costs	9,581	9,982
Interest income	(1,185)	(1,363)
Loss on disposal and write-off of property, plant and equipment, net	232	186
Loss on disposal of AWH Business (Note 20)	2,891	-
Allowance for inventory obsolescence and write-off of inventory, net	439	784
Allowance for expected credit losses, net	56	79
Fair value loss on short-term investments	151	-
Gain from deemed disposal of interest in an associate	(12)	-
Loss from de-registration of a subsidiary	175	-
Realised (gain) loss on derivative financial instruments	(1,050)	278
Unrealised fair value gain on derivative financial instruments	(1,289)	(446)
Rent concession related to COVID-19	(13)	(176)
Bank loans waived ⁽¹⁾	(1,235)	-
Unrealised exchange loss	682	1,022
Operating cash flows before movements in working capital	38,613	41,132
Inventories	(42,979)	(23,966)
Receivables and prepayments	(22,403)	(59,221)
Trade and other payables, and contract liabilities	2,523	62,738
Cash (used in) generated from operations	(24,246)	20,683
Income tax paid	(7,272)	(4,101)
Finance costs paid	(8,952)	(9,577)
Interest received	570	843
Net cash (used in) generated from operating activities	(39,900)	7,848
Investing activities		
Purchase of property, plant and equipment	(18,808)	(30,680)
Deposits paid for purchase of property, plant and equipment	(335)	(1,524)
Dividends received from associates	8,913	10,042
Proceeds from disposal of property, plant and equipment	344	165
Proceeds from disposal of AWH Business, net (Note 20)	9,645	-
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	(241)	(7,722)

	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Financing activities		
Drawdown of bank and other loans	47,984	9,363
Repayment of bank and other loans	(67,219)	(44,172)
Payment of lease liabilities	(5,912)	(4,575)
Dividend paid to non-controlling interests	-	(7,365)
Purchase of treasury shares	(113)	-
Net cash used in financing activities	(25,260)	(46,749)
Net decrease in cash and cash equivalents	(65,401)	(46,623)
Cash and cash equivalents at beginning of financial period	226,067	221,098
Effects of exchange rate changes on the balance of cash held in foreign currencies	4,519	(4,430)
Cash and cash equivalents at end of financial period, representing bank balances, deposits and cash	165,185	170,045

* The comparative figures have been re-presented due to discontinued operations (Note 20).

⁽¹⁾ Being bank loans obtained by certain subsidiaries incorporated in the United States pursuant to the Paycheck Protection Programme of the United States government as part of its COVID-19 relief measures and waived during 1HFY2022.

G. Notes to the Condensed Interim Consolidated Financial Statements

30 September 2021

1. Corporate information

GP Industries Limited (the "Company") is incorporated in the Republic of Singapore and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited. The Company's registered office and principal place of business is at 3 Fusionopolis Link, #06-11, Nexus @one-north, Singapore 138543.

These condensed interim consolidated financial statements as at and for half year ended 30 September 2021 (the "Interim Financial Statements") comprise the Company and its subsidiaries (collectively, the "Group").

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

The principal activities of the Group are the development, manufacture and marketing of batteries and related products, electronic and acoustic products. During the half year ended 30 September 2021, the Group disposed of its subsidiaries which are engaged in the manufacturing of automotive wire harness products (Note 20).

The Company's immediate and ultimate holding company is Gold Peak Industries (Holdings) Limited, incorporated in Hong Kong Special Administrative Region of the People's Republic of China and listed on The Stock Exchange of Hong Kong Limited.

2. Basis of preparation

The Interim Financial Statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The Interim Financial Statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last annual financial statements for the year ended 31 March 2021.

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The Interim Financial Statements are presented in Singapore dollars, which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

The Group has adopted all new and revised SFRS(I) pronouncements that are relevant to its operations and effective for the Company's financial year commenced on 1 April 2021. The adoption of these new / revised SFRS(I) pronouncements does not result in any substantial change to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current and prior financial period.

2.2 Use of judgements and estimates

In preparing the Interim Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2021.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Revenue

Revenue comprised product sales recognised at a point in time.

