ANNUAL REPORTS AND RELATED DOCUMENTS::

Issuer & Securities

Issuer/ Manager

GP INDUSTRIES LIMITED

Securities

GP INDUSTRIES LIMITED - SG1C12012995 - G20

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No

Announcement Details

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Announcement Reference

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Submitted By (Co./ Ind. Name)

Lee Tiong Hock

Designation

Company Secretary

Description (Please provide a detailed description of the event in the box below - Refer to the Online help for the format)

Please refer to the following documents as attached:

1. Annual Report
2. Letter to Shareholders dated 11 July 2026 in relation to the proposed (1) Renewal of the Share Purchase Mandate; and (2) Renewal of the General Mandate for Interested Person Transactions
3. Request Form

Additional Details

Period Ended

31/03/2026

Attachments

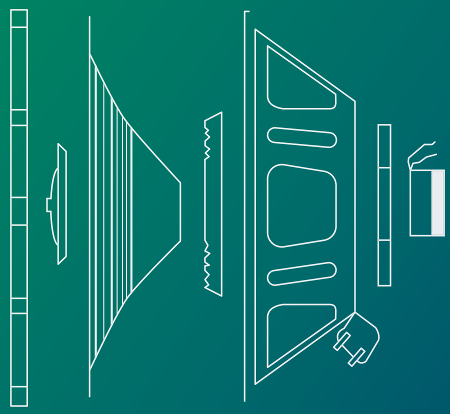
GP Industries AR2025-2026.pdf

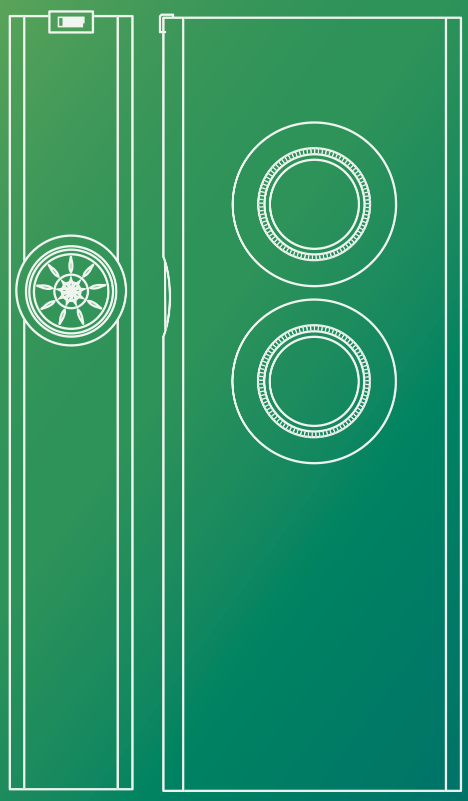
GP Industries AR2025-2026_Letter to Shareholders.pdf

GP Industries AR2025-2026_Request Form.pdf

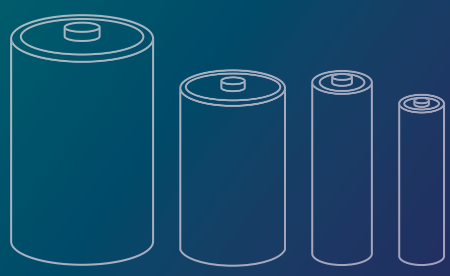
Total size =2845K MB

GP INDUSTRIES LIMITED





ANNUAL REPORT



GP INDUSTRIES

2025-2026

Never Stop Innovating.

Always Best In Class.

CALENDAR OF FINANCIAL EVENTS

EVENTS

Announcement of FY2026 Results:

Announcement of 1H Results	12 November 2025
Announcement of 2H and FY Results	28 May 2026
Website Publication of Annual Report	10 July 2026

FY2026 Dividend Record and Payment Dates:

Interim Dividend	**S 1.75 cents per share**
Declaration Date	12 November 2025
Record Date	5:00 pm, 10 December 2025
Payment Date	17 December 2025

Proposed Final Dividend	**S 1.75 cents per share***
Declaration Date	28 May 2026
Record Date	5:00 pm, 7 August 2026
Payment Date	21 August 2026

Shareholders' Meeting:

2026 AGM Notice Issue Date	11 July 2026
Voting at 2026 AGM Book Close Date	3:00 pm, 24 July 2026
31st Annual General Meeting	27 July 2026

Note:
* The declaration and payment of the FY2026 Final Dividend is subject to the approval of Ordinary Shareholders at the 31st Annual General Meeting.

GP INDUSTRIES LIMITED
ANNUAL REPORT 2025-2026

CONTENT

CORPORATE INFORMATION

BOARD OF DIRECTORS

Executive

Victor LO Chung Wing | Executive Chairman
Brian LI Yiu Cheung | Chief Executive Officer
LAM Hin Lap | Vice Chairman and Deputy Chief Executive Officer
Waltery LAW Wang Chak | Chief Financial Officer and Chief Risk Officer

Non-Executive Independent

SEAH Han Leong | Lead Independent Director
Timothy TONG Wai Cheung
Eric YIM Chi Ming
HUNG Cheung Fuk
Charlene-Jayne CHANG Wei-Ying

AUDIT AND RISK COMMITTEE

SEAH Han Leong | Chairman
Timothy TONG Wai Cheung
Eric YIM Chi Ming
HUNG Cheung Fuk
Charlene-Jayne CHANG Wei-Ying

NOMINATING COMMITTEE

Eric YIM Chi Ming | Chairman
Victor LO Chung Wing
LAM Hin Lap
SEAH Han Leong
Timothy TONG Wai Cheung
HUNG Cheung Fuk
Charlene-Jayne CHANG Wei-Ying

REMUNERATION COMMITTEE

Timothy TONG Wai Cheung | Chairman
SEAH Han Leong
Eric YIM Chi Ming
HUNG Cheung Fuk
Charlene-Jayne CHANG Wei-Ying

SUSTAINABILITY STEERING COMMITTEE

Brian LI Yiu Cheung | Co-chairman
LAM Hin Lap | Co-chairman
Waltery LAW Wang Chak
Charlton KWONG Yiu Cheung
Edward LAM Wai Man
Grace LO Kit Yee
Joseph LEUNG
Edmund LEE Tak Yue (Convener)

COMPANY SECRETARIES

LEE Tiong Hock and SHIM Gek Nii

REGISTERED ADDRESS

83 Clemenceau Avenue
#14-01 UE Square
Singapore 239920
Tel : (65) 6395 0850
Fax : (65) 6395 0860
E-mail: gpind@gp.industries
Website: www.gp.industries

SHARE REGISTRAR

Boardroom Corporate & Advisory Services Pte. Ltd.
1 Harbourfront Avenue
Keppel Bay Tower #14-07
Singapore 098632

AUDITORS

Deloitte & Touche LLP
6 Shenton Way
OUE Downtown 2 #33-00
Singapore 068809

Audit Partner-in-charge

PANJABI Sanjay Gordhan

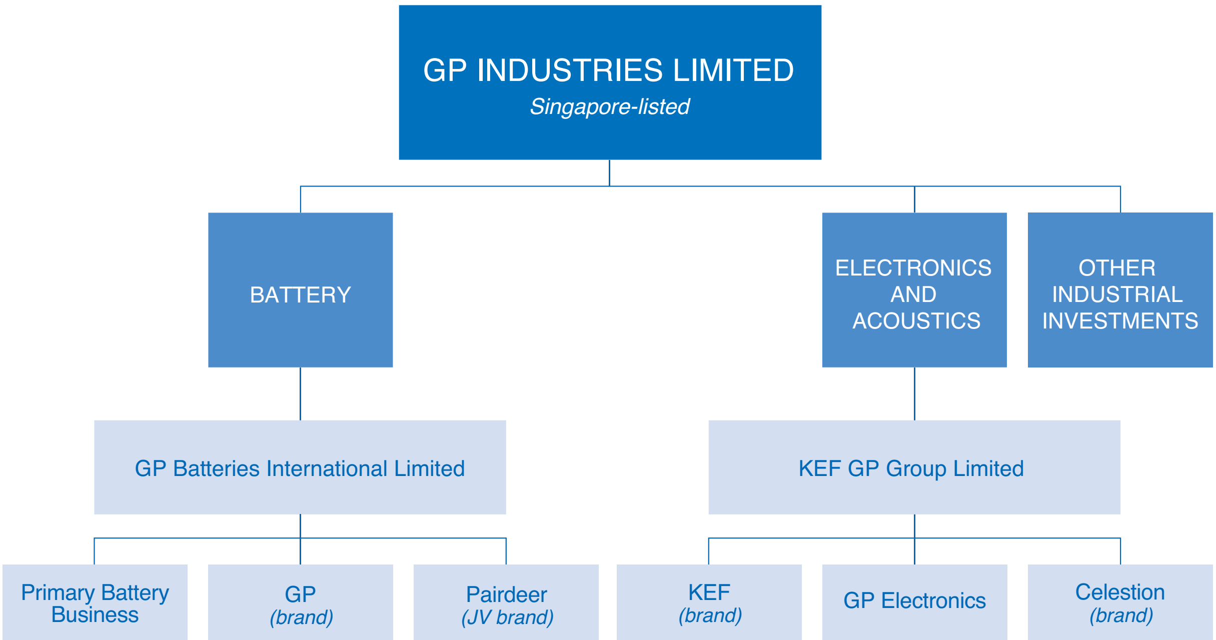
PRINCIPAL BANKERS

United Overseas Bank Limited
Malayan Banking Berhad
Hang Seng Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
Bank of East Asia
Bank of China Limited
DBS Bank Ltd

SOLICITORS

Allen & Gledhill LLP
One Marina Boulevard #28-00
Singapore 018989

GROUP PROFILE



GP Industries Limited ("GP Industries" or "the Company") is an international manufacturing and marketing group in the battery and audio industries.

The Company has been listed on the Mainboard of the Singapore Exchange Securities Trading Limited ("SGX-ST") since 1995. It is the main industrial investment vehicle of Hong Kong-listed Gold Peak Technology Group Limited which currently owns an 86.18%* interest in the Company.

The businesses of GP Industries are mainly operated under its two major wholly-owned subsidiaries, namely:

(a) GP Batteries International Limited is engaged in the development, manufacturing and marketing of primary consumer batteries and battery related products under the GP brand and PAIRDEER brand. The PAIRDEER brand is operated by the Company's 70%-owned subsidiary in China with significant domestic market presence.

(b) KEF GP Group Limited specializes in the design, manufacturing and marketing of professional audio products, KEF-branded audio systems, Celestion branded professional loudspeakers and electronic and audio related products.

GP Industries Group has a strong and extensive manufacturing and distribution network spanning over 10 countries. Excluding associates, the Group currently employs a workforce of approximately 5,600 and occupies a total floor area of about 618,400 square metres.

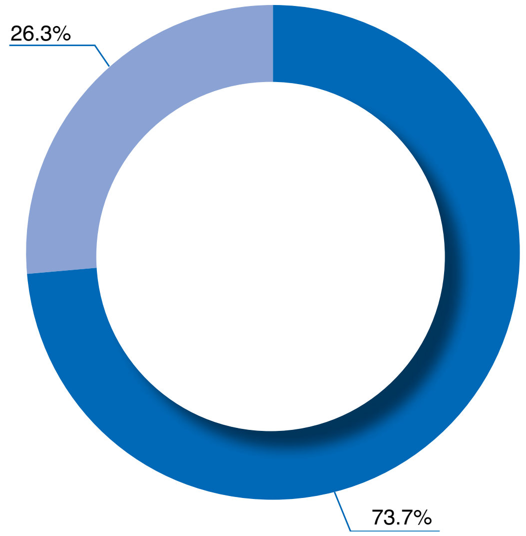
* as at 24 June 2026

FY2026 FINANCIAL HIGHLIGHTS

Consolidated Income Statement (S$ million) Year ended 31 March	2026	2025
Revenue	**1,094.5**	1,104.7
Profit after taxation	**44.1**	40.1
Non-controlling interests	**(15.7)**	(15.8)
Profit attributable to equity holders	**28.4**	24.3
Basic earnings per share (cents)	**5.65**	4.90
Tax-exempt (1-tier) dividend per share (cents)	**3.5**	3.0
Consolidated Statement of Financial Position (S$ million) As at 31 March		
Shareholders' funds	**306.6**	292.3
Total equity	**452.4**	430.9
Total assets	**1,228.6**	1,215.4
Ratios As at 31 March		
Current assets : Current liabilities (times)	**1.00**	1.05
Inventory turnover period (months)	**2.58**	3.08
Net bank borrowings : Total equity (times)	**0.57**	0.63
Other Information As at 31 March		
Number of employees (approx) - The Company and its subsidiaries	**5,600**	5,350
Total floor area (sq m) (approx) - The Company and its subsidiaries	**618,400**	590,500

REVENUE BY BUSINESS SEGMENTS

Year ended 31 March 2026

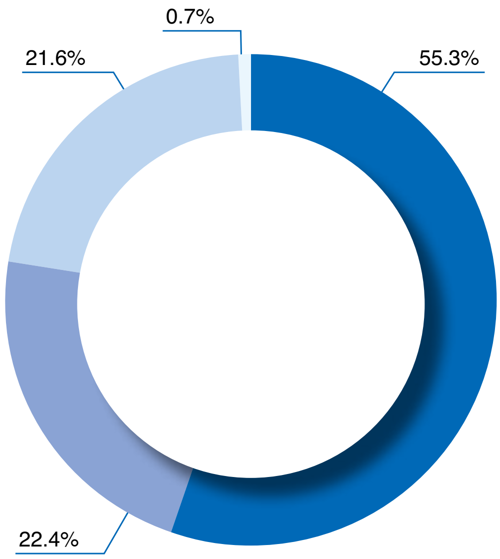


73.7%
Battery

26.3%
Electronics and acoustics

REVENUE BY LOCATIONS

Year ended 31 March 2026



55.3%
Asia

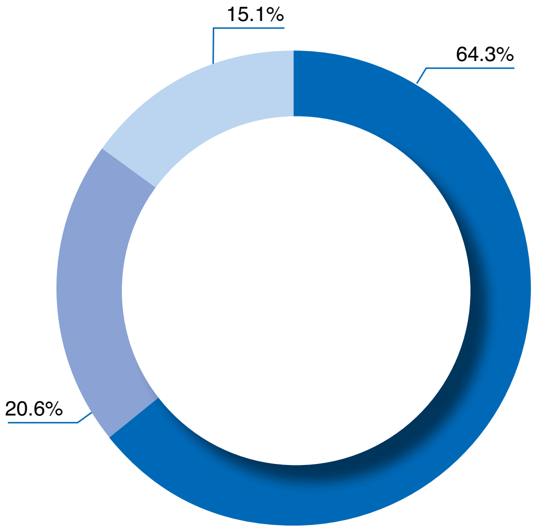
21.6%
Europe

22.4%
Americas

0.7%
Others

CONTRIBUTION BY BUSINESS SEGMENTS

Year ended 31 March 2026



64.3%
Battery

15.1%
Other industrial investments

20.6%
Electronics and acoustics

CHAIRMAN'S STATEMENT

RESILIENT PERFORMANCE DESPITE THE VOLATILE MARKET ENVIRONMENT

The financial year ended 31 March 2026 ("FY2026") unfolded against a backdrop of unpredictable geopolitical tensions, shifting trade policies, logistics interruptions and persistent inflationary pressures. Despite these considerable headwinds, GP Industries demonstrated strategic execution and operational resilience, achieving a 16.9% increase in profit attributable to equity holders to S$28.4 million. The Group's long-standing commitment to premium brand development, manufacturing capacity rebalancing and operational excellence has provided significant competitive advantages in navigating the complex global economic environment.

RESULTS SUMMARY

The Group’s revenue was S$1,094.5 million in FY2026, representing a slight decline of 0.9% compared to the financial year ended 31 March 2025 ("FY2025"). While revenue remained relatively stable amid subdued global consumer demand and intense competition, our profitability improved. Profit before taxation increased by 17.9% to S$61.9 million, driven by a strategic shift toward higher-margin branded acoustic products, enhanced operational efficiency, reduced finance costs and disciplined cost management.

Our Electronics and Acoustics Business delivered exceptional performance, with segment contribution surging by approximately 220%, reflecting the strength of the KEF brand, successful brand partnerships, and optimized organizational efficiencies. Profit attributable to equity holders stood at S$28.4 million, translating to basic earnings per share of 5.65 Singapore cents — a 15.3% increase from FY2025.

The Directors have proposed a final dividend of 1.75 Singapore cents per share which, together with the interim dividend of 1.75 Singapore cents per share, will bring the full-year dividend to 3.5 Singapore cents per share (FY2025: 3.0 Singapore cents per share), representing a payout ratio of 61.9% for FY2026 (FY2025: 61.2%).

DRIVING AGILE, DIVERSIFIED GROWTH

The evolving global trade landscape continues to validate our long-established geographic diversification strategy. A significant structural challenge emerged during FY2026 with the progressive reduction of China's value-added tax ("VAT") export rebate for battery products. This policy change, scheduled for full elimination by January 2027, increases factory costs for China-based battery export by approximately 13%, fundamentally reshaping the competitive dynamics of the global battery industry.

Having established 5 battery manufacturing facilities outside China — including operations in Vietnam and Malaysia, we are well-positioned to navigate this cost structure shift. Our Alkaline battery plant in Ho Chi Minh City, Vietnam is currently operating at full capacity, primarily serving the U.S. market while avoiding the cost associated with direct China-to-U.S. exports.

We anticipate that the combination of China's VAT policy changes and persistent U.S. tariff uncertainty will trigger industry consolidation over the coming years. Well-capitalized manufacturers with diversified geographic footprints, such as GP Batteries, are strategically positioned to gain market share as less-flexible competitors struggle to adapt to these structural changes.

Our Battery Business recorded revenue of S$806.5 million in FY2026. The segment experienced divergent performance across product categories and geographies. Mass-market Alkaline battery consumption in the Americas significantly declined, reflecting tariff-related uncertainties, retail inventory destocking, and cautious consumer spending. European markets remained challenging amid persistent economic pressures and subdued consumer demand.

However, the battery segment demonstrated considerable strength in specialty and IoT applications. The proliferation of smart home devices, GPS trackers, medical devices, and industrial IoT systems continues to drive robust demand for our coin cell and specialty batteries. This higher-margin specialty product segment represents a significant growth opportunity for the Group and aligns with our strategic emphasis on value-added products.

In response to evolving consumer behavior, we are expanding our direct-to-consumer e-commerce presence for rechargeable battery solutions. This initiative enables us to reach price-conscious consumers seeking high-value alternatives to disposable batteries, while streamlining our supply chain and improving margin realization. Our comprehensive product portfolio — spanning value-driven Carbon Zinc batteries through premium Alkaline and specialty batteries — positions us effectively to serve diverse consumer needs across all price segments and distribution channels.

Our Electronics and Acoustics Business delivered strong performance, with revenue rising 6.1% to S$287.9 million in FY2026. This growth was driven by the continued success of KEF's brand strategy and Celestion's expansion into new market segments.

KEF continues to thrive through its integrated Online-to-Offline (O2O) strategy, combining e-commerce excellence with immersive brand experiences. Our expanding network of KEF Music Galleries and Experience Centers — including flagship locations in high-profile districts such as Hong Kong, Aoyama in Tokyo, Kensington in London, and premium shopping destinations in Beijing, Chengdu, and Guangzhou — has significantly strengthened brand visibility and consumer engagement. These brand-specific retail stores allow consumers to experience and appreciate KEF's acoustic excellence first hand, driving sales conversion and brand loyalty.

Strategic "Sound by KEF" partnerships have contributed to improving our brand perception in new market segments. Our collaboration with Lotus Technology continues to receive industry recognition, while our expanded partnership with Haier Smart Home now encompasses multiple flagship television series, positioning KEF strategically in the rapidly growing premium smart television market. A new collaboration with Huawei in mainland China has further expanded our reach, where KEF's brand equity continues to strengthen.

Celestion marked a significant milestone during FY2026 with the commissioning of a new automated production line in the U.K. for its Ten Squared (TSQ) 24-inch large-format premium professional speaker drivers. These high-performance drivers have been rapidly adopted in the global concert touring and professional audio markets, leveraging Celestion's legendary heritage and engineering excellence. Celestion's prosumer Karaoke products, launched to commemorate the brand's centennial, continue to gain traction and create new revenue streams beyond traditional professional applications.

INNOVATION DRIVING FUTURE GROWTH

Beyond our core Battery and Electronics and Acoustics businesses, we are strategically positioning the Group to participate in emerging high-growth technology segments through our associate companies and new ventures.

Wisefull Technology Limited ("Wisefull"), our associate company, provides high-precision thermal management solutions for the semiconductor industry. The rapid expansion of artificial intelligence ("AI") computing is driving unprecedented demand for advanced Graphics Processing Unit cooling systems. Wisefull's innovative technologies position us to benefit from this accelerating AI hardware cycle as data centers globally upgrade their infrastructure to support next-generation computing workloads.

FINANCIAL STRENGTH AND SUSTAINABILITY LEADERSHIP

The Group's commitment to environmental sustainability remains integral to our long-term value creation strategy. The Group formalized quantitative targets to achieve Net Zero Scope 1 and Scope 2 carbon emissions by 2050, supported by interim reduction milestones of 20% by 2030 and 60% by 2040, measured against our FY2024 baseline. In FY2025, we achieved a 20.6% reduction in overall carbon emissions, demonstrating tangible progress toward these ambitious goals.

Our operational excellence in sustainability was further recognized as 4 of our battery manufacturing facilities achieved UL's Zero Waste to Landfill validation — with 2 facilities awarded Platinum, the highest certification level for comprehensive waste management and circular economy practices. These achievements reflect our systematic approach to minimizing environmental impact while maintaining world-class manufacturing efficiency.

To support our sustainability initiatives and ongoing business operations, the Group secured a substantial S$83.4 million (HK$504.0 million) sustainability-linked loan facility from a consortium of 5 banks in FY2026. This facility demonstrates strong lender confidence in our business model, financial discipline, and environmental commitments. The sustainability-linked structure aligns our financing costs with the achievement of predetermined ESG performance targets, further embedding sustainability into our financial framework.

