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

Unaudited Condensed Interim Consolidated Financial Statements for the First Half Year ended 30 September 2025 and Dividend Announcement

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A. Condensed Interim Consolidated Statement of Profit or Loss

Half year ended 30 September 2025

	Note	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000	Change %
Revenue	4	555,977	570,516	(2.5)
Cost of sales		(397,559)	(401,116)	(0.9)
Gross profit		158,418	169,400	(6.5)
Other operating income	5	10,665	15,085	(29.3)
Distribution costs		(67,743)	(71,789)	(5.6)
Administrative expenses		(64,726)	(71,056)	(8.9)
Allowance for expected credit losses, net		(711)	(1,824)	(61.0)
Other operating expenses	6	(2,124)	(2,007)	5.8
Profit before finance costs and share of results of associates		33,779	37,809	(10.7)
Finance costs		(11,126)	(15,236)	(27.0)
Share of results of associates		9,678	6,412	50.9
Profit before taxation	7	32,331	28,985	11.5
Income tax expense	8	(7,459)	(6,709)	11.2
Profit after taxation		24,872	22,276	11.7
Attributable to:				
Equity holders of the Company		16,330	14,484	12.7
Non-controlling interests		8,542	7,792	9.6
		24,872	22,276	11.7
Earnings per share (Singapore cents):				
Basic and diluted	9	3.26	2.99	9.0

B. Condensed Interim Consolidated Statement of Comprehensive Income

Half year ended 30 September 2025

	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Profit after taxation for the financial period	24,872	22,276
Other comprehensive income (loss):		
Items that will not be reclassified subsequently to profit or loss:		
Fair value gain (loss) on financial assets at fair value through other comprehensive income	471	(31,329)
Revaluation surplus on property, plant and equipment upon transfer to investment properties	-	5,855
Items that are or may be reclassified subsequently to profit or loss:		
Foreign exchange translation		
- Exchange translation deficit	(10,371)	(8,325)
- Exchange translation surplus, reclassified to profit or loss upon de-registration of subsidiaries	(638)	(1,991)
Share of other comprehensive loss of associates		
- Exchange translation deficit	(4,899)	(3,968)
Other comprehensive loss for the financial period, net of tax	(15,437)	(39,758)
Total comprehensive income (loss) for the financial period	9,435	(17,482)
Attributable to:		
Equity holders of the Company	4,248	(23,675)
Non-controlling interests	5,187	6,193
	9,435	(17,482)

C. Condensed Interim Statements of Financial Position
As at 30 September 2025

		Group		Company	
As at	**Note**	**30.09.25 S$'000**	**31.03.25 S$'000**	**30.09.25 S$'000**	**31.03.25 S$'000**
Non-current Assets					
Investment properties	11	72,209	72,096	-	-
Property, plant and equipment	12	298,539	311,027	501	583
Right-of-use assets		25,171	29,074	1,069	1,444
Interest in subsidiaries		-	-	428,681	428,681
Interest in associates		170,327	164,333	16,586	16,586
Financial assets at fair value through other comprehensive income	13	1,705	1,284	-	-
Financial assets at fair value through profit or loss		7,477	7,677	7,477	7,677
Deferred tax assets		4,144	3,619	-	-
Deposits and prepayments		3,335	3,198	-	-
Intangible assets	14	9,160	9,690	-	-
		592,067	601,998	454,314	454,971
Current Assets					
Inventories		206,367	198,481	-	-
Receivables and prepayments		243,715	218,965	6,498	8,542
Dividend receivable		1,381	4,130	12,331	15,850
Taxation recoverable		4,555	3,685	-	-
Short-term investments	15	4,533	2,623	-	-
Bank balances, deposits and cash		174,678	185,511	2,676	6,524
		635,229	613,395	21,505	30,916
Total Assets		1,227,296	1,215,393	475,819	485,887
Current Liabilities					
Trade and other payables		282,268	258,976	76,739	82,626
Contract liabilities		12,021	18,370	-	-
Lease liabilities		10,342	10,431	432	599
Income tax payable		5,103	3,872	18	10
Bank and other loans		242,212	290,502	44,896	40,495
		551,946	582,151	122,085	123,730
Net Current Assets (Liabilities)		83,283	31,244	(100,580)	(92,814)
Non-current Liabilities					
Bank and other loans		218,112	167,709	50,150	59,849
Lease liabilities		17,334	20,603	490	695
Deferred tax liabilities		12,133	14,067	9	4
		247,579	202,379	50,649	60,548
Net Assets		427,771	430,863	303,085	301,609
Represented by:					
Issued capital	17	286,307	286,307	286,307	286,307
Treasury shares	17	(22,601)	(22,601)	(22,601)	(22,601)
Reserves		10,377	14,007	24,775	23,276
Ordinary equity		274,083	277,713	288,481	286,982
Perpetual bonds	18	14,604	14,627	14,604	14,627
Equity attributable to equity holders of the Company		288,687	292,340	303,085	301,609
Simple agreements for future equity ("SAFE")	19	18,793	18,793	-	-
Share of net assets of subsidiaries		120,291	119,730	-	-
Non-controlling interests		139,084	138,523	-	-
Total Equity		427,771	430,863	303,085	301,609

D. Condensed Interim Statements of Changes in Equity

Half year ended 30 September 2025

	Attributable to equity holders of the Company													Non-controlling interests			
	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	Fair value reserve S$'000	Share-based payment reserve S$'000	Property revaluation reserve S$'000	Retained profits S$'000	Total ordinary equity S$'000	Perpetual bonds S$'000	Total S$'000	SAFE S$'000	Share of net assets of subsidiaries S$'000	Total S$'000	Total equity S$'000
Group																	
Balance at 01.04.25	286,307	(22,601)	(56,262)	16,919	27,175	(140,606)	(46,334)	1,467	17,839	193,809	277,713	14,627	292,340	18,793	119,730	138,523	430,863
Total comprehensive income (loss)																	
Profit for the financial period	-	-	-	-	-	-	-	-	-	16,330	16,330	-	16,330	-	8,542	8,542	24,872
Other comprehensive (loss) income for the financial period	-	-	-	-	-	(12,553)	471	-	-	-	(12,082)	-	(12,082)	-	(3,355)	(3,355)	(15,437)
Total comprehensive (loss) income for the financial period	-	-	-	-	-	(12,553)	471	-	-	16,330	4,248	-	4,248	-	5,187	5,187	9,435
Transactions with owners, recognised directly in equity																	
Contributions by and distributions to owners:																	
Accrued distribution for perpetual bonds	-	-	-	-	-	-	-	-	-	(671)	(671)	671	-	-	-	-	-
Distribution paid on perpetual bonds	-	-	-	-	-	-	-	-	-	-	-	(694)	(694)	-	-	-	(694)
Dividends paid	-	-	-	-	-	-	-	-	-	(7,207)	(7,207)	-	(7,207)	-	(4,626)	(4,626)	(11,833)
Total transactions with owners	-	-	-	-	-	-	-	-	-	(7,878)	(7,878)	(23)	(7,901)	-	(4,626)	(4,626)	(12,527)
Transfer to reserve	-	-	-	31	-	-	-	-	-	(31)	-	-	-	-	-	-	-
Balance at 30.09.25	286,307	(22,601)	(56,262)	16,950	27,175	(153,159)	(45,863)	1,467	17,839	202,230	274,083	14,604	288,687	18,793	120,291	139,084	427,771