	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Batteries and battery-related products	487,550	482,155
Electronics and acoustics products	131,405	80,052
	618,955	562,207

5. Other operating income

	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Product development and engineering fee income	120	174
Interest income	1,181	1,352
Gain on disposal of property, plant and equipment	19	6
Management fee income from associates	438	252
Operating lease income	216	232
Government grant	2,718	892
Gain on sale of parts, samples, scrap and surplus materials	740	502
Unrealised fair value gain on derivative financial instruments	1,289	446
Realised gain on derivative financial instruments	1,050	-
Gain from deemed disposal of interest in associate ⁽¹⁾	12	-
Compensation income from customer for cancelled order	-	377
Rent concession related to COVID-19	13	176
Recovery of bad debts	2	-
Others	225	868
	8,023	5,277

⁽¹⁾ During 1HFY2022, the Group's interest in STL Technology Co., Ltd ("STL") decreased from 29.73% to 29.61% as a result of the issue of new shares by STL pursuant to its employees share option scheme.

6. Other operating expenses

	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Property, plant and equipment written-off	251	192
Bank charges	897	702
Fair value loss on short-term investments	151	-
Closure and relocation costs ⁽¹⁾	1,809	1,597
Realised loss on derivative financial instruments	-	278
Exchange loss	1,124	5,425
Loss from de-registration of a subsidiary	175	-
Others	184	182
	4,591	8,376

⁽¹⁾ Costs were incurred by the Batteries Business in relocating its manufacturing facilities located in Huizhou, People's Republic of China ("China" or "PRC") to Dongguan, China. In addition, costs for 1HFY2022 also included costs incurred by GP Electronics (Huizhou) Co., Ltd. in relocating its operations to a new site within Huizhou.

7. Profit before taxation

Profit before taxation from continuing operations was arrived at after charging the following:

	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Depreciation and amortisation	22,081	19,172
Allowance for expected credit losses and bad debts recovered, net	54	79
Allowance for inventory obsolescence and write-off of inventory, net	430	570

8. Income tax expense

The Group calculates the income tax expense for the financial period using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense are:

	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Current taxation:		
Current financial period	4,467	6,551
Over-provision in respect of prior years	(323)	(659)
Withholding tax on overseas income	639	1,169
Deferred taxation:		
Reversal of temporary difference, net	(548)	(923)
Over-provision in respect of prior years	-	(213)
	4,235	5,925

9. Earnings per ordinary shares

Earnings per share ("EPS")	1H ended 30.09.21 Singapore cents	1H ended 30.09.20 Singapore cents
Basic EPS:		
From continuing operations	3.05	2.66
From discontinued operations	(0.63) ^	0.17
Total	2.42	2.83
Diluted EPS:		
From continuing operations	3.05	2.66
From discontinued operations	(0.63) ^	0.17
Total	2.42	2.83

^ Loss per share

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 30.09.21	1H ended 30.09.20
Weighted average number of ordinary shares used in calculating basic and diluted EPS	483,864,398	484,046,682

There were no dilutive potential voting shares for 1H FY2022 and 1H FY2021.

10. Net asset value

As at	Group		Company	
	30.09.21 Singapore cents	31.03.21 Singapore cents	30.09.21 Singapore cents	31.03.21 Singapore cents
Net asset value per ordinary share based on 483,843,482 issued shares excluding treasury shares as at 30 September 2021 (31 March 2021: 484,046,682)	92.05	86.61	66.83	67.72

11. Property, plant and equipment

During the 1H FY2022, the Group acquired property, plant and equipment amounting to S\$19,083,000 (1H FY2021: S\$34,201,000) of which S\$275,000 (1H FY2021: S\$3,521,000) were transferred from deposits paid for assets. Net book value of property, plant and equipment disposed and written-off during the 1H FY2022 was S\$581,000 (1H FY2021: S\$345,000).

12. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income ("FVTOCI") comprise the following:

As at	Group	
	30.09.21 S\$'000	31.03.21 S\$'000
Non-current assets		
Investment in unquoted equity shares	1,987	1,968

12.1 Fair value measurement

The Group classifies financial assets measured at fair value through profit or loss ("FVTPL") or at FVTOCI using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The fair values of financial assets and financial liabilities approximate their respective carrying amounts. The financial instruments carried at fair value, analysed by fair value hierarchy, are as follows:

	Group			
	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
30 September 2021				
<u>Financial assets</u>				
Financial assets at FVTOCI	-	-	1,987	1,987
Financial assets at FVTPL	1,151	-	-	1,151
Derivative financial instruments	-	335	-	335
	1,151	335	1,987	3,473
<u>Financial liabilities</u>				
Derivative financial instruments	-	80	-	80
31 March 2021				
<u>Financial assets</u>				
Financial assets at FVTOCI	-	-	1,968	1,968
Financial assets at FVTPL	1,291	-	-	1,291
	1,291	-	1,968	3,259
<u>Financial liabilities</u>				
Derivative financial instruments	-	1,233	-	1,233

	Company			
	Level 1 S\$'000	Level 2 S\$'000	Level 3 S\$'000	Total S\$'000
30 September 2021				
<u>Financial liabilities</u>				
Derivative financial instruments	-	-	-	-
31 March 2021				
<u>Financial liabilities</u>				
Derivative financial instruments	-	146	-	146

13. Intangible assets

	Goodwill S\$'000	Trademarks S\$'000	Total S\$'000
Group			
Cost			
At 1 April 2021	17,193	6,572	23,765
Disposal of subsidiaries	(273)	-	(273)
Amount written-off	(196)	-	(196)
Currency realignment	151	60	211
At 30 September 2021	16,875	6,632	23,507
Accumulated impairment loss and amortisation			
At 1 April 2021	9,349	1,865	11,214
Charge for the period	-	164	164
Amount written-off	(196)	-	(196)
Currency realignment	83	19	102
At 30 September 2021	9,236	2,048	11,284
Carrying amounts			
At 30 September 2021	7,639	4,584	12,223
At 1 April 2021	7,844	4,707	12,551

13.1 Goodwill impairment

The recoverable amounts of the cash generating units (“CGUs”) to which goodwill are allocated (the “Relevant CGUs”) are determined from value in use calculations, where appropriate. The key assumptions for value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and risks specific to the CGUs. The growth rates are based on industry growth forecasts or expected market development. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The recoverable amounts of the Relevant CGUs are estimated annually unless impairment indicators exist. As at 30 September 2021, as there was no indication of significant change to these key assumptions, the recoverable amounts approximate their carrying values.

13.2 Trademarks

The Group acquired the GP, KEF and Celestion brands and all related intellectual property in respect of such brands (collectively, the “Trademarks”) from its holding company, Gold Peak Industries (Holdings) Limited, during the financial year ended 31 March 2016. Currently, part of the Group’s revenue is from sales of products bearing the Trademarks. Trademarks are measured

initially at purchase cost and are amortised on a straight line basis over their estimated useful lives, which are estimated to be 20 years.

14. Aggregate amount of Group's borrowings and debt securities

As at	30.09.21 S\$'000	31.03.21 S\$'000
Amount repayable in one year or less, or on demand:		
Secured ⁽¹⁾	660	701
Unsecured	388,804	411,156
	389,464	411,857
Amount repayable after one year:		
Secured ⁽²⁾	898	1,216
Unsecured	157,585	150,193
	158,483	151,409

⁽¹⁾ Included lease liabilities of S\$639,000 which were secured against leased assets (31 March 2021: S\$666,000).

⁽²⁾ Included lease liabilities of S\$898,000 which were secured against leased assets (31 March 2021: S\$1,213,000).

Details of any collateral

As at	30.09.21 S\$'000	31.03.21 S\$'000
Net book value of property, plant and equipment held under secured borrowings:		
(i) Motor vehicles	310	407
(ii) Machinery and equipment	1,945	2,123

15. Issued capital and treasury shares

	Group and Company	
	Number of ordinary shares	S\$'000
<u>Issued capital</u>		
Issued and fully paid up:		
At 1 April 2021 and 30 September 2021	521,358,482	286,307
<u>Treasury shares</u>		
At 1 April 2021	37,311,800	20,865
On-market purchases	203,200	113
At 30 September 2021	37,515,000	20,978

As at	30.09.21	30.09.20
Total number of issued shares excluding treasury shares and subsidiary holdings	483,843,482	484,046,682
Treasury shares held	37,515,000	37,311,800
Subsidiary holdings held	-	-
	37,515,000	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	7.75%	7.71%

- There was no change in the Company's issued capital during the period from 31 March 2021 to 30 September 2021.
- There were no shares that may be issued on conversion of any outstanding convertibles as at 30 September 2021 and 2020.
- As at 30 September 2021, there were no sales, transfers, cancellation and/or use of treasury shares.
- As at 30 September 2021, there were no sales, transfers, cancellation and/or use of subsidiary holdings.

