

GP INDUSTRIES LIMITED

(Company Registration No.: 199502128C)

(Incorporated in the Republic of Singapore)

(the “**Company**”)

MINUTES OF ANNUAL GENERAL MEETING

- PLACE OF MEETING** : Atrium Ballroom, Level 5,
PARKROYAL COLLECTION Marina Bay, Singapore,
6 Raffles Boulevard,
Singapore 039594
- DATE** : Friday, 29 July 2022
- TIME** : 2:30 p.m.
- PRESENT** : As per attendance record maintained by the Company.
- IN ATTENDANCE** : As per attendance record maintained by the Company.
- SHAREHOLDERS PARTICIPATION** : Due to the restriction on the use of personal data pursuant to the provisions of the Personal Data Protection Act 2012, the names of the shareholders present at the meeting would not be published in these minutes.
- CHAIRMAN** : Mr Lam Hin Lap

QUORUM

As a quorum was present, Mr Lam Hin Lap welcomed the shareholders to the Annual General Meeting (the “**AGM**” or the “**Meeting**”) of the Company and declared the Meeting open at 2:30 p.m. Thereafter the Chairman introduced the Directors present at the meeting.

NOTICE

The Notice convening the meeting had been circulated to the shareholders within the statutory period. With the consents of the shareholders, the Notice convening the Meeting was taken as read.

Chairman informed the Meeting that:-

- a. Some of the Directors were unable to be present physically here today but were participating in the meeting via telepresence.
- b. All pertinent information relating to the proposed resolutions were set out in the Notice of AGM.
- c. Proxy forms lodged at the Company’s registered office had been checked and found to be in order.
- d. In his capacity as Chairman of the Meeting, he demanded all the resolutions set out in the Notice of AGM dated 14 July 2022 be voted by way of poll, which was in accordance with Article 63 of the Company’s Constitution and also complied with the requirement of the Listing Manual of the Singapore Exchange Security Trading Limited (“**SGX-ST**”) for all listed companies to conduct voting by poll for all general meetings.
- e. Polling would be conducted in a paperless manner using a wireless handheld device. The electronic voting devices had been distributed to all shareholders and proxies who were eligible to vote on the proposed resolutions, at the time of registration.

- f. In his capacity as Chairman of the Meeting, he had been appointed as proxy by shareholders who had directed him to vote on their behalf. Therefore, he would vote in accordance with the wishes of shareholders who had appointed him as proxy.
- g. There was no strict requirement for the seconding of resolutions and each resolution would only be proposed.
- h. DrewCorp Services Pte Ltd had been appointed as Scrutineers for the conduct of the poll.

POLLING PROCEDURES

At this juncture, the representative from DrewCorp Services Pte. Ltd., briefed the Meeting on the procedure for the electronic poll voting process.

ORDINARY BUSINESS:

1. DIRECTORS' STATEMENT AND AUDITED FINANCIAL STATEMENTS – RESOLUTION 1

The following Resolution 1 was proposed by Chairman:-

“That the Directors’ Statement and Audited Financial Statements of the Company for the financial year ended 31 March 2022 together with the Independent Auditor’s Report.”

Chairman then invited questions from shareholders on the Audited Financial Statements for the financial year ended 31 March 2022 and/or the Directors’ Statement. He also requested the shareholders to limit themselves to a reasonable number and length of questions and to matters that were relevant to the agenda of the Meeting.

After dealing with questions from shareholders as set out in Appendix 1 of these minutes, the motion was put to vote.

The poll result for Resolution 1 is as follows:

| | Number of Shares | % |
|---|-------------------------|---------------|
| Votes “For” | 418,162,859 | 100.00 |
| Votes “Against” | 0 | 0.00 |
| Total number of valid votes cast | 418,162,859 | 100.00 |

Accordingly, Chairman declared Resolution 1 carried.

2. FINAL TAX-EXEMPT (1-TIER) DIVIDEND – RESOLUTION 2

The Directors had recommended the payment of a final tax-exempt (1-tier) dividend of 2.00 Singapore cents per ordinary share for the financial year ended 31 March 2022. The dividend, if approved, would be paid on 26 August 2022 to shareholders whose names appear on the Company’s Register of Members as at 12 August 2022.