D. Condensed Interim Statements of Changes in Equity (Continued)

Half year ended 30 September 2024

	Attributable to equity holders of the Company													Non-controlling interests			
	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	Fair value reserve S$'000	Share-based payment reserve S$'000	Property revaluation reserve S$'000	Retained profits S$'000	Total ordinary equity S$'000	Perpetual bonds S$'000	Total S$'000	SAFE S$'000	Share of net assets of subsidiaries S$'000	Total S$'000	Total equity S$'000
Group																	
Balance at 01.04.24	286,307	(20,978)	(56,250)	15,540	27,175	(133,812)	1,409	1,467	955	183,533	305,346	-	305,346	18,793	98,719	117,512	422,858
<u>Total comprehensive income (loss)</u>																	
Profit for the financial period	-	-	-	-	-	-	-	-	-	14,484	14,484	-	14,484	-	7,792	7,792	22,276
Other comprehensive (loss) income for the financial period	-	-	-	-	-	(11,046)	(31,329)	-	4,216	-	(38,159)	-	(38,159)	-	(1,599)	(1,599)	(39,758)
Total comprehensive (loss) income for the financial period	-	-	-	-	-	(11,046)	(31,329)	-	4,216	14,484	(23,675)	-	(23,675)	-	6,193	6,193	(17,482)
<u>Transactions with owners, recognised directly in equity</u>																	
Contributions by and distributions to owners:																	
Issue of perpetual bonds, net of transaction costs	-	-	-	-	-	-	-	-	-	-	-	14,012	14,012	-	-	-	14,012
Dividend paid	-	-	-	-	-	-	-	-	-	(4,838)	(4,838)	-	(4,838)	-	-	-	(4,838)
Total transactions with owners	-	-	-	-	-	-	-	-	-	(4,838)	(4,838)	14,012	9,174	-	-	-	9,174
Transfer from reserve	-	-	(12)	-	-	-	-	-	-	12	-	-	-	-	-	-	-
Balance at 30.09.24	286,307	(20,978)	(56,262)	15,540	27,175	(144,858)	(29,920)	1,467	5,171	193,191	276,833	14,012	290,845	18,793	104,912	123,705	414,550

D. Condensed Interim Statements of Changes in Equity (Continued)
Half year ended 30 September 2025

	Attributable to equity holders of the Company							
	Issued capital S$'000	Treasury shares S$'000	Capital reserve S$'000	Fair value reserve S$'000	Retained profits S$'000	Total ordinary equity S$'000	Perpetual bonds S$'000	Total equity S$'000
Company								
Balance at 01.04.25	286,307	(22,601)	614	(46,238)	68,900	286,982	14,627	301,609
Total comprehensive income								
Profit for the financial period	-	-	-	-	9,377	9,377	-	9,377
Total comprehensive income for the financial period	-	-	-	-	9,377	9,377	-	9,377
Transactions with owners, recognised directly in equity								
Accrued distribution for perpetual bonds	-	-	-	-	(671)	(671)	671	-
Distribution paid on perpetual bonds	-	-	-	-	-	-	(694)	(694)
Dividend paid	-	-	-	-	(7,207)	(7,207)	-	(7,207)
Balance at 30.09.25	286,307	(22,601)	614	(46,238)	70,399	288,481	14,604	303,085
Balance at 01.04.24	286,307	(20,978)	614	-	76,524	342,467	-	342,467
Total comprehensive loss								
Loss for the financial period	-	-	-	-	(1,104)	(1,104)	-	(1,104)
Other comprehensive loss for the financial period	-	-	-	(31,015)	-	(31,015)	-	(31,015)
Total comprehensive loss for the financial period	-	-	-	(31,015)	(1,104)	(32,119)	-	(32,119)
Transactions with owners, recognised directly in equity								
Issue of perpetual bonds, net of transaction costs	-	-	-	-	-	-	14,012	14,012
Dividend paid	-	-	-	-	(4,838)	(4,838)	-	(4,838)
Balance at 30.09.24	286,307	(20,978)	614	(31,015)	70,582	305,510	14,012	319,522

E. Condensed Interim Consolidated Statement of Cash Flows
Half year ended 30 September 2025

	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Operating activities		
Profit before taxation	32,331	28,985
Adjustments for:		
Share of results of associates	(9,678)	(6,412)
Depreciation of property, plant and equipment	14,243	15,218
Depreciation of right-of-use assets	5,354	5,630
Amortisation of intangible assets	158	187
Finance costs	11,126	15,236
Interest income	(892)	(1,516)
Write-off and gain on disposal of property, plant and equipment, net	737	871
Allowance for inventory obsolescence and write-off of inventory, net	671	1,185
Allowance for expected credit losses, net	711	1,824
Fair value loss on short-term investments	26	124
Fair value gain on short-term investments	(40)	-
Fair value gain on investment properties	(1,605)	-
Fair value loss (gain) on financial assets at fair value through profit or loss	200	(2,053)
Gain from de-registration of subsidiaries, net	(638)	(1,991)
Gain on lease early termination	-	(1)
Unrealised exchange gain	(1,876)	(541)
Operating cash flows before movements in working capital	50,828	56,746
Inventories	(15,420)	(18,096)
Receivables and prepayments	(35,968)	(40,235)
Trade and other payables, and contract liabilities	28,186	30,940
Cash generated from operations	27,626	29,355
Income tax paid	(9,178)	(3,076)
Finance costs paid	(12,792)	(15,951)
Interest received	675	1,281
Net cash generated from operating activities	6,331	11,609

E. Condensed Interim Consolidated Statement of Cash Flows (Continued)

Half year ended 30 September 2025

	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Investing activities		
Purchase of property, plant and equipment	(7,933)	(16,238)
Deposits paid for purchase of property, plant and equipment	(624)	(29)
Dividends received from associates	3,921	6,041
Proceeds from disposal of property, plant and equipment, net of transaction costs	329	77
Placements of structured deposits	(7,215)	-
Redemptions of structured deposits	5,271	-
Investment in financial assets at fair value through profit or loss	-	(49)
Additional investment / Investment in an associate	(2,396)	(6,088)
Net cash used in investing activities	(8,647)	(16,286)
Financing activities		
Drawdown of bank and other loans	83,438	-
Repayment of bank and other loans	(64,186)	(49,415)
Payment of lease liabilities	(4,999)	(5,191)
Dividend paid	(7,207)	(4,838)
Dividends paid to non-controlling interests	(4,626)	-
Proceeds from issue of perpetual bonds	-	3,202
Distribution paid on perpetual bonds	(694)	-
Non-trade receipt from related parties	1,513	1,613
Net cash generated from (used in) financing activities	3,239	(54,629)
Net increase (decrease) in cash and cash equivalents	923	(59,306)
Cash and cash equivalents at beginning of financial period	185,511	187,102
Effects of exchange rate changes on the balance of cash held in foreign currencies	(11,756)	(2,287)
Cash and cash equivalents at end of financial period, representing bank balances, deposits and cash	174,678	125,509

F. Notes to the Condensed Interim Consolidated Financial Statements
30 September 2025

1. Corporate information

GP Industries Limited (the "Company") is incorporated in the Republic of Singapore and is listed on the Mainboard of the Singapore Exchange Securities Trading Limited. The Company's registered office and principal place of business is at 83 Clemenceau Avenue, #14-01, UE Square, Singapore 239920.