We continue to optimize our asset base through strategic consolidation of operations into efficient, multi-level automated facilities. Our ongoing program to divest non-core industrial properties in China and Malaysia made progress during FY2026 though challenging property market conditions continue to influence transaction timelines. These properties are generating rental income until disposal completion, and we remain committed to redeploying capital into higher-return core business activities.

Our gearing ratio improved to 57.4% at 31 March 2026, reflecting prudent capital management and strong cash generation. This financial flexibility positions the Group to invest in growth opportunities, support our sustainability transformation, and maintain shareholder returns even as we navigate near-term macroeconomic uncertainty.

LOOKING AHEAD

While global macroeconomic conditions remain challenging, we approach the future with measured confidence grounded in strategic clarity and operational strength. Looking ahead, the Group expects a gradual normalization of gross margin. The U.S. government has begun refunding a portion of previously over-levied import tariffs, which is expected to provide some cost relief. At the same time, the Group’s production facilities in Southeast Asia are progressing well along the ramp-up curve, with improving operational efficiency and increasing economies of scale. Together, these factors are expected to mitigate transitional cost pressures and support a recovery of margins towards more normalized levels.

Our diversified manufacturing footprint positions us favourably as structural shifts in global trade and cost structures reshape competitive dynamics. The combination of China's VAT policy changes, persistent tariff uncertainty, and inflationary pressures will likely accelerate industry consolidation, creating market share opportunities for well-capitalized manufacturers with geographic flexibility.

In the Battery Business, the growth trends in IoT devices, smart home systems, industrial automation, and emergency preparedness create compelling long-term opportunities for our specialty and rechargeable product portfolios. Our expanding direct-to-consumer capabilities and comprehensive product range position us effectively across multiple consumer segments and price points.

Our Electronics and Acoustics Business continues to build momentum. KEF's strengthened retail partnerships, expanding global network of Experience Centers, brand licensing in the automotive industry and strategic "Sound by KEF" collaborations provide more brand associations and contribute to the sustained growth in the premium audio market. The global loudspeaker market's projected growth, driven by smart home adoption and premium audio demand, aligns perfectly with our wireless music systems and immersive audio strategy. Celestion's expanding presence in consumer audio, combined with strong adoption of its professional TSQ drivers, opens access to new market segments and revenue streams.

The Group's strategic positioning in emerging technology segments — including AI-related thermal management through Wisefull — and expanded capabilities provide meaningful optionality for long-term growth beyond our traditional markets.

We will continue to focus our investments on technology and product development, brand building, operational efficiency, and sustainability initiatives. These strategic priorities will drive long-term value creation while maintaining the financial discipline necessary to navigate short-term volatility.

Directors of the Company toasting to guests at the 30th anniversary party held in November 2025.

APPRECIATION

On behalf of the Board, I would like to extend our sincere appreciation to our management team and our global workforce for their sustained dedication, commitment, and contributions throughout the year. We would also like to thank our fellow Board members for their prudent guidance and continued support.

We further express our gratitude to our customers, suppliers, lenders, and shareholders. Your ongoing trust and support have enabled the Company to navigate a challenging operating environment with resilience and to remain firmly focused on delivering our strategic objectives.

Last but not least, we would like to record our heartfelt thanks to Mr. Goh Boon Seong for his service on the Board for more than six years.

Victor LO Chung Wing
Executive Chairman
24 June 2026


KEF

MANAGEMENT DISCUSSION AND ANALYSIS

KEY HIGHLIGHTS FOR FY2026 - STEADY GROWTH IN OPERATING EARNINGS

REVENUE MAINTAINED AT

S$1.1 billion

GROSS PROFIT MARGIN

29.2%

(decreased by 70 basis points)

PROFIT BEFORE FINANCE COSTS AND SHARE OF RESULTS OF ASSOCIATES:

S$66.2 million

(-2.7%)

PROFIT ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY

S$28.4 million

(+16.9%)

Full-year dividend of 3.5 Singapore cents per share, representing a 61.9% payout ratio

Group's net asset as at 31 March 2026 increased to S$452.4 million from S$430.9 million

Gearing ratio improved to 57.4% from 63.3%


GP
RECYKO PRO
New generation rechargeables
The world's fastest photoflash battery
50% faster flash recycle time.*
New breakthrough in battery technology
Rethink. Recharge. Recyko.
Recharge for faster photo flashes

OVERVIEW

For the financial year ended 31 March 2026 (“FY2026”), the Group generated a revenue of S$1,094.5 million, decreased by S$10.2 million when compared to the last financial year ended 31 March 2025 (“FY2025”). Revenue from Battery Business dropped by 3.2% during FY2026 due to intense competition in the global battery market and lower sales to the Americas resulting from the United States (“U.S.”) tariff impact. Conversely, revenue from Electronics and Acoustics Business increased by 6.1%, driven by the successful launch of new products and sales channel expansion with leading retailers in key markets. In terms of geographical markets for Electronics and Acoustics Business, the sales to Americas, Europe and Asia increased.

Gross profit margin decreased from 29.9% in FY2025 to 29.2% in FY2026 due to the impact of U.S. tariffs on products sold to the U.S. market and increased pricing competition in other markets.

Distribution costs decreased by S$7.5 million, or 5.1%, to S$139.3 million when compared to FY2025, mainly due to effective management of advertising and promotion expenses amid an uncertain business environment. Administrative expenses decreased by S$1.3 million or 1.0% to S$128.2 million when compared to FY2025 mainly due to the Group's ongoing initiatives to optimize organizational structure, enhance operational efficiency, and tighten expense control measures.

Other operating income for FY2026 was S$25.1 million, mainly comprising:

- Government grants of S$6.6 million (FY2025: S$7.1 million),
- A one-off fair value gain on remeasurement of previously held equity interest in an associate, Changzhou Lithium Batteries Limited ("CZLB"), of S$6.3 million (FY2025: Nil),
- Fair value gain on investment properties of S$1.8 million (FY2025: fair value loss of S$0.1 million),
- Gain from de-registration of subsidiaries of the Battery segment of S$0.8 million (FY2025: S$2.0 million), and
- Interest income of S$1.6 million (FY2025: S$2.0 million).

Other operating expenses in FY2026 were S$9.9 million, mainly included a provision for the Group's internal restructuring of S$2.2 million (FY2025: S$4.3 million), property, plant and equipment written- off of S$1.4 million (FY2025: S$3.8 million) and exchange loss of S$1.2 million (FY2025: exchange gain of S$2.7 million).

The Group's profit before finance costs and share of results of associates for FY2026 slightly declined by 2.7% to S$66.2 million when compared to FY2025, 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$13.5 million in FY2025 to S$19.2 million in FY2026, mainly due to the improved performance of Wisefull Technology Limited ("Wisefull"), which provides high-precision cooling solutions for AI and data center hardware, serving the rapidly expanding Graphics Processing Unit semiconductor markets.

The Group's finance costs declined by 19%, reaching S$23.4 million, attributable to a reduction in borrowing interest rates.

SHAREHOLDER RETURNS

Profit attributable to equity holders of the Company for FY2026 rose by 16.9% to S$28.4 million. Based on the weighted average of 480,499,782 (FY2025: 483,595,729) shares in issue and deducting the accrued distribution for perpetual bonds, basic earnings per share for FY2026 was 5.65 Singapore cents.

The Board has proposed a final dividend of 1.75 Singapore cents per share which, together with the interim dividend of 1.75 Singapore cents per share, will bring the full-year dividend to 3.5 Singapore cents per share (FY2025: 3.0 Singapore cents per share), representing a payout ratio of 61.9% for FY2026 (FY2025: 61.2%).

BATTERY BUSINESS

Performance Overview

The revenue of the Battery Business for FY2026 was S$806.5 million, a decline of 3.2% when compared to FY2025. The drop in revenue from customers in the Americas was primarily attributable to uncertainties in global trade and developments in the U.S. tariffs during FY2026. In geographical terms, sales to Americas and Europe decreased by 21.2% and 3.7%, respectively, while sales to Asia slightly increased by 1.6%.

Gross profit margin decreased slightly from 25.0% in FY2025 to 24.5% in FY2026. The decrease was primarily due to the additional costs associated with the reallocation of production capacity from China to Southeast Asia, including new production line setup, staff training and higher logistics expenses, to better serve the U.S. market. A new China government policy to reduce the value-added tax ("VAT") rebate for battery related product exports also contributed to the gross profit margin decline.

Other Operating Items

During FY2026, the Group recognized a S$1.8 million fair value gain on investment properties, primarily related to unused factory buildings and vacant land in China and a S$6.3 million one-off fair value gain on remeasurement of previously held equity interest in CZLB, compared to a one-off gain of S$2.0 million from de-registration of a dormant Malaysia battery subsidiary in FY2025.

Profit contribution from the Battery Business rose from S$31.7 million in FY2025 to S$32.9 million in FY2026, as one-off fair value gains on equity interest and investment properties offset the decline in revenue and margins.

Market Conditions and Competitive Landscape

The Group's battery portfolio faced two diverging market trends in FY2026. The growing adoption of connected IoT and smart home devices is driving robust demand for coin cell and specialty batteries, while persistent inflation and geopolitical uncertainty have led retailers and consumers to trade down from premium brands to private label Alkaline brands, intensifying competition across traditional retail channels.

Compounding this, China's ongoing rollback of VAT export rebate for batteries and related products presents a significant structural challenge for the industry and increases the factory costs for China-based battery exporters. The Group anticipates a 12-to-18-month industry adjustment period and accelerated consolidation among less well-resourced competitors.

The Group's strategy to invest in manufacturing capacity outside China implemented many years ago has proven to be a material competitive advantage today. With comparatively limited exposure to Chinese export VAT refund policy and U.S. import tariff uncertainty, the Group is well-positioned to navigate near-term disruptions. The Group is directing resources to expand the production capacities for higher-margin specialty batteries and to expand direct-to-consumer e-commerce for rechargeable batteries with fast-charging solutions to streamline the supply chain and reduce transaction costs for these products.

Americas

Revenue for the Americas declined by 21.2% in FY2026, driven primarily by U.S. tariff volatility and inflationary pressures that slowed consumption through big-box retailers. The Group's "China Plus One" manufacturing strategy provided a critical competitive edge. For example, the Alkaline battery plant in Vietnam is operating at full capacity to serve the U.S. market, thereby sidestepping the tariff associated with direct China-to-U.S. exports. While sales for premium brand batteries became more challenging, strong demand from major private label customers has partially offset the decline in revenue.

Europe

Battery sales in Europe declined by 3.7% in FY2026. The ongoing cost-of-living crisis dampened consumer spending, with double-digit declines in branded consumer and industrial segments as buyers shifted to lower-priced alternatives. The China VAT rebate rollback is expected to further compound competitive pressures, increasing costs for China-based exporters and accelerating broader industry adjustment. In response, the Group is restructuring its European organization to operate more directly in the market, while leveraging its full product portfolio, from value-driven Carbon Zinc batteries to premium Alkaline batteries, to serve increasingly price-sensitive consumers.

Asia

Asia remained the Group's most resilient battery market, with sales growing by 1.6% in FY2026. Rapid urbanization across the region continues to fuel demand for specialty coin cells in tracking and sensing applications. Vietnam has emerged as a key growth market, supported by the Group's localized manufacturing and regional partnerships. A new Lithium coin cell operation in Ninh Binh is under planning as part of the Group's strategy to strengthen its position in serving customers outside of China. The Group is consolidating its 3 factories in Malaysia to Senai for better operation efficiency. In established Asian markets, private label competition for consumer batteries is intensifying, often displacing premium brands. The Group is responding by reinforcing its value-for-money brand positioning and expanding its direct-to-consumer e-commerce activities, which are particularly well-suited to the small form factor specialty and rechargeable battery products.

ELECTRONICS AND ACOUSTICS BUSINESS

Performance Overview

The Electronics and Acoustics Business recorded revenue of S$287.9 million in FY2026, an increase of 6.1% year on year. KEF's revenue grew by 5.9% in FY2026, driven by successful new product launches and distribution channel expansion, delivering increases of 8.0% in Asia and 10.8% in Europe. Revenue from Celestion's professional speaker driver business declined slightly by 3.9% in FY2026, reflecting the supply and logistics challenges which arose out of the geopolitical issues throughout the financial year. The Group's professional audio manufacturing business recorded a 10.9% increase in revenue, driven by additional production orders from the Thailand facility, with sales growth of 10.5% in the Americas and 25.8% in Asia.

Gross profit margin of the Electronics and Acoustics Business for FY2026 decreased to 42.5%, a decrease of 250 basis points when compared with FY2025. The decrease of gross profit margin was primarily driven by tariffs on branded acoustics products imported to the U.S. market, which account for approximately 45% of KEF's sales. Lower margins from sales to new global retailers and higher logistic costs for production transfer from China to Thailand also contributed to the decline. Despite margin pressures, profitability growth was supported by more effective deployment of advertising and promotion together with continued efforts in reduction of administrative expenses through restructuring initiatives and operational efficiency improvements.

Market Conditions and Competitive Landscape

The global loudspeaker market continues to demonstrate strong growth potential, driven by the convergence of smart home technology adoption and growing consumer interests for high-fidelity audio experiences. A third party market analysis projects that the premium audio segment, which KEF operates in, will expand from US$14.6 billion in 2026 to US$40.8 billion by 2035, representing a significantly higher growth rate than the broader audio market, reflecting a structural shift in consumer spending toward wireless, connected, high fidelity music hardware. This changing market trend is supported by the wide adoption of high-resolution streaming and spatial audio music services, rising disposable incomes in emerging markets, and the growing expectation for seamless audio integration across home and automotive environments. KEF's focus on connected premium music systems, exemplified by product lines such as LS60 Wireless, positions the brand at the center of this evolution.

KEF

The Asia-Pacific region is emerging as the most dynamic driver of demand, expected to account for approximately 35% of the global home audio equipment market in 2026. The Group's network of flagship Experience Centers reflects this strategic priority, with dedicated KEF Music Galleries / Studios in Hong Kong, Beijing, Chengdu, and Guangzhou complementing established venues in London and Tokyo. These purpose-designed showrooms serve as curated listening environments and are central to KEF's "Online-to-Offline" retail strategy.

Beyond scheduled product demonstrations, the venues host invitation-only listening events designed to deepen brand loyalty and drive direct-to-consumer engagement among affluent, lifestyle-oriented consumers who represent KEF's core audience.

In North America, consumer spending through mass-market retail channels slowed considerably in FY2026 as inflationary pressures and tariff uncertainty weighed on household discretionary budgets. The Group responded by rebalancing KEF's distribution toward specialist premium retail partners and reducing its exposure to volume-dependent big-box retailers. This deliberate repositioning protects the brand's equity and margin generation. Consumer demand in the premium segment is increasingly defined by expectations for audio hardware that combines sophisticated acoustic performance, wireless connectivity, user convenience and design excellence.

The Group's "Sound by KEF" partnership programme capitalizes on its growing brand equity by embedding KEF's technology into premium products across adjacent high-growth categories:

- Lotus Technology: KEF's acoustic engineering underpins the audio systems across Lotus's flagship vehicle line-up, including the Emira, Eletre, Theory 1, and Emeya.
- Haier Smart Home: Under the "Sound by KEF" label, KEF's acoustic tuning is integrated into Haier's Casarte ultra-premium television range. The partnership embeds professional-grade multi-channel audio directly into premium flat-panel displays, extending KEF's presence in home electronics retail channel.
- Huawei: A collaboration with Huawei's HiPlay wireless audio architecture brings KEF's acoustic technology to Huawei's connected home ecosystem, extending KEF's brand reach into China's dominant consumer mobile technology platform.
- Nothing: KEF partnered with Nothing, the London-based consumer technology company known primarily for its design-forward smartphones, to create Headphone(1), featuring Sound by KEF audio tuning.

Together, these collaborations extend KEF's market presence into premium electric vehicles, smart home displays, and portable consumer audio, which are market segments experiencing rapid growth and where audio quality is increasingly regarded as a primary differentiator.

Celestion

In the professional audio segment, Celestion continues to benefit from increasing global popularity for live entertainment. Structural expansion in stadium and festival touring is driving sustained demand for Celestion's high-output, large-format speaker drivers worldwide.

A significant development in FY2026 was the launch of new automated production facilities at Celestion's Ipswich, U.K. factory, dedicated to the Ten Squared (TSQ) range of large-format drivers, spanning from 18-to-24-inch format. The flagship product of this investment is the TSQ2460, which has achieved rapid adoption among engineers and systems developers serving major touring productions globally. Celestion's manufacturing facilities in the U.K. continue to provide operational flexibility to serve the global market efficiently in the midst of evolving trade policies.

Celestion is extending its century of acoustic engineering expertise and brand heritage to expand into the prosumer market. Launched in November 2025, the "Hometainer" is a series of multi-purpose battery powered portable entertainment systems that applies Celestion's professional acoustic technologies to a refined music system with a domestic form factor, designed principally for the rapidly growing Asian premium home Karaoke market. The Hometainer can also serve as a high performance music system at home with television connectivity to address an underserved market segment between consumer music system and professional Karaoke system. With this product series, Celestion diversifies its revenue base beyond its traditional guitarists, live performance venues and professional studio applications.

OTHER INDUSTRIAL INVESTMENTS

This business segment mainly includes the Group's investments in Meiloon Industrial Co., Ltd. ("Meiloon"), Shinwa Industries (H.K.) Limited and Wisefull. Contribution before taxation remained stable at S$7.7 million in FY2025 and FY2026, mainly due to the improved share of results from Wisefull, which offset the fair value gain on the Company's investment in GP Energy Tech Limited recorded in FY2025.

CAPITAL RESOURCE AND LIQUIDITY

During FY2026, the Group successfully completed a 3-year syndicated sustainability-linked loan facility of HK$504.0 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 reduced from S$31.2 million as at 31 March 2025 to S$0.5 million as at 31 March 2026 mainly due to the reclassification of term loans maturities. The current ratio, calculated as the ratio of current assets to current liabilities, was 1.00 as at 31 March 2026 (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 31 March 2026 was 57.4% (31 March 2025: 63.3%).


LSX II
Engineered for your ears.
Crafted for your eyes.
Happy holiday
Celebrate the joy in every note

OPERATIONAL SUSTAINABILITY EXCELLENCE

The Group's commitment to sustainable manufacturing made significant steps forward in FY2026 with the continued expansion of its Zero Waste to Landfill ("ZWTL") programme. Four of the Group's battery manufacturing facilities have now achieved ZWTL certification from UL Solutions: 2 at Platinum level, requiring 100% diversion of waste from landfill, and 2 at Gold level, requiring a minimum diversion rate of 95%. Together, these certifications demonstrate that the highest environmental operating standards can be maintained at industrial scale across a geographically diverse manufacturing base.

All of the Group's battery manufacturing sites have obtained ISO 14001 certification for environmental management systems, with the majority having additionally secured ISO 45001 certification for occupational health and safety management. Social responsibility standards across these facilities are independently audited under the Business Social Compliance Initiative, with all sites achieving satisfactory or above grades. To further embed sustainability as a shared objective, the Group is implementing an appraisal scheme that integrates specific ESG targets into the performance evaluations of all employees globally.

These operational improvements support the Group's commitment to achieving Net Zero operational carbon emissions in Scopes 1 and 2 by 2050. Against the baseline for FY2024, the Group has established interim reduction targets of 20% by 2030 and 60% by 2040. In FY2025, the Group recorded a 20.6% reduction in Scope 1 and

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Portable All-function
Music System
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Hometainer
It is...
Partytainer
Karatainer
Yogatainer
HiFitainer
Gametainer
& many more.
& IT'S WIRELESS!
Take full control with
the Hometainer Remote App
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Scope 2 greenhouse gas emissions against this baseline. Carbon emissions data is independently verified by a third party, ensuring annual traceability of progress and compliance with listing requirements. Climate risk disclosure has also been materially strengthened, with the Group achieving compliance with the majority of IFRS S2 standard requirements in its most recent Sustainability Report. Supporting this trajectory, a carbon reduction plan combines on-site solar energy generation with off-site green energy procurement, underpinned by a HK$504.0 million (approximately S$83.4 million) syndicated sustainability-linked loan facility secured with a consortium of five banking partners, completed in FY2026.

The Group extends these principles across its value chain through strengthened supplier engagement and procurement governance. A formal Supplier Code of Conduct has been implemented, supported by regular compliance audits and sustainability training for supply chain partners.

At the product level, the Group advanced its packaging sustainability programme in FY2026 by replacing plastic packaging with paper-based alternatives across more than 1,000 GP-branded consumer battery products in Europe, achieving an annual reduction of 48 tons of plastic and 30 tons of total material waste.

OUTLOOK

Global macroeconomic conditions are expected to remain challenging in the fiscal year ending 31 March 2027, impacted by regional armed conflicts, persistent geopolitical tensions, evolving trade policies, and inflationary pressures that continue to weigh on consumer confidence and demand.

Despite formidable headwinds, the Group has demonstrated remarkable resilience, underpinned by strategic investments in its core brands and a long-standing commitment to diversifying manufacturing to the ASEAN region. The Directors assess the potential impacts of evolving trade policies as manageable, given the Group's extensive footprint outside of China, which includes 7 regional manufacturing facilities across Southeast Asia and the U.K. The exposures of products directly exported from China to the U.S. are relatively limited compared to most competitors.

To address macroeconomic uncertainties, the Group continues to monitor developments closely and adapt its strategies to maintain profitability while remaining responsive to customer needs. This includes further investment in the Group's "China Plus One" strategy by enhancing production capacity in Southeast Asia to serve the U.S. and other global markets.

In the Battery Business, structural shifts in trade dynamics, most notably the rollback of China's VAT export rebate for battery products, introduce additional complexity in the short- to mid-term. With the diversified manufacturing base, the Group is well-positioned to benefit from expected industry consolidation against less well-resourced competitors. At the consumer level, the Group will continue to focus on growing its sales of fast-charging rechargeable batteries and its Lithium coin cells for the IoT and wearable electronic markets, both through traditional retail channels and direct-to-consumer e-commerce channels.

