



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

VOLUNTARY ANNOUNCEMENT - PROPOSED DISPOSAL OF A SUBSIDIARY BY AN ASSOCIATE

This announcement is made by GP Industries Limited (the “Company”, and together with its subsidiaries, the “Group”) on a voluntary basis.

The board of directors (the “Board”) of the Company is pleased to announce that Time Interconnect Holdings Limited (“TIHL”), an effectively 38.13% owned associate, has entered into a conditional agreement (the “Sale and Purchase Agreement”) on 11 February 2022 pursuant to which, *inter alia*, TIHL would sell its entire 63.58% equity interest in Time Interconnect Technology Limited (“Time Interconnect”) to Luxshare Precision Limited (“Luxshare”) at a price of HK\$0.80 (the “Disposal Price”) per ordinary share of Time Interconnect (the “Proposed Disposal”). The consideration for the Proposed Disposal is approximately HK\$940.1 million¹ (approximately S\$163.5 million) and will be received in cash by TIHL.

TIHL is a wholly owned subsidiary of Linkz Industries Limited (“Linkz”), a 38.13% owned associate of the Company.

Time Interconnect is an exempted company incorporated in the Cayman Islands with limited liability and its shares are listed on The Stock Exchange of Hong Kong Limited (“HKEX”). Time Interconnect and its subsidiaries (the “Time Interconnect Group”) are principally engaged in the manufacture and sale of cable assembly and digital cable products.

Luxshare is incorporated in Hong Kong and is a wholly owned subsidiary of Luxshare Precision Industry Co., Limited, which in turn is incorporated in the People’s Republic of China and listed on the Shenzhen Stock Exchange. None of the directors or controlling shareholders of the Company are related to Luxshare.

Datatech Investment Inc. (“Datatech”), which is ultimately beneficially owned by Mr Paul Lo Chung Wai (“Mr Paul Lo”), is also a party to the Sale and Purchase Agreement. Pursuant to the Sale and Purchase Agreement, Datatech would sell its entire 11.09% equity interest in Time Interconnect to Luxshare at the Disposal Price per ordinary share of Time Interconnect (the “Datatech Proposed Disposal”). The consideration for the Datatech Proposed Disposal is approximately HK\$163.9 million (approximately S\$28.5 million) and will be received in cash by Datatech.

Mr Paul Lo has a 59.82% equity interest in Linkz.

There is no provision in the Sale and Purchase Agreement that the completion of the Proposed Disposal and the Datatech Proposed Disposal is inter-conditional.

Completion of the Proposed Disposal and the Datatech Proposed Disposal is subject to the satisfaction (or waiver, if applicable) of certain conditions precedent (the “Conditions”).

Time Interconnect and Luxshare made a joint announcement to HKEX on, *inter alia*, the Proposed Disposal and Datatech Proposed Disposal, on 11 February 2022 (the “Time Interconnect Announcement”). Details of the Proposed Disposal, the Datatech Proposed Disposal, the Conditions and related information are set out in the Time Interconnect Announcement, a copy of which can be found on Time Interconnect’s website at https://www.time-interconnect.com/en/investor_relations_announ.asp.

¹ Unless otherwise stated, the approximate S\$ equivalent of HK\$ amounts in this announcement are based on an exchange rate of S\$1: HK\$5.75.

Based on the unaudited consolidated financial statements of the Time Interconnect Group for the six-month period ended and as at 30 September 2021:

- a) The consolidated net asset attributable to shareholders of Time Interconnect as at 30 September 2021 amounted to approximately HK\$930.3 million (approximately S\$161.8 million).
- b) The consolidated profit attributable to shareholders of Time Interconnect for the six-month period ended 30 September 2021 amounted to approximately HK\$91.2 million (approximately S\$15.9 million).

Linkz's 63.58% share of Time Interconnect Group's consolidated net asset as at 30 September 2021 and the consolidated profit for the six-month period ended 30 September 2021 amounted to approximately HK\$591.5 (approximately S\$102.9 million) and approximately HK\$58.0 million (approximately S\$10.1 million), respectively.

As Linkz is a 38.13% owned associate of the Group, the Group would equity account for 38.13% share of the results and net assets of Linkz, including the excess of consideration over the share of net assets disposed attributable to the Proposed Disposal after the completion of the Proposed Disposal. In addition, upon completion of the Proposed Disposal, Time Interconnect would cease to be an associate of the Group.

The Company will make further announcement(s) on the Proposed Disposal if and when there is any material development which warrant disclosure, in accordance with its obligations under the Listing Manual of the Singapore Exchange Securities Trading Limited. Meanwhile, shareholders and potential investors of the Company 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

Lee Tiong Hock
Company Secretary
21 February 2022