These condensed interim consolidated financial statements as at and for the half year ended 30 September 2025 (the "Interim Financial Statements") comprise the Company and its subsidiaries (collectively, the "Group").

The principal activities of the Company comprise those of an investment holding company and regional headquarters of the Group.

The principal activities of the Group are the development, manufacture and marketing of batteries and related products, and electronic and acoustic products.

The Company's immediate and ultimate holding company is Gold Peak Technology Group Limited, incorporated in Hong Kong Special Administrative Region of the People's Republic of China and listed on The Stock Exchange of Hong Kong Limited.

2. Basis of preparation

The Interim Financial Statements have been prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)") 1-34 *Interim Financial Reporting* issued by the Accounting Standards Council Singapore. The Interim Financial Statements do not include all the information required for a complete set of financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance of the Group since the last audited annual financial statements for the financial year ended 31 March 2025 ("FY2025").

The accounting policies adopted are consistent with those of the previous financial year which were prepared in accordance with SFRS(I)s, except for the adoption of new and amended standards as set out in Note 2.1.

The Interim Financial Statements are presented in Singapore dollars, which is the Company's functional currency.

2.1 New and amended standards adopted by the Group

The Group has adopted all new and revised SFRS(I) pronouncements that are relevant to its operations and effective for the Company's financial year commenced on 1 April 2025. The adoption of these new / revised SFRS(I) pronouncements does not result in any substantial change to the Group's and the Company's accounting policies and has no material effect on the amounts reported for the current and prior financial period.

2.2 Use of judgements and estimates

In preparing the Interim Financial Statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the financial year ended 31 March 2025.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

3. Seasonal operations

The Group's businesses are not affected significantly by seasonal or cyclical factors during the financial period.

4. Revenue

Revenue comprised product sales recognised at a point in time.

	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Batteries and battery-related products	421,158	441,398
Electronics and acoustics products	134,819	129,118
	555,977	570,516

5. Other operating income

	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Product development and engineering fee income	214	76
Interest income	892	1,516
Gain on disposal of property, plant and equipment	126	45
Management fee income from associates	382	323
Management fee income from related parties	769	842
Consultancy fee income from related parties	-	63
IT service fee income from related parties	249	94
Operating lease income	376	179
Net rental income from investment properties	304	313
Government grant [a]	1,839	4,372
Gain on sale of parts, samples, scrap and surplus materials	266	255
Fair value gain on short-term investments	40	-
Fair value gain on investment properties	1,605	-
Recovery of bad debts	1	2
Fair value gain on financial assets at fair value through profit or loss	-	2,053
Gain from de-registration of subsidiaries [b]	790	1,991
Royalty income	122	247
Exchange gain	2,434	2,507
Others	256	207
	10,665	15,085

[a] The decrease in government grant was mainly due to the decrease in grants given to high-tech enterprises of Batteries Business in the People's Republic of China ("China" or "PRC").

[b] Being exchange translation surplus reclassified to profit or loss upon de-registration of subsidiaries of the Battery segment for 1HFY2026 and 1HFY2025.

6. Other operating expenses

	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Property, plant and equipment written-off	863	916
Bank charges	769	724
Fair value loss on short-term investments	26	124
Fair value loss on financial assets at fair value through profit or loss	200	-
Loss from de-registration of a subsidiary [a]	152	-
Others	114	243
	2,124	2,007

[a] Being exchange translation deficit reclassified to profit or loss upon de-registration of a subsidiary of the Electronics and Acoustics segment.

7. Profit before taxation

Profit before taxation was arrived at after charging the following:

	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Depreciation and amortisation	19,755	21,035
Allowance for expected credit losses and bad debts recovered, net	710	1,822
Allowance for inventory obsolescence and write-off of inventory, net	671	1,185

8. Income tax expense

The Group calculates the income tax expense for the financial period using the tax rate that would be applicable to the expected total annual earnings. The major components of income tax expense are:

	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Current taxation:		
Provision for taxation in respect of profit for the financial period	6,839	5,073
Under(Over)-provision in respect of prior years	842	(193)
Withholding tax on overseas income	1,883	255
Deferred taxation:		
(Credit) Charge for the financial period	(2,105)	1,574
	7,459	6,709

The Group is subject to the global minimum top-up tax under the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (the "Pillar Two legislation"). The Group has applied the temporary exception for recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two top-up tax.

The Pillar Two legislation has been enacted and become effective in Germany, Hong Kong, Japan, Malaysia, Poland, Singapore, South Korea, Thailand, the Netherlands, the United Kingdom and Vietnam in which the Group has operative subsidiaries. Under Pillar Two legislation, a top-up tax liability arises where the Group's effective tax rate in a jurisdiction is below 15 per cent. During the first half ended 30 September 2025 ("1HFY2026"), the Group has recognised a current tax expense of S$730,000 (1HFY2025: S$451,000) related to the top-up tax in Vietnam, where effective tax rate is estimated to be below 15 per cent. This tax expense is expected to be levied on group entities.

9. Earnings per ordinary shares

Earnings per share ("EPS")	**1H ended 30.09.25 Singapore cents**	**1H ended 30.09.24 Singapore cents**
Basic and Diluted EPS	3.26	2.99

Basic EPS is computed by dividing the profit (loss) attributable to ordinary shareholders of the Company by 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 the number of ordinary shares issued or bought back during the financial period multiplied by a time-weighted factor. The weighted average number of shares and profit (loss) attributable to ordinary shareholders of the Company for computing diluted EPS are as follows:

	1H ended 30.09.25 S$'000	**1H ended 30.09.24 S$'000**
Profit attributable to equity holders of the Company	16,330	14,484
Less: Accrued distribution for perpetual bonds	(671)	-
Profit attributable to ordinary shareholders of the Company	15,659	14,484
Weighted average number of ordinary shares used in calculating basic and diluted EPS	480,499,782	483,843,482

There were no dilutive potential voting shares for 1HFY2026 and 1HFY2025.

10. Net asset value

	Group		**Company**	
As at	**30.09.25 Singapore cents**	**31.03.25 Singapore cents**	**30.09.25 Singapore cents**	**31.03.25 Singapore cents**
Net asset value per ordinary share based on 480,499,782 issued shares excluding treasury shares and subsidiary holdings as at 30 September 2025 (31 March 2025: 480,499,782)	60.08	60.84	63.08	62.77

11. Investment properties

The Group's investment properties comprise of certain portion of an industrial complex and a factory building (the "properties") located in China, held for long-term rental yields and/or capital appreciation. The Group enters into lease agreements as a lessor with respect to some of its investment properties and the leases are classified as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

	Group	
As at	**30.09.25 S$'000**	**31.03.25 S$'000**
At beginning of the financial year	72,096	-
Transfer from property, plant and equipment	-	72,137
Fair value gain (loss) recognised in the consolidated income statement	1,605	(56)
Currency realignment	(1,492)	15
At end of the financial period / year	72,209	72,096
At valuation:		
Industrial complex	7,641	7,840
Factory building	64,568	64,256
	72,209	72,096

The fair values of the Group's investment properties as at 30 September 2025 have been arrived at on the basis of valuations carried out at the end of the reporting period by independent qualified professional valuers, which are not connected with the Group. The valuers have appropriate qualifications and experiences in the valuation of similar properties in the relevant locations.