In the Electronics and Acoustics Business, the Group remains confident in the growth of its premium brands, supported by its global network of flagship Experience Centers, while remaining selective regarding further heavy Galleries / Studios investments given the current economic climate. Celestion continues to invest heavily in R&D to meet the growing demands of the professional audio market and into the consumer segment with the Hometainer series products, a multi-purpose music system designed for the Asian karaoke and home entertainment markets. The Group's strategic shift toward higher-margin branded acoustics, coupled with disciplined management of operational costs, continues to drive segment profitability.

In other industrial investments, the Group expects increased profitability from the AI and data center hardware cycle through its associate Wisefull, which provides high-precision cooling solutions for the growing Graphics Processing Unit semiconductor markets.

The Group intends to pursue the divestment of non-core assets, including unused factories and vacant land in China and Malaysia. By consolidating operations into more efficient, multi-level automated facilities, the Group is freeing up prime industrial property for disposal or rental income. These initiatives, coupled with the securing of a substantive new sustainability-linked loan facility from a consortium of banks, will further strengthen the Group's financial position and provide the flexibility necessary for future growth.

While global trading and macroeconomic conditions present ongoing challenges, the Group's diversified manufacturing footprint, strong brand momentum, and leadership in sustainable technology position it well to navigate these uncertainties. Having committed to achieving Net Zero carbon emissions by 2050 — with interim reduction targets of 20% by 2030 and 60% by 2040 — the Group remains confident in delivering long-term value to shareholders through sustainability, improved profitability, and the continued expansion of its premium brand portfolio.

Brian LI Yiu Cheung
Chief Executive Officer
24 June 2026

BOARD OF DIRECTORS AND SENIOR MANAGEMENT

Board of Directors

Victor LO Chung Wing, 75
Executive Chairman
Executive Director

First appointment as Chairman and Director
18 October 1995

Last re-election as Director
25 July 2023 (will be seeking re-election at the 2026 AGM)

Length of service as Director (as at 24 June 2026)
30 years and 8 months

Board Committee(s) served on
Nominating Committee *(Member)*

Academic & Professional Qualification(s)
Bachelor of Science in Product Design, the Institute of Design of Illinois Institute of Technology, U.S.
Honorary Doctorate, The Hong Kong Polytechnic University

Present directorships in other listed companies
Gold Peak *(Chairman and Chief Executive)*

Past directorships in other listed companies over the preceding five years
None

Others principal commitments
The Hong Kong Polytechnic University Court *(Honorary Chairman)*
PMQ Management Company Limited *(Director)*
Culture Commission of Culture, Sports and Tourism Bureau of the Hong Kong Special Administrative Region *(Member)*

Background and other working experience
Mr Lo is the Chairman of GP Batteries and KEF GP Group Limited.

Brian LI Yiu Cheung, 72
Chief Executive Officer
Executive Director

First appointment as Director
18 October 1995

Last re-election as Director
29 July 2025

Length of service as Director (as at 24 June 2026)
30 years and 8 months

Board Committee(s) served on
Sustainability Steering Committee *(Co-chairman)*

Academic & Professional Qualification(s)
Bachelor of Science in Electrical Engineering, The University of British Columbia, Canada
Master in Global Business with Dean's Honour, The Chinese University of Hong Kong
Doctor of Business Administration, City University of Hong Kong
Honorary Fellow, City University of Hong Kong
Fellow of The Hong Kong Institution of Engineers

Present directorships in other listed companies
Gold Peak *(Vice Chairman, Executive Vice President and Executive Director)*

Past directorships in other listed companies over the preceding five years
None

Other principal commitments
The Hong Kong Electronic Industries Association *(Executive Vice Chairman)*

Background and other working experience
Dr Li is a Director of KEF GP Group Limited. He has been engaging in the electronic engineering and manufacturing industry internationally and in China for over 45 years. He is a council member of the Hong Kong Electronics Industry Council of the Federation of Hong Kong Industries and a member of the followings:
- The Co-operative Education Centre of City University of Hong Kong
- The Advisory Committee for the Department of Electronic Engineering of The Chinese University of Hong Kong
- The Industrial Advisory Committee for the Department of Industrial Engineering and Decision Analytics of The Hong Kong University of Science and Technology
- The Electronic and Information Engineering Programme Board of Hong Kong Institute of Vocational Education

LAM Hin Lap, 64

Vice Chairman and Deputy Chief Executive Officer
Executive Director

First appointment as Director
1 October 2016

Last re-election as Director
29 July 2025

Length of service as Director (as at 24 June 2026)
9 years and 8 months

Board Committee(s) served on
Nominating Committee *(Member)*
Sustainability Steering Committee *(Co-chairman)*

Academic & Professional Qualification(s)
Bachelor of Science in Electrical Engineering, The University of New South Wales, Australia

Present directorships in other listed companies
Gold Peak *(Managing Director and Executive Director)*
Hanoi Battery Joint Stock Company *(Chairman of the Board)*
Meiloon Industrial Co., Ltd. *(Authorised representative of a director (Famingo Pte Ltd))*

Past directorships in other listed companies over the preceding five years
None

Others principal commitments
None

Background and other working experience
Mr Lam is Vice Chairman of GP Batteries. He first joined the Group in 2001 and was transferred to a global energy management group following the disposal of the Group's electrical business in 2007. He re-joined the Group in 2014.

Waltery LAW Wang Chak, 63

Chief Financial Officer, Chief Risk Officer
Executive Director

First appointment as Director
1 April 2019

Last re-election as Director
25 July 2023 (will be seeking re-election at the 2026 AGM)

Length of service as Director (as at 24 June 2026)
7 years and 2 months

Board Committee(s) served on
Sustainability Steering Committee *(Member)*

Academic & Professional Qualification(s)
Bachelor of Science in Economics and Master in Financial Economics, London School of Economics and Political Science, University of London, U.K.
Certified internal auditor, the Institute of Internal Auditors
Fellow of the Association of Chartered Certified Accountants, the Hong Kong Institute of Certified Public Accountants and the Institute of Chartered Accountants in England and Wales

Present directorships in other listed companies
Gold Peak *(Executive Director, Group CFO and Group CRO)*
Meiloon Industrial Co., Ltd. *(Authorised representative of a director (Famingo Pte Ltd))*

Past directorships in other listed companies over the preceding five years
None

Other principal commitments
None

Background and other working experience
Mr Law is a Director of GP Batteries, KEF GP Group Limited and GP Energy Tech Limited. He has over 35 years of experience in global fund raising and floatation exercises, mergers and acquisitions, corporate financial advisory, corporate restructuring, investors relations, financial due diligence, and financial audit.

SEAH Han Leong, 62

Lead Independent Director
Non-Executive Independent Director

First appointment as Director
20 June 2024

Last re-election as Director
26 July 2024

Length of service as Director (as at 24 June 2026)
2 years

Board Committee(s) served on
Audit and Risk Committee *(Chairman)*
Nominating Committee *(Member)*
Remuneration Committee *(Member)*

Academic & Professional Qualification(s)
Technician Diploma in Electronics and Communication Engineering, Singapore Polytechnic
Certificate for INSEAD – T.A.C. Management Development Programme, INSEAD Fontainebleau, France

Present directorships in other listed companies
None

Past directorships in other listed companies over the preceding five years
Neo Neon Holdings Limited *(President, Chief Executive Officer, Director)*

Other principal commitments
Kawin Biosciences Singapore Pte Ltd *(Special Advisor to Chairman)*
Technovator International Limited *(General Manager)*
Tong Fang Technovator (S.E.A.) Pte Ltd *(Director)*

Background and other working experience
Mr Seah has extensive experience in the electrical and electronics industry. Prior to founding Technovator International Limited in 2005, he had 15 years' senior management experience at Honeywell Southeast Asia, Honeywell China and TAC Controls Asia Pte Ltd.

Timothy TONG Wai Cheung, 72

Non-Executive Independent Director

First appointment as Director
1 April 2020

Last re-election as Director
29 July 2025

Length of service as Director (as at 24 June 2026)
6 years and 2 months

Board Committee(s) served on
Audit and Risk Committee *(Member)*
Nominating Committee *(Member)*
Remuneration Committee *(Chairman)*

Academic & Professional Qualification(s)
Bachelor of Science in Mechanical Engineering, Oregon State University, U.S.
Master and Doctorate in Engineering, the University of California, Berkeley, U.S.
Fellow of the American Society of Mechanical Engineers, the Hong Kong Academy of Engineering and the International Thermal Conductivity Conference

Present directorships in other listed companies
AMTD IDEA Group *(INED*)*
AMTD Digital Inc. *(Chairman of the board and INED*)*
Freetech Road Recycling Technology (Holdings) Limited *(Non-Executive Director)*
Gold Peak *(INED*)*

Past directorships in other listed companies over the preceding five years
Xiaomi Corporation *(INED*)*

Other principal commitments
Airstar Bank Limited *(INED*)*
AMTD Digital Solutions Power Pte. Ltd. *(INED*)*
AMTD Foundation *(Chief Executive Officer, half-time)*
Applaud Digital Solutions Pte. Ltd. *(INED*)*
Gravitation Fintech HK Limited *(INED*)*
Research Grants Council of Hong Kong and Council of Hong Kong Laureate Forum *(Chairman)*
The Global STEM Professorship Scheme Assessment Panel and the Council of the Hong Kong Federation of the Youth Group *(Member)*

Background and other working experience
Prof Tong has over 30 years of teaching, research and administrative experience in universities in the U.S. and Hong Kong. Prior to serving as president of The Hong Kong Polytechnic University from 2009 to 2018, he was the dean of the School of Engineering and Applied Science at The George Washington University, U.S.

INED* - Independent Non-Executive Director

Eric YIM Chi Ming, 64
Non-Executive Independent Director

First appointment as Director
1 August 2023

Last re-election as Director
26 July 2024 (will be seeking re-election at the 2026 AGM)

Length of service as Director (as at 24 June 2026)
2 years and 10 months

Board Committee(s) served on
Audit and Risk Committee *(Member)*
Nominating Committee *(Chairman)*
Remuneration Committee *(Member)*

Academic & Professional Qualification(s)
Bachelor of Arts (Honours) in Architecture, University of Manchester, U.K.
Bachelor of Architecture with a Distinction in Design, University of Manchester, U.K.
Master in Philosophy, University of Cambridge, U.K.
Honorary Doctor of Design, Swinburne University of Technology, Australia

Present directorships in other listed companies
Gold Peak *(Independent Non-Executive Director)*

Past directorships in other listed companies over the preceding five years
None

Other principal commitments
Hong Kong Furniture & Decoration Trade Association *(Honorary Chairman)*
Hong Kong Designers Association *(Advisor)*
Hong Kong Architecture Centre *(Advisor)*
Our Hong Kong Foundation *(Advisor)*
Laboratory for Artificial Intelligence in Design (AiDLab) *(Advisor)*
School of Design of Hong Kong Polytechnic University *(University Fellow and Professor of Practice)*
Swinburne University of Technology, Australia *(Adjunct Professor)*

Background and other working experience
Prof Yim is actively involved in business, industrial and design sectors. He was the chairman of Hong Kong Design Centre, the Advisory Board of Hong Kong Export Credit Insurance Corporation, Technology Voucher Program Committee of the Hong Kong SAR Government, and deputy chairman of Federation of Hong Kong Industries. He also served as a member of Hong Kong SAR Chief Executive's Council of Advisors on Innovation and Strategic Development between 2018 and 2022.

HUNG Cheung Fuk, 54
Non-Executive Independent Director

First appointment as Director
20 June 2024

Last re-election as Director
26 July 2024

Length of service as Director (as at 24 June 2026)
2 years

Board Committee(s) served on
Audit and Risk Committee *(Member)*
Nominating Committee *(Member)*
Remuneration Committee *(Member)*

Academic & Professional Qualification(s)
Bachelor of Arts degree in Mathematics, University of Oxford, U.K.

Present directorships in other listed companies
Bright Smart Securities & Commodities Group Limited *(Independent Non-Executive Director)*

Past directorships in other listed companies over the preceding five years
Credit Suisse (Hong Kong) Limited *(Board member, Board of Directors)*
ANE (Cayman) Inc. *(Independent Non-Executive Director)*

Other principal commitments
Ant Global Partners (HK) Limited *(Investment Advisory)*

Background and other working experience
Mr Hung has extensive experience in the investment banking industry. He started his career at BZW Asia Limited in Hong Kong in 1995 and joined Credit Suisse First Boston in 1998. His last position at Credit Suisse till January 2023 was Vice Chairman of Investment Banking and Capital Markets, Asia Pacific. During his 25 years tenure at Credit Suisse, he had led various products and industry groups as well as in senior management roles based in Hong Kong and Shanghai. He had led the execution of a wide range of corporate finance advisory, mergers and acquisitions, financing and capital markets transactions.

Charlene-Jayne CHANG Wei-Ying, 40

Non-Executive Independent Director

First appointment as Director
1 February 2025

Last re-election as Director
29 July 2025

Length of service as Director (as at 24 June 2026)
1 year and 5 months

Board Committee(s) served on
Audit and Risk Committee *(Member)*
Nominating Committee *(Member)*
Remuneration Committee *(Member)*

Academic & Professional Qualification(s)
Bachelor of Business Administration (Honours), National University of Singapore

Present directorships in other listed companies
None

Past directorships in other listed companies over the preceding five years
None

Other principal commitments
AirTrunk Singapore Operating Pte. Ltd. *(Consultant, Strategic Business) – term commencing on July 2026*

ESR-REIT *(Head of Capital Markets & Investor Relations) – term ending on May 2026*

Background and other working experience
Ms Chang has over 17 years of extensive experience in mergers and acquisitions, capital markets fundraising, loan financing and treasury, and investor relations. Ms Chang was the Head of Capital Markets and Investor Relations at SGX-listed ESR-REIT and was responsible for REIT's strategic initiatives, capital markets, fundraising, treasury, investor, media and stakeholder engagement functions. Before that, Ms Chang was a Director of the Commercial Real Estate division at Standard Chartered Bank and had originated and executed major capital markets, loan and treasury transactions across Singapore and Southeast Asia for real estate companies, REITs and Business Trusts. Ms Chang had also been based in the Hong Kong and Singapore Corporate Finance offices of the Royal Bank of Scotland, providing corporate finance advisory and executing cross-border transactions across Hong Kong, China and Southeast Asia.

Senior Management [1]

Pedro BASCONES MARTINEZ
Director - GP Batteries International Limited
Senior Vice President, Americas & Developing Markets – GP Battery Marketing (HK) Limited

Mr Bascones joined the Group in 2022. He had held senior marketing positions and general manager for consumer goods in the U.S., Europe and Asia for 30 years. He holds a Bachelor's degree in Industrial Engineering from Andres Bello Catholic University, Venezuela, and a Master degree in Industrial Engineering from Aichi Technological University, Japan.

Alec CHANIN
Deputy President – KEF Audio Group

Mr Chanin joined the Group in 1997. He has over 40 years' working experience in the audio and electronics industry. Prior to joining the Group, he had held senior management positions in an amplifier producer and a nation-wide retailer of home theatre and audio products.

Paul Victor CORK
Head of Engineering – Celestion International Limited

Mr Cork joined the Group in 1990 and has over 35 years' working experience in engineering and manufacturing of acoustic products. He holds a Bachelor of Science degree in Product Design and Manufacture from University of East Anglia, U. K. He is the proprietor of a technology patent on the magnet system for loudspeakers.

Andrew Steven FARROW
Sales Director, Global – Celestion International Limited

Mr Farrow first joined the Group from 1993 to 1998, then re-joined the Group in 2000. He has spent 15 years in manufacturing prior to focusing on sales of acoustic products for over 25 years. He holds a Bachelor of Engineering in Manufacturing Engineering from Brunel University, U.K. He also holds a Postgraduate Diploma in Management Studies and an MBA degree, from The Nottingham Trent University, U.K.

Charlton KWONG Yiu Cheung
Director and Co-President – GP Batteries

Mr. Kwong joined the Group in 2017 and is an experienced executive with extensive expertise in global business and industrial operations. Prior to joining the Group, he held senior leadership positions at prominent Hong Kong-listed corporations, where he played a key role in driving strategic growth across diverse sectors, overseeing global sales networks in major markets, and managing large-scale industrial operations. Mr. Kwong holds a Bachelor's degree in Mechanical Engineering from the University of Sunderland, U.K. and an MBA from the City University of Hong Kong.

Joseph LEUNG
Senior Advisor to Chairman, Organization & Global Strategies
Executive Director – Gold Peak
Co-President – GP Batteries
Chairman and Acting General Manager – GP Batteries Consumer Sales, China
Director – KEF GP Group Limited
Deputy President – KEF Audio Group

Mr Leung joined the Group in 2020. He has more than 35 years' international experience of management and marketing of global brands in multinational consumer product companies. Prior to joining the Group, he was the group managing director and executive director of a listed company in Hong Kong. He has also been an adjunct professor at the Henan University of Technology, China since 2014. Mr Leung holds a Bachelor's degree in Economics and a Master of Science degree in Business Administration (Marketing), both from Virginia Polytechnic Institute and State University, U.S.

Alan LO Yeung Kit
Head of Corporate Development and Strategic Investment, Asia
Executive Vice Chairman – GP Energy Tech Limited

Mr Lo joined the Group in 2021. He is currently the vice chairman of and Retail, Culture, Sports and Tourism Committee of the Hong Kong General Chamber of Commerce, and a member of the Advisory Committee of the Department of Electrical and Electronic Engineering of The Hong Kong Polytechnic University, as well as a member of the Singapore Chamber of Commerce (Hong Kong). He has also served on a number of government committees and non-profits organizations including Hong Kong's Harbourfront Commission and Business Facilitation Advisory Committee and Social Ventures Hong Kong. Mr Lo graduated from Princeton University, U.S. with a Bachelor's degree in Architecture. He is the son of Mr Victor Lo Chung Wing.

Boris LO Chi Yuen

Group Financial Controller, Electronics Manufacturing Business – GPEHK

Mr Lo joined the Group in 2003. He is a fellow of The Association of Chartered Certified Accountants of the U.K. He holds a Bachelor's degree of Social Sciences majoring in Economics and Management Studies from The University of Hong Kong and a Professional Diploma in Accounting and Auditing in China from Zhongshan University (also known as Sun Yat-sen University), China. He also possesses Master's degrees of Science in Finance from City University of Hong Kong and in eBusiness Management with Dean's Honour from The Chinese University of Hong Kong.

Grace LO Kit Yee

Deputy Managing Director – Gold Peak
Vice Chairlady – KEF GP Group Limited
President – KEF Audio Group

Ms Lo joined the Group in 2002. She holds a Bachelor of Science degree in Chemical Engineering from Northwestern University, U.S., a Master of Design degree from Illinois Institute of Technology, U.S. as well as an MBA degree from The Hong Kong University of Science and Technology. She is the daughter of Mr Victor Lo Chung Wing.

Jack Anthony OCLEE–BROWN

Senior Vice President & Chief Technology Officer – KEF Audio Group

Dr Oclee-Brown joined the Group in 2004. He holds a Doctor of Philosophy and a Master of Engineering degree in Acoustical Engineering, both from University of Southampton, U.K. He is a member of the Audio Engineering Society which is an international organization that unites audio engineers, creative artists and scientists worldwide.

Andreas SCHUPP

Head of Group Design Division – GP Global Marketing Limited

Mr Schupp joined the Group in March 2023. He has 30 years' experience in customer-centric design innovation ranging from consumer electronics to FMCG and IT hardware. He holds a Diploma in Commercial Marketing and Sales (Industrial Merchandising) and a Master degree in Industrial Design from Fachhochschule Darmstadt (University of Applied Sciences), Germany.

Manfred TING Siu Man

General Manager – GPEHK

Mr Ting joined the Group in 1989. He holds a Higher Diploma in Electronics Engineering from The Hong Kong Polytechnic University (formerly Hong Kong Polytechnic) and an International MBA degree from Victoria University of Wellington, New Zealand.

Nigel Keith WOOD

Managing Director – Celestion International Limited

Mr Wood joined the Group in 2004. With a background in mechanical engineering, he brought more than 20 years of experience across sales, engineering, and product management within industrial companies prior to joining the Group.

WU Yang

General Manager – GP Electronics & Acoustics Co., Ltd

Mr. Wu joined the Group in 1995. He received his Bachelor's degree in Semiconductor Physics and Devices and Master's degree in Industrial Engineering, both from South China University of Technology, China. He also holds a doctoral degree in Business Administration from Toulouse Business School, France. He is the lead inventor of multiple invention and utility model patents in the field of manufacturing technology.

Daniel YU Hai Hua

General Manager – GP Electronics (Huizhou) Co., Ltd.

Mr Yu joined the Group in 2023. He has more than 30 years of working experience in engineering, manufacturing and industrial applications with the past 15 years holding senior management positions. He holds Dual Bachelor's degrees in Materials Science & Engineering and Technological Economic Management from Shanghai Jiao Tong University, China and an MBA degree from Troy State University, U.S. He has been awarded Lean 6 Sigma Master Black Belt.

Notes:
(1) In alphabetical order of the Senior Management's last names
(2) GP Batteries – GP Batteries International Limited
GPEHK – GP Electronics (HK) Limited

EVENTS AND ACHIEVEMENTS

Corporate Events

- GP Industries was presented the “Most Transparent Company Award (Small Cap Category)” at the SIAS Investors' Choice Awards 2025, acknowledging its dedication to exceptional corporate governance, sustainability, and effective communication with stakeholders.

Environmental, Social, and Governance

- GP Batteries received 3 awards at the International Sustainable Design Awards (ISDA) 2025 for its green packaging:
  - Global Grand Award – Alkaline Paper Packaging
  - Sustainability Leadership Award – Alkaline Paper Packaging
  - Global Excellence Award – Project Cube (Reusable Battery Storage Box)

- GP Batteries received the EcoVadis Bronze Medal.