The following Resolution 2 was proposed by Chairman:-

“That the payment of a final tax-exempt (1-tier) dividend of 2.00 Singapore cents per ordinary share for the financial year ended 31 March 2022 be approved.”

Chairman then put Resolution 2 to vote by way of poll.

The poll result for Resolution 2 is as follows:-

| | Number of Shares | % |
|---|--------------------|---------------|
| Votes "For" | 418,282,522 | 100.00 |
| Votes "Against" | 0 | 0.00 |
| Total number of valid votes cast | 418,282,522 | 100.00 |

Accordingly, Chairman declared Resolution 2 carried.

3. RE-ELECTION OF DIRECTORS – RESOLUTIONS 3 TO 6

The Meeting was informed that Mr Lam Hin Lap, Mr Brian Li Yiu Cheung, Mr Timothy Tong Wai Cheung and Mr Christopher Lau Kwan who were retiring pursuant to Article 95 of the Company's Constitution and/or Rule 720(5) of the Listing Manual of the SGX-ST, had consented to continue in office.

The Meeting proceeded to vote on the re-election of Directors individually.

RE-ELECTION OF MR LAM HIN LAP AS A DIRECTOR – RESOLUTION 3

Resolution 3 dealt with the re-election of Mr Lam Hin Lap as a Director.

As Resolution 3 involved Mr Lam Hin Lap of his re-election, he invited Mr Waltery Law Wang Chak to chair this motion.

The Meeting was informed that Mr Lam Hin Lap would, upon re-election as a Director of the Company, remain as Vice Chairman, Executive Vice President, Executive Director and a member of the Nominating Committee.

The following Resolution 3 was proposed by Mr Waltery Law Wang Chak:-

"That Mr Lam Hin Lap be re-elected as a Director of the Company."

Mr Waltery Law Wang Chak then put Resolution 3 to vote by way of poll and the poll result is as follows:-

| | Number of Shares | % |
|---|--------------------|---------------|
| Votes "For" | 417,402,934 | 99.82 |
| Votes "Against" | 770,117 | 0.18 |
| Total number of valid votes cast | 418,173,051 | 100.00 |

Accordingly, Mr Waltery Law Wang Chak declared Resolution 3 carried.

Mr Waltery Law Wang Chak then handed the chair back to Chairman.

RE-ELECTION OF MR BRIAN LI YIU CHEUNG AS A DIRECTOR – RESOLUTION 4

Resolution 4 dealt with the re-election of Mr Brian Li Yiu Cheung as a Director.

The Meeting was informed that Mr Brian Li Yiu Cheung would, upon re-election as a Director of the Company, remain as Executive Vice President and Executive Director.

The following Resolution 4 was proposed by Chairman:-

“That Mr Brian Li Yiu Cheung be re-elected as a Director of the Company.”

Chairman then put Resolution 4 to vote by way of poll and the poll result is as follows:-

| | Number of Shares | % |
|---|--------------------|---------------|
| Votes “For” | 416,261,688 | 99.90 |
| Votes “Against” | 411,100 | 0.10 |
| Total number of valid votes cast | 416,672,788 | 100.00 |

Accordingly, Chairman declared Resolution 4 carried.

RE-ELECTION OF MR TIMOTHY TONG WAI CHEUNG AS A DIRECTOR – RESOLUTION 5

Resolution 5 dealt with the re-election of Mr Timothy Tong Wai Cheung as a Director.

The Meeting was informed that Mr Timothy Tong Wai Cheung would, upon re-election as a Director of the Company, remain as a Non-Executive Independent Director, and a member of each of the Audit and Risk, Nominating and Remuneration Committee.

The following Resolution 5 was proposed by Chairman:-

“That Mr Timothy Tong Wai Cheung be re-elected as a Director of the Company.”

The Chairman then put Resolution 5 to vote by way of poll and the poll result is as follows:-

| | Number of Shares | % |
|---|--------------------|---------------|
| Votes “For” | 417,658,921 | 99.90 |
| Votes “Against” | 411,100 | 0.10 |
| Total number of valid votes cast | 418,070,021 | 100.00 |

Accordingly, Chairman declared Resolution 5 carried.

RE-ELECTION OF MR CHRISTOPHER LAU KWAN AS A DIRECTOR – RESOLUTION 6

Resolution 6 dealt with the re-election of Mr Christopher Lau Kwan as a Director.