Valuation techniques and inputs used in Level 3 fair value measurements

The following table presents the valuation techniques and key inputs that were used to determine the fair value of investment properties categorised under Level 3:

Description	Valuation techniques	Significant unobservable inputs	Sensitivity
Industrial complex	Income capitalisation method.	Market rents, taking into account the differences in location between the comparables and the properties, which is ranging from RMB 25 to RMB 30 (2025: RMB 27 to RMB 29) per square meter.	The higher the market rents, the higher the fair value.
		Capitalisation rate of 7% (2025: 7%).	The higher the capitalisation rate, the lower the fair value.
Factory building	Market approach and depreciated replacement cost approach. Market approach is made based on prices realized on actual sales and/or asking prices of comparable property. Comparable property of similar size, scale, nature, character and location are analysed and carefully weighed against all the respective advantages and	Market approach: Price per square meter, using market direct comparable for the subject property taking into account of location and other individual factors such as size, condition, usage, building facilities, levels, age of building, etc., which is ranging from RMB 3,097 to RMB 3,555 per square meter.	The higher the price per square meter, the higher the fair value.

disadvantages of each property in order to arrive at a fair comparison of market value. The cost approach relies on an estimate of the market value for the existing use of the land, plus the current cost of replacement of the improvements less allowance for physical deterioration and all relevant forms of obsolescence and optimisation.	Cost approach: Price per square meter, using market direct comparable for the existing use of the land and taking into account of location and other individual factors such as size, time, usage, plot ratio etc., which is ranging from RMB 1,345 to RMB 1,558 (2025: RMB 1,188 to RMB 1,551) per square meter.

During 1HFY2026, rental income from investment properties of S$388,000 and direct operating expenses of S$84,000, the net rental income of S$304,000 was included in other operating income.

12. Property, plant and equipment

During 1HFY2026, the Group acquired property, plant and equipment amounting to S$10,181,000 (1HFY2025: S$16,483,000) of which S$2,248,000 (1HFY2025: S$245,000) were transferred from deposits paid for assets. Net book value of property, plant and equipment disposed and written-off during the 1HFY2026 was S$1,066,000 (1HFY2025: S$948,000).

13. Financial assets at fair value through other comprehensive income

Financial assets at fair value through other comprehensive income ("FVTOCI") comprise the following:

	Group		Company	
As at	**30.09.25**	**31.03.25**	**30.09.25**	**31.03.25**
	S$'000	**S$'000**	**S$'000**	**S$'000**
Non-current assets				
Investment in unquoted equity shares	1,705	1,284	-	-

As at 30 September 2025, the Group and the Company have assessed the financial assets at FVTOCI using the same valuation method as FY2025.

As at 31 March 2025, the Group and the Company have fully written down its investment in XIC Innovation Limited ("XIC"). During the 1HFY2025, the Group has recognised a fair value loss of S$31,015,000 (1HFY2026: Nil) for the investment in XIC in other comprehensive income.

The Group classifies financial assets measured at fair value through profit or loss ("FVTPL") or at FVTOCI using a fair value hierarchy which reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

b) Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

c) Level 3 inputs are unobservable inputs for the asset or liability.

The fair values of financial assets and financial liabilities approximate their respective carrying amounts. The financial instruments carried at fair value, analysed by fair value hierarchy, are as follows:

	Group			
	Level 1 S$'000	**Level 2 S$'000**	**Level 3 S$'000**	**Total S$'000**
30 September 2025				
Financial assets				
Financial assets at FVTOCI	-	-	1,705	1,705
Financial assets at FVTPL	6	4,527	7,477	12,010
	6	4,527	9,182	13,715
31 March 2025				
Financial assets				
Financial assets at FVTOCI	-	-	1,284	1,284
Financial assets at FVTPL	34	2,589	7,677	10,300
	34	2,589	8,961	11,584

	Company			
	Level 1 S$'000	**Level 2 S$'000**	**Level 3 S$'000**	**Total S$'000**
30 September 2025				
Financial assets				
Financial assets at FVTPL	-	-	7,477	7,477
31 March 2025				
Financial assets				
Financial assets at FVTPL	-	-	7,677	7,677

There were no transfers between Levels 1, 2 and 3 during the 1HFY2026.

There is no change to the basis of fair value measurement / valuation techniques, the key inputs, the significant unobservable inputs and the relationship of unobservable inputs to fair value used for as at 1HFY2026 and FY2025.

14. Intangible assets

	Goodwill S$'000	**Trademarks S$'000**	**Patent S$'000**	**Total S$'000**
Group				
Cost				
At 1 April 2025	15,424	6,542	431	22,397
Currency realignment	(593)	(251)	(17)	(861)
At 30 September 2025	14,831	6,291	414	21,536
Accumulated impairment loss and amortisation				
At 1 April 2025	9,111	3,165	431	12,707
Charge for the period	-	158	-	158
Currency realignment	(350)	(122)	(17)	(489)
At 30 September 2025	8,761	3,201	414	12,376
Carrying amounts				
At 30 September 2025	6,070	3,090	-	9,160
At 1 April 2025	6,313	3,377	-	9,690

14.1 Goodwill impairment

The recoverable amounts of the cash generating units ("CGUs") to which goodwill are allocated (the "Relevant CGUs") are determined from value in use calculations, where appropriate. The key assumptions for value in use calculations are those regarding the discount rates, growth rates and expected changes to selling prices and direct costs during the period. Management estimates discount rates using pre-tax rates that reflect current market assessments of the time value of money and risks specific to the CGUs. The growth rates are based on industry growth forecasts or expected market development. Changes in selling prices and direct costs are based on past practices and expectations of future changes in the market.

The recoverable amounts of the Relevant CGUs are estimated annually unless impairment indicators exist. As at 30 September 2025, as there was no indication of significant change to these key assumptions, the recoverable amounts approximate their carrying values.

14.2 Trademarks and Patents

The Group's patents are the right to use the design for certain Acoustics products. Trademarks and Patents are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives, which are estimated to be 20 years and 2 years respectively.

15. Short-term investments

	Group	
As at	**30.09.25 S$'000**	**31.03.25 S$'000**
Structured deposits	4,527	2,589
Investment in quoted equity shares	6	34
	4,533	2,623

The Group invested in principal protected financial products with banks in the PRC ("Structured deposits"). The Structured deposits interest is linked to some financial index and the maturity date is less than 6 months as at 30 September 2025. The management has not identified any potential significant financial risk exposure.

The investment in quoted equity shares are held for trading which have no fixed maturity date or coupon rate. The fair value of the quoted equity shares was based on the quoted closing market price on the last market day of a reporting period.

