



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

PROFIT GUIDANCE FOR THE FOURTH QUARTER AND THE FINANCIAL YEAR ENDED 31 MARCH 2016 OF GP BATTERIES INTERNATIONAL LIMITED

The Board of Directors (the “**Board**”) of GP Industries Limited (the “**Company**”) refers to the announcement titled “Profit Guidance for the Fourth Quarter and the Financial Year ended 31 March 2016” (the “**GPBI Announcement**”), released on 18 May 2016 by GP Batteries International Limited (“**GPBI**”), a 64.68% owned subsidiary of the Company, with respect to the unaudited financial results for GPBI and its subsidiaries (the “**GPBI Group**”) for the fourth quarter ended 31 March 2016 (“**4Q2016**”) and the financial year ended 31 March 2016 (“**FY2016**”).

As set out in the GPBI Announcement, the GPBI Group is expected to report a loss attributable to equity holders of GPBI for 4Q2016 mainly due to (1) unrealised foreign exchange losses and (2) assets impairment on fixed assets in respect of GPBI’s Rechargeable Lithium batteries production facilities due to under-utilization of production capacity. GPBI is presently assessing the amount of the said impairment. As a result of the loss in 4Q2016, the GPBI Group is expected to report a significant reduction in profit attributable to the equity holders of GPBI for FY2016 as compared to that of the financial year ended 31 March 2015 (“**FY2015**”). As such, the consolidated financial results of the Company and its subsidiaries (the “**Group**”) for 4Q2016 and FY2016 could also be negatively impacted. The Group will also report a loss attributable to the equity holders of the Company for 4Q2016 and a reduction in profit attributable to the equity holders of the Company for FY2016 as compared to that of FY2015.

The GPBI’s profit guidance is based on a preliminary review of the unaudited financial results of the GPBI Group. Further details of the Group’s financial performance will be disclosed when the Company announces its unaudited consolidated financial results for 4Q2016 and FY2016 on or before 30 May 2016. In the meantime, shareholders and investors are advised to exercise caution when dealing in the shares of the Company (“**Shares**”) and to refrain from taking any action in relation to their Shares which may be prejudicial to their interests.

By Order of the Board

Kelly Kiar Lee Noi
Company Secretary
18 May 2016