



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

First Quarter Financial Statement for the Financial Quarter ended 30 June 2015

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

Group income statement for the first quarter ("Q1") ended 30 June 2015. These figures have not been audited.

	Notes	Q1 ended 30.06.15 S\$'000	Q1 ended 30.06.14 S\$'000	Change %
Revenue		250,404	233,601	7.2
Cost of sales		(187,160)	(174,161)	7.5
Gross profit		63,244	59,440	6.4
Other operating income		1,695	1,882	(9.9)
Distribution costs	a	(23,921)	(21,886)	9.3
Administrative expenses	b	(29,519)	(26,817)	10.1
Exchange loss		(1,095)	(1,160)	(5.6)
Other operating expenses		(1,475)	(1,217)	21.2
Profit before finance costs, exceptional items and share of results of associates		8,929	10,242	(12.8)
Finance costs		(2,261)	(2,187)	3.4
Exceptional items	c	1,239	-	n/m
Share of results of associates	d	7,156	4,925	45.3
Profit before taxation	e	15,063	12,980	16.0
Income tax expense	f	(3,757)	(4,027)	(6.7)
Profit after taxation		11,306	8,953	26.3
Attributable to:				
Equity holders of the Company		6,993	5,276	32.5
Non-controlling interests		4,313	3,677	17.3
		11,306	8,953	26.3

n/m - not meaningful

- (Note a) Increase in distribution costs was due mainly to GP Batteries International Limited's ("GP Batteries") additional expenditure in advertising and promotion globally for brand building and increase in its revenue.
- (Note b) Comparing Q1 ended 30 June 2015 and 2014, Singapore dollar depreciated by approximately 7% each against Hong Kong dollar and RMB. The increase in administrative expenses were partly due to the translation of the Hong Kong and RMB denominated expenses incurred by the subsidiaries operating in Hong Kong and China into Singapore dollar for reporting purposes.
- (Note c) Exceptional items comprised write-back of unutilised warranty cost provision relating to the disposal of a joint venture in 2013 upon the expiry of the warranty period during Q1 this year.
- (Note d) Increase in share of profit of associates was due mainly to increase in profit contributed by Linkz Industries Limited, Meiloon Industrial Co., Ltd. and the associates of the battery business.
- (Note e) Profit before taxation was arrived at after crediting (charging) the following:

	Q1 ended 30.06.15 S\$'000	Q1 ended 30.06.14 S\$'000
Interest income included in other operating income	382	589
Depreciation and amortisation	(6,327)	(6,194)
Allowance for and write-off of bad debt, net	(42)	(193)
Allowance for and write-off of inventory obsolescence, net	(181)	(705)
Loss on disposal and write-off of property, plant and equipment, net	(125)	(34)

- (Note f) There was no significant adjustment for under- or over-provision of tax in respect of prior years except for an over-provision of approximately S\$1,245,000 (2014: S\$564,000).

Group statement of comprehensive income for Q1 ended 30 June 2015.

	Notes	Q1 ended 30.06.15 S\$'000	Q1 ended 30.06.14 S\$'000
Profit for the financial period		11,306	8,953
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss:			
Exchange translation deficit	g	(7,638)	(1,850)
Fair value loss on available-for-sale financial assets		(425)	(572)
Share of other comprehensive loss of associates	h	(3,283)	(1,075)
Other comprehensive loss for the financial period, net of tax		(11,346)	(3,497)
Total comprehensive (loss) income for the financial period		(40)	5,456
Attributable to:			
Equity holders of the Company		(343)	3,224
Non-controlling interests		303	2,232
		(40)	5,456

(Note g) The net exchange translation deficit for Q1 ended 30 June 2015 was due mainly to the depreciation of Malaysian Ringgit, Hong Kong dollar and Renminbi against Singapore dollar.