16. Aggregate amount of Group's borrowings, debt securities and lease liabilities

As at	**30.09.25 S$'000**	**31.03.25 S$'000**
Amount repayable in one year or less, or on demand:		
Secured	29	28
Unsecured	242,183	290,474
	242,212	290,502
Amount repayable after one year:		
Secured	98	113
Unsecured	218,014	167,596
	218,112	167,709

Details of any collateral

As at	**30.09.25 S$'000**	**31.03.25 S$'000**
Net book value of property, plant and equipment held under secured borrowings:		
(i) Motor vehicles	185	213

17. Issued capital, treasury shares and dividend

17.1 Issued capital and treasury shares

	Group and Company	
	Number of ordinary shares	**S$'000**
Issued capital		
Issued and fully paid up:		
At 1 April 2025 and 30 September 2025	521,358,482	286,307
Treasury shares		
At 1 April 2025 and 30 September 2025	40,858,700	22,601

	Group and Company	
As at	**30.09.25**	**30.09.24**
Total number of issued shares excluding treasury shares and subsidiary holdings	480,499,782	483,843,482
Treasury shares held	40,858,700	37,515,000
Subsidiary holdings held	-	-
	40,858,700	37,515,000
Percentage of the aggregate number of treasury shares and subsidiary holdings held against the total number of issued shares excluding treasury shares and subsidiary holdings	8.50%	7.75%

a) There was no change in the Company's issued capital during 1HFY2026.
b) As at 30 September 2025, the total number of issued shares excluding treasury shares was 480,499,782 (31 March 2025: 480,499,782).
c) There were no shares that may be issued on conversion of any outstanding convertibles as at 30 September 2025 and 2024.
d) As at 30 September 2025, there were no sales, transfers, cancellation and/or use of treasury shares.
e) As at 30 September 2025, there were no sales, transfers, cancellation and/or use of subsidiary holdings.

17.2 Dividends

Dividends paid during the financial period are as follows:

	Group and Company	
	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Final tax-exempt (1-tier) dividend of 1.5 Singapore cents per ordinary share for FY2025	7,207	-
Final tax-exempt (1-tier) dividend of 1.0 Singapore cents per ordinary share for FY2024	-	4,838
	7,207	4,838

18. Perpetual bonds

On 30 September 2024, the Company has entered into subscription agreements with certain investors for the issue of fixed rate resetting perpetual subordinated bonds up to an aggregate principal amount of US$11.0 million (equivalent to S$14,089,000) (the "perpetual bonds"). Incremental costs directly attributable to the issuance of perpetual bonds incurred amounting to S$77,000 were recognised in equity, deducted against the principal amount.

In accordance with the terms and conditions of the subscription agreements, *inter alia*, (i) the distribution rate on the perpetual bonds is at 9.5% per annum and 8.5% per annum for the first and second year respectively and will reset annually thereafter; (ii) the distribution will be payable semi-annually in arrear, unless deferred at the discretion of the Company and will be cumulative; and (iii) the perpetual bonds have no fixed redemption date and are redeemable in whole at the Company's option on the third anniversary of the issue date of the perpetual bonds or any anniversary of the issue date thereafter, at their principal amount, together with any accrued, unpaid or deferred distributions.

As a result, the Company is considered to have no contractual obligations to repay its principal or to pay any distributions and the perpetual bonds do not meet the definition for classification as a financial liability under SFRS(I) 1-32 *Financial Instruments: Presentation*. The whole instrument is presented within equity, and distributions are treated as dividends.

The investors of the perpetual bonds include certain directors of the Company and a wholly owned subsidiary of Meiloon Industrial Co., Ltd. The directors of the Company (including a director who has subsequently resigned as a director during the FY2025) have subscribed for an aggregate principal amount of US$4.0 million (equivalent to S$5,123,000). Refer to section G, Note 6 under "Interested person transactions" for further details on the subscription of perpetual bonds by certain directors. A wholly owned subsidiary of Meiloon Industrial Co., Ltd. has subscribed for the principal amount of US$1.0 million (equivalent to S$1,281,000).

During the 1HFY2026, distributions amounting to US$522,500 (equivalent to S$671,000) were recognised and US$522,500 (equivalent to S$694,000) has been paid to perpetual bond holders. Distributions paid to the directors of the Company, an associate of the controlling shareholder and the wholly owned subsidiary of Meiloon Industrial Co., Ltd. were US$166,250 (equivalent to S$221,000), US$23,750 (equivalent to S$31,000) and US$47,500 (equivalent to S$62,000) respectively. Refer to section G, Note 6 under "Interested person transactions" for further details.

19. Simple agreements for future equity

On 26 January 2023, KEF GP Group Limited ("KGG"), a subsidiary of the Company, entered into simple agreements for future equity ("SAFE") with certain investors, who are long-term partners and business associate and supporters of KEF and Celestion branded products, for an aggregate purchase amount of US$13.7 million. The SAFE provide the investors with rights to future equity in KGG under the terms of the agreements. The SAFE will automatically convert into preferred shares to be issued to the investors in the future capital raising transactions, which is equal to SAFE amount divided by US$1,000. The SAFE issued by KGG are classified as non-controlling interests and recognised under equity in the consolidated statement of financial position.

20. Segment and revenue information

The Group's current businesses are organised into three segments based on the types of products that they provide, as follows:

Battery - The battery business develops, manufactures and markets primary batteries, GP brand and related battery products.

Electronics and Acoustics - The Group designs, manufactures and sells professional electronics and acoustics products, KEF branded acoustics systems, Celestion branded professional loudspeakers and related electronics and acoustics products.

Other Industrial Investments - Comprises dormant companies, investment holding companies, the Group's associates, namely Meiloon Industrial Co., Ltd. and associates that are mainly engaged in the manufacturing of high precision parts and components used in electronics products, and the Company's investment in unquoted shares in GP Energy Tech Limited.

The executive directors of the Company, who are the chief operating decision makers, and management monitor the results of these business segments for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on the Group's share of profit before taxation contributed by each business segment and after allocation of central administrative costs. Investment related finance costs and income taxes, which are managed on a group basis, are not allocated to the business segments.

20.1 Operating segments

	1H ended 30.09.25				
	Battery S$'000	Electronics and acoustics S$'000	Other industrial investments S$'000	Elimination S$'000	Total S$'000
Revenue					
External revenue	421,158	134,819	-	-	555,977
Inter-segment revenue	9	35	-	(44)	-
Total revenue	421,167	134,854	-	(44)	555,977
Results					
Contribution before taxation	18,427	2,667	5,254	-	26,348
Other information					
Interest income	672	164	-	-	836
Finance costs	7,039	1,803	-	-	8,842
Share of results of associates	3,427	-	6,251	-	9,678
Depreciation and amortisation	13,209	5,942	604	-	19,755
Allowance for inventory obsolescence and write-off of inventory, net	292	379	-	-	671
Gain on disposal of property, plant and equipment, net	87	39	-	-	126
Allowance for expected credit losses, net	707	4	-	-	711
Fair value (gain) loss on short-term investments, net	(40)	-	26	-	(14)
Fair value loss on financial assets at fair value through profit or loss	-	-	200	-	200
(Gain) Loss from de-registration of subsidiaries, net	(790)	152	-	-	(638)
Fair value gain on investment properties	1,605	-	-	-	1,605