- GP Batteries was presented the “100% HK Branding Award – Greater Bay Area ESG Sustainable Corporate Award” organized by Greater China Association of Branding Industry.

- GP Batteries and a factory in China were named “EcoPartners” of the BOCHK Corporate Low-Carbon Environmental Leadership Awards by Federation of Hong Kong Industries to commend their efforts and contributions to protecting the environment and minimizing pollution in the Pan-Pearl River Delta region.

Brands, Products and Collaborations

GP Batteries

- GP M3 Series PowerBank and GP Qi2 Wireless 2-in-1 PowerBank & Charger were presented “Red Dot Award: Product Design 2026”.

- GP eTag and Recyko campaign have gained “Best Brand - Electronics & Gadgets – Gold” and “Best Campaign - Green Initiative – Bronze” respectively in Asia Ecommerce Awards 2025 by MARKETING-INTERACTIVE Award, Singapore.

- GP Recharge campaign received the following awards:
  - The 16th Golden Mouse Digital Marketing Awards – Scenario Marketing Bronze Award, China
  - IAI International Advertising Award 2025 – Full-Link Marketing Excellence Award, China
  - The 16th Tiger Roar Award – Business Innovation Excellence Award, China

KEF

- KEF is partnering with Huawei to integrate HUAWEI HiPlay wireless transmission technology into its award-winning wireless HiFi speaker range. This collaboration marks a significant advancement in audio technology.

- KEF received the following honours at What Hi-Fi? Awards 2025, U.K.:
  - Innovation of the Year - Velocity Control Technology (VECO)
  - Best Soundbar over £1000 – XIO
  - Best Speaker System Package over £2500 - Q Concerto Meta 5.1 Speaker System
  - Best Speaker System over £1500 - LS50 Wireless II
  - Best Speaker System £750 to £1500 - LSX II LT

- KEF Q Concerto Meta was named the “Highly Commended Standmount Speakers” in the StereoNET Product of the Year Awards 2026, Australia, as well as “Standmount Loudspeaker 2025-2026” by EISA, U.K..

- KEF Coda W was recognized as “Best Active Speaker” in HiVi Best Buy Winter 2025 by Stereo Sound, Japan.

CORPORATE GOVERNANCE REPORT

The board of directors (the "**Board**" or the "**Directors**") of GP Industries Limited ("**GP Industries**" or the "**Company**" and together with its subsidiaries, the "**Group**") aspires to the highest standards of corporate governance as the Board firmly believe that good corporate governance supports long-term value creation and is key to the integrity of the Group and essential to the long-term sustainability of the Group's operations and performance. The Board has implemented comprehensive corporate governance policies and procedures to ensure greater corporate transparency, accountability, performance and integrity across the Group and to protect and enhance value of GP Industries' shareholders (the "**Shareholders**").

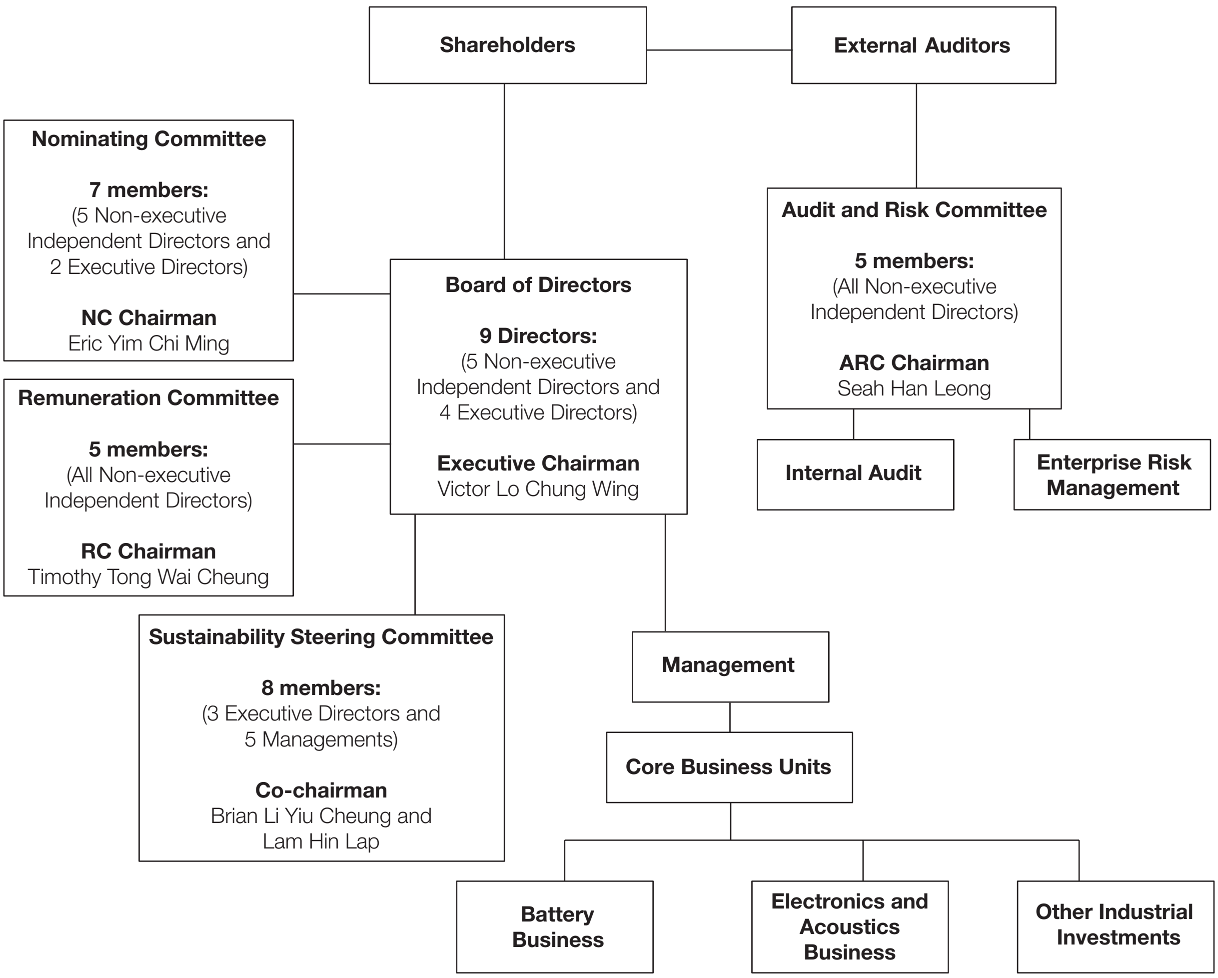
GP Industries started a new journey to improve its standard of corporate governance, sustainability, transparency, and shareholder communication practices in the last financial year. Our commitment to corporate transparency and investor outreach gained due recognition by the investor community. GP Industries was awarded the "Most Transparent Company Award" (Joint Winner, Small-Cap Category) at SIAS Investors' Choice Awards 2025, organized by Securities Investors Association (Singapore), together with NUS School of Business, Centre for Governance and Sustainability.

This Corporate Governance Report ("**CG Report**") sets out the GP Industries' corporate governance framework and practices that were in place throughout the financial year ended 31 March 2026 ("**FY2026**") and adherence to the principles and provisions of the revised Code of Corporate Governance 2018, as amended (the "**CG Code**") and accompanying Practice Guidance ("**Practice Guidance**"), which form part of the continuing obligations of the rules of the listing manual ("**Listing Manual**") of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"), through effective self-regulatory corporate practices.

The Company has complied, in all material aspects, with the principles and provisions set out in the CG Code and Rule 710 of the Listing Manual by describing in this CG Report, its corporate governance practices with specific reference to the CG Code. Where the Company's practices differ from the principles and provisions under the CG Code, the Company's position and reasons in respect of the same are explained in this CG Report.

CORPORATE GOVERNANCE FRAMEWORK

As at the date of the Company's annual report for FY2026 ("**AR2026**"), GP Industries' corporate governance framework is as follows:



Composition and Key Objectives of Board

The Board currently has nine members, the majority of whom are non-executive and independent. The composition and key objectives of GP Industries' Board as at the date of the AR2026 comprises:

Board of Directors	Key Objectives
Executive Directors ("EDs") Victor Lo Chung Wing ("**Mr Victor Lo**") (Executive Chairman) Brian Li Yiu Cheung ("**Dr Brian Li**") (Chief Executive Officer* ("**CEO**")) Lam Hin Lap (Vice Chairman and Deputy Chief Executive Officer*) Waltery Law Wang Chak (Chief Financial Officer ("**CFO**") and Chief Risk Officer) **Non-Executive Independent Directors ("IDs")** Seah Han Leong (Lead ID) Timothy Tong Wai Cheung Eric Yim Chi Ming Hung Cheung Fuk Charlene-Jayne Chang Wei-Ying * appointed on 1 April 2026	• Aims to create value for Shareholders and provides leadership by setting the strategic directions and performance of GP Industries together with the Management to achieve long-term success for the Group through value creation, innovation and sustainability. • Oversees the performance of the Group for accountability to Shareholders by ensuring that the necessary financial, operational and human resources are in place for the Company to meet its strategic objectives, which are supported by an adequate and effective system of internal controls and risk management.

Board Committees

The primary functions of the Board are either carried out directly by the Board or delegated to the committees (the "**Board Committees**") with clear written terms of reference ("**TOR**") setting out their compositions, authorities and duties, including reporting back to the Board. The Board Committees established by the Board are the Audit and Risk Committee ("**ARC**"), Nominating Committee ("**NC**"), Remuneration Committee ("**RC**") and Sustainability Steering Committee ("**SSC**").

Each Board Committee comprise at least five members. A majority of the members (including the Board Committee Chairman) of ARC, NC and RC are independent directors. The TOR of the respective Board Committees, setting out their responsibilities and authority and approved by the Board, are posted on the Company's website.

The TOR of the respective Board Committees are reviewed on an annual basis, along with the Board Committees' structures and membership, to ensure their continued relevance and effectiveness, taking into account the changes in the governance and regulatory environment.

Each Board Committee reports key matters undertaken by them annually to the Board. During the year, the ARC, the NC, the RC and the SSC as well as the Lead ID on behalf of the non-executive Directors ("**NED(s)**") reported key matters to the Board and minutes of each of the said Board Committees including the minutes of NEDs meeting(s) were also circulated to the Board.

The delegation of authority by the Board to the Board Committees enables the Board to achieve operational efficiency by empowering these Board Committees to decide, review and make recommendations on matters within their respective written TOR and/or limits of delegated authority, without abdicating the Board's overall responsibility.

Please refer to the sections on Principles 4, 5, 6, 7 and 10 in this CG Report for further information on the activities of the NC, RC as well as the ARC. Information on the activities of the SSC can be found in Section E under the section headed 'Sustainability and ESG Governance' on page 74 of this CG Report.

Board's and Board Committees' Composition Changes

The following are the changes to the composition of the Board and its Board Committees during the period from 1 April 2025 to the date of the AR 2026:

(i) Retirement of Mr Goh Boon Seong as Lead ID, ARC Chairman and a member of each of the NC and RC at the conclusion of the AGM held on 29 July 2025; and

(ii) Appointment of Mr Seah Han Leong as Lead ID and ARC Chairman with effect from 29 July 2025.

The current composition and key objectives of the Board Committees are set out as follows:

<table>
<tr><th>Board Committees & Composition</th><th>Key Objectives</th></tr>
<tr><td>Audit and Risk Committee
(5 members, all IDs)

Seah Han Leong,
Chairman (Lead ID)
Timothy Tong Wai Cheung (ID)
Eric Yim Chi Ming (ID)
Hung Cheung Fuk (ID)
Charlene-Jayne Chang Wei-Ying (ID)</td><td>• Assists the Board in the discharge of statutory and other responsibilities relating to the integrity of the financial statements of the Group and reviews the adequacy and effectiveness of the internal controls and risk management systems;

• Considers the key risks of the Group under a risk management framework which takes into account the strategic objectives and risk appetite of the Group;

• Reviews with Management and, where appropriate, with the Company’s external auditors (“External Auditors”) the significant financial reporting issues and judgements to ensure the integrity of the half-year and full year financial statements of the Group to be issued by the Company before their submission to the Board and any other announcements relating to the Group’s financial performance;

• Reviews the scope annually and results of the external audit and the independence and objectivity of the External Auditors, and in this regard to also review the nature and extent of any non-audit services provided by the External Auditors to the Group;

• Makes recommendations to the Board on the nomination for the appointment, re-appointment and removal of External Auditors, and to approve the remuneration and terms of engagement of the External Auditors;

• Approves the appointment, resignation or dismissal of the Head of Internal Audit and assesses the role and effectiveness of the internal audit function in the overall context of the Group’s internal controls and risk management systems, and to consider the results of their review and evaluation of the Group’s internal controls and risk management policies and systems;

• Reviews interested person (“IP”) transactions falling within the scope of Chapter 9 of the Listing Manual; and

• Oversees the establishment and operation of the Company’s whistle-blowing policy and arrangements put in place for raising concerns about possible improprieties on matters of financial reporting or any other matters.</td></tr>
<tr><td>Nominating Committee
(7 members, 5 IDs and 2 EDs)

Eric Yim Chi Ming,
Chairman (ID)
Seah Han Leong (Lead ID)
Timothy Tong Wai Cheung (ID)
Hung Cheung Fuk (ID)
Charlene-Jayne Chang Wei-Ying (ID)
Victor Lo (ED)
Lam Hin Lap (ED)</td><td>• Assists the Board in the review of the structure, size, composition and membership of the Board and Board Committees;

• Reviews and confirms the independence of each ID annually and as and when circumstances require;

• Develops and reviews the board diversity policy (“BDP”), including targets, plans and timelines and monitor progress and recommends to the Board annually, objectives for diversity (whether qualitative and quantitative) and review the progress made towards achieving the Board’s objectives for diversity;

• Reviews the appointment, re-nomination, re-election and retirement of Directors and the reasons for their resignations;

• Reviews the succession plan for the CEO and key management personnel (“KMP”) (not being a director);

• Monitors appointment, removal, suspension or termination, and the terms of the appointment, removal, suspension or termination, of the CEO and other KMP;</td></tr>
</table>

Board Committees & Composition	Key Objectives
Nominating Committee (continued)	• Develops and reviews the process and criteria for evaluation of the performance and effectiveness of the Board as a whole, and of each of the Board Committees as well as the contribution from the Board Chairman, the chairman of the respective Board Committees and each of the Directors and performs such performance evaluation; • Reviews and confirms the induction programmes for newly appointed Directors and for existing Directors in respect of their appointments to any of the Board Committees; and • Reviews the training and continuous professional development ("**CPD**") programme for the Directors.
Remuneration Committee (5 members, all IDs) **Timothy Tong Wai Cheung, Chairman (ID)** Seah Han Leong (Lead ID) Eric Yim Chi Ming (ID) Hung Cheung Fuk (ID) Charlene-Jayne Chang Wei-Ying (ID)	• Reviews and recommends to the Board on a framework of remuneration for the Board and KMPs and the specific remuneration packages for each Director as well as for the KMPs; and • Aligns talent management framework and policies to reflect a performance-based remuneration system that is balanced between the current and long-term objectives of the Company.
Sustainability Steering Committee (8 members, 3 EDs and 5 Managements) **Brian Li, Co-chairman (ED)** **Lam Hin Lap, Co-chairman (ED)** Waltery Law Wang Chak (ED) Charlton Kwong Yiu Cheung Edward Lam Wai Man Grace Lo Kit Yee Joseph Leung Edmund Lee Tak Yue (Convener)	• Assists the Board in the review of the Group's sustainability issues including climate risks, sustainability initiatives and related performance as well as emerging corporate governance trends and practices; • Reviews the Group's approach to sustainability reporting, the Company's Environmental, Social and Governance ("**ESG**") framework, key ESG targets and long-term sustainability that contribute to the Company's performance and reputation as a global corporate citizen; and • Assists the Board in the oversight of the Company's workplace safety and health matters.

CORPORATE STRATEGY AND CULTURE

GP Industries endeavours to seize clean technology opportunities and consistently implements its mission of "achieving a carbon transition and enhancing the quality of life by embracing green energy, modernising its manufacturing facilities, and producing safe, reliable, environmentally friendly, and cost-effective products". The Company is committed to optimising resource utilisation and aiming for carbon reduction and zero waste. The Group promotes its corporate culture in alignment with its core values and vision, which enables the Group to implement its long-term strategies and create sustainable value for its Shareholders and other stakeholders.

More information about the Group's core vision, overview of the Group's ESG performance and achievement of significant milestones in sustainability and ESG practices is set out in the Company's 2026 Sustainability Report.

CONTENT OF CG REPORT

This CG Report is divided into six sections, namely:
(A) Board Matters;
(B) Remuneration Matters;
(C) Accountability and Audit;
(D) Shareholder Rights and Engagement;
(E) Managing Stakeholder Relationships; and
(F) Others

Summary of Disclosure

Pursuant to Rule 710 of the Listing Manual, the table on Summary of Disclosures below describes our corporate governance practices with specific reference to the disclosure requirements in the principles and provisions of the CG Code.

A. BOARD MATTERS

PRINCIPLE 1: THE BOARD'S CONDUCT OF AFFAIRS

The Company is headed by an effective Board which is collectively responsible and works with the Management team of the Group ("Management") for the long-term success of the Company.

For FY2026, the total number of IDs continue to constitute a majority of the Board. At the date of the AR2026, the Board has 9 members, 5 IDs and 4 EDs.

Profiles and qualifications of the Directors and the listed company directorships and principal commitments held by them as at the date of the AR2026 over the preceding five years are set out in the section headed "Board of Directors and Senior Management" on pages 26 to 30 of the AR2026.

The Primary Function of the Board
(Provision 1.1)
The Board oversees the Group's business affairs and performance under its collective responsibility and provides leadership and overall guidance by setting goals and objectives of the Company, shaping the strategic direction, performance and business operations of the Group together with the Management, to achieve long-term success for the Group through value creation, innovation and sustainability.

The Board's primary functions are to provide leadership, set broad policies, provide guidance on and approve strategic objectives, ensure that necessary financial, operational, and human resources are in place for the Company to meet its objectives, review the performance of the Company, the Group and Management, and satisfy itself as to the adequacy and effectiveness of the framework and processes for internal controls (including financial, operational, compliance, and information technology ("**IT**") controls) and risk management for the safeguarding of Shareholders' interests and the Group's assets. The Board assumes responsibility for good corporate governance and sets the right 'tone at the top' in its policies and decisions to ensure that the Company's corporate values and ethical standards are observed and that there is proper accountability throughout the Company and obligations to Shareholders and other stakeholders are clearly understood and met.

Sustainability
The Board recognises sustainability as the key to the Group's long-term success in enhancing the stakeholder value. The Board is committed to the Company's strategic approach to integrating sustainability in its businesses and operations, and advancing the Company's sustainability efforts and achievements. In formulating its business strategies, due consideration is given by the Board to risks and opportunities arising from the ESG issues, including disclosure requirements pertinent to international and local standards, and the corporate and social responsibility in contribution towards a net-zero economy. The Board also aims to decide on the Group's business strategy and operational matters to be consistent with the Group's efforts to mitigate climate-related risks and pursuit of climate-related opportunities. The SSC, as delegated by the Board, provides specific oversight over these areas. Since 2019, the Company has been publishing its annual Sustainability Reports which meet SGX-ST's sustainability reporting requirements.

The Company conducts materiality assessments annually to determine the key ESG issues that are important to the Company's stakeholders. These issues are foundational to the Company's annual sustainability reporting. The sustainability team of the Group is responsible for identifying, evaluating, monitoring, and managing the Group's material ESG factors, and reports to the SSC.

The Board has delegated the responsibility for monitoring and overseeing the Group's sustainability efforts to the Co-chairman of SSC, working with the Convener and Executive Sponsors, comprising the EDs and the Heads of the Group's functional Department ("**HODs**"), has the overall responsibility in driving ESG performance while managing the internal control and risk management framework of the Group's businesses and operations.

While all Directors are fiduciaries who exercise due diligence and objectively discharge their duties and responsibilities in the best interest of the Company, the Board has Directors of different designations with different roles:

(i) EDs are members of Management who are involved in the day-to-day running of the business. They work closely with the NEDs on the long-term sustainability and success of the businesses. They provide insights and recommendations on the Group's operations at the Board and Board Committees meetings;

(ii) NEDs do not participate in the business operations. They constructively challenge Management on its decisions and contribute to the development of strategic goals and policies. They may participate in the review of Management's performance in achieving the strategic objectives as well as the appointment, assessment and remuneration of the EDs and KMPs; and

(iii) IDs are NEDs who are unrelated to any of the EDs and KMPs and fulfill the conditions to be considered "independent" as set out in the Listing Manual and the CG Code and deemed to be impartial by the board, and have similar duties of the NEDs, and additionally provide an independent and objective check on the Board and Management.

In addition to statutory responsibilities under the Singapore Companies Act 1967 (the "**Companies Act**"), the Board's principal functions are:

- to set broad policies, provides guidance on and approves strategic objectives;
- to approve the Group's strategic plans, significant investment and divestment proposals and funding decisions;
- to review the performance of the Management and the Groups' financial performance and key operational initiatives;
- to ensure necessary financial, operational and human resources are in place to meet the Company's goal and objectives;
- to ensure and review the recommendation by the ARC on the adequacy and effectiveness of the framework and process for internal control and risk management for safeguarding of Shareholders' interests and the Group's assets;
- to review the recommendation by the ARC on financial and audit related matters and the appointment/removal of the External Auditor;
- to review and decide the nominations recommendation by the NC;
- to review and endorse the recommendation of framework of remuneration for the Board and KMPs by the RC;
- to assume responsibility for good corporate governance, setting the right tone in its policies and decision to ensure that the Company's corporate values and ethical standards are observed and there is proper accountability throughout the Group; and
- to commit for integrating sustainability in key aspects of the Group's business and operations and to advance the Company's sustainability efforts and achievements.