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

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

As at	Notes	Group		Company	
		30.06.15 S\$'000	31.03.15 S\$'000	30.06.15 S\$'000	31.03.15 S\$'000
Non-current Assets					
Investment properties		1,709	1,747	-	-
Property, plant and equipment		244,317	246,960	264	279
Interest in subsidiaries	a	-	-	324,309	290,552
Interest in associates		228,603	229,206	29,031	29,031
Available-for-sale financial assets		5,153	5,699	-	-
Financial asset at fair value through profit or loss		-	-	-	-
Non-current receivables		-	158	-	-
Deferred tax assets		3,689	3,662	-	-
Deposits and prepayments		818	705	-	-
Intangible assets		14,729	15,053	-	-
		499,018	503,190	353,604	319,862
Current Assets					
Inventories		147,502	139,998	-	-
Receivables and prepayments	b	196,060	183,183	2,948	43,778
Dividend receivable		2,918	1,650	30,076	28,990
Taxation recoverable	c	1,767	4,306	-	-
Amount due from ultimate holding company		5	149	-	-
Bank balances, deposits and cash		145,569	136,671	8,386	5,614
		493,821	465,957	41,410	78,382
Assets classified as held for sale		70	70	-	-
		493,891	466,027	41,410	78,382
Current Liabilities					
Trade and other payables	d	217,238	190,382	11,595	11,360
Obligations under finance leases		179	199	-	-
Income tax payable	e	6,277	4,264	1,373	1,296
Derivative financial instruments		275	195	-	-
Amount due to ultimate holding company		1,301	980	24	8
Bank overdrafts, bank loans and other loans		177,861	168,659	26,855	26,075
		403,131	364,679	39,847	38,739
Net Current Assets		90,760	101,348	1,563	39,643
Non-current Liabilities					
Bank and other loans		59,894	64,431	56,000	60,000
Obligations under finance leases		176	121	-	-
Deferred tax liabilities		3,808	4,433	79	79
		63,878	68,985	56,079	60,079
Net Assets		525,900	535,553	299,088	299,426
Represented by:					
Issued capital		286,307	286,307	286,307	286,307
Treasury shares		(19,536)	(18,548)	(19,536)	(18,548)
Reserves		86,517	85,666	32,317	31,667
Equity attributable to equity holders of the Company		353,288	353,425	299,088	299,426
Non-controlling interests		172,612	182,128	-	-
Total Equity		525,900	535,553	299,088	299,426

- (Note a) Increase in the Company's interest in subsidiaries was due mainly to (i) market purchase of 1,461,200 GP Batteries shares amounted to approximately S\$1.5 million; and (ii) approximately S\$32.3 million capital contribution into a wholly owned subsidiary.
- (Note b) Receivables and prepayments of the Company comprised mainly amounts due from subsidiaries. The decrease in the Company's receivables and prepayments was due mainly to the capitalisation of the amounts due from a subsidiary during Q1 ended 30 June 2015 (note a).
- (Note c) Decrease in tax recoverable was due mainly to refund received.
- (Note d) Increase in the Group's trade and other payables was due mainly to increase in trade payables and is in line with the seasonal fluctuation pattern.
- (Note e) Increase in income tax payable was due mainly to taxation expenses provided by the Company and its subsidiaries on profit for Q1 ended 30 June 2015.
- (Note f) During Q1 ended 30 June 2015, the Company purchased 1,399,800 issued shares via open market purchase and the shares so purchased were kept as treasury shares as at 30 June 2015.

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

As at	30.06.15 S\$'000	31.03.15 S\$'000
Amount repayable in one year or less, or on demand:		
Secured	179	199
Unsecured	177,861	168,659
	178,040	168,858
Amount repayable after one year:		
Secured	176	121
Unsecured	59,894	64,431
	60,070	64,552

Details of any collateral

As at	30.06.15 S\$'000	31.03.15 S\$'000
Net book value of property, plant and equipment held under finance leases:		
(i) Motor vehicles	324	200
(ii) Furniture, fixtures and equipment	2	3
(iii) Machinery and equipment	342	356

Other comments to paragraph 1(b)(ii)

As at 30 June 2015, bank balances, deposits and cash of the Group amounted to S\$145,569,000 (31 March 2015: S\$136,671,000), resulting in net borrowings of S\$92,541,000 (31 March 2015: S\$96,739,000).