The meeting was informed that Mr Christopher Lau Kwan would, upon re-election as a Director of the Company, remain as a Non-Executive Independent Director, and a member of each of the Audit and Risk, Nominating and Remuneration Committees.

The following Resolution 6 was proposed by Chairman:-

“That Mr Christopher Lau Kwan be re-elected as a Director of the Company.”

Chairman then put Resolution 6 to vote by way of poll and the poll result is as follows:-

| | Number of Shares | % |
|---|--------------------|---------------|
| Votes “For” | 418,052,601 | 100.00 |
| Votes “Against” | 2,000 | 0.00 |
| Total number of valid votes cast | 418,054,601 | 100.00 |

Accordingly, Chairman declared Resolution 6 carried.

4. DIRECTORS' FEES – RESOLUTION 7

Resolution 7 was to approve the payment of Directors' fees of S\$509,000 for the financial year ended 31 March 2022.

The following Resolution 7 was proposed by Chairman:-

"That the Directors' fees of S\$509,000 for the financial year ended 31 March 2022 be approved for payment."

Chairman then put Resolution 7 to vote by way of poll and the poll result is as follows:-

| | Number of Shares | % |
|---|-------------------------|---------------|
| Votes "For" | 417,187,964 | 99.78 |
| Votes "Against" | 906,428 | 0.22 |
| Total number of valid votes cast | 418,094,392 | 100.00 |

Accordingly, Chairman declared Resolution 7 carried.

5. RE-APPOINTMENT OF AUDITORS – RESOLUTION 8

Resolution 8 was to approve the re-appointment of Auditors of the Company and to authorise the Directors to fix their remuneration and the retiring Auditors, Messrs Deloitte & Touche LLP, had expressed their willingness to continue in office.

The following Resolution 8 was proposed by Chairman:-

"That Messrs Deloitte & Touche LLP be re-appointed as Auditors of the Company until the conclusion of the next Annual General Meeting and that the Directors of the Company be authorised to fix their remunerations."

Chairman then put Resolution 8 to vote by way of poll and the poll result is as follows:-

| | Number of Shares | % |
|---|-------------------------|---------------|
| Votes "For" | 417,186,258 | 99.90 |
| Votes "Against" | 429,100 | 0.10 |
| Total number of valid votes cast | 417,615,358 | 100.00 |

Accordingly, Chairman declared Resolution 8 carried.

ANY OTHER BUSINESS

6. No notice of any other ordinary business to be transacted at the Meeting had been received by the Company Secretary and the Meeting proceeded to deal with the special business of the Meeting.

SPECIAL BUSINESS:**7. AUTHORITY TO ISSUE SHARES – RESOLUTION 9**

Resolution 9 was to consider and approve the general mandate to authorise the Directors to issue shares pursuant to Section 161 of the Companies Act 1967 and Rule 806 of the Listing Manual of the SGX-ST.

The following resolution was proposed by Chairman:

“That pursuant to Section 161 of the Companies Act 1967 (the “**Companies Act**”) and Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”), the Directors of the Company be authorised and empowered to:

- (a) (i) issue shares in the Company (“**Shares**”) whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, “**Instruments**”) that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) options, warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors of the Company may in their absolute discretion deem fit; and

- (b) (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instruments made or granted by the Directors of the Company while this Resolution was in force,

provided that:

- (1) the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this Resolution) to be issued pursuant to this Resolution shall not exceed fifty per centum (50%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares (including Shares to be issued in pursuance of the Instruments, made or granted pursuant to this resolution) to be issued other than on a pro-rata basis to existing shareholders of the Company shall not exceed twenty per centum (20%) of the total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of Shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) shall be based on the total number of issued Shares (excluding treasury shares and subsidiary holdings) at the time of the passing of this Resolution, after adjusting for:
 - (a) new Shares arising from the conversion or exercise of any convertible securities;
 - (b) new Shares arising from exercising share options or vesting of share awards; and
 - (c) any subsequent bonus issue, consolidation or subdivision of Shares,

and, in sub-paragraph (1) above and this sub-paragraph (2), “subsidiary holdings” has the meaning given to it in the Listing Manual of the SGX-ST;

- (3) in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST), all applicable legal requirements under the Companies Act, and otherwise the Constitution of the Company; and
- (4) unless revoked or varied by the Company in a general meeting, such authority shall continue in force until the conclusion of the next annual general meeting of the Company

or the date by which the next annual general meeting of the Company is required by law or the SGX-ST Mainboard Listing Manual to be held, whichever is the earlier.”