Directors' Objective Discharge of Duties and Declaration of Interests
(Provision 1.1)

The Board acts in good faith and in the best interests of the Company by exercising due care, skills and diligence, and avoiding conflicts of interest. The ability to exercise objectivity was one of the assessment criteria in the NC's annual evaluation of the Directors.

The Directors, who are in any way, directly or indirectly, interested in a transaction or proposed transaction, declare the nature of their interests in accordance with the provisions of the Companies Act and the Company's Constitution, and in the event of any conflict of interest in particular, personal material interest (actual or potential), recuse themselves from participating in any discussion and abstain from decision-making on such transactions, with abstention duly recorded within the minutes and/or the resolutions of the Board and/or the Board Committees. In case the Board is of the opinion that the conflicted Director's participation is necessary to enhance the efficacy of such discussion and his/her participation is permitted, the conflicted Director excuses himself/herself for an appropriate period during the discussions to facilitate full and frank exchange by the other Directors, and shall in any event recuse himself/herself from the decision-making and to abstain from voting in relation to the conflict-related matters.

Each Director is also required to submit details of his/her associates for the purpose of monitoring interested persons transactions ("**IPTs**") annually. Details of the IPTs of the Group for FY2026 are set out in the section headed "Interested Person Transactions" of this CG Report on pages 68 to 70 of this CG Report.

Accountability of the Board and Management
(Provision 1.1)

The Board and Management are committed to conducting business with integrity, consistent with high standards of business ethics, and in compliance with all applicable laws and regulatory requirements. The Company has established various corporate policies as necessary which provide a communicable and understandable framework for employees to observe the Company's principles on honesty, integrity, responsibility and accountability at all levels of the organisation and in the conduct of the Company's business in their relationships with the Company's stakeholders, including customers, suppliers and employees. Further details of these policies are described under Principle 13 mentioned below and in the segment entitled 'Corporate Values and Conduct of Business' on pages 74 and 75 of this CG Report.

Directors' Competencies, Board Orientation, Training and Development
(Provision 1.2)

All Directors are expected to develop their competencies and to have a good understanding of the Group's business as well as their directorship duties, including their roles as EDs, NEDs and IDs to effectively perform and discharge their responsibilities and duties. Directors are also expected to be familiar with the Companies Act, the Listing Manual and the roles and responsibilities as a director of a SGX-ST listed company. Directors are provided with opportunities to develop and maintain their skills and knowledge at the Company's expense.

Every newly appointed Director receives a formal letter, setting out his/her general duties and obligations as a Director pursuant to the relevant legislation and regulations. The new Director will also receive an induction pack containing information and documents relating to the roles, duties and responsibilities of a Director and a member of the Board Committees, the Group's principal businesses, the Company's Board processes, corporate governance practices, relevant company policies and procedures as well as a Board and the Board Committees meeting calendar for the year, with a brief of the routine agenda for each meeting.

The Company also conducts a comprehensive induction programme for newly appointed Directors and for existing Directors pursuant to their appointments to any of the Board Committees, which seeks to familiarise Directors with the Group's principal businesses, the Company's Board processes, internal controls and governance practices, and in the case of appointments to any of the Board Committees, the roles and areas of responsibilities of such Board Committees. The induction programme includes meetings with the chairmen of the Board Committees in the case of appointments to any of the Board Committees, on matters relevant to such Board Committees, and various key executives of Management to allow the new Directors to be acquainted with Management and to facilitate their independent access to Management in future. The programme also includes site visits to the Group's key operations and briefings by the CEO and other members of Management from various business units and HODs such as finance and human resources.

For a first-time Directors who have no prior experience as a director of a listed company, in addition to the orientation programmes as detailed above, he/she will be required to undertake to attend necessary training, including certain specific modules of the Listed Entity Director Programme conducted by the Singapore Institute of Directors ("**LED Programme**"), or organised by other professional institution at the Company's expense, to acquire relevant knowledge of what is expected of a listed company director. This being a mandatory requirement under the SGX-ST Listing Manual (the "**Mandatory Training**"). Completion of the Mandatory Training, which focuses on comprehensive training of company directors on compliance, regulatory and corporate governance matters, should provide the first-time Directors with a broad understanding of the roles and responsibilities of a director of a listed company under the requirements of the Companies Act, the Listing Manual and the CG Code. A first-time director need not attend the Mandatory Training if the NC, in assessing the relevant experience of the director, is satisfied that he/she possesses relevant experience comparable to that of a person who has served as a director of an issuer listed on SGX-ST. Where such an assessment is made by the NC, the reasons are disclosed in the announcement made on the appointment of the director.

New directors who are appointed to the Board from time to time should either have expertise in sustainability matters or will be required to undergo further sustainability training as required under Rule 720(7) of the Listing Manual.

The Board recognises that it is important for Directors to undergo continual professional development. From time to time, all Directors are routinely provided with updates and/or briefings by Management, the Company Secretaries, the External Auditors and other relevant professional advisors in areas including developments in the Group's operating environment, particularly on relevant new laws and regulations and changing business risks, directors' duties and responsibilities, corporate governance practices, relevant legislation and regulations, risk management, and financial reporting standards which are relevant to the Company.

They are also regularly kept informed by the Company Secretaries of the availability of appropriate courses, conferences, and seminars such as those conducted by the SID, and the Directors are encouraged to attend such programmes at the Company's expense. The NC and the Board are kept informed of the development/training programmes attended by the Directors during the year. As part of the NC's annual assessment of the skill sets of the Board and the Board Committees, the NC would also recommend further training for the Directors in specific areas, if so required, to supplement the regular updates/briefings provided to the Directors from time to time. Directors are also at liberty to approach Management should they require any further information or clarification concerning the Group's operations.

During the year, the development/training programmes, courses and seminars attended by the Directors included SID Seminars and other accredited training institutions or organisations in areas such as accounting, legal and industry-specific knowledge, where appropriate, in connection with their duties.

The Company's External Auditors, Messrs Deloitte & Touche LLP ("**Deloitte**"), also provided members of the ARC with updates on applicable Accounting Standards, Singapore Standards on Quality Management, climate and sustainability reporting, and regulatory updates during the year. The External Auditors, in presenting its annual audit plan to the ARC, also highlights the important changes in relevant financial reporting standards. In addition, Directors who have professional qualifications also attend training in accordance with the CPD or education requirements of the relevant professional bodies.

The NC and the Board are kept informed of the training sessions attended by the Directors during the year. As part of the NC's annual assessment of the skill set of the Board and the Board Committees, the NC would also recommend further training for the Directors in specific areas, if required, to supplement the regular updates/briefings provided to the Directors from time to time. No such training was recommended by the NC during the year.

Further to the training courses/programmes and briefing updates, Directors are also at liberty to approach Management should they require any further information or clarification concerning the Company's operations.

Matters Requiring Board's Approval
(Provision 1.3)

The Board has in place an internal guide, wherein certain key matters which are specifically reserved for approval by the Board include the following matters:

(i) Decisions over the strategic direction, plans and performance objectives of the Group;
(ii) The Group's risk appetite and risk tolerance for different categories of risk, as well as risk strategy and policies for material risk management;
(iii) The issuance of all the Group's financial results, annual reports and audited financial statements including decisions on the Company's dividend policy and payouts;
(iv) The Group's financial objectives and annual budget;
(v) Major investment or acquisition/disposal proposals, exceeding certain material limits;
(vi) Shares issuance;
(vii) Corporate and financial restructuring;
(viii) Dividend policy and payouts;
(ix) Board and KMPs succession plans and nomination/appointment of Directors;
(x) Overall sustainability and climate-related strategies, including material topics and reviews of the progress and performance of the Group's ESG commitments and strategy;

(xi) Adoption of key corporate policies and corporate governance practices and any other matters which require the Board's approval as prescribed under the relevant legislations and regulations as well as the provisions of the Company's Constitution;
(xii) IPTs exceeding certain limits; and
(xiii) any other matters which require Board approval as prescribed under the relevant legislation and regulations as well as the provisions of the Company's Constitution.

Management is fully apprised of such matters which require the approval of the Board or the Board Committees. Aligned with the Group's strategy to develop growth platforms in the Group's key markets, the Board has put in place an approval matrix with established authority limits in connection with the Group's investments and divestments. The approval matrix is revised, when necessary, in line with the Group's strategic objectives and changes in business models. For operational efficiency, the Company also has a structured approval limits matrix which sets out the delegated authority to various levels of Management to approve operating expenditures up to pre-determined limits.

Delegation to Board Committees
(Provision 1.4)
The primary functions of the Board are either carried out directly by the Board or through the Board Committees with clear written terms of reference setting out their composition, authority, and responsibilities, including reporting back to the Board. The committees established by the Board are the ARC, the NC, the RC, and the SSC, all collectively referred to as the "**Board Committees**". Information on details of Board Committees can be found under the section headed "Board Committees" on page 36 of this CG Report.

Specific written terms of reference for each of these Board Committees set out the required composition, authority and responsibilities of the Board Committees and provide for each Board Committee to report its activities to the Board via circulation of minutes and regular updates by the respective chairmen of the Board Committees at Board meetings. All terms of reference for the Board Committees are approved by the Board and reviewed periodically to ensure their continued relevance taking into consideration the changes in the governance and regulatory environment.

The delegation of authority by the Board to the Board Committees enables the Board to achieve operational efficiency by empowering these Board Committees to decide, review and make recommendations on matters within their respective written terms of reference and/or limits of delegated authority, and yet without abdicating the Board's overall responsibility.

Please refer to the sections under Principles 4 to 7, 9 and 10 in this CG report for further information on the activities of the ARC, NC and RC. Information on the activities of the SSC can be found in the segment entitled 'Sustainability' under Principle 1 and in the segment entitled 'Sustainability and ESG Governance' within section E under Principle 13 in this CG report.

Minutes of the Board Committee meetings are available to all Board members. The Board acknowledges that while these various Board Committees have the authority to examine particular issues and report back to the Board with their decisions and recommendations, the ultimate responsibility on all matters lies with the Board.

In addition to the Board Committees, the Board has also delegated some of its authority to the Executive Committee ("**ExeCo**"), which comprises the EDs and Management. The Group's Risk Governance and Internal Control Manual ("**IC Manual**") set out, *inter alia*, the Group's approval guidelines, which describe the principles when delegating the authority to the ExeCo and Management. Further information on the Group's IC Manual is discussed under the section headed "Risk Management Framework (Provision 9.1)" on pages 62 to 63 of this CG Report.

Board and Board Committee Meetings and Attendance
(Provision 1.5)
Meetings of the Board and Board Committees are held regularly, with the Board meeting no less than four times a year. At the regular quarterly Board meetings, the agenda includes updates by Management on the performance and operations of each business unit of the Group, and the Group's periodic financial performance. A total of five Board meetings were held in FY2026.

The proposed meetings for the Board and all Board Committees for each new calendar year are set out in a schedule of meetings and notified to all Board members before the start of that calendar year and update the Directors when there are changes, if any. Additional meetings are convened as and when circumstances warrant. For significant issues, the Board convenes meetings to discuss and deliberate such issues thoroughly. The Company's Constitution allows for the meetings of its Board and the Board Committees to be held via electronic means. Administrative or routine matters may be efficiently resolved via circulating resolutions so long as they are agreed upon by a majority of Directors (including a majority of those entitled to vote thereon), including through approved electronic means.

At the regular Board meetings, the Board agenda includes updates by Management on the Group's strategic initiatives and implementation status, updates on the Group's latest investments and developments, and the review of the Group's financial and operational performance. Of the five scheduled Board meetings held in FY2026, two were the half-year and full year Board meetings mainly to review and approve the Group's financial results, and two were scheduled to review the Group's quarterly operational and financial performance.

One meeting of the IDs, held without the presence of Management and duly chaired by the Lead ID, was held in FY2026. Meetings of the IDs are convened as often as may be warranted by circumstances, and where necessary, the Lead ID may also invite any Management and/or other senior executives to attend the meetings of the IDs for certain agenda items. The IDs also meet regularly under the various Board Committees' meetings and the Lead ID is a member of all Board Committees except SSC.

Records of all meetings for the Board and Board Committees, including discussions on key deliberations and decisions taken, are maintained by the Company Secretaries. Directors who were unable to attend any meetings of the Board or the Board Committees, were provided with the meeting materials and encouraged to raise discussion points or queries with the Board Chairman or respective Board Committee Chairmen or Management.

The Board is of the view that the contribution of each Director should not be focused solely on his/her attendance at the Annual General Meeting and at meetings of the Board and/or the Board Committees. A Director's contribution should also extend beyond the confines of the formal environment of such meetings, through the sharing of views, advice, experience and strategic networking relationships which would further the interests of the Group. The Directors, whether individually or collectively, also engage with Management of the business units, HODs, Company Secretaries and the Group's external consultants in order to better understand the challenges faced by the Group and the input of the Directors, through such engagements, provide invaluable perspective to Management.

The attendance (including via electronic means) of the Directors[1] at the Company's Annual General Meeting ("**AGM**") in FY2026 ("**2025 AGM**"), and meetings of the Board and Board Committees, as well as the frequency of such meetings held in FY2026, is disclosed in the table as follows:

	Board Meetings	Board Committee Meetings				2025[6] AGM
		ARC	NC	RC	SSC	
Number of Meetings held in FY2026[1]	**5**	**4**	**2**	**1**	**2**	**1**
		Number of meetings attended in FY2026[1]				
Executive Director						
Victor Lo	5/5	-	2/2	-	-	1/1
Brian Li	5/5	4/4[4]	-	-	2/2	1/1
Lam Hin Lap	5/5	4/4[4]	2/2	-	2/2	1/1
Waltery Law Wang Chak	5/5	4/4[4]	-	-	2/2	1/1
Non-executive Independent Director						
Goh Boon Seong[2]	1/1	1/1	1/1	1/1	-	1/1
Seah Han Leong[3]	5/5	4/4	2/2	1/1	-	1/1
Timothy Tong Wai Cheung	5/5	4/4	2/2	1/1	-	1/1
Eric Yim Chi Ming	5/5	4/4	2/2	1/1	-	1/1
Hung Cheung Fuk	5/5	4/4	2/2	1/1	-	1/1
Charlene-Jayne Chang Wei-Ying	5/5	4/4	1/2[5]	1/1	-	1/1

Notes:
(1) The total number of meetings held and attendance of Directors refer to the number of meetings held and attended by that Director during the period in which the respective Directors were appointed as a member of the Board or a Board Committee, as the case may be.
(2) Mr Goh Boon Seong retired as a ID at the conclusion of the 2025 AGM held on 29 July 2025 and ceased to be the Lead ID and a member of each of the ARC, NC and RC.
(3) Mr Seah Han Leong was appointed as the Lead ID and the ARC Chairman, effective from 29 July 2025.
(4) Attendance by invitation for all or part of the meetings.
(5) Ms Charlene-Jayne Chang Wei-Ying was unable to attend one NC meeting due to prior travel arrangements.
(6) All Directors were in attendance at the 2025 AGM together with the Company's External Auditors.

Summary of Workdone of Board Committee in FY2026

The Board Committees had performed the following work in FY2026 and up to the date of AR2026:

Board Committees	Summary of work performed in FY2026 and up to the date of AR2026
Audit Committee	• reviewed and considered the annual results of the Group for FY2026 for the approval by the Board; • reviewed and considered the interim results of the Group for the six months ended 30 September 2025 for the approval by the Board; • approved the External Auditors' scope, plan and fees of the annual audit and the interim review; • met with the External Auditors and discussed their major findings in the annual audit; • reviewed the Company's risk management and internal control systems; • reviewed the effectiveness of the Company's internal audit ("**IA**") function, covering the financial, operational and compliance controls; • considered the effectiveness of the External Auditors giving due consideration to the quality and contents of their reports to the ARC, feedback from management and compliance with relevant regulatory, professional requirements and their independence; • considered the safeguard of External Auditors' objectivity and assessing independence in proposed engagement in respect of audit related and permissible non-audit services; • considered and approving non-audit services to be provided by the External Auditors; • considered recommendation of the re-appointment of External Auditors for Shareholders' approval in 2026 AGM; • met with External Auditors in the absence of management to discuss matters relating to audit fees, issues arising from audit and other matters the auditor raised; • reviewed the adequacy of the resources, staff qualification and experience, training programmes and budget of those relating to Group's accounting and financial reporting function for the financial year; • determined and reviewed the Company's current corporate governance policy and practice; • reviewed the Company's compliance with the CG Code and other legal and regulatory requirements; • reviewed IPTs for FY2026; and • reviewed the disclosure in the CG Report.
Nominating Committee	• reviewed the BDP, the nomination policy, procedures and criteria for nomination of Directors and the structure, size and composition of the Board; • assessed the independence of IDs against the criteria and guidelines as set out in the Listing Manual and CG Code and concluded that all IDs had complied with the criteria; • reviewed, assessed or made recommendations to the Board the composition of the existing Board members with reference to their age, sex, experience, qualification and expertise against the business scope of the Company; • recommend to the Board on the appointment or re-election of Directors; and • considered the Board succession plan.
Remuneration Committee	• reviewed and recommended the Board on the remuneration policy of the EDs and senior management of the Company; • assessed the performance of the EDs; • approving the terms of the EDs' service contracts and adjustment of remuneration of the EDs; • reviewed, considered and approved the remuneration package of the existing EDs and KMPs; • making remuneration recommendations of IDs; and • reviewed and made recommendation to the Board on the other remuneration means.
Sustainability Steering Committee	• updated the Board on the Group's sustainability and climate related reporting matters, including update from consultancy on climate-related risk identification and gaps on reporting; • laid groundwork to formulate sustainability strategies and goals towards achieving Net Zero for Scopes 1 and 2 by 2050; • identified initial opportunity for colleagues across business units and functions to contribute towards ESG; • offered ESG training to Directors and senior executives, and spearheaded further progress on the Group's sustainable development; and • reviewed and considered the sustainability report of the Group for the approval by the Board.

Directors' Multiple Board Representations and Time Commitments
(Provision 1.5)
When considering the nomination of Directors for re-election at the AGM, the NC takes into account the competing time commitments faced by Directors with multiple listed company board representations and/or other principal commitments. An analysis of the directorships (which includes directorships within corporate groups and executive appointments) held by the Directors is reviewed annually by the NC.

Each Director is also required to confirm annually to the NC as to whether he/she has any issue with competing time commitments which may impact his/her ability to provide sufficient time and attention to his/her duties as a Director of the Company. For the financial year under review, based on the analysis, the Directors' annual confirmation and the Directors' commitments and contributions to the Company which are also evident in their level of attendance and participation at meetings of the Board, the Board Committees and the IDs, the NC is satisfied that all Directors are able to carry out and have been adequately carrying out their duties as Directors of the Company.

The NC noted that, including the directorship held in the Company, the number of listed company board representations currently held by each of the Directors ranged from one to five in number and those held by EDs are on the boards of the related corporations of the Company including the Group's listed subsidiaries and listed associated companies.

Based on the individual Director's confirmation provided to the NC in FY2026 on his/her ability to carry out his/her duties as a Director of the Company and to address any competing time commitments that may arise, the NC believes that it would not be necessary to put a limit on the maximum number of listed company board representations of each Director. The NC may review the requirement from time to time, and will also consider the circumstances of individual Directors or potential candidates with multiple listed company directorships to determine their capacity to participate and contribute effectively to the Board.

In addition to the current procedures for the review of the attendance records and analysis of directorships/principal commitments, a policy has also been put in place for Directors to consult the Executive Chairman and the NC Chairman prior to accepting any new listed company board appointment or principal commitment and notifying the Board of any changes in their external appointments. This would allow the Director to review his/her time commitments with the proposed new appointment, and in the case of an ID, to also ensure that his/her independence would not be affected.

Complete, Adequate and Timely Information and Access to Information
(Provision 1.6)
Management prepares monthly management accounts and business analysis, which are reviewed by the ExeCo.

Prior to each meeting, members of the Board and the Board Committees are provided with the meeting agenda and the relevant papers, which are reviewed by the ExeCo, including reports on the operations and financial performance of the various business units respectively, reports from internal auditors ("**Internal Auditors**") and External Auditors, regulatory updates, and/or significant projects/events updates. Such reports enable the Directors to keep abreast of key issues and developments, as well as challenges and opportunities for the Group. As far as possible, such information is provided three working days in advance of a meeting.

Management also provides the Board with quarterly financial reports of the Group's financial performance including an analysis of the same. Any material variances between the results and the budget and year-on-year for the periods under review are explained in the quarterly financial reports, to enable the Board to make a balanced and informed assessment of the Group's performance, position and prospect. Board members are consulted or updated with latest developments of the Group with regular management meetings, circulation of discussion papers and informal meetings such as discussions via electronic means. Where the Board's or a Board Committee's approval is sought, relevant background and explanatory information on the specific matter is provided to enable Directors to understand the issues and to request for further information, as necessary.

Draft agendas for Board and Board Committee meetings are circulated to the Executive Chairman and the chairmen of the Board Committees respectively, in advance, for them to review and suggest items for the agenda. Each of the chairmen of the ARC, NC, RC and SSC provides regular updates of the respective committees' activities during the year under review to the Board. The minutes of meetings of the Board Committees and the NEDs/IDs are circulated to all Board members.

Some members of ExeCo are invited to attend such meetings, whilst the External Auditors and professional advisors who can provide additional insight into the matters for discussion may also be invited from time to time to attend the relevant meetings.

The Board and the Board Committees are free to request for further clarification and information from Management on all matters within their purview.

Access to Management and Company Secretaries and Independent Professional Advisors
(Provision 1.7)
All Directors have direct and independent access to Management and the Company Secretaries for additional information. To facilitate this access, all Directors are provided with the contact details of the members of ExeCo, the Company Secretaries and other members of Management. The contact details of the Head of Internal Audit Department ("**Head of IA**") are also provided to the ARC.

In furtherance of their duties as Directors, and in the event that circumstances warrant the same, the Company has internal guidelines in place, allowing the

Directors, whether as a group or individually, to seek independent professional advice at the expense of the Company, subject to approval by the Board.