	As at 30 September 2025				
	Battery S$'000	Electronics and acoustics S$'000	Other industrial investments S$'000	Elimination S$'000	Total S$'000
Assets and liabilities					
Assets	968,957	264,034	139,975	(154,369)	1,218,597
Liabilities	555,491	190,752	100,447	(154,369)	692,321
Other information					
Interest in associates	61,116	-	109,211	-	170,327
Additions to property, plant and equipment	8,807	1,359	15	-	10,181
Additions to right-of-use assets	949	1,157	-	-	2,106

20.1 Operating segments (Continued)

	1H ended 30.09.24				
	Battery S$'000	Electronics and acoustics S$'000	Other industrial investments S$'000	Elimination S$'000	Total S$'000
Revenue					
External revenue	441,398	129,118	-	-	570,516
Inter-segment revenue	7	28	-	(35)	-
Total revenue	441,405	129,146	-	(35)	570,516
Results					
Contribution (Loss) before taxation	20,045	(1,554)	5,294	-	23,785
Other information					
Interest income	724	501	-	-	1,225
Finance costs	9,628	3,107	-	-	12,735
Share of results of associates	2,731	-	3,681	-	6,412
Depreciation and amortisation	14,386	6,031	618	-	21,035
Allowance for inventory obsolescence and write-off of inventory, net	1,023	162	-	-	1,185
Gain (Loss) on disposal of property, plant and equipment, net	54	(9)	-	-	45
Allowance for expected credit losses, net	1,511	313	-	-	1,824
Fair value loss on short-term investments	-	-	124	-	124
Fair value gain on financial assets at fair value through profit or loss	-	-	2,053	-	2,053
Gain from de-registration of a subsidiary	1,991	-	-	-	1,991

	As at 31 March 2025				
	Battery S$'000	Electronics and acoustics S$'000	Other industrial investments S$'000	Elimination S$'000	Total S$'000
Assets and liabilities					
Assets	960,964	265,933	145,642	(164,450)	1,208,089
Liabilities	538,955	192,619	105,829	(164,450)	672,953
Other information					
Interest in associates	59,472	-	104,861	-	164,333
Additions to property, plant and equipment	23,101	9,173	19	-	32,293
Additions to right-of-use assets	551	2,439	176	-	3,166

20.1 Operating segments (Continued)

Reconciliation of the operating segment results, interest income, finance costs, assets and liabilities are provided as follows:

	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Results		
Contribution before taxation per reportable segments	26,348	23,785
Unallocated finance costs, net	(2,228)	(2,210)
Taxation	(7,459)	(6,709)
Share of taxation of associates	(2,151)	(1,718)
Taxation attributable to non-controlling interests' share of results	1,820	1,336
Profit attributable to equity holders of the Company	16,330	14,484
Interest income		
Per reportable segments	836	1,225
Unallocated interest income	56	291
Per consolidated interest income	892	1,516
Finance costs		
Per reportable segments	8,842	12,735
Unallocated finance costs	2,284	2,501
Per consolidated finance costs	11,126	15,236

As at	**30.09.25 S$'000**	**31.03.25 S$'000**
Assets		
Per reportable segments	1,218,597	1,208,089
Other unallocated assets	8,699	7,304
Per consolidated total assets	1,227,296	1,215,393
Liabilities		
Per reportable segments	692,321	672,953
Unallocated bank loans and lease liabilities	89,968	93,638
Other unallocated liabilities	17,236	17,939
Per consolidated total liabilities	799,525	784,530

20.2 Geographical segments

Revenue analysed by the location of the customers or the shipment destination, where appropriate, is as follows:

	1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Singapore	4,013	3,867
PRC	275,794	274,658
Other Asian countries	27,905	28,303
Asia	307,712	306,828
Germany, Netherlands, Russia and United Kingdom	52,402	63,887
Other European countries	65,412	54,009
Europe	117,814	117,896
United States of America	116,508	133,224
Other American countries	10,042	8,858
Americas	126,550	142,082
Others	3,901	3,710
Revenue	555,977	570,516

21. Capital commitments

	Group	
As at	30.09.25 S$'000	31.03.25 S$'000
Commitments for the acquisition of property, plant and equipment	1,099	203

22. Contingent liabilities (unsecured)

	Group		Company	
As at	30.09.25 S$'000	31.03.25 S$'000	30.09.25 S$'000	31.03.25 S$'000
Guarantees given to certain banks in respect of banking facilities utilised by subsidiaries	-	-	305,480	293,989
Others	3,586	3,609	-	-

23. Related party transactions

Related companies in the Interim Financial Statements refer to members of the ultimate holding company's group of companies, other than the Company and its subsidiaries.

In addition to the related party information disclosed elsewhere in the Interim Financial Statements, the Group has significant transactions and commitments with related parties on terms agreed between the parties as follows:

	Group			
	Associates		**Related companies**	
	1H ended 30.09.25 S$'000	**1H ended 30.09.24 S$'000**	**1H ended 30.09.25 S$'000**	**1H ended 30.09.24 S$'000**
Sales	14,575	22,807	582	1,607
Purchases	(37,351)	(44,175)	(9,006)	(11,351)
Interest income	-	-	204	224
Rental income	19	22	357	157
Royalty income	64	64	-	-
IT service income	56	-	249	94
Rental expenses	-	-	(117)	(128)
Utilities expenses	-	-	(192)	(240)
Marketing expenses	(1)	(344)	-	-
As at	**30.09.25 S$'000**	**31.03.25 S$'000**	**30.09.25 S$'000**	**31.03.25 S$'000**
Rental commitments as lessee under non-cancellable operating leases	-	-	117	-

24. Changes in ownership interest in subsidiaries with loss of control

During 1HFY2026 and 1HFY2025, the Group de-registered inactive subsidiaries which resulted in net gain of S$638,000 (reported in other operating income of S$790,000 (Note 5) and in other operating expenses of S$152,000 (Note 4)) and a gain of S$1,991,000, respectively, being cumulative exchange translation surplus or deficit reclassified to profit or loss.

25. Subsequent events

There are no known subsequent events which have led to adjustments to the Interim Financial Statements.

G. Other Information Required by Listing Rule Appendix 7.2

1. Review

The condensed interim financial statements of GP Industries Limited and its subsidiaries (the "Group") as at and for the first half year ended 30 September 2025 ("**1HFY2026**") have not been audited or reviewed.

2. Business Review and Outlook

Key Highlights for 1HFY2026

- Revenue decreased by 2.5% to S$556.0 million compared with 1HFY2025, despite the challenging global business environment.
- Gross profit margin dropped 120 basis points to 28.5% compared with 1HFY2025.
- Administrative expenses of S$64.7 million were 8.9% lower than in 1HFY2025.
- Finance costs of S$11.1 million were 27% lower than in 1HFY2025.
- Profit attributable to equity holders of the Company improved by 12.7% to S$16.3 million compared with 1HFY2025.
- Interim dividend of 1.75 Singapore cents per share, representing 54% payout ratio.
- Group's net current asset of S$83.3 million increased by S$52.1 million compared with 31 March 2025.
- Gearing ratio increased to 66.8% from 63.3% compared with 31 March 2025.