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

	Q1 ended 30.06.15 S\$'000	Q1 ended 30.06.14 S\$'000
Operating activities		
Profit before taxation	15,063	12,980
Adjustments for:		
Share of results of associates	(7,156)	(4,925)
Depreciation of property, plant and equipment	6,327	6,194
Finance costs	2,261	2,187
Interest income	(382)	(589)
Loss on disposal and write-off of property, plant and equipment, net	125	34
Write-back of unutilised warranty cost provision relating to disposal of a joint venture in 2013	(1,239)	-
Allowance for impairment loss on intangible assets	5	5
Gain on bargain purchase arising from purchase of additional interests in associates	-	(9)
Allowance for and write-off of inventory obsolescence, net	181	705
Allowance for and write-off of bad-debt, net	42	193
Gain in fair value of investment properties	-	(117)
Realised loss (gain) on derivative financial instruments	61	(2)
Unrealised fair value loss on derivative financial instruments	80	124
Operating cash flows before movements in working capital	15,368	16,780
Inventories	(9,838)	(3,951)
Receivables and prepayments	(17,104)	(6,379)
Trade and other payables	32,377	10,844
Amount due to ultimate holding company	478	(480)
Translation of foreign subsidiaries	1,054	1,551
Cash generated from operations	22,335	18,365
Income tax refunded (paid), net	1,398	(3,133)
Interest paid	(2,407)	(2,208)
Interest received	367	438
Net cash generated from operating activities	21,693	13,462
Investing activities		
Instalments received from disposal of a subsidiary in the financial year ended 31 March 2015	640	-
Additional investment in associates	-	(403)
Purchase of property, plant and equipment	(8,864)	(3,483)
Dividends received from associates	1,330	997
Proceeds from disposal of property, plant and equipment	178	565
Proceeds from disposal of an investment property	-	1,841
Deposits paid for purchase of property, plant and equipment	(408)	(58)
Placement of fixed deposit with original maturity period over three months	(326)	-
Net cash used in investing activities	(7,450)	(541)

	Q1 ended 30.06.15 S\$'000	Q1 ended 30.06.14 S\$'000
Financing activities		
Drawdown of long-term bank and other loans	4,710	-
Repayment of long-term bank and other loans	(6,681)	(10,748)
Drawdown (Repayment) of short-term bank loans, net	7,963	(7,621)
Capital contribution by non-controlling interests	-	282
Acquisition of additional interest in a subsidiary	(1,447)	(998)
Obligations under finance leases	(50)	(54)
Dividend paid to non-controlling interests	(6,524)	(3,143)
Purchase of treasury shares	(988)	(931)
A subsidiary's purchase of its own shares from non-controlling interests	(654)	-
Net cash used in financing activities	(3,671)	(23,213)
Net increase (decrease) in cash and cash equivalents	10,572	(10,292)
Cash and cash equivalents at beginning of financial period	136,671	157,464
Effects of exchange rate changes on the balance of cash held in foreign currencies	(2,971)	(1,621)
Cash and cash equivalents at end of financial period	144,272	145,551
Cash and cash equivalents at end of financial period comprised:		
Bank balances, deposits and cash	145,569	146,622
Less: Fixed deposit with original maturity period over three months	(326)	-
Less: Bank overdrafts	(971)	(1,071)
	144,272	145,551