The Company Secretaries' appointment and removal are subject to the Board's approval. At least one of the Company Secretaries attends meetings of the Board and Board Committees and ensures that all Board procedures are followed. The Company Secretaries, together with Management, also ensure that the Company complies with applicable statutory and regulatory rules and the Listing Manual. Together with Management, the Company Secretaries also advise the Executive Chairman, the Board and the Board Committees on corporate governance matters and assist to implement and strengthen corporate governance practices and processes, including:

(i) ensure adequate and timely information flows within the Board and the Board Committees, and between the Directors and Management;
(ii) facilitate the induction for newly appointed Directors and newly appointed Board Committee members; and
(iii) assist in the CPD training and development programme for the Directors.

On an on-going basis, the Directors have separate and independent access to the Company Secretaries.

PRINCIPLE 2: BOARD COMPOSITION AND GUIDANCE

The Board has an appropriate level of independence and diversity of thought and background in its composition to enable it to make decisions in the best interests of the Company.

Directors' Independence and Level of Independence of the Board
(Provisions 2.1, 2.2 and 2.3)

As at the date of the AR2026, the Board comprises 9 members, 4 of whom are EDs, while the other 5 members of the Board are NEDs.

Pursuant to Provision 4.4 of the CG Code, the NC and the Board have considered the ID's independence and reviewed the existence of relationships and/or circumstances of conflict of interests based on principles and guidelines set out in the CG Code and its accompanying Practice Guidance and the applicable rules of the Listing Manual.

The NC has determined all 5 NEDs, being more than half of the Board, to be independent ("**5 IDs**"), thus providing for a strong and independent element on the Board, capable of exercising objective judgement on the corporate affairs of the Company. No individual or small group of individuals dominates the Board's decision-making. No alternate Directors have been appointed in respect of any of the Directors.

When reviewing the independence of the 5 IDs, the NC has considered the applicable Rule 210(5)(d) of the Listing Manual and the guidelines for independence set out in Provision 2.1 of the CG Code and its accompanying Practice Guidance. As part of the consideration of their independence, the NC has also taken into account the following factors:

(i) other directorships and principal commitments;
(ii) annual declarations regarding their independence;
(iii) disclosures of interest in transactions in which they have a direct/indirect interest (if any);
(iv) their abilities to avoid any apparent conflicts of interest especially by abstaining from deliberation on decision-making on such transactions;
(v) their abilities to maintain objectivity in their conduct as Directors; and
(vi) their abilities to objectively raise issues and seek clarification as and when from the Board, Management and the Company's external advisors on matters pertaining to their area of responsibilities whether on the Board or on the Board Committees.

Each of the IDs on the NC recused himself/herself from discussion and abstained from the NC's deliberation on his/her own independence.

All Directors are required to disclose all relationships or appointments which may impair their independence to the Board on a timely basis and complete an annual declaration in the form of a self-assessment questionnaire which sets out the circumstances where a Director is deemed not to be independent, and submit it to the NC for final review. The NC and Company Secretaries are responsible to collate the results and report to the Board.

None of the 5 IDs is currently employed or has been employed at any time during the past three financial years by the Company or any of its related corporations. These 5 IDs also do not have immediate family members who are currently employed or have been employed at any time during the past three financial years by the Company or any of its related corporations, and whose remuneration is determined by the RC. For the purpose of determining independence, the 5 IDs have also provided confirmation that they are not related to the Directors or to any Shareholders holding 5% or more interest in the Company. The NC is satisfied that there is no other relationship which could affect their independence. The Board undertook a review of the independence of the 5 IDs with each ID abstaining from participating in his/her own review, and the Board concurred with the NC's determination of the independence of the 5 IDs.

The 5 IDs had also avoided apparent conflict of interests especially by abstaining from deliberation on transactions in which they had a direct/indirect interest and were able to maintain objectivity in their conduct as Directors of the Company. They have objectively raised issues and sought clarification as and when necessary from the Board, Management, and the Group's external advisers on matters pertaining to their areas of responsibility whether on the Board or on the Board Committees.

For FY2026, the NC has conducted its annual review of the Directors' independence and concluded that the Company had complied with Provision 2.1 of the CG Code, the Practice Guidance and Rule 210(5)(d)(i) and (ii) of the Listing Manual. The 5 IDs did not have substantial interest in the shares of the Company and were not in foreseeable situation that could compromise their independence of thought and decision. The Board, based on the result of the annual review conducted by the NC, is of the view that all 5 IDs are independent.

Board Composition and Size and Diversity (Provision 2.4)

The Company is committed to building a diverse and inclusive culture and has adopted a BDP, which sets out the framework for promoting diversity on the Board. With a view to achieving a sustainable and balanced development, the Company recognises that a diverse Board is an important element which will better support the Company's achievement of its strategic objectives for sustainable development by enhancing the decision-making process of the Board through the perspectives derived from the various skills, business experience, industry discipline and other aspects of diversity (such as gender, age and independence) of the Directors.

The Board has a strong independent element. There are 9 Directors on the Board comprising 5 NEDs and 4 EDs. NEDs constitute at least a majority of the Board to prevent undue influence of Management and to ensure that appropriate checks and balances are in place. The Board has appointed a Lead ID. Having considered the scope and nature of the operations of the Group, the Board, taking into account the recommendation of the NC, is satisfied that the current size and composition of the Board and Board Committees are conducive and allow for informed and constructive discussions and effective decision making at meetings of the Board and Board Committees.

The BDP, which is available on the Company's corporate website, provides that the NC shall consider all aspects of diversity when reviewing and assessing the composition of the Board and when making recommendations to the Board for the appointment of Directors to arrive at an optimal balanced composition of the Board. The BDP also provides for the NC to discuss and recommend annually to the Board measurable targets and timelines for promoting and achieving diversity on the Board.

The Company has put in place a skills matrix to help identify gaps in the Board. The skills matrix classifies skills, experience and knowledge of the existing Directors into broad categories such as management expertise (business and strategic planning, leadership, management and human resources experience), industry knowledge and experience (on manufacturing & branding of Consumer/Industrial Products), and knowledge and professional expertise or skills in specific areas (audit/finance, risk management and internal controls ("**RMIC**"), digital/technology, sustainability and legal).

The NC is responsible for assessing the size and composition of the Board and Board Committees. When reviewing and assessing the size and composition of the Board and the Board Committees, and making recommendations to the Board annually including the re-election of Directors, the NC takes into consideration factors under the BDP including the annual Board targets and timelines for promoting and achieving diversity on the Board to arrive at an optimal balanced composition of the Board. As prescribed under the BDP, the final decision on the selection of Directors is based on merits against objective criteria and targets considered by the NC annually and recommended to the Board for approval.

Details of the Board composition as at the date of the AR2026 is set out below:

Board Independence			
Designation	**ED**	**ID**	**Total**
No. of Directors	4	5	**9**
% of Total No. of Directors	44%	56%	**100%**

Gender Diversity			
Gender	**Male**	**Female**	**Total**
No. of Directors	8	1	**9**
% of Total No. of Directors	89%	11%	**100%**

Age Diversity				
Age	**<51**	**51-65**	**>65**	**Total**
No. of Directors	1	5	3	**9**
% of Total No. of Directors	11%	56%	33%	**100%**

Directorship with the Company			
Year	**0-5**	**>5**	**Total**
No. of Directors	4	5	**9**
% of Total No. of Directors	44%	56%	**100%**

The NC will monitor the implementation of its BDP and review the BDP from time to time as appropriate, to ensure its effectiveness. The NC will continue its identification and evaluation of suitable candidates to ensure there is diversity (including gender diversity) on the Board.

The NC and the Board agreed that there was no need to set a specific target for ethnicity/nationality so long as the candidates provide distinguishing qualities that complement and expand the skills and experience of the Board as a whole.

The Director's skills matrix of the Board as at the date of the AR2026 is set out below:

Having considered the scope and nature of the Group's operations, the requirements of the businesses and the need to avoid undue disruptions from changes to the composition of the Board and Board Committees, the Board agreed with the NC, that the current composition of the Board and the Board Committees provide for diversity in line with the BDP with a good balance of age, educational background, experience, skill, industry knowledge, professional qualifications, gender and length of service, which serve to support the Company in achieving its strategic objectives and sustainable growth and development, fosters constructive debate and facilitates effective decision making. The Board and NC will constantly examine its size with a view to determining its impact upon its effectiveness.

The profile of each Director which includes key information regarding background, academic and professional qualifications, directorships and chairmanships both present and those held over the preceding five years in other listed companies, and other principal commitments, is set out on pages 26 to 30 of the AR2026. The details of Directors' shareholdings in the Company can be found under the section on "Directors' interests in shares and debentures" on page 77 of the Directors' Statement.

Diversity Targets and Progress in FY2026 and up to date of the AR2026

Age Diversity	
Targets	Increase age diversity of the Directors with ages below 65, with majority of the Directors in the 51 to 65 age group range.
Progress	The percentage of Directors within ages below 65 increased from 60% in FY2025 to 67% as at the date of the AR2026. The Board will continue to maintain this target for the next three to five years and prioritise the appointment of younger candidate(s). The Board has continued to maintain this target.
Gender Diversity	
Targets	Maintain not less than 20% female Directors With reference to the recommendation by the Council of Board Diversity for listed companies, the Board will actively strive to achieve a 20% to 25% female representation on the Board over the next 3 to 5 years.
Progress	As at 31 March 2026, the proportion of female Directors is approximately 11% of the total number of Directors. The NC will strive to ensure that: (a) if external search consultants are used to search for candidates for Board appointments, the brief will include a requirement to also present female candidates; (b) when seeking to identify a new Director, the NC will request for female candidates to be fielded for consideration; (c) female representation on the Board be continually monitored over time, based on the targets set by the Board; and (d) at least one female Director be appointed to the NC.
Tenure of Appointment of Directors	
Targets	Refresh the tenure of appointment of Directors
Progress	As at 31 March 2026, the percentage of Directors with directorship over 5 years to the total number of Directors decreased from 60% in FY2025 to 56%. To avoid an abrupt loss of members with extensive experience and core competencies that are crucial to the Group, the Board will continue to pace the retirement of its Directors as needed.
Skills Diversity	
Targets	Broaden and strengthen the core skill set, source for candidates with extensive knowledge and experience in sustainability, digital/technology, Battery and Electronics and Acoustics ("**E&A**") industries knowledge, branding and legal aspect relevant to the Battery and E&A industries.
Progress	The Board has continued to maintain this target for FY2026.
Board Independence	
Targets	Maintain majority independence on the Board
Progress	IDs currently make up 56% of the Board, maintaining majority independence. The Board has continued to maintain this target for FY2026.

NEDs' Participations
(Provision 2.5)
An effective and robust Board, whose members engage in open and constructive debate and challenge Management on its assumptions and proposals, is fundamental to good corporate governance. A Board should also aid in the development of strategic proposals and oversee effective implementation by Management to achieve set objectives.

NEDs are encouraged to participate actively at Board meetings in the development of the Group's strategic plans and direction, and in the review and monitoring of Management's performance against budgets. To facilitate this, NEDs are kept informed of the Group's businesses and performance and market and industry developments that are relevant to the business of the Group, through regular business updates and quarterly reports from Management, and have unrestricted access to

Management. They also sit on various Board Committees to provide unbiased and independent views, constructive input and the independent review and monitoring of performance of the Group and Management.

Under the chairmanship of the Lead ID, one meeting of all the NEDs who are also the IDs of the Company, was held in FY2026 without the presence of Management including the Executive Chairman. The NEDs would also confer among themselves without the presence of Management as and when the need arises. The Lead ID collates the feedback from the NEDs and communicates the same to the Board, the Executive Chairman and/or Management, as appropriate.

The NEDs review the Group's performance against its business objectives and provide their views thereon. The NEDs also actively participate in deliberation of matters tabled for the Board's decision and engage in constructive dialogue (either as a non-executive group or with the Management) in order to proactively provide independent advice.

PRINCIPLE 3: CHAIRMAN AND CEO

There is a clear division of responsibilities between the leadership of the Board and Management, and no one individual has unfettered powers of decision making.

Role of Chairman and CEO (Provisions 3.1 and 3.2)

Previously, the Company adopted a single leadership structure under which Mr Victor Lo served as both Board Chairman and CEO of the Company. The Board has considered Mr Victor Lo's roles as Board Chairman and CEO and the strengths he brought to such a role by virtue of his stature and experience. The Board was of the view that this arrangement provided exceptional leadership and clear accountability and unequalled depth of knowledge to deal with the Group's strategic challenges and growth opportunities.

This single leadership deviated from Provision 3.1 of the CG Code, which requires the roles of Board Chairman and CEO be held by separate individuals to ensure an appropriate balance of power, increased accountability, and greater capacity of the Board for independent decision making.

After taking into consideration the nature and the future operating scale of the Group's businesses, the Board is of the view that the continuation of a single leadership arrangement may not be effective and in the best interest of the Group.

As part of board renewal and to ensure an appropriate balance of power and increased accountability, Mr Victor Lo, the Board Chairman, after discussion with the Board, has decided to announce his cessation as CEO and remain as an ED and the Executive Chairman of the Company with effect from 1 April 2026.

As the Executive Chairman of the Board, Mr Victor Lo is the most senior executive in the Company and bears overall executive responsibility for the Group's business. Mr Victor Lo plays an instrumental role in providing the Company with strong leadership and vision, assisting the Board to develop policies and strategies, leading the Board in its review of the Group's strategies for sustainable growth and ensuring that these are implemented effectively. The Board sets out clear division of his responsibilities as Chairman of the Board with written terms of reference approved by the Board.

Mr Victor Lo bears primary responsibility for the workings of the Board, by ensuring the Board's effectiveness in all aspects of its role including:

(i) setting the agenda for Board meetings with inputs from Management;
(ii) ensuring that Board meetings are held when necessary and allowing sufficient allocation of time for thorough discussion of key agenda items at Board meetings;
(iii) promoting an open environment within the Boardroom and monitoring communications and relations within the Board and between the Board and Management to facilitate constructive dialogue and debate;
(iv) ensuring compliance with the guidelines set out in the CG Code;
(v) encouraging the NEDs to speak freely and contribute effectively; and
(vi) exercising control over the quality, quantity and timeliness of information flow between the Board and Management.

As the Executive Chairman, he also promotes and leads the Company in its commitment to achieve and maintain good corporate governance. At AGMs and other Shareholders' meetings, he plays a pivotal role in fostering constructive dialogue between Shareholders, the Board and Management.

Mr Victor Lo is assisted by EDs and other members of Management which includes:

(i) Dr Brian Li, currently the ED, has been appointed as CEO with effect from 1 April 2026. He leads the members of the ExeCo and is responsible for the Group's overall management and operations. He is accountable for the execution of the Group's strategy and business plans. His key responsibilities include driving growth initiatives, overseeing operational and financial performance, managing risk and compliance, allocating capital effectively, developing organisational capabilities, and representing the Company to investors and key stakeholders.
(ii) Mr Lam Hin Lap, currently the Vice Chairman and ED, has been appointed as Deputy CEO with effect from 1 April 2026. He oversees designated business areas or strategic initiatives. He is responsible for driving operational execution and performance accountability, supporting leadership development and succession planning, and acting for the CEO when required.
(iii) Mr Waltery Law Wang Chak, currently the ED, Group CFO and CRO of the Company. He is responsible for the Group's finance matters.
(iv) Mr Charlton Kwong Yiu Cheung, currently the director and Co-President of GP Batteries International Limited. He is responsible for driving

strategic growth across diverse sectors, overseeing global sales networks in major markets, and managing large-scale industrial operations.

(v) Mr Joseph Leung, currently the Senior Advisor to Chairman - Organization & Global Strategies, Chairman and Acting General Manager of GP Batteries Consumer Sales, China and executive director of Gold Peak Technology Group Limited and KEF GP Group Ltd. He assists the Chairman in the strategic planning and overall management of the Company.

There is a clear division of responsibilities between the Executive Chairman, the CEO and the Deputy CEO. The CEO and Deputy CEO are not related to the Executive Chairman.

The Board had considered Mr Victor Lo's role as Executive Chairman, and the strengths he brings to such a role by virtue of his in-depth knowledge of the Group's business. Through the appointment of the Lead ID and the establishment of various Board Committees with power and authority to perform key functions without undue influence from the Executive Chairman, and the implementation of internal controls for proper accountability and to allow for effective oversight by the Board of the Group's businesses, the Board ensures that there is appropriate balance of power which allows the Board to exercise objective decision making in the interest of the Company. The Board is of the view that Mr Victor Lo's role as Executive Chairman would continue to facilitate the Group's decision-making and implementation process without diminishing the capacity of the Board for independent decision-making.

Lead ID
(Provision 3.3)
In view that the Executive Chairman is not an ID, the Board continues to recognise the importance of maintaining strong independent oversight and constructive engagement among Directors and has designated a Lead ID who serves as a sounding board for the Board Chairman and as an intermediary between the IDs and the Board Chairman. The Lead ID can, as recommended under Provision 3.3 of the Code, co-ordinate and lead the IDs to provide a non-executive perspective and contribute to a balance of viewpoints on the Board. The role of the Lead ID is set out in the written TOR for the Lead ID, which has been approved by the Board. The Lead ID is available to Shareholders should they have concerns and for which contact through the normal communication channels with the Executive Chairman or Management has failed to resolve or are inappropriate or inadequate.

The current Lead ID is Mr Seah Han Leong. He is the principal liaison on Board issues between NEDs and the Executive Chairman.

Under the chairmanship of the Lead ID, one meeting of the IDs was convened in FY2026 without the presence of Management or the Board Chairman, and the views and feedback expressed by the IDs at the meeting were communicated by the Lead ID to the Board Chairman and Management, as appropriate.

PRINCIPLE 4: BOARD MEMBERSHIP

The Board has a formal and transparent process for the appointment and re-appointment of Directors, taking into account the need for progressive renewal of the Board.

The Board, through the delegation of its authority to the NC, has used its best efforts to ensure that Directors appointed to the Board possess the background, experience and knowledge in technology, business, finance and management skills critical to the Group's business and that each Director, through his/her unique contributions, brings to the Board an independent and objective perspective to enable balanced and well-considered decisions to be made.

NC Composition and Role
(Provisions 4.1 and 4.2)
The NC comprises a total of seven members and five of them, including the NC Chairman and Lead ID, are IDs. The detailed TOR of the NC are posted on the Company's website. The key objectives and duties of NC and the summary of NC's workdone in FY2026 are set out in the sections headed "Board Committees" (page 36) and "Summary of Workdone of Board Committee in FY2026" (page 46), respectively, in this CG Report.

Two NC meetings were held in FY2026. The Company Secretaries maintained records of all NC meetings including records of discussions on key deliberations and decisions taken.

For the financial year under review, the NC conducted a self-assessment of its own effectiveness in the discharge of its roles and responsibilities, which was facilitated with a self-assessment checklist ("**NC Self-Assessment Checklist**"). The NC Self-Assessment Checklist covered, *inter alia*, the responsibilities of the NC under its TOR and also considered the contributions of NC Chairman and members to the deliberation and decision-making process at NC meetings.

Based on the self-assessment for FY2026, the NC, who has reviewed the same, believes that it has fulfilled its responsibilities and discharged its duties as set out in the NC's TOR.

Succession Planning for the Board, Executive Chairman and KMP
(Provision 4.1)
The Board believes in carrying out orderly succession planning for itself, the Executive Chairman and the KMPs to ensure continuity of leadership.

Board renewal is a continuing process and in this regard, the NC reviews annually the compositions of the Board and Board Committees, which include size and mix, and recommends to the Board the selection and appointment of new Directors, whether in addition to existing Board members or as replacement of retiring Board members, with a view to identifying any gaps in the Board skill set taking into account the Group's business operations. New Directors are also appointed so that the experience of longer serving Directors can be drawn upon while tapping into the new external perspectives and insights which new Directors bring to the Board's deliberation. The Board will be able to function smoothly notwithstanding any resignation or retirement of any Director given the present number of members and mix of competencies on the Board. The NC also conducts annual review on the succession planning to ensure continuity of leadership for the KMP.

As part of the succession planning for the Board and Board Committees, which is aligned with the Company's Board Diversity Targets, Mr Seah Han Leong was appointed as an Lead ID on 29 July 2025 to replace Mr Goh Boon Seong who had retired as an ID at the conclusion of the 2025 AGM. Consequent thereto, he also ceased to be the ARC Chairman and as a member of each of the NC and RC.

Nomination of Directors and Determination of Independence of Directors (Provision 4.3 and 4.4)

The NC reviews the nomination of the relevant Directors for re-election as well as the independence of Directors annually. When considering the nomination of Directors for re-election at 2026 AGM, the NC takes into account their contribution to the effectiveness of the Board (which includes their participation and candour at Board and Board Committee meetings) as well as their time commitment especially for Directors who have multiple board representations and/or other principal commitments as well as their independence (in case of re-election of IDs) having regard to the provisions in the applicable Rule 210(5)(d) of the Listing Manual and the guidelines for independence set out in Provision 2.1 of the CG Code as well as factors considered under Principle 2 above in relation to Board independence. The recommendation of the NC on the annual nomination of the Directors for re-election is submitted to the Board for decision and thereafter put to the Shareholders for approval at the AGM.

The Constitution of the Company provides that not less than one-third of the Directors for the time being shall retire as Directors at each AGM of the Company. All new Directors appointed by the Board shall hold office until the next AGM, and be eligible for re-election at the said AGM. Excluding new Directors who are seeking appointment at the AGM or who will be seeking re-election at the first AGM immediately after their initial appointment, the remaining Directors of the Company will retire from office at least once in every three years.

There is no new Director appointed during FY2026. The Board remains committed to maintaining a strong corporate governance framework and achieving its Board diversity objectives and will continue to review its Board composition and succession plans on an ongoing basis. Factors set out above as well as the test on independence were also considered in the nomination and selection process in connection with their appointments, details of which are set out in the paragraph titled 'Criteria and Process for Appointment of New Directors (Provision 4.3)' below.