16. Segment and revenue information

The Group's businesses are organised into four segments based on the types of products that they provide, as follows:

Batteries - The batteries business manufactures, develops and markets batteries and battery-related products.

Electronics and Acoustics - The Group designs, manufactures and sells professional audio products and KEF brand loudspeakers and related products. Associates of this business segment are mainly engaged in the manufacturing of high precision parts and components used in electronics products.

Other Industrial Investments - Comprises mainly the Group's associates, Linkz Industries Limited and Meiloon Industrial Co., Ltd.

Automotive Wire Harness - The Group manufactures and sells automotive wire harness products. As announced on 31 August 2021, the Group had completed the disposal of the automotive wire harness business (Note 20). Accordingly, the results of operations of the automotive wire harness business is presented under discontinued operations in the Interim Financial Statements.

The executive directors of the Company, who are the chief operating decision makers, and management monitor the results of these business segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the Group's share of profit before taxation contributed by each business segment and after allocation of central administrative costs. Investment related finance cost and income taxes, which are managed on a group basis, are not allocated to the business segments.

16.1 Operating segments

	Batteries S\$'000	Electronics and acoustics S\$'000	Other industrial investments S\$'000	Elimination S\$'000	Total continuing operations S\$'000
<u>1H ended 30.09.21</u>					
Revenue					
<u>Continuing operations</u>					
External revenue	487,550	131,405	-	-	618,955
Inter-segment revenue	15	56	-	(71)	-
Total revenue	487,565	131,461	-	(71)	618,955
Results					
<u>Continuing operations</u>					
Contribution before taxation	8,025	13,187	3,006	-	24,218
Other information					
<u>Continuing operations</u>					
Interest income	327	854	-	-	1,181
Finance costs	5,805	1,178	-	-	6,983
Share of results of associates	1,256	5,653	5,012	-	11,921
Depreciation and amortisation	16,717	5,364	-	-	22,081
Allowance for inventory obsolescence and write-off of inventory, net	241	189	-	-	430
(Loss) Gain on disposal of property, plant and equipment, net	(9)	28	-	-	19
Allowance for expected credit losses, net	25	31	-	-	56
Closure and relocation costs	1,257	552	-	-	1,809

	Batteries S\$'000	Electronics and acoustics S\$'000	Automotive wire harness S\$'000	Other industrial investments S\$'000	Elimination S\$'000	Total S\$'000
<u>30 September 2021</u>						
Assets and liabilities						
Assets	1,012,166	307,101	-	193,910	(10,709)	1,502,468
Liabilities	631,008	203,400	-	10	(10,709)	823,709
Other information						
Interest in associates	60,877	61,467	-	193,879	-	316,223
Additions to property, plant and equipment	16,944	2,064	75	-	-	19,083
Additions to right-of-use assets	14,840	17,615	2,619	-	(16,382)	18,692

	Batteries S\$'000	Electronics and acoustics S\$'000	Other industrial investments S\$'000	Elimination S\$'000	Total continuing operations S\$'000
1H ended 30.09.20					
Revenue					
<u>Continuing operations</u>					
External revenue	482,155	80,052	-	-	562,207
Inter-segment revenue	2	4	-	(6)	-
Total revenue	482,157	80,056	-	(6)	562,207
Results					
<u>Continuing operations</u>					
Contribution before taxation	18,832	4	4,017	-	22,853
Other information					
<u>Continuing operations</u>					
Interest income	459	879	-	-	1,338
Finance costs	6,162	866	-	-	7,028
Share of results of associates	4,459	5,401	5,794	-	15,654
Depreciation and amortisation	13,962	5,210	-	-	19,172
Allowance for inventory obsolescence and write-off of inventory, net	290	280	-	-	570
Gain on disposal of property, plant and equipment, net	6	-	-	-	6
Allowance for expected credit losses, net	91	(12)	-	-	79
Closure and relocation costs	1,597	-	-	-	1,597