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

	Attributable to equity holders of the Company											Non-controlling interests S\$'000	Total equity S\$'000
	Issued capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Legal reserve S\$'000	Capital reserve on consolidation S\$'000	Exchange translation reserve S\$'000	Available-for-sale financial assets reserve S\$'000	Share-based payment reserve S\$'000	Property revaluation reserve S\$'000	Retained profits S\$'000	Total S\$'000		
Group													
Balance at 01.04.15	286,307	(18,548)	3,132	14,149	18,401	(80,770)	649	1,467	596	128,042	353,425	182,128	535,553
Total comprehensive income (loss)													
Profit for the financial period	-	-	-	-	-	-	-	-	-	6,993	6,993	4,313	11,306
Other comprehensive income (loss):													
Exchange translation deficit	-	-	-	-	-	(3,666)	-	-	-	-	(3,666)	(3,972)	(7,638)
Fair value loss on available-for-sale financial assets	-	-	-	-	-	-	(264)	-	-	-	(264)	(161)	(425)
Share of other comprehensive income (loss) of associates	-	-	-	-	-	(3,406)	-	-	-	-	(3,406)	123	(3,283)
Other comprehensive loss for the financial period	-	-	-	-	-	(7,072)	(264)	-	-	-	(7,336)	(4,010)	(11,346)
Total comprehensive income (loss) for the financial period	-	-	-	-	-	(7,072)	(264)	-	-	6,993	(343)	303	(40)
Transactions with owners, recognised directly in equity													
Contributions by and distributions to owners:													
Purchase of treasury shares	-	(988)	-	-	-	-	-	-	-	-	(988)	-	(988)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(6,524)	(6,524)
Total contributions by and distributions to owners	-	(988)	-	-	-	-	-	-	-	-	(988)	(6,524)	(7,512)
Changes in ownership interests in subsidiaries:													
Acquisition / deemed acquisition of additional interest in a subsidiary	-	-	-	-	1,194	-	-	-	-	-	1,194	(3,295)	(2,101)
Total transactions with owners	-	(988)	-	-	1,194	-	-	-	-	-	206	(9,819)	(9,613)
Balance at 30.06.15	286,307	(19,536)	3,132	14,149	19,595	(87,842)	385	1,467	596	135,035	353,288	172,612	525,900

	Attributable to equity holders of the Company											Non-controlling interests S\$'000	Total equity S\$'000
	Issued capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Legal reserve S\$'000	Capital reserve on consolidation S\$'000	Exchange translation reserve S\$'000	Available-for-sale financial assets reserve S\$'000	Share-based payment reserve S\$'000	Property revaluation reserve S\$'000	Retained profits S\$'000	Total S\$'000		
Group													
Balance at 01.04.14	286,307	(11,770)	3,132	13,903	8,252	(99,772)	713	1,855	-	118,227	320,847	179,360	500,207
Total comprehensive income (loss)													
Profit for the financial period	-	-	-	-	-	-	-	-	-	5,276	5,276	3,677	8,953
Other comprehensive loss:													
Exchange translation deficit	-	-	-	-	-	(679)	-	-	-	-	(679)	(1,171)	(1,850)
Fair value loss on available-for-sale financial assets	-	-	-	-	-	-	(306)	-	-	-	(306)	(266)	(572)
Share of other comprehensive loss of associates	-	-	-	-	-	(1,067)	-	-	-	-	(1,067)	(8)	(1,075)
Other comprehensive loss for the financial period	-	-	-	-	-	(1,746)	(306)	-	-	-	(2,052)	(1,445)	(3,497)
Total comprehensive income (loss) for the financial period	-	-	-	-	-	(1,746)	(306)	-	-	5,276	3,224	2,232	5,456
Transactions with owners, recognised directly in equity													
Contributions by and distributions to owners:													
Capital contribution by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	282	282
Purchase of treasury shares	-	(931)	-	-	-	-	-	-	-	-	(931)	-	(931)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(3,143)	(3,143)
Total contributions by and distributions to owners	-	(931)	-	-	-	-	-	-	-	-	(931)	(2,861)	(3,792)
Changes in ownership interests in subsidiaries:													
Acquisition of additional interest in a subsidiary	-	-	-	-	1,398	-	-	-	-	-	1,398	(2,396)	(998)
Total transactions with owners	-	(931)	-	-	1,398	-	-	-	-	-	467	(5,257)	(4,790)
Balance at 30.06.14	286,307	(12,701)	3,132	13,903	9,650	(101,518)	407	1,855	-	123,503	324,538	176,335	500,873