Please refer to the discussions under section headed "Directors' Independence and Level of Independence of the Board (Provisions 2.1, 2.2 and 2.3)" on page 48 of this CG Report for further details of the results of the annual review of independence of the IDs.

Retirements and Re-nominations at 2026 AGM

Pursuant to Article 101 of the Company's Constitution, Mr Victor Lo, Mr Waltery Law Wang Chak and Prof Eric Yim Chi Ming will be retiring by rotation at the forthcoming AGM in year ending 31 March 2027 ("**2026 AGM**"), and being eligible, have offered themselves for re-elections at the 2026 AGM. The NC has reviewed their contribution and performance, and the Board, at the recommended of the NC, is satisfied and approved the nomination of their re-election at the 2026 AGM. The relevant Directors who are seeking re-election would abstain from the deliberation concerning their own re-election. Detailed information on these Directors can be found under the sections on 'Board of Directors' and 'Additional Information on Directors Seeking Re-election' in this AR2026.

The Company has not appointed any alternate Director.

Selection, Appointment and Re-appointment of Directors (Provision 4.3)

The NC is responsible for making recommendations to the Board on Board appointments, overseeing the Board and Senior Management's succession and leadership development plans and conducting annual review of Board diversity, Board size, Board independence, and Directors' commitments.

Criteria and Process for Appointment of New Directors

NC reviews annually the balance and mix of skills, knowledge, experience, diversity of profiles (including gender and age) and Board size which would facilitate decision-making with reference to the BDP. In this review, the NC would also take into account the needs of GP Industries, the competencies of the Board and service tenure spread of the Directors.

In light of such review and in consultation with Management, the NC assesses if there is any inadequate representation in respect of any of those attributes and if so, determines the role and the desirable competencies for a particular appointment.

The NC will in all cases take into consideration the following objective criteria identified as necessary for the Board and Board Committees to be effective:

a. Integrity;
b. Independent mindedness;
c. Able to commit time and effort to carry out duties and responsibilities effectively;
d. Track record of making good decisions;
e. Experience in high-performing companies; and
f. Financial literacy.

The NC interviews shortlisted candidates before formally considering and recommending them for appointment to the Board and where applicable, to the Board Committees.

Searches for potential candidates and selection of candidates to be considered for appointment as Directors are generally facilitated through recommendations from the Directors, Management or external parties including the Company's contacts in the related industries, finance, legal and accounting professions. Where necessary, assistance may also be obtained from Singapore Institute of Directors and professional executive search firms engaged to source for suitable candidates for the NC's consideration.

Shortlisted candidates would be required to furnish their curriculum vitae containing information on their academic/professional qualification, work experience, employment history and experience (if any) as directors of listed companies.

The NC would review all nominations and interview with the short-listed candidate(s) to assess suitability and to ensure that the candidate(s) is/are aware of the expectations and the level of commitment required before formally considering and recommending them to the Board for appointment to the Board and where applicable, to the Board Committees.

In reviewing and recommending to the Board any new Director appointments, including appointments to the appropriate Board Committees, the NC would consider the following as well as factors prescribed under the Company's BDP, details of which as set out under the sub-header "Board Composition and Size and Diversity (Provision 2.4)" on page 49 of this CG Report:

(i) the candidate's track record, experience and capabilities or such other factors including age and gender, as may be determined by the NC to be relevant and which would contribute to the Board's collective skill set and diversity;
(ii) the composition requirements for the Board and Board Committees after matching the candidate's skill set to the requirement of the relevant Board Committees (if the candidate is proposed to be appointed to any of the Board Committees);
(iii) any competing time commitments if the candidate has multiple listed company board representations and/or other principal commitments; and
(iv) the candidate's independence, in the case of the appointment of an ID.

No new appointments were made in FY2026. The Board continues to assess potential candidates for directorship as part of its ongoing board renewal and succession planning process, in line with the criteria and procedures set out by the Nominating Committee.

Process for re-nomination of retiring Directors

(i) Pursuant to the Constitution of the Company, not less than one-third of the Directors for the time being shall retire from office at the Company's AGM every year, and a Director appointed by the Board after the last AGM shall only hold office until the next AGM. If eligible, these Directors may submit themselves for re-election.
(ii) NC reviews each Director's eligibility, independence, contribution and performance (such as attendance, preparedness, participation and candour), with reference to the results of the assessment of the performance of the individual Director by his/her peers and his/her tenure.
(iii) NC also reviews the latest amendments to the CG Code and rules of the Listing Manual on the board independence (e.g. Long Serving IDs), board effectiveness (e.g. overboarding IDs and minimum CPD training hours), diversity and the effect on the members of the Board.
(iv) NC makes recommendations to the Board for approval.

Key Information on Directors
(Provision 4.5)

Please refer to the section headed "Board of Directors and Senior Management" on pages 26 to 30 of the AR2026 for key information on the Directors, which includes the dates of their first appointments and last re-election to the Board (if applicable), their academic/professional qualifications, directorships held in listed companies and principal commitments for both the current and the preceding five years, and other relevant information; sections in this AR on 'Additional Information on Directors seeking re-election'; and 'Notice of AGM' for information on Directors proposed for re-election at the 2026 AGM.

Detailed information relating to Directors who are proposed to be appointed for the first time or re-elected at upcoming AGM as set out in Appendix 7.4.1 to the Listing Rule and required pursuant to Rule 720(6) of the Listing Manual are disclosed in the notice of AGM and on pages 161 to 164 of the AR2026.

The details of the shareholdings of the Directors as at 31 March 2026 are disclosed on page 77 of the AR2026 under section headed "Directors' interest in shares and debentures" of the Directors' Statement.

Board Development
(Provision 4.5)

The NC reviews the training and development of the Directors to ensure that Directors receive appropriate development on a continuing basis, to perform their roles on the Board and where applicable, the Board Committees. The Directors are provided with updates and/or briefings to assist them to properly discharge their duties. The briefings are conducted either internally with invited speakers, or externally, at the Company's expense. Further training for the Directors in specific areas are also being recommended by the NC, where required, based on the NC's review of the annual evaluation checklists from the Board and the Board Committees. A separate programme is established for new Directors, details of which are set out in the relevant paragraph under the section headed "Directors' Competencies, Board Orientation, Training and Development (Provision 1.2)" on page 42 of this CG Report. The Board is kept apprised twice yearly on the list of development/training programmes, courses and seminars attended by the Directors during FY2026.

Directors' Time Commitments
(Provision 4.5)
The NC has determined that the Directors have been adequately discharging their duties as Directors notwithstanding some of the Directors have multiple listed company board representations. Please refer to the discussions under section headed "Directors' Multiple Board Representations and Time Commitments (Provision 1.5)" on page 47 of this CG Report for further details.

PRINCIPLE 5: BOARD PERFORMANCE

The Board undertakes a formal annual assessment of its effectiveness as a whole, and that of each of its Board Committees and individual Directors.

Assessment and Evaluation Process
(Provision 5.1)
The NC has been tasked to assist the Board to develop a performance evaluation framework for the Board, Board Committees and individual Directors, proposed performance criteria and assist in the conduct of the evaluation, analyses the findings and reports the results to the Board.

The NC together with the Board, has established the assessment process of the effectiveness of the Board and each Board Committees, and the contribution from each individual Director and will conduct the assessment of the performance of the Board, each Board Committee and the contributions from each individual Director, on an annual basis.

The Board has not engaged any external facilitator to conduct the performance evaluation of the Board, the Board Committees and the Directors.

The evaluation of the effectiveness of the Board as a whole and the respective Board Committees had been conducted by means of annual self-assessment questionnaires to be completed by all Directors and members of each of the Board Committee, using objective and appropriate criteria which are recommended by the NC and approved by the Board. The evaluation of individual Director was performed by means of a self-assessment questionnaire to be completed by each Director. The responses to these self-assessment questionnaires are compiled by the Company Secretaries and thereafter presented to the NC Chairman or the Board Chairman, as the case may be.

Board Evaluation Process
(Provision 5.1)
The Company has in place a formal process for assessment of the effectiveness of the Board as a whole, the various Board Committees and the contribution by each Director to the effectiveness of the Board and the Board Committees, where applicable.

No external facilitator has been used. The NC assesses the Board's performance as a whole annually using objective and appropriate criteria which were recommended by the NC and approved by the Board.

When assessing the overall Board performance, the NC takes into consideration the Board composition, the Directors' independence, the feedback from individual Directors on areas relating to the Board's role on strategy and performance, the Board's process and governance (including oversight on risk management and internal controls) and the effectiveness of the Executive Chairman. The results of the overall evaluation of the Board by the NC including its recommendations for improvements, if any, are presented to the Board.

The NC also undertakes an evaluation of the performance of the Board Committees for FY2026 with the assistance of self-assessment checklists completed by these Board Committees.

Board and Board Committees Evaluation Criteria
(Provision 5.2)
The self-assessment questionnaires evaluation criteria of the Board and Board Committees (except for SSC) used by NC for performance evaluation include:

Self-assessment questionnaires	Board	Board Committees
Evaluation criteria	(i) composition of the Board; (ii) information provided to the Board; (iii) conduct of Board meetings; (iv) accountability of the Board, including whether the various Board Committees are functioning properly; and (v) the Board's standards of conduct.	(i) frequency and duration of the Board Committee meetings; (ii) authority to investigate matters within its respective TOR; (iii) resources available to and access to management in discharging the duties and responsibilities of a Board Committee; (iv) availability of financial resources and authority to engage external professional advice if necessary; and (v) training resources available to the members of the respective Board Committees.

The qualitative criteria and quantitative criteria used by the NC to evaluate the Board covers:

Nature of Criteria	Details
Qualitative criteria	(i) Board structure; (ii) Board's review of the Company's strategy and performance; (iii) Board's oversight on the Company's governance, including RMICs; and (iv) the effectiveness of the Board Chairman and Board processes.
Quantitative criteria	(i) periodic performance indicators which include a comparison of the Group's performance (including segmental performance) for the financial period under review against the Group's performance for the corresponding period in previous years and the budget; and (ii) other indicators such as the Company's share price performance over a historical period.

Individual Director Evaluation Criteria (Provision 5.2)
The annual evaluation process for the Executive Chairman's and the individual Director's performance comprises two parts:
(a) review of background information concerning the Director including his/her attendance records at Board, Board Committees and IDs' (where applicable) meetings; and
(b) NC's evaluation based on certain assessment parameters, which were recommended by the NC and approved by the Board.

Factors taken into account in the assessment of a Director's performance include his/her abilities and competencies, his/her objectivity and the level of participation and interaction with fellow Directors, KMPs, Internal Auditors and External Auditors at the Board and, where applicable, Board Committees' meetings including his/her contributions to Board processes and the business strategies and performance of the Group. The performance evaluation of each Director is taken into account in the NC's consideration with regard to his/her re-election as a Director.

When deliberating on the performance of a particular Director who is also a member of the NC, that member abstains from the discussions in order to avoid any conflict of interest.

The self-assessment questionnaires focused on the following key attributes of a Director:
(i) availability including attendance at meetings; and
(ii) performance of Director's duties, including contribution to the development and of the Group's strategy and risk management, and resoluteness in maintaining own views and resisting peer pressures; knowledge including business, financial, industry as well as about the Group's business; and inter-active skills in working with fellow Directors, Management and external professional service providers.

The results of the individual evaluation of the Directors are also used by the NC, in its consultation with the Executive Chairman (who is also a member of the NC), to review, where appropriate, the composition of the Board and Board Committees, and to support its proposals, if any, for appointment of new members and its recommendations for the re-election of retiring Directors.

The Executive Chairman, as a member of the NC, is fully apprised of the results of the performance evaluation for the individual Directors and would take into consideration such evaluation and act as appropriate on the recommendations of the NC. Comments from the Directors, if any, concerning the Board as a whole and the general performance of the Directors, are also presented to the Board.

Effectiveness of the Board and Board Committees (Provision 5.2)
Based on the summary of findings of the evaluation for FY2026 together with the feedback and recommendations from each Director, the NC and the Board concluded that the overall performance of the Board and the Board Committees were consistently good in all aspect and met their performance objective for FY2026 and no major issues or findings in relation to the ARC, NC, RC and SSC that required the attention of the Board have been identified.

Effectiveness of Individual Director (Provision 5.2)
After considering the results of the self-assessment questionnaires and the contributions from the Directors during the Board and Board Committees meetings, including charting the Group's strategy, advising Management on risk management, sharing of their industry experiences and opinions on matters tabled at the meetings, the NC and the Board were collectively satisfied that the competency of each of the Board members had met the intended objectives to balance an appropriate mix of professional experience, environmental or contextual knowledge and personal attributes and skills in facilitating effective decision making of the Board in FY2026.

B. REMUNERATION MATTERS

PRINCIPLE 6: PROCEDURES FOR DEVELOPING REMUNERATION POLICIES

The Board has a formal and transparent procedure for developing policies on director and executive remuneration, and for fixing the remuneration packages of individual Directors and KMPs. No Director is involved in deciding his or her own remuneration.

RC Composition and Terms of Reference (Provisions 6.1 and 6.2)
All five members of the RC, including the RC chairman, are IDs. All members of RC are knowledgeable with executive compensation.

The key responsibilities of the RC as set out in its written TOR approved by the Board, are to review and recommend, for the endorsement of the Board, a framework of remuneration for the Board and the KMP as well as the specific remuneration packages for each Director and KMP.

The Company has in place a remuneration framework (which covers all aspects of remuneration) for the Directors and the KMP. On an annual basis, the RC reviews and recommends fees payable to the Directors for the Board's consideration before approval is sought from the shareholders at the AGM. The RC also reviews and recommends annually the specific remuneration packages for the Directors and the KMP including the annual increments, mid-year and year-end variable bonuses, special bonus, if any, and share options for the KMP for the Board's approval. The RC also considers the KMP's contracts of service to ensure that they do not contain any unfair or unreasonable termination clauses.

The RC has access to appropriate advice from the Group Head of Human Resources, who attends all RC meetings. There being no specific necessity, the RC did not seek expert advice from external remuneration consultants in FY2026. The Company Secretaries maintain records of all RC meetings including records of key deliberations and decisions taken.

One RC meeting was held in FY2026. The Company Secretaries maintained records of all RC meetings including records of discussions on key deliberations and decisions taken.

In carrying out its duties, the RC shall, *inter alia*:

(i) to consider all aspect of remuneration (including Director's fees, salaries, allowances, bonuses, options, share-based incentives and awards, benefits in kind and termination payments) and should aim to be fair and avoid rewarding poor performances;

(ii) to determine if the level and structure of remuneration of the Board and KMPs are appropriate to the specific role and circumstances of each Director and KMPs, and recognises their performance, potential and responsibilities, and are proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company;

(iii) to measure performance of Directors and KMPs who are in control function principally based on the achievement of the objectives of their functions;

(iv) to consider reliable, up-to-date information on the remuneration practices of other companies and the relevant market benchmarks. Such information can be obtained by commissioning or purchasing any appropriate reports, surveys or information or through the appointment of external consultants. These will be at the expense of the Company, subject to the budgetary constraints imposed by the Board;

(v) to ensure that a significant and appropriate proportion of EDs' and KMPs' remuneration is structured so as to link rewards to corporate and individual performance. Performance-related remuneration is aligned with the interests of Shareholders and other stakeholders and promotes the long-term success of the Company;

(vi) to ensure remuneration of the IDs is appropriate to the level of contribution, taking into consideration factors such as efforts, time spent and responsibilities, and that IDs are not over-compensated to the extent that the independence of the IDs may be compromised; and

(vii) to evaluate if remuneration is appropriate to attract, retain and motivate Directors to provide good stewardship of the Company and KMPs to successfully manage the Company for the long term.

The key objectives and duties of RC and the summary of RC's workdone in FY2026 are set out in the sections headed "Board Committees" (page 36) and "Summary of Workdone of Board Committee in FY2026" (page 46), respectively in this CG Report. The detailed TOR of the RC are posted on the Company's website.

For the financial year under review, the RC conducted a self-assessment of its own effectiveness in the discharge of its roles and responsibilities, which was facilitated through the use of a self-assessment checklist ("**RC Self-Assessment Checklist**"). The RC Self-Assessment Checklist covered, *inter alia*, the responsibilities of the RC under its TOR, and considered also the contribution of RC chairman and members to the deliberation and decision-making process at RC meetings.

Based on the self-assessment, the RC believes that it has fulfilled its responsibilities and discharged its duties as set out in its terms of reference.

Remuneration Packages and Framework (Provision 6.3)
The RC reviews and recommends to the Board the remuneration packages or policies for the EDs, CEO and the KMPs after considering, among other things, the performance of the Group, the individual Director/KMPs. No Director individually decides or is involved in the determination of his/her own remuneration. The RC's recommendations are submitted for endorsement by the Board.

The RC will also review the Company's obligations under the service agreements entered into with the EDs and KMPs that would arise in the event of termination of these service agreements. This is to ensure that such service agreements contain fair and reasonable termination clauses which are not overly generous. The RC aims to be fair and avoid rewarding poor performance.

Engagement of Remuneration Consultants (Provision 6.4)
The RC has access to advice from the internal human resource department and, if necessary, the RC may seek advice from external professionals in the field of executive compensation and related matters of which the expenses will be borne by the Company. No external consultant was engaged by the Company in FY2026.

PRINCIPLE 7: LEVEL AND MIX OF REMUNERATION

The level and structure of remuneration of the Board and KMPs are appropriate and proportionate to the sustained performance and value creation of the Company, taking into account the strategic objectives of the Company.

Remuneration Level and Mix of Directors and KMPs (Provisions 7.1, 7.2 and 7.3)
The remuneration structure and annual remuneration packages of Directors and KMPs is reviewed annually by RC.

The Company's remuneration policy for Directors comprises the following distinct objectives:
- to ensure that the procedure for determining remuneration for Directors is formal and transparent;
- to ensure that the level of remuneration is sufficient (without being excessive) to attract and retain Directors to exercise oversight responsibility over the Company; and
- to ensure that no Director is involved in deciding on his/her own remuneration.

In reviewing the annual remuneration packages of the KMPs and the other ExeCo members for FY2026, the RC considered the level of remuneration based on the Company's remuneration policy which comprises the following distinct objectives:
- to ensure that the remuneration packages are competitive in attracting and retaining employees capable of meeting the Company's needs;
- to reward employees for achieving corporate and individual performance targets in a fair and equitable way; and
- to ensure that the remuneration reflects employees' duties and responsibilities.

The Company advocates a performance-based remuneration system that is flexible and responsive to the market, and the performance of the Group's business units and individual employees. In designing the compensation structure, the Company seeks to ensure that the level and mix of remuneration are competitive, relevant, and appropriate in finding a balance between the current and longer-term interest and risk policies of the Company.

Remuneration of EDs and KMPs
The EDs are not paid Directors' fees.

Based on the remuneration framework, the remuneration packages for the EDs and KMPs comprise a fixed component (in the form of a base salary, and, where applicable, fixed allowances determined by the Company's human resource policies), a variable component (comprising short-term incentives in the form of year-end variable bonuses, special bonus and long-term incentives in the form of the grant of share options subject to a vesting schedule) and benefits-in-kind, where applicable is calculated based on a performance-based remuneration system which is flexible and responsive to the market and industry practices, and the performance of the Group's business units and individual employees.

The Company exercises broad discretion and independent judgement in ensuring that the amount and mix of compensation are aligned with the interests of shareholders and promote the long-term success of the Company.

The mix of fixed and variable reward is considered appropriate for the Group and for each individual role. The overall level of remuneration is not considered to be at a level which is likely to promote behaviour contrary to the Group's risk profile. The compensation structure is directly linked to corporate and individual performance, both in terms of financial, non-financial performance and the creation of Shareholder wealth so as to promote the long-term sustainability of the Group.

The remuneration packages for the EDs and KMPs and the other ExeCo members comprise the following components:
(a) Fixed Compensation:
    (i) Base salary - this is benchmarked to market to ensure that the remuneration commensurate with the position and responsibilities of the KMPs and the ExeCo members.
    (ii) Fixed allowances and benefits-in-kind - this is aligned with market practices and legislative requirements, and not linked directly to performance. Fixed allowances and benefits-in-kind are also linked to the position and responsibilities of the KMPs and ExeCo members.

(b) Variable Compensation: Variable compensation is linked to performance. In determining the variable compensation, the NC considers the achievement of the Group, business units and individual performance based on key performance indicators (involving financial and non-financial indicators) which are determined annually.

The total remuneration is benchmarked to the market annually, to ensure that it is commensurate with the position and responsibilities of KMPs and the ExeCo members. The RC also reviewed and approved the Company's performance targets to be achieved by the Company based on its short and long-term objectives, and includes non-financial measures such as risk management and environment, social and governance issues which are similarly cascaded down to the employees of various business units.

The overall level of remuneration of the KMPs and the other ExeCo members is not considered to be at a level which is likely to promote behaviour contrary to the Group's risk profile. The RC and the Board believe that the executive compensation framework is aligned with the short-term and long-term interests of the Shareholders and other stakeholders, and that it promotes the long-term success of the Company.

The Company does not use contractual provisions to allow the Group to reclaim incentive components of remuneration from the EDs and KMPs in exceptional circumstances of misstatement of financial results, or of misconduct resulting in financial loss to the Company. The Company should be able to avail itself of remedies against these personnel in the event of such breach of fiduciary duties.

Remuneration of IDs

When reviewing the structure and level of IDs' fees, which comprise the base director fee and additional fees for services rendered under the various Board Committees and fee for the Lead ID, the RC takes into consideration the Directors' respective roles and responsibilities in the Board and Board Committees and the changes in the business, corporate governance practices and regulatory rules.

The RC also compared the Company's fee structure against industry practices. Other factors taken into consideration in the fee review include the frequency of Board and Board Committee meetings, corporate performance for the financial year under review as well as the corporate and economic outlook in the new financial year, and the interval since the last fee review and changes. The RC is mindful that the remuneration for IDs should not be excessive so as to compromise or reasonably be perceived to compromise their independence. No Director is involved in deciding his/her own remuneration.