The Meeting was also informed that the proposed resolution, if passed, would empower the Directors from the date of this meeting until the date of the next annual general meeting to issue shares and convertible securities in the Company. The maximum number of shares which the Company might issue under this resolution shall not exceed the quantum set out in the resolution.

Chairman then put Resolution 9 to vote by way of poll and the poll result is as follows:-

| | Number of Shares | % |
|---|--------------------|---------------|
| Votes “For” | 416,572,871 | 99.72 |
| Votes “Against” | 1,161,788 | 0.28 |
| Total number of valid votes cast | 417,734,659 | 100.00 |

Accordingly, Chairman declared Resolution 9 carried.

8. RENEWAL OF SHARE PURCHASE MANDATE – RESOLUTION 10

Resolution 10 was to seek shareholder’s approval for the renewal of the Share Purchase Mandate, which allow the Directors to make purchase of shares of up to ten per centum of the total number of issued shares, excluding treasury shares and subsidiary holdings, in the capital of the Company in accordance with the terms of the Share Purchase Mandate.

The following resolution was proposed by Chairman:-

“That for the purposes of Sections 76C and 76E of the Companies Act 1967, the Directors of the Company be and are hereby authorised to make purchases or otherwise acquire issued shares in the capital of the Company from time to time (whether by way of market purchases or off-market purchases on an equal access scheme) of up to ten per centum (10%) of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company (as ascertained as at the date of Annual General Meeting of the Company) at the price of up to but not exceeding the Maximum Price as defined in the Letter to Shareholders dated 14 July 2022 (the “**Letter**”), in accordance with the “Terms of the Share Purchase Mandate” set out in the Letter, and this mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier.”

Please refer to Appendix 1 for the questions raised by shareholders.

Chairman then put Resolution 10 to vote by way of poll and the poll result is as follows:-

| | Number of Shares | % |
|---|--------------------|---------------|
| Votes “For” | 417,181,794 | 99.83 |
| Votes “Against” | 694,528 | 0.17 |
| Total number of valid votes cast | 417,876,322 | 100.00 |

Accordingly, Chairman declared Resolution 10 carried.

9. RENEWAL OF SHAREHOLDERS' MANDATE FOR INTERESTED PERSON TRANSACTIONS – RESOLUTION 11

Resolution 11 was to renew the IPT Mandate to allow the Company, its subsidiaries and associated companies or any of them to enter into certain transactions with persons who are considered “interested persons” for the purposes of Chapter 9 of the Listing Manual of the SGX-ST and to authorise the Directors to do all acts necessary to give effect to the IPT Mandate, as they may think fit.

Chairman informed the Meeting that Gold Peak Technology Group Limited and Mr Victor Lo Chung Wing were regarded as interested persons in relation to the IPT Mandate. Therefore, Gold Peak Technology Group Limited, its associates and Mr Victor Lo Chung Wing would abstain from voting on this resolution as shareholders. In addition, Mr Brian Li Yiu Cheung and Mr Waltery Law Wang Chak would also abstain from voting by reason of their interests in the Gold Peak Group.

However, Chairman would vote according to the instruction of the shareholders who had appointed him as their proxy.

The following resolution was duly proposed by a shareholder:-

“That for the purposes of Chapter 9 of the Listing Manual of the Singapore Exchange Securities Trading Limited:

- (a) approval be given for the renewal of the mandate for the Company, its subsidiaries and associated companies or any of them to enter into any of the transactions falling within the categories of Interested Person Transactions as set out in the Letter to Shareholders dated 14 July 2022 (the “**Letter**”) with any party who is of the class of Interested Persons described in the Letter, provided that such transactions are carried out on normal commercial terms and in accordance with the review procedures of the Company for such Interested Person Transactions as set out in the Letter (the “**Shareholders’ Mandate**”);
- (b) the Shareholders’ Mandate shall, unless revoked or varied by the Company in a general meeting, continue in force until the conclusion of the next annual general meeting of the Company or the date by which the next annual general meeting of the Company is required by law to be held, whichever is earlier; and
- (c) authority be given to the Directors of the Company to complete and do all such acts and things (including executing all such documents as may be required) as they may consider necessary, desirable or expedient to give effect to the Shareholders’ Mandate as they may think fit.”