Review of Results

For the first half-year ("**1H**") ended 30 September 2025 ("**1HFY2026**"), the Group recorded a revenue of S$556.0 million, representing a decrease of S$14.5 million when compared to the revenue reported in the corresponding period last year ("**1HFY2025**"). The revenue decline was primarily attributable to a reduction in sales to American customers, which fell by S$15.5 million, reflecting broader challenges in global trade, particularly those stemming from evolving U.S. tariff policies during 1HFY2026.

Revenue from Primary Batteries Business dropped by 3.9% during 1HFY2026 due to the decrease in sales to Americas. Conversely, revenue from Electronics and Acoustics Business increased by 4.4%, driven by the successful launch of new products and sales channel expansion with leading retailers in key markets.

Gross profit margin declined from 29.7% in 1HFY2025 to 28.5% in 1HFY2026, due to the impact of U.S. tariffs on products sold to the U.S. market and the increase in pricing competition in other markets.

Meanwhile, the Group continues to implement strict cost control measures and actively monitor the optimal level and timing of commodity purchases to minimize further gross profit margin deterioration.

Distribution costs declined by S$4.0 million, or 5.6%, to S$67.7 million compared to 1HFY2025, mainly due to the effective management of advertising and promotion expenses amid an uncertain business environment. Administrative expenses declined by S$6.3 million, or 8.9%, to S$64.7 million compared to 1HFY2025, mainly due to the Group's ongoing initiatives to optimise organisational structure, enhance operational efficiency, and implement expense control measures.

Other operating income for 1HFY2026 was S$10.7 million, mainly comprising:

- Government grants of S$1.8 million (1HFY2025: S$4.4 million),
- Fair value gain on investment properties of S$1.6 million (1HFY2025: Nil),
- Gain from de-registration of subsidiaries of the Batteries segment of S$0.8 million (1HFY2025: S$2.0 million),
- Interest income of S$0.9 million (1HFY2025: S$1.5 million), and
- Exchange gain of S$2.4 million (1HFY2025: S$2.5 million).

Other operating expenses for 1HFY2026 was S$2.1 million, mainly property, plant and equipment write-off of S$0.9 million (1HFY2025: S$0.9 million) and bank charges of S$0.8 million (1HFY2025: S$0.7 million).

The Group's profit before finance costs and share of results of associates for 1HFY2026 declined by 10.7% to S$33.8 million compared to 1HFY2025, primarily attributable to reduced gross profit and lower other operating income, despite savings in distribution costs and administrative expenses.

The Group's share of results of associates increased substantially from S$6.4 million in 1HFY2025 to S$9.7 million in 1HFY2026, mainly due to the improved performance of Wisefull Technology Limited ("Wisefull").

The Group's finance costs declined by 27%, reaching S$11.1 million, attributable to a reduction in borrowing interest rates.

Profit attributable to equity holders of the Company rose by 12.7% to S$16.3 million. Based on the weighted average of 480,499,782 shares in issue (1HFY2025: 483,843,482) and excluding the accrued distribution for perpetual bonds, basic earnings per share for 1HFY2026 was 3.26 Singapore cents (1HFY2025: 2.99 Singapore cents).

The Directors have proposed an interim dividend of 1.75 Singapore cents per share (1HFY2025: 1.5 Singapore cents per share), representing a payout ratio of 54%.

Business Review

Battery Business - Revenue for the Battery Business in 1HFY2026 was S$421.2 million, a decline of 4.6% compared to 1HFY2025. The drop in revenue from American customers was mainly due to uncertainties in global trade and U.S. tariff developments during 1HFY2026. In geographical terms, sales to Americas and Asia decreased by 23.5% and 1.1%, respectively, while sales to Europe slightly increased by 1.1%.

Gross profit margin decreased from 25.3% in 1HFY2025 to 24.5% in 1HFY2026, primarily due to reallocation of production capacity between Southeast Asia and China and capacity enhancements in Southeast Asia to better serve the American market. These adjustments incurred additional costs related to new production lines in Southeast Asia, staff training, and higher logistics expenses.

During 1HFY2026, the Group recognized a fair value gain on investment properties of S$1.6 million, which is mainly related to the factory building in China, compared to a one-off gain of S$2.0 million from de-registration of a dormant Malaysia battery subsidiary in 1HFY2025.

Profit contribution from the Battery Business decreased from S$20.0 million in 1HFY2025 to S$18.4 million in 1HFY2026, with lower administrative expenses partially offsetting the revenue and margin decline.

Electronics and Acoustics Business - Revenue of the Electronics and Acoustics Business for 1HFY2026 was S$134.8 million, an increase of 4.4% compared to 1HFY2025.

KEF's sales grew by 1.9%, driven by successful new product launches and distribution channel expansion. These initiatives contributed to sales increases of 2.9% in the Americas and 2.6% in Europe, respectively. The Celestion brand professional speaker driver business reported an 8.6% revenue increase, supported by a higher production level in its U.K. factory, resulting in 19.5%, 8.0% and 3.7% increases in sales to the Americas, Europe and Asia, respectively. The professional audio manufacturing business reported a 6.9% increase in revenue from external customers, attributable primarily from additional production orders for the Thailand factory. The sales increase was contributed by 5.5% and 28.5% increases to the Americas and Asia, respectively.

Gross profit margin decreased to 40.9%, down 390 basis points from 1HFY2025, mainly due to U.S. tariffs on imported branded acoustics products, which account for approximately 40% of KEF's sales in U.S., and lower margins from selling to new global retail chains. Higher logistic costs for supporting production in China and Thailand factories also contributed but this is expected to gradually decrease as supply chains stabilize. Despite margin pressure, reduced administrative expenses through restructuring and efficiency gains supported profitability growth.

Other Industrial Investments - This segment mainly includes investments in Meiloon Industrial Co., Ltd. ("**Meiloon**"), Shinwa Industries (H.K.) Limited and Wisefull. Contribution before taxation remained steady at S$5.3 million for both 1HFY2025 and 1HFY2026, as improved share of results from Wisefull while significant fair value gain on Company's investment in GP Energy Tech Limited were recorded in 1HFY2025.

Capital Resource and Liquidity

During 1HFY2026, the Group successfully completed a 3-year syndicated sustainability-linked loan facility of HK$504 million (approximately S$83.4 million) with five banks. This facility enhances the maturity profile of the Group's loan portfolio and strengthens overall liquidity of the Group.

The Group's net current assets improved significantly from S$31.2 million as at 31 March 2025 to S$83.3 million as at 30 September 2025. The current ratio, calculated as the ratio of current assets to current liabilities, was 1.15 as at 30 September 2025 (31 March 2025: 1.05).

The Group's gearing ratio, defined as Group's net bank borrowings expressed as a percentage of total equity, as at 30 September 2025 was 66.8% (31 March 2025: 63.3%).

Outlook

Market Environment

The first half year of FY2026 was marked by volatility and uncertainties driven by the changes in the U.S. import tariff as well as challenging global macroeconomic and geopolitical conditions. The Management believes that the Group performed better than most competitors during this time as the Group's resilience reflects the result of the strategic investments it made in its batteries and audio branding businesses, rebalancing manufacturing capacity in Southeast Asia, and expanding its footprint outside China. These measures helped mitigate the adverse impacts on revenue and margins.