	Batteries S\$'000	Electronics and acoustics S\$'000	Automotive wire harness S\$'000	Other industrial investments S\$'000	Elimination S\$'000	Total S\$'000
31 March 2021						
Assets and liabilities						
Assets	1,056,207	316,985	26,866	188,487	(96,711)	1,491,834
Liabilities	691,878	223,682	10,662	9	(96,711)	829,520
Other information						
Interest in associates	59,019	56,843	-	188,454	-	304,316
Additions to property, plant and equipment	77,971	2,267	203	-	-	80,441
Additions to right-of-use assets	24,317	9,935	-	-	-	34,252

Reconciliation of the operating segment results, interest income, finance costs, assets and liabilities are provided as follows:

	1H ended 30.09.21 S\$'000	1H ended 30.09.20* S\$'000
Results		
<u>Continuing operations</u>		
Contribution before taxation per reportable segments	24,218	22,853
Unallocated finance costs, net	(2,538)	(2,937)
Taxation	(4,235)	(5,925)
Share of taxation of associates	(3,200)	(2,259)
Taxation attributable to non-controlling interests' share of results	518	1,147
Profit attributable to equity holders of the Company	14,763	12,879
Interest income		
<u>Continuing operations</u>		
Per reportable segments	1,181	1,338
Unallocated interest income	-	14
Per consolidated Interest income	1,181	1,352
Finance costs		
<u>Continuing operations</u>		
Per reportable segments	6,983	7,028
Unallocated finance costs	2,538	2,951
Per consolidated finance costs	9,521	9,979
As at	30.09.21 S\$'000	31.03.21 S\$'000
Assets		
Per reportable segments	1,502,468	1,491,834
Other unallocated assets	9,639	9,541
Per consolidated total assets	1,512,107	1,501,375
Liabilities		
Per reportable segments	823,709	829,520
Unallocated bank loans and finance lease obligations	129,482	140,765
Other unallocated liabilities	18,118	20,715
Per consolidated total liabilities	971,309	991,000

16.2 Geographical segments

Revenue analysed by the location of the customers or the shipment destination, where appropriate, is as follows:

	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Singapore	7,021	3,584
PRC	248,020	234,019
Other Asian countries	37,400	34,067
Asia	292,441	271,670
Germany, Netherlands, Russia and United Kingdom	78,341	68,808
Other European countries	109,928	91,297
Europe	188,269	160,105
United States of America	136,635	121,412
Other American countries	11,250	14,238
Americas	147,885	135,650
Others	4,894	8,803
Less: discontinued operations	(14,534)	(14,021)
Revenue from continuing operations	618,955	562,207

17. Capital commitments

As at	Group	
	30.09.21 S\$'000	31.03.21 S\$'000
Commitments for the acquisition of property, plant and equipment	3,609	3,335

18. Contingent liabilities (unsecured)

As at	Group		Company	
	30.09.21 S\$'000	31.03.21 S\$'000	30.09.21 S\$'000	31.03.21 S\$'000
Guarantees given to certain banks in respect of banking facilities utilised by subsidiaries	-	-	261,806	240,861
Others	2,182	2,161	-	-

19. Related party transactions

Related companies in the Interim Financial Statements refer to members of the ultimate holding company's group of companies, other than the Company and its subsidiaries.

In addition to the related party information disclosed elsewhere in the Interim Financial Statements, the Group has significant transactions and commitments with related parties on terms agreed between the parties as follows:

	Group			
	Associates		Related companies	
	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Sales	15,185	11,878	-	3
Purchases	(34,357)	(42,641)	-	-
Interest income	23	183	-	-
Rental income	172	192	25	26
Royalty income	109	104	-	-
Outsourcing fee	(178)	(159)	-	-
Consultancy fee	(171)	(140)	-	-
As at	30.09.21 S\$'000	31.03.21 S\$'000	30.09.21 S\$'000	31.03.21 S\$'000
Rental commitments as lessor under non-cancellable operating leases	418	481	-	-

20. Discontinued operations

On 31 May 2021, the Company, as seller, entered into a sale and purchase agreement with Time Interconnect Investment Limited to sell the entire issued share capital of GP Industries Marketing Limited ("GPIM"), a wholly-owned subsidiary of the Company, *inter alia*, conditional upon the satisfaction of various conditions precedent on or before 30 September 2021 (the "AWH Business Disposal"). As a condition of the AWH Business Disposal, GPIM and Huizhou GP Wiring Technology Ltd. ("GPWT"), another wholly-owned subsidiary of the Company, shall undergo a reorganisation such that GPWT shall become a wholly-owned subsidiary of GPIM at completion. GPIM and GPWT comprised the Group's automotive wire harness business. The AWH Business Disposal was completed on 31 August 2021.