Chairman then put Resolution 11 to vote by way of poll and the poll result is as follows:-

| | Number of Shares | % |
|---|------------------|---------------|
| Votes “For” | 1,324,308 | 70.71 |
| Votes “Against” | 548,471 | 29.29 |
| Total number of valid votes cast | 1,872,779 | 100.00 |

Accordingly, Chairman declared Resolution 11 carried.

CONCLUSION

There being no other business to transact, Chairman declared the AGM of the Company closed at 3.52 p.m. and thanked everyone for their attendance.

CONFIRMED AS TRUE RECORD OF PROCEEDINGS HELD

**LAM HIN LAP
CHAIRMAN**

APPENDIX 1

GP INDUSTRIES LIMITED (“Company”)

Minutes of Annual General Meeting – 29 July 2022

Summary of Questions & Answers

Directors’ Statement and Audited Financial Statements – Ordinary Resolution 1

Question 1 (Shareholder #1) : To consider having a presentation to highlight the Company’s performance during the AGM. What is the current business of Gold Peak Technology Group Limited (“Gold Peak” or “Parent Company”)? With Gold Peak focusing on rechargeable battery, would there be any conflict of interest in view that GP Batteries is in the same business? Could the new rechargeable battery be undertaken by GP Batteries?

Answer (Chairman and Victor Lo)

Chairman noted the suggestion made and would provide such presentation for future meetings.

Mr Victor Lo commented that the battery industry has evolved over the last 10 to 15 years. The battery industry today covers different type of batteries and not a single company could produce all of them. It is proposed for Gold Peak to take on the manufacturing of the rechargeable battery and the Company would continue to market rechargeable battery for consumers use. The Company would source the rechargeable battery from Gold Peak. It is intended for Gold Peak to venture into more technical type of rechargeable batteries in collaboration with other companies in the industry. As the new rechargeable battery business is capital-intensive and to consolidate everything under one company, it might be competing for resources. Management is of the opinion that it would be beneficial for the Company to focus on products for the consumer market for both the batteries and acoustics businesses.

In view of the current economic environment, every company should watch their financial strength, gearing level and how much risks to take. To venture into this type of new rechargeable battery business, it requires several years of development and investments and certain appetite for risks too.

For the Company, there is ample room for growth in the consumer battery business. Currently, the Company involves in the manufacture of Nickel Metal Hydride rechargeable batteries and may develop more varieties for the industrial market in the future and considering the Nickel Zinc rechargeable batteries, which is a relatively new chemical system.

Question 2 (Shareholder #1)

Is this development of B2B batteries a new venture for Gold Peak?

Answer (Victor Lo)

It is not a new venture, just a restructuring of business. After the spinoff, the B2B batteries business would be held directly under Gold Peak instead of the Company.

Question 3 (Shareholder #1)

The shareholder commended the Management for their good performance, and he appreciated the resumption of paying dividend to shareholders. He opined that there are certain things that the Company could do to make the Company’s shares attractive to institutional investors and this would lead to more activities and higher valuation for the Company. One of the issues identified is the low liquidity of the Company’s shares and this could be partly due to Gold Peak holding majority stake of 85.59%. Would Gold Peak consider placing out some shares to increase the float to approximately 25% so institutional investors could consider investing in the Company?

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Summary of Questions & Answers

Answer
(Victor Lo) Mr Victor Lo replied in the affirmative. The Management is cognizant that the Company’s shares are too tightly held and would be looking for suitable opportunities to place out more shares.

Question 4
(Shareholder #1) **Where would the growth for the Company comes from in the next 2 years. Which of the Group’s segments or divisions would be able to carry the Group forward with growth in terms of revenue and translating to earnings?**

Answer
(Victor Lo) In today’s environment, it is quite difficult to comment on what would happen in the next 2 years. The batteries business for the last 12 months was under more pressure than acoustics business because batteries business is very material heavy. Commodities prices are volatile and mostly going upwards. Shipping cost is a big factor in the business because the Company shipped heavy products across Europe. The Russian and Ukraine war and high inflation are other unfavourable factors.