	Issued capital S\$'000	Treasury shares S\$'000	Capital reserve S\$'000	Share-based payment reserve S\$'000	Retained profits S\$'000	Total equity S\$'000
Company						
Balance at 01.04.15	286,307	(18,548)	614	-	31,053	299,426
Profit and total comprehensive income for the financial period	-	-	-	-	650	650
Transactions with owners, recognised directly in equity						
Purchase of treasury shares	-	(988)	-	-	-	(988)
Balance at 30.06.15	286,307	(19,536)	614	-	31,703	299,088
Balance at 01.04.14	286,307	(11,770)	614	388	38,270	313,809
Loss and total comprehensive loss for the financial period	-	-	-	-	(465)	(465)
Transactions with owners, recognised directly in equity						
Purchase of treasury shares	-	(931)	-	-	-	(931)
Balance at 30.06.14	286,307	(12,701)	614	388	37,805	312,413

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

There was no change in the Company's issued capital during the period from 31 March 2015 to 30 June 2015.

The total number of shares that may be issued on exercise of all outstanding share options granted under the Company's Share Option Scheme 1999 are as follows:

Grant No.	Expiry date	Exercise price	As at 30.06.15	As at 30.06.14
5	4 July 2014	S\$1.030	-	2,821,000

As at 30 June 2015, the Company held 35,318,900 of its issued shares as treasury shares (30 June 2014: 23,856,000).

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

As at	30.06.15	31.03.15
Total number of issued shares	521,358,482	521,358,482
Less: treasury shares	(35,318,900)	(33,919,100)
Total number of issued shares excluding treasury shares	486,039,582	487,439,382

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

As at 30 June 2015, there were no sales, transfers, disposal, cancellation and/or use of treasury shares.

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

The figures have not been audited or reviewed.

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

Not applicable.

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

Other than the adoption of certain revisions to various existing Financial Reporting Standards ("FRS"), the new FRS and Interpretations of FRS ("INT FRS") that are mandatory on the Group for its financial year commenced on 1 April 2015, the Group has adopted the same accounting policies and methods of computation for the current financial period as those adopted for the audited financial statements for the financial year ended 31 March 2015.

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

The adoption of the various revised FRS, new FRS and INT FRS effective for the Company's financial year commenced on 1 April 2015 does not have a material financial effect on the Group and the Company.

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

Earnings per share ("EPS")	Q1 ended 30.06.15 Singapore cents	Q1 ended 30.06.14 Singapore cents
Basic EPS	1.44	1.06
Diluted EPS	1.44	1.06

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

	Q1 ended 30.06.15	Q1 ended 30.06.14
Weighted average number of ordinary shares used in calculating basic EPS	486,821,658	498,990,944
Adjustment for dilutive potential ordinary shares	-	-
Weighted average number of ordinary shares used in calculating diluted EPS	486,821,658	498,990,944

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

As at	Group		Company	
	30.06.15 Singapore cents	31.03.15 Singapore cents	30.06.15 Singapore cents	31.03.15 Singapore cents
Net asset value per ordinary share based on 486,039,582 issued shares excluding treasury shares as at 30 June 2015 (31 March 2015: 487,439,382)	72.69	72.51	61.54	61.43

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

Review of Results

The Group's revenue for the financial quarter which ended on 30 June 2015 ("Q1FY2016") increased to S\$250 million, an increase of 7% over the revenue reported in the financial quarter ended 30 June 2014 ("Q1FY2015"). However, when expressed in US dollar terms, revenue remained flat due to the appreciation of US dollar against Singapore dollar. Decrease in revenue from the weak European market negated the small revenue growth from the US and Asian markets.

During Q1FY2016, the Group reported a net exceptional gain of S\$1.2 million, being the write-back of unutilised warranty cost provision relating to the disposal of a joint venture in 2013, upon the expiry of the warranty period.

Profit after taxation attributable to equity holders for Q1FY2016 was S\$7.0 million, compared to S\$5.3 million for Q1FY2015.

Based on the weighted average of 486,821,658 shares in issue (Q1FY2015: 498,990,944 shares), basic earnings per share for Q1FY2016 was 1.44 Singapore cents, compared to 1.06 Singapore cents per share for Q1FY2015.