According to SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* ("SFRS(I) 5"), profit after taxation attributable to the AWH Business for 1H FY2022 and loss from disposal of AWH Business, net of taxation, were presented under loss after taxation from discontinued operations in the profit or loss for 1H FY2022. Prior period comparative figures were re-presented pursuant to the requirement of SFRS(I) 5.

The results of discontinued operations are as follows:

	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Revenue	14,534	14,021
Net expenses	(14,341)	(13,030)
Profit before taxation	193	991
Income tax expense	(32)	(154)
Profit after taxation attributable to discontinued operations	161	837
Loss before taxation on disposal of AWH Business	(2,891)	-
Income tax expense on AWH Business	(320)	-
Loss on disposal of AWH Business, net of taxation	(3,211)	-
(Loss) Profit after taxation from discontinued operations	(3,050)	837

The major classes of assets and liabilities attributable to AWH Business and derecognised are as follows:

	S\$'000
Assets (Liabilities)	
Property, plant and equipment	2,027
Right-of-use assets	2,537
Inventories	5,532
Receivables and prepayments	14,865
Bank balances, deposits and cash	2,276
Trade and other payables	(12,154)
Lease liabilities	(2,554)
Income tax payable	(61)
Net assets of the AWH Business disposed	12,468
Attributable goodwill	273
Total net assets derecognised	12,741

Loss before taxation from discontinued operations and net cash inflow from disposal of AWH Business during 1HFY2022 is arrived as follows:

	S\$'000
Loss before taxation from discontinued operations	
Consideration received	12,006
Total net assets derecognised	(12,741)
Adjustment to exchange translation reserve	(2,071)
Disposal costs paid	(85)
Loss before taxation on disposal of AWH Business	(2,891)
Profit before taxation for the period from discontinued operations	193
Loss before taxation from discontinued operations	(2,698)
Net cash inflow from disposal	
Consideration received	12,006
Less: Disposal costs paid	(85)
Less: Cash and cash equivalents disposed of	(2,276)
Net cash inflow from disposal	9,645

The cash outflows attributable to the discontinued operations are as follows:

	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Operating activities	(1,312)	(282)
Investing activities	(75)	(171)
Financing activities	(62)	(96)

The above does not include the net cash inflow from disposal of S\$9,645,000 for 1HFY2022.

21. Changes in ownership interest in subsidiaries

Changes in ownership interest in subsidiaries that resulted in a loss of control:

- (i) During the 1HFY2022, the Group has disposed of its AWH Business, which comprised two subsidiaries (Note 20).
- (ii) During the 1HFY2022, the Group de-registered an inactive subsidiary and struck off another inactive subsidiary. The de-registration of a subsidiary resulted in a loss of S\$175,000 reported in other operating expenses (Note 6), being cumulative exchange translation deficit recycled to profit or loss.

22. Subsequent events

There are no known subsequent events which have led to adjustments to the Interim Financial Statements.

H. Other Information Required by Listing Rule Appendix 7.2

1. **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.

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

Not applicable.

3. **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. Financial Review

Material variances of the items disclosed in the statement of profit or loss, statement of comprehensive income and statements of financial position of these Interim Financial Statements and which have not been discussed in other parts of these Interim Financial Statements are explained as follows:

(a) Statement of profit or loss - Group

- (i) "Share of results of associates": The decrease was due mainly to the decrease in profit contributed by Linkz Industries Limited and the associates of the batteries business.
- (ii) "Profit after taxation attributable to non-controlling interests": The decrease was due mainly to the decrease in profit of the 70% owned Zhongyin (Ningbo) Battery Co Ltd.