The acoustics business comparatively is less capital intensive and appears to benefit from the intensive investment into product innovation in the past 3 to 4 years and is growing better in the last 18 months. For the remainder of this financial year, Management expects the batteries business would be stable and not growing very fast whilst the acoustics business is expected to continue to grow.

Question 5
(Shareholder #2) **(1) To consider displaying the Company’s products such as the batteries so that shareholders are aware, or to provide batteries as samples to shareholders.**
(2) To consider enlarging the words and darkening the numbers in the Annual Report as it is too small to be read.

Answer
(Chairman) Chairman thanked the shareholder for the suggestions and would take into consideration for future meetings.

Question 6
(Shareholder #3) **How has the Covid-Zero policy (“Policy”) in Hong Kong and China affected the Company’s operation? If the said policy holds firm, how would this impact the Company’s business in the future? Are the factories in China badly affected by the lockdown?**

Answer
(Chairman) The Policy for the past 2 years had certainly affected the business. With Covid situation easing off the factories are now operating normally and Chairman foresee Hong Kong relaxing its Policy in the next 3 to 6 months’ time and gradually resume to normal. The Group has also deployed some staff to Singapore and the region so that the Group could resume the normalisation of the operations in the shortest time possible.

The Company’s factories in Ningbo and southern China are operating as usual and capacity has returned to normal shortly after the initial outbreak of Covid in 2020.

Question 7
(Shareholder #3) **If the factories come under lock down, it could still operate at near maximum capacity?**

Answer
(Chairman) Chairman replied in the affirmative.

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Summary of Questions & Answers

Question 8
(Shareholder #4)

What is the percentage capacity utilisation of the factories?

Answer
(Chairman)

Currently the factories are running on an average of 80% and there are room to grow. Last November, the factory in Ningbo has moved to a new location and the production capacity has increased to approximately 3 billion pieces. In the last 2 years, the Company has also invested in new plants in both Vietnam and Malaysia. Last year they were impacted by the Covid but have since operating at a very good efficiency level. The factories are now ready to cope with the customers demand for the coming years.

Question 9
(Shareholder #5)

Why is the electronics and acoustics business performing well compared to last financial year? Is the business sustainable?

Answer
(Chairman)

The electronics and acoustics business performed well because of

- a) the high growth rate of this business segment (approximately 28%) for the past 2 years;
- b) the margin for this business segment is much higher;
- c) investments in wireless music systems by the Company for the last 5 years; and
- d) consumers have been spending more on home entertainment as they were home bound during the Covid period.

The Management expects the momentum to continue but would slow down subsequently when people resume their normal pre-Covid lifestyle. With the current economic situation and high inflation, consumer spending is likely to decrease. In the mid-term, Management expects this business segment to be the pillar of growth.

Question 10
(Shareholder #4)

The closure and relocation cost caused a loss in batteries business. Without these, would the Management expect it be in a positive position next year?

Answer
(Chairman)

Multiple factors led to the batteries segment loss, such as the factory closure cost, the impairment of the Russia business and rising cost of raw materials. As a mitigating measure, the Company has increased its price but due to time lag, it would only see an improvement in the distant future.

Question 11
(Shareholder #1)

The Company made an announcement in December 2021 regarding the proposed demerger and upon completion, shareholders would either opt for 1 GP Energy Tech share, an unlisted company incorporated in the Cayman Islands or cash alternative of approximately 7.85 Singapore Cents for each share held in the Company. Any updates?

Answer
(Chairman)

The demerger process is on-going and the Company would update the shareholders when the transaction is completed.

Question 12
(Shareholder #1)

Rechargeable batteries business is a major part of Company’s business and the shareholder opined that the cash alternative of 7.85 Singapore Cents offered to shareholders is very low? How did the Company arrive at this figure considering that the Company paid a good price to privatise the GP Batteries business then?

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Summary of Questions & Answers

Answer
(Walter Law)

Mr Walter Law, Chief Financial Officer (“CFO”) of the Company, replied that the turnover of rechargeable batteries business for the year ended 31 March 2022 accounted for only 14.5% of the whole batteries business of the Group and is currently loss making. As mentioned by Mr Victor Lo earlier, Gold Peak is focusing on the development of new rechargeable battery technologies and might take several years for the up and running of the factories production. The demerger is expected to create value to the shareholders by prioritising the Company’s resources and for better allocation of resources.