Business Review

Electronics and Acoustics Business - Revenue from the electronics and acoustics business increased by 2% in Singapore dollar terms over Q1FY2015. Sales of electronics products decreased by 3% while sales of acoustics products increased by 11%, all in Singapore dollar terms. By region, sales of acoustics products in Europe increased by 13% despite the weak market as the Group's investments into distribution started to show results. Sales of acoustics products to Asia increased by 13% as the result of new market development efforts. Profit contribution before taxation from associates decreased slightly in Singapore dollar terms. Total profit contribution from the electronics and acoustics business decreased by 14%.

Automotive Wire Harness Business - The revenue for the export-oriented automotive wire harness business grew by 10% when compared to Q1FY2015. Sales to customers in the US slowed down while sales to customers in China increased. Excluding exceptional items, profit contribution from the automotive wire harness business decreased by 14% when compared to Q1FY2015. During Q1FY2016, this business segment wrote-back a S\$1.2 million unutilised warranty cost provision relating to the disposal of the previously 50%-owned automotive wire harness manufacturing joint venture, Shanghai Jinting Automobile Harness Limited, in 2013.

Battery Business - The revenue of GP Batteries International Limited ("GP Batteries") for Q1FY2016 was S\$189 million, 9% higher than the revenue in Q1FY2015 in Singapore dollar terms. Sales of primary and rechargeable batteries increased by 6% and 21% respectively.

Sales in the Americas and Asia increased by 11% and 13% respectively while sales in Europe decreased by 7%.

For Q1FY2016, GP Batteries reported a profit attributable to its equity holders of S\$2.8 million, compared to S\$2.3 million for Q1FY2015.

Other Industrial Investments - This business segment includes the Group's investments in Meiloon Industrial Co., Ltd. ("Meiloon") and Linkz Industries Limited ("Linkz"). Meiloon reported a profit before taxation during Q1FY2016 compared to a small loss in Q1FY2015 while Linkz reported more pre-tax profit. As a result, profit contribution from this business segment has increased.

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

Not applicable.

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

Market demand in Europe and some parts of Asia will likely remain weak. Market demand for some of the Group's products started to soften in China. However, the Group's businesses in the US should remain stable. Lower commodity prices and a slightly weaker Renminbi could contribute to reduce the impact of increasing manufacturing costs in China.

The Group will continue its strategy to invest into technology and product development, building the Group's brands and further enhancement of its distribution network. The acquisition of the KEF, Celestion and GP brands in July 2015 rationalised the ownership structure of the brands and strengthened the Group's confidence to continue investing into the further development of the Group's brands.

- 11. Dividend**

- (a) Current Financial Period Reported On**

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

- (b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No

- (c) Date payable**

Not applicable.

- (d) Books closure date**

Not applicable.

- (e) Other comments relating to Dividend**

Not applicable.

- 12. If no dividend has been declared/recommendeded, a statement to that effect.**

No dividend has been declared/recommendeded for the financial quarter ended 30 June 2015.

13. Interested person transactions

Pursuant to the shareholders' mandate on interested person transactions approved by the shareholders at the Annual General Meeting held on 30 July 2014, the interested person transactions entered into by the Group during Q1 ended 30 June 2015 are as follows:

Name of interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 during the financial period under review (excluding transactions less than S\$100,000)	
	Q1 ended 30.06.15 S\$'000	Q1 ended 30.06.14 S\$'000	Q1 ended 30.06.15 S\$'000	Q1 ended 30.06.14 S\$'000
Licence fee expense: KEF Celestion Corporation (formerly known as KH Technology Corporation)	210	202	-	-
Sales: Light Engine Ltd	-	-	15	91
Gold Peak Industries (Holdings) Limited	-	-	35	-
Rental expenses and building management fee: Gold Peak Industries (Holdings) Limited	-	148	-	-
Peak Power Investment Limited	-	29	-	-

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

We, Victor Lo Chung Wing and Leung Pak Chuen, 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 results for the financial period ended 30 June 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Victor Lo Chung Wing
Chairman

Leung Pak Chuen
Executive Vice Chairman

6 August 2015