The Management will continue to monitor the Group's tariff exposure and macroeconomic developments, adjusting strategies to optimize profitability and liquidity. The Group remains focused on product development, brand leverage, and global sales channel expansion - particularly through KEF's partnerships with leading retailers and experience centres in key global cities.

Assets Optimization

The Group plans to accelerate divestment of non-core assets, including vacant land and unused factories in China. In the event of unfavorable market conditions, these non-core assets will be utilized to generate rental income prior to disposal. This initiative is designed to strengthen the Group's net asset position, achieve de-leveraging targets, enhance financial flexibility, and maintain resilience in a dynamic market environment.

Conclusion

Despite ongoing global challenges, the Group's diversified manufacturing footprint, adaptable supply chain, strong brand portfolio, and commitment to innovation position the Group well to navigate global uncertainties. Through disciplined cost control, focus on core businesses, and strategic asset optimization, the Group remains confident in its ability to deliver sustainable long-term value, enhancing profitability, and expand market share.

3. Financial Review

Material variances of the items disclosed in the statement of profit or loss, statement of comprehensive income and statements of financial position of these Interim Financial Statements and which have not been discussed in other parts of these Interim Financial Statements are explained as follows:

(a) Statement of profit or loss - Group

"Allowance for expected credit losses, net": The decrease was due mainly to the recognition of the expected credit losses by a 70%-owned subsidiary of battery business, Ningbo GP & Sonluk Battery Co., Ltd., which for 1HFY2025, the expected credit losses was exceptional high due to increase in market demand that led to an increased scale of operations and that it has normalized for 1HFY2026.

(b) Statement of financial position - Group

(i) "Right-of-use assets" and "Total lease liabilities": The decrease in right-of-use assets and total lease liabilities was due mainly to depreciation charge and payment of lease liabilities respectively, and the set-off by additions of approximately S$2.1 million during the 1HFY2026.

(ii) "Financial assets at fair value through profit or loss": This relates to the Company's investment in unquoted equity shares of approximately 11.40% interests in GP Energy Tech Limited ("GPET") as at 30 September 2025 and as at 31 March 2025. The decrease was due to the fair value loss recognised in 1HFY2026.

(iii) "Receivables and prepayments": The increase was due mainly to the net effect of (i) the increase in trade receivables of S$22.5 million mainly from the battery business; and set-off by (ii) the decrease in trade receivables from associates of S$3.2 million.

(iv) "Contract liabilities": The decrease in contract liabilities relates mainly to the decrease in receipts from battery business customers.

(v) "Income tax payable": The increase was due mainly to provision of pillar two tax for subsidiaries in Vietnam.

(vi) "Bank and other loans - current and non-current": The decrease in amount repayable within one year and the increase in amount repayable after one year was due to the net effect of the repayment of short term loans and the drawdown of a 3-year term loan of HK$504 million in 1HFY2026, and the reclassification of amounts to current liabilities.

(c) Statement of financial position - Company

(i) "Right-of-use assets" and "Total lease liabilities": The decrease was due to depreciation charge and due mainly to payment of lease liabilities.

(ii) "Financial assets at fair value through profit or loss": Refer to section (b) (ii) above.

(iii) "Receivables and prepayments": The decrease was due mainly to decrease in amounts due from subsidiaries.

(iv) "Trade and other payables": The decrease was due mainly to decrease in amounts due to subsidiaries.

(v) "Bank and other loans - current and non-current": The increase in amount repayable within one year was due mainly to the net effect of (i) reclassification from non-current liabilities of term loan; and (ii) repayments of short term borrowings. The decrease in the amount repayable after one year was due to reclassification of amounts to current liabilities.

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

Not applicable.

5. Dividend

(a) Current financial period reported on

Any dividend declared for the current financial period reported on? Yes

Name of Dividend	**Tax-exempt (One-tier) Interim Ordinary Dividend**
Dividend Type	Cash
Dividend Amount per Share	1.75 Singapore cents per ordinary share

(b) Corresponding period of the immediately preceding financial year

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

Name of Dividend	**Tax-exempt (One-tier) Interim Ordinary Dividend**
Dividend Type	Cash
Dividend Amount per Share	1.5 Singapore cents per ordinary share

(c) Date payable

To be announced later.

(d) Record date

To be announced later.

(e) Other comments relating to dividend

The Directors are pleased to recommend an interim tax-exempt (1-tier) dividend of 1.75 Singapore cents per share amounting to approximately S$8.4 million for its financial year ending 31 March 2026. The dividend was not included as liabilities as at 30 September 2025.

6. Interested person transactions

Pursuant to the shareholders' mandate on interested person transactions approved by the shareholders at the Annual General Meeting held on 29 July 2025, the interested person transactions entered into by the Group during the 1HFY2026 are as follows:

Name of interested person	Nature of relationship	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$100,000)	
		1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Sales:			
GP Energy Tech Limited and its subsidiaries ("GPET Group")	(Note a)	513	1,526
Purchases:			
GPET Group	(Note a)	8,853	11,141

6. Interested person transactions (Continued)

Name of interested person	Nature of relationship	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920)	
		1H ended 30.09.25 S$'000	1H ended 30.09.24 S$'000
Management income:			
GPET Group	(Note a)	769	842
Interest income:			
GPET Group	(Note a)	204	224
IT service income:			
GPET Group	(Note a)	184	23
Rental income:			
GPET Group	(Note a)	197	12
Receipt of non-trade balance from:			
GPET Group	(Note a)	1,513	1,613
Advance of non-trade balance to:			
Gold Peak Technology Group Limited	(Note b)	12,655	-
Repayment and advance of non-trade balance received from:			
Gold Peak Technology Group Limited	(Note b)	-	6,757
Subscription of perpetual bonds by:			
Brian Li Yiu Cheung	(Note c)	-	1,281
Waltery Law Wang Chak	(Note c)	-	3,202
Grace Lo Kit Yee	(Note d)	-	640
Distribution paid on perpetual bonds:			
Brian Li Yiu Cheung	(Note c)	62	-
Waltery Law Wang Chak	(Note c)	159	-
Grace Lo Kit Yee	(Note d)	31	-
Rental expenses:			
GPET Group	(Note a)	117	128
Utilities expenses:			
GPET Group	(Note a)	192	240

(Note a) An associate of a controlling shareholder.
(Note b) A controlling shareholder.
(Note c) Directors of the Company.
(Note d) Ms Grace Lo Kit Yee has resigned as a director of the Company on 28 February 2025. She is an associate of a controlling shareholder.

7. Confirmation pursuant to Rule 720(1) of the Listing Manual

The Company has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) under Rule 720(1) of the Listing Manual.

8. Negative confirmation by the Board pursuant to Rule 705(5) of the Listing Manual

We, Victor Lo Chung Wing and Lam Hin Lap, 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 statements for the financial period ended 30 September 2025 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Victor Lo Chung Wing	**Lam Hin Lap**
Chairman and Chief Executive Officer	Vice Chairman and Executive Vice President

12 November 2025

Member
Gold Peak Technology Group