**Question 13
(Shareholder #1)**

Was it Gold Peak intention to wholly owned the shares in GP Energy Tech if the minority shareholders did not take up the shares?

Answer
(Walter Law)

CFO replied that it was the Company’s intention to transfer the rechargeable business to GP Energy Tech and shareholders need to understand the priority of the GP Industries group. The cash alternative is being offered to shareholders because Management is cognizant that GP Energy Tech is not publicly listed and the need to offer an alternative exit for the minority shareholders.

**Question 14
(Shareholder #3)**

Have the Company considered delisting from SGX as this would save some cost for the Company?

Answer
(Victor Lo)

Shareholders’ interest is the top priority of the Company. The benefits of being listed is the access to the debt and equity market for fundraising and given the challenging business environment, and for everyone’s interest, it is better for the Company to remain listed. Management is always on the lookout for better arrangement for the shareholders when the economic conditions globally stabilised.

**Question 15
(Shareholder #4)**

Is the Company’s battery business involved in any way with the production of battery for electric vehicle? If not, why not? Any future plan to be involved?

Answer
(Victor Lo)

The Company was involved in electric vehicle battery business before with the Nickel Metal Hydride technology. As the market switch to Lithium technology, the Company learnt that it is too small to compete in the Lithium vehicle battery market because most of major producers are big companies, with support from government(s) and major motor companies. It is capital and technology intensive, and the risk is high. The Management made the decision some 5 to 6 years ago to de-emphasise the Lithium business for the time being. No near future plan as it is very technology and capital intensive.

**Question 16
(Shareholder #4)**

Please clarify that the net asset value per share (including non-controlling interests) is S\$1.17 as at 31 March 2022?

Answer
(Walter Law)

CFO replied in the affirmative.

Renewal of Share Purchase Mandate – Ordinary Resolution 10

**Question 17
(Shareholder #6)**

The NTA per share of the Group shown in Letter to Shareholders dated 14 July 2022 is 94.42 cents which is different from the NAV per share of S\$1.17. Please clarify.

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Answer
(Waltery Law)

CFO replied that the calculation for the NTA per share of the Group shown in the Letter to Shareholders dated 14 July 2022 was based on the Group's shareholders' funds less intangible assets. The NAV per share of S\$1.17 of the Group is calculated based on total equity funds of the Group (including non-controlling interest) and number of issued shares of the Company (after deducting the treasury shares).

Question 18
(Shareholder #7)

In view that Gold Peak already owned approximately 86% of the Company's issue shares, allowing the Company to purchase up to 10% of the issue shares would trigger a takeover. The Company could consider limit the purchase to 10% of the public float instead.

Answer
(Victor Lo)

Mr Victor clarified that the Directors are seeking approval for the mandate to purchase so that they have the flexibility to exercise the mandate when the situation so requires. The Directors and Managements would continue to exercise discretion and to act in the best interest for all shareholders.

Question 19
(Shareholder #5)

Why Resolution 10 is in the best interest of minority shareholders?

Answer
(Lim Ah Doo)

Mr Lim Ah Doo, the Lead Independent Director, replied that the mandate is to allow the Directors the flexibility of managing the shareholding structure if the market conditions changed. The Directors would always act in the best interest of all shareholders and not any shareholder(s).

Answer
(Victor Lo)

World economy is highly volatile, share buy-back could help in the event the Company's share price drops drastically by improving the asset per share for the remaining shareholders. Also, when times are difficult, liquidity could be scarce and some shareholders might want to cash out and buying back share allows the Company to aid in the liquidity.

Question 20
(Shareholder #1)

Shareholder cautioned the Directors to be mindful of maintaining at least a 10% public float as required under the Listing Rules. It is better for the Company to focus on the restructuring and the cash alternative of 7.85 Singapore cents as this would attract more interest from investors in the market.

Answer
(Victor Lo)

Mr Victor Lo commented that the Company has been asking for this mandate every year, Gold Peak has been holding the Company's shares for many years and the Directors and Management have been behaving responsibly.