(b) Statement of financial position - Group

- (i) "Right-of-use assets" and Total of current and non-current portion of "Lease liabilities": The increase was due mainly to the lease of the factory building located at Xiegang, Dongguan, China by the batteries business.
- (ii) "Non-current receivables": The decrease was due mainly to the reclassification of the following from non-current assets at 31 March 2021, with an aggregate carrying value of approximately S\$13 million as at 31 March 2021, to current assets as at 30 September 2021:
 - a. loan receivable from the non-controlling interest of the 51% owned subsidiary of the electronics and acoustics business incorporated in Thailand; and
 - b. the expected early removal compensation and incentive, included in determining the property disposal gain of GP Electronics (Huizhou) Co., Ltd. ("GPEHZ") during the financial year ended 31 March 2020, based on the intended removal date of June 2022.
- (iii) "Inventories": The increase was due mainly to:
 - a. increase in sales of the electronics and acoustics business; and
 - b. additional stock maintained due to shortages of components and disruptions to the global shipping services.

- (iv) “Receivables and prepayments”: The increase was due mainly to the net effect to:
 - a. reclassification of non-current receivables to current assets (paragraph (ii) above);
 - b. increase in trade receivables of the electronics and acoustics business and the batteries business of approximately S\$22 million in aggregate as total revenue for August and September 2021 was higher than that for February and March 2021; and
 - c. disposal of the AWH Business, the trade receivables of which amounted to approximately S\$12 million as at 31 March 2021.
- (v) “Bank balances, deposits and cash”: The decrease was due mainly to funding of increase in working capital and repayment of bank loans.
- (vi) “Provision for restructuring”: During 1HFY2022, the provision was reclassified from non-current liabilities to current liabilities as GPEHZ is expected to vacate from its existing site and move to a new site before 30 June 2022.
- (vii) “Net current liability position”: The net current liabilities position as at 30 September 2021 was due mainly to the 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 2021, the Group’s CAPEX amounted to approximately S\$330 million in aggregate. These investments were funded primarily by the Group’s internal resources, including cash and short-term banking facilities.

(c) Statement of cash flows – Group

- (i) “Net cash used in operating activities”: The deficit from operations of S\$39,900,000 for 1HFY2022 was due mainly to cash used to fund an increase in working capital. Before taking into account movements in working capital, taxation paid, finance costs paid and interest received, cash generated from operations amounted to S\$38,613,000.

(d) Statement of financial position – Company

- (i) “Non-current receivables”: This comprised a loan receivable from a subsidiary, which is receivable by instalments over a period up to March 2024. Decrease was due to reclassification of amount due within a year to current assets.
- (ii) “Receivables and prepayments”: This comprised mainly loan receivable from a subsidiary. The decrease was due mainly to repayment.
- (iii) “Bank balances, deposits and cash”: The increase was due mainly to proceeds received from disposal of the AWH Business.
- (iv) “Trade and other payables”: The decrease was due mainly to decrease in amounts due to subsidiaries.
- (v) “Total borrowings”: The decrease was due mainly to repayment.

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

Not applicable.

6. Dividend**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Yes

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

(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

To be announced later.

(d) Record date

To be announced later.

(e) Other comments relating to Dividend

The Directors are pleased to recommend an interim tax-exempt (1-tier) dividend of 1.25 Singapore cents per share amounting to approximately S\$6.05 million (30 September 2020: Nil) for its financial year ending 31 March 2022. The dividend will be paid in cash and the dividend was not included as liabilities as at 30 September 2021.

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

Not applicable.

8. Interested person transactions

Pursuant to the shareholders' mandate on interested person transactions approved by the shareholders at the Annual General Meeting held on 27 July 2021, the interested person transactions entered into by the Group during the 1H FY2022 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 30.09.21 S\$'000	1H ended 30.09.20 S\$'000	1H ended 30.09.21 S\$'000	1H ended 30.09.20 S\$'000
Sales: Time Interconnect Technology (Huizhou) Limited	(Note a)	-	-	-	46
Consideration received for disposal of a subsidiary: Time Interconnect Investment Limited	(Note a)	12,468	-	-	-

(Note a) An associate of a director / controlling shareholder.

9. 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.

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

We, Victor Lo Chung Wing and Lam Hin Lap, 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 2021 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Victor Lo Chung Wing
Chairman and Chief Executive Officer

Lam Hin Lap
Vice Chairman and Executive Vice President

12 November 2021