

VOLUNTARY ANNOUNCEMENT – INTERNAL REORGANISATION OF AN ASSOCIATE

The board of directors (the "**Board**") of GP Industries Limited (the "**Company**") wishes to announce that Linkz Industries Limited ("**Linkz**"), a 38.13% owned associate, had on 30 June 2020 (the "**Completion Date**") completed the sale of its entire shareholdings in certain of its subsidiaries engaged principally in the manufacture and sales of networking cable products (the "**Networking Cable Business**") and certain associated assets and liabilities (together with the Networking Cable Business, the "**Networking Cable Business Undertaking**") to Time Interconnect Technology Limited ("**Time Interconnect**"), a 63.86% owned subsidiary of Linkz held through Time Interconnect Holdings Limited, a wholly owned subsidiary of Linkz, (the "**Linkz Reorganisation**") for an initial aggregate cash consideration of approximately HK\$802.7 million (the "**Initial Consideration**", equivalent to approximately S\$144.6 million). The Initial Consideration is subject to adjustment within two months from the Completion Date such that the final amount of consideration will represent a discount of 5% to the aggregate net asset value of the Networking Cable Business Undertaking as at the Completion Date. Upon completion of the Linkz Reorganisation, all the cable businesses of Linkz are now held under Time Interconnect.

Time Interconnect is an exempted company incorporated in the Cayman Islands with limited liability and its issued shares are listed on the Main Board of The Stock Exchange of Hong Kong Limited ("**HKEX**"). Details of the Linkz Reorganisation and related information are set out in the announcements of Time Interconnect released on 24 March 2020, 29 April 2020 and 30 June 2020, respectively, and the circular of Time Interconnect released on 30 March 2020 on HKEX, copies of which can be found at www.time-interconnect.com.

Accordingly, the Company's effective equity interest in the Networking Cable Business Undertaking have decreased from 38.13% to 24.35%, with a corresponding pro-rata decrease in the Company's effective equity interest in the indirectly held associates of the Networking Cable Business, as follows:

Name of associates	The Company's effective equity interest	
	Before	After
Hover Manufacturing Company Limited	38.13%	24.35%
Hover (Kunshan) Electronic Material Co., Ltd.	38.13%	24.35%
Kunshan Deqin Machinery Limited	38.13%	24.35%
Linkz (HK) Limited	38.13%	24.35%
Linkz Industries (Shanghai) Limited	36.22%	23.13%
Linkz Industries (Suzhou) Limited	38.13%	24.35%
Linkz Technology Limited	38.13%	24.35%

Save as abovementioned, the Linkz Reorganisation is not expected to have a material impact on the consolidated earnings per share and net tangible asset per share of the Company for the financial year ending 31 March 2021.

By order of the Board

Kelly Kiar Lee Noi
Company Secretary
3 July 2020