Each of the IDs receives a basic fee. The Lead ID also receives an additional fee to reflect his expanded responsibility. IDs who serve on the various Board Committees (other than SSC) also receive additional fees in respect of each Board Committee that they serve on, with the chairmen of the Board Committees receiving a higher fee in respect of their service as chairmen of the respective Board Committees. Attendance fee is payable for attendance in person or via teleconference or video conference at each meeting of the Board or Board Committee in consultation with the RC and the respective Board Committee chairman.

The structure of fees payable to IDs for FY2026 is set out as follows:

ID's appointment as/attending:	Fees per annum (S$)
Board of Directors	66,000 (Basic fee)
Lead ID	5,000
Attendance fee for additional Board meeting	2,000 per meeting

ID's additional fee for appointment to Board Committee:	Fees per annum (S$)	
	Chairman	Member
ARC	20,000	2,000
NC	5,000	2,000
RC	5,000	2,000

For FY2026, there was no change in the fee structure for IDs.

At the 2025 AGM, shareholders had approved the payment of S$513,000 as Directors' fees and meeting attendance fees for FY2025. Approval of the Shareholders will be sought at the 2026 AGM for an aggregate amount of S$431,000 as proposed Directors' fees and meeting attendance fees for FY2026.

The Company currently does not discourage Directors from holding shares in the Company but notes that there is no requirement under the Company's Constitution for Directors to hold shares in order to be qualified to act as a Director.

PRINCIPLE 8: DISCLOSURE ON REMUNERATION

The Company is transparent on its remuneration policies, level and mix of remuneration, the procedure for setting remuneration, and the relationships between remuneration, performance and value creation.

Disclosure on Remuneration of Directors and KMPs (Provision 8.1)

The Company's remuneration policies, level and mix of remuneration, as well as the link between the remuneration paid to Directors and the KMP, and performance are as set out under Principle 7 above.

During FY2026, there were no termination, retirement or post-employment benefits (other than CPF contributions) granted to any Director or any KMPs. Details on the remuneration to Directors and the KMPs for FY2026 are reported below.

The remuneration of each Director for FY2026 including a breakdown of basic salary, variable bonuses/allowances, fees and other benefits for FY2026 is disclosed as follows:

Names of Directors	Fees[1]	Salary[2]	Variable bonus	Other benefits	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
Executive Director					
Victor Lo	-	1,093	794	71	1,958
Brian Li	-	847	241	70	1,158
Lam Hin Lap	-	760	42	67	869
Waltery Law Wang Chak	-	851	79	3	933
Non-executive Independent Director					
Seah Han Leong	92	-	-	-	92
Timothy Tong Wai Cheung	79	-	-	-	79
Eric Yim Chi Ming	79	-	-	-	79
Hung Cheung Fuk	76	-	-	-	76
Charlene-Jayne Chang Wei-Ying	74	-	-	-	74
Goh Boon Seong[3]	31	-	-	-	31

Notes:

[1] These fees comprise Board and Board Committee fees as well as meeting attendance fees for FY2026, which are subject to approval by Shareholders as a lump sum at the 2026 AGM.

[2] Salary includes contributions to post-retirement benefits.

[3] Mr Goh Boon Seong retired as an ID, Chairman of the ARC and a member of each of the NC and RC at the conclusion of the AGM held on 29 July 2025.

The aggregate remuneration paid to the top five management personnel including the KMPs (who are not EDs) for FY2026 was S$3,711,000. The level and mix of remuneration of each of such key management personnel (who are not EDs), are set out as follows:

Remuneration Band and Names of KMPs	Salary[1]	Variable bonus	Other benefits	Total
	%	%	%	%
S$900,001 to S$1,150,000				
Zhu Xiang Kui Vincent	16	84	-	100
S$500,001 to S$750,000				
Kwong Yiu Cheung Charlton	92	5	3	100
Lam Wai Man Edward	95	5	-	100
Law Yeong Sheng Arthur	83	8	9	100
Lo Kit Yee Grace	95	5	-	100

Note:

[1] Salary includes contributions to post-retirement benefits

Remuneration of Immediate Family Member of a Director or a Substantial Shareholder
(Provision 8.2)
During FY2026, Mr Alan Lo Yeung Kit, son of Mr Victor Lo, the Executive Chairman, is an employee of the Company whose remuneration was more than S$400,000 but less than S$500,000. Ms Grace Lo Kit Yee, daughter of Mr Victor Lo, received a remuneration for FY2026 which was more than S$700,000 but less than S$800,000. Except as disclosed herein, during FY2026, there were no other employees of the Group who are immediate family member of a Director, the CEO or a substantial Shareholder of the Company whose remuneration exceeded S$100,000.

Details of Employee Share Scheme
(Provision 8.3)
During FY2026, no remuneration or compensation was paid or is to be paid in the form of share options as the Company does not have any share option or share incentive plans. The Company may implement such share option or share incentive plans in the future to further promote alignment towards long-term objectives.

C. ACCOUNTABILITY AND AUDIT

PRINCIPLE 9: RISK MANAGEMENT AND INTERNAL CONTROLS

The Board is responsible for the governance of risk and ensures that Management maintains a sound system of risk management and internal controls, to safeguard the interests of the Company and its Shareholders.

Risk Management Framework
(Provision 9.1)
The Board has established the necessary risk governance structure to ensure the effective execution of its risk management framework, policies and processes.

The Group's approach to risk management is to proactively identify, evaluate and manage significant risks inherent in the business to facilitate a balanced, responsible and informed risk taking. Risk management activities are aligned to the Group's strategic objectives and priorities while protecting the interests of the Board and shareholders. A sound system of RMICs is embedded in the operations of the Group and form part of its culture. This system is capable of responding quickly to evolving risks to the business arising from factors within the Group and changes in the business environment. It includes procedures for reporting immediately to appropriate levels of management any significant risk management and control failings or weaknesses that are identified together with details of corrective action being taken.

The Board has overall responsibility for the governance of risk, including determining the risk strategy, risk appetite and risk limits, as well as the risk policies. All matters pertaining to the management of strategic, external and preventable risks are the responsibility of the ARC. Further information on the ARC, including its composition, are discussed under the section headed "Composition and Terms of Reference of ARC (Provisions 10.1, 10.2 and 10.3)" on page 65 of this CG Report.

The Group has established TOR within the ARC to oversee enterprise risk. The ARC is responsible for defining the level of risk which the business can take in pursuit of its strategic objectives. The ARC also has direct oversight for the proper setting up and maintenance of an enterprise risk management ("**ERM**") programme which is managed by the Company's Chief Risk Officer ("**CRO**").

The Company maintains an adequate and effective system of internal controls (including financial, operational, compliance and IT controls) and risk management systems to safeguard stakeholders' interests and the Group's assets. This contains an IC Manual and an ERM Programme, which provides the appropriate level of risk consideration and mitigation. These documents also take into consideration the leading elements for proper internal control established by the Committee of Sponsoring Organisation for the Treadway Commission ("**COSO**") as well as the work performed across the financial period by the Internal Audit Department ("**IA Dept**") and other assurance providers. These documents are reviewed by the ARC and the Board annually and any decision making which entails going beyond the risk boundaries established under the defined risk governance of the Group is to obtain explicit Board approval.

The Board establishes the level of risk appetite and risk tolerance which is to be conformed within the pursuit of the business objectives. The Group has risk policies which define how ERM is operationalised within the Group and cover responsibilities for ERM, reporting requirements and the risk assessment process.

The ARC with their direct oversight for ERM across the Group, ensures that Management devises, implements and maintains adequate and effective internal control systems, including financial, operational, compliance and information technology controls, which are relevant to the various businesses within the Group and address the risk exposures accordingly. The Group takes a stance to mitigate and reduce the level of risk exposure for preventable risks. This is done by providing direct accountability to the risk owners and the CRO to track and manage the residual risk to acceptable levels. The ERM programme caters for this and ensures that regular monitoring of risk management activities are in place.

The CRO is responsible for ensuring that the Group risk profile is up-to-date and reflects the potential and relevant risk exposures to the business. Strategic risks are considered during the risk governance exercise and the Board takes an active role in determining how to manage, avoid or build contingencies for such external and strategic matters. All other risks are considered during periodic risk assessment exercises. In such exercises, prevailing and potential risks are reviewed and the risk profile is adjusted based on a collective assessment of the impact and likelihood of these risks (conducted in accordance with the Group's risk management programme for the financial year), as well as the effectiveness of controls in place to address them.

The ARC is periodically apprised of the changes to risk profile and any major risk exposures that are insufficiently covered by existing business practices or future strategic initiatives. CRO prepares quarterly reports to ARC on major risk areas of the Group.

Roles of ARC relating to RMICs (Provision 9.1)

The ARC assists the Board in carrying out the Board's responsibility of overseeing the Group's ERM framework and policies for the Group and ensuring that Management maintains a sound RMIC system. The overall objective of the ARC relating to RMICs is to provide oversight that (i) Management has created and maintained an effective RMIC environment in the Company; and (ii) Management demonstrates the necessary aspect of the internal control structure among all parties.

The ARC is governed by its TOR and its responsibilities relating to RMICs cover:

(i) to review with the External Auditors, *inter alia*, their evaluation of the internal accounting controls systems;
(ii) to review at least once annually with the Management and CRO the adequacy and the effectiveness of the Company's RMICs, including the overall risk assessment process to ensure a robust risk management system is maintained and report to the Board;
(iii) to review the assurance provided by the Chairman and CEO and CFO, as well as the assurance provided by the Head of IA regarding, *inter alia*, the effectiveness of the Company's RMIC systems;
(iv) to ensure the Head of IA and CRO has direct and unrestricted access to the Board Chairman and ARC; and
(v) to recommend to the Board the statement to be included in the Company's annual report relating to the adequacy and effectiveness of the Company's RMIC systems.

The Internal and External Auditors, pursuant to their respective TOR and appointment, report to the ARC any audit findings relating to internal controls, and the ARC reviews the adequacy of the actions taken by Management to address the recommendations of the Internal and External Auditors.

The ARC also receives regular reports, briefings and updates from the CRO, the Internal and External Auditors and the Management during its meetings to help the ARC review the adequacy and effectiveness of the Group's material internal controls that address the Group's financial, operational, compliance and IT controls.

Roles of CRO on RMICs (Provision 9.1)

The role of the CRO is:

(i) to lead, facilitate, integrate and coordinate risk management;
(ii) to create a culture of risk awareness and Management's risk responsibilities;
(iii) to develop a centre of excellence for managing risk;
(iv) to bring formal consideration of risk into strategic decision making and set financial targets; and
(v) to assist the Board and ARC to communicate to all stakeholders, internal and external, about risk.

The responsibilities of the CRO include:

(i) to advise and report to the ARC and Board on major risk areas on quarterly basis;
(ii) to review and advise the ARC in formulating its risk policies, including the parameters for risk assessments and methodology to be adopted;
(iii) to oversee Management in the design, development, implementation and monitoring of the RMIC systems;
(iv) to advise the ARC on the Company's level of risk tolerance;
(v) to develop and guide the ARC and Board in establishing a process of effectively identifying and managing the implications of risks tolerance in internal controls and strategic transactions to be undertaken by the Company;
(vi) to oversee and advise the Board on the current risk exposures, overall risk tolerance, and overall risk strategy of the Company;
(vii) to review the Company's risk profile/risk dashboard on a regular basis to understand the financial and operational impact of the significant risks on the Group and the mitigating measures;
(viii) to review and report to the ARC the results thereof, at least annually, the adequacy and effectiveness of the Company's RMIC systems, including the overall risk processes to ensure that a robust risk management system is maintained;
(ix) to review periodically the risk limits established by the Group and where applicable, reporting any material breach of such limits and the adequacy of proposed actions to be taken, and if necessary, make recommendations;
(x) to report to the ARC and assist in the preparation of the ARC reporting regarding adequacy and effectiveness of RMIC systems to the Board (as part of the requirements of Rule 1207(10) of the Listing Manual and Principle 9 of the CG Code); and
(xi) to ensure the independence of the risk management function throughout the Group.

Risk Management and Internal Control Systems (Provision 9.1)

The Board has, with the assistance of the ARC, evaluated the adequacy and effectiveness of the Group's RMIC systems. There is already an established process in place for the Board to drive the Group's propensity for taking risk and the minimum risk management activities that are expected to be conducted. There is also a formal ERM programme which allows Management to communicate the key changes to business risk to the ARC and thereon the Board. This enables the prioritisation of resources and efforts to address the more pertinent and critical risks to the business.

Aside to this, the Board works with the ARC and Management to set up organisational objectives, defining strategies to achieve them and establishing the necessary governance risk management and control frameworks to manage the risks to their achievement.

The Three Lines Model
Management's responsibility to achieve organisational objectives comprises both first and second line roles. The first line roles are primarily responsible for managing organisational risks through designing and implementing appropriate mitigating controls, rests with operational management who own and manage risks. First line roles most directly aligned with the delivery of products and/or services to clients of the organisation, and include the roles of support functions.

The second line comprises risk management and compliance functions, which is being headed by the CRO, to help build and/or monitor the first line. Second line roles provide assistance with managing risk, facilitates monitoring and early detection of plausible risks. These are brought to the attention of the ARC where needed, to assign and re-deploy resources to counter the risk exposure.

Risk management functions are designed to facilitate and monitor the implementation of effective risk management practices by Management throughout the organisation, assisting risk owners in defining target risk exposure and providing adequate risk reporting. The principal purpose of compliance functions is to monitor compliance with applicable laws and regulations. It is common for multiple compliance teams to operate within an organisation, with responsibility in areas such as health & safety, human resources, legal, supply chain, environmental or quality.

As a final line, the Group also maintains an in-house IA. The principal function of the third line is to provide risk assurance. IA provides assurance on the effectiveness of governance, RMICs, including first and second line controls. IA is independent of Management with a direct reporting line to the ARC.

External Auditors can also play an important role through their considerations of the governance and control structure where this is relevant to financial reporting.

The Internal and External Auditors, pursuant to their respective TOR and appointment, report to the ARC any audit findings relating to internal controls, and the ARC reviews the adequacy of the actions taken by Management to address the recommendations of the Internal and External Auditors.

The ARC seeks assurance from all the above-mentioned parties and holistically assesses if there are any material gaps or concerns and highlights which would impact the ability of the Board to opine on the state of internal control. Such an exercise is conducted annually.

The process of reviewing and strengthening the Group's control environment is an evolving process. When controls should be enhanced, the Board and Management take actions to rectify and strengthen the internal controls and risk management systems. The Board and Management will continue to devote resources and expertise towards improving the internal policies and procedures to maintain a high level of governance and internal controls.

The internal controls structure of the Group has been designed and put in place by management of the Group's business units to provide reasonable assurance against material financial misstatements or loss, for the safeguarding of assets, for the maintenance of proper accounting records, for the provision of financial and other information with integrity, reliability and relevance, and in compliance with applicable laws and regulations. However, no system of internal controls and risk management can provide absolute assurance against frauds and other irregularities in view of inherent limitations of any internal controls system against the occurrence of human and system errors, poor judgement in decision-making, losses, fraud, or other irregularities.

Assurances from the CEO, CFO and KMPs (Provision 9.2)
In relation to Provision 9.2 of the CG Code and Listing Rule 1207(10), the ARC and the Board received:
(i) written assurance from the CEO and CFO that as at 31 March 2026, the Group's financial records have been properly maintained and the financial statements for FY2026 give a true and fair view of the Group's operations and finances; and
(ii) written assurance from the Executive Chairman, CEO, CFO and other KMPs that the Group's RMICs systems in place were adequate and effective to address in all material respects the risks (including financial, operational, compliance and information technology risks) within the current scope of the Group's business operations for FY2026.

The above written assurances on the Group's internal controls and risk management systems are provided half-yearly and are supported by similar assurances provided by the HODs and heads of business units. The Board in turn provided a negative assurance confirmation in respect of the unaudited financial statements for the first half year in accordance with the regulatory requirements.

The KMPs are involved in the assurance activities described above. Specifically, they are engaged in the development of the Group's IC Manual, the profiling of the enterprise risks, as well as the first and second line roles. Their active involvement in charting out Management's responses as well as their interaction with the ARC and Board, provide further grounds for their assurance over operational (including technology), financial and compliance risk matters.

The Board's annual evaluation of the adequacy and effectiveness of the RMIC systems considered both the key risk profile of the Company, the ability to discharge proper risk governance responsibilities and the existence and effectiveness of the principles within the Company to meet the requirements of an effective internal control system as stipulated by COSO.

The Board's annual assessment of RMIC was based on the IC Manual and the evaluation against a COSO Internal Control Checklist which considered:
(i) the changes to the business strategy and accompanying changes to the risk profile, risk appetite and tolerance limits;

(ii) the changes to the Board authority and authorisation responsibilities delegated to Management in respect of the changes to the key business strategies;
(iii) the policies and authorisation responsibilities of the Company;
(iv) the adequacy and effectiveness of risk management activities to address the pertinent risks;
(v) the controls and activities in place to uphold and enforce the principles of effective internal control by COSO covering the control environment, risk assessment, control activities, information and communication and monitoring activities; and
(vi) the occurrence of significant internal control weaknesses during the financial period and whether these issues were adequately and properly addressed.

The Board reviewed the above in order to understand the profile of risks relevant to the Company and the appropriateness of counter-measures to manage them.

The ARC reviewed the adequacy and effectiveness of the Group's key internal controls, including the Group's financial, operational, compliance and IT controls, and risk management systems, with the assistance of the IA, the External Auditors and Management, who provide regular reports during the year to the ARC in addition to the briefings and updates provided at the ARC meetings. The management action plans are initiated to address the deficiencies identified by the IA and the External Auditors.

Based on the work performed by the IA during the financial year, as well as observations shared by the External Auditors during the course of their audits of the Company and its significant subsidiaries, and the written assurances from the KMP, the Board, with the concurrence of the ARC, is of the opinion that the system of internal controls and risk management systems in place as of 31 March 2026 are adequate and effective to address in all material aspects the financial, operational, compliance and IT risks within the current scope of the Group's business operations.

As part of IA program for FY2026, IA audit findings identified control weaknesses at some of the Group's subsidiaries. Management action plans based on the IA's recommendations were developed to address these weaknesses. Deloitte, during the audit of the financial statements of the Group, had also identified certain deficiencies in internal controls, which had been reported to the ARC and are currently in the process of being remediated by Management. Management had assessed and determined that the deficiencies did not have significant financial impact on the financial statements of the Group for FY2026.

Management will continue to review and strengthen the Group's control environment, and further refine its internal policies and procedures. Management continues to devote resources and expertise towards improving the level of governance and internal controls.

Board's and ARC's Opinion on Internal Controls and Risk Management Systems
(Provision 9.2)
Based on the work performed by the IA, the External Auditors, and the periodic reports from the Management together with the written assurances from the KMPs to support the opinion to be given by the ARC and the Board, the Board with the concurrence of the ARC, is of the opinion that the internal controls and risk management systems in place as at 31 March 2026 are adequate and effective to address in all material respects the financial, operational, compliance and IT risks within the current scope of the Group's business operations for FY2026.

The Board and the ARC are also responsible for (a) monitoring the Company's risk of becoming subject to, or violating, any sanction-related law or regulation; and (b) ensuring timely and accurate disclosures of any such risks to SGX-ST and other relevant authorities. The Company will inform Shareholders of any sanction-related risks on the Company, the impact (such as the financial impact and the operational impact) to the Group, if any, and also the cessation of such risk via announcement to SGXNet.

Notwithstanding the above, the system of internal controls and risk governance practices do not provide absolute but reasonable assurance against poor judgement in decision making, human error, losses, fraud or other irregularities.

PRINCIPLE 10: AUDIT AND RISK COMMITTEE

The Board has an Audit Committee which discharges its duties objectively.

Composition and Terms of Reference of ARC
(Provisions 10.1, 10.2 and 10.3)
The ARC currently comprises five IDs, all members are independent and chaired by the Lead ID. The members of the ARC are experienced professionals and/or businessmen. They have relevant experience and are knowledgeable in accounting, banking and financial management. The members have been elected on the basis that they possess extensive general business knowledge. The ARC Chairman, Mr Seah Han Leong and ARC members, Prof Timothy Tong Wai Cheung and Prof Eric Yim Chi Ming possess accounting, financial and business management experience. Mr Hung Cheung Fuk and Ms Charlene-Jayne Chang Wei-Ying has relevant audit, accounting expertise, financial and risk management experience as well as experience in investment banking and the financial markets.

With the current composition, the ARC is of the opinion that it has the relevant accounting and related financial management expertise and experience to discharge its functions within its written TOR which have been approved by the Board.

The ARC's TOR specifically disallows a former partner or director of the Company's incumbent auditing firm or audit corporation shall not act as a member of the ARC:

(a) within a period of two years commencing on the date of his/her ceasing to be a partner of the auditing firm or director of the auditing corporation; and in any case; and
(b) for as long as he/she has any financial interest in the auditing firm or auditing corporation. No member of the ARC is a former partner or director of the Group's External Auditors.

In addition to the oversight for the Company's RMICs matters, the ARC also provides oversight for financial and audit related matters of the Group. The ARC has a formalised TOR which sets out the membership, administration, duties, reporting procedure, attendance at General Meetings and remuneration of the members of the ARC. The ARC's responsibilities relating to RMICs are discussed under section headed "Risk Management and Internal Control Systems (Provision 9.1)" on page 63 of this CG Report. The detailed TOR of the ARC are posted on the Company's website.

Powers and Duties of the ARC
(Provision 10.1)

The ARC has explicit authority to review or investigate any matters it deems appropriate within its TOR and has full and unfettered access to and co-operation by Management, External and Internal Auditors. It may invite any Director, Management, officer or employee of the Company to attend its meetings. It is also authorised to engage any firm of accountants, lawyers or other professionals as it sees fit to provide independent counsel and advice to assist in the review or investigation of such matters within its TOR as it deems appropriate at the Company's expense.

Activities of ARC, Meeting with External Auditors and Internal Auditors
(Provision 10.1 and 10.5)

The ARC convened four meetings during FY2026. During these meetings, the ARC reviewed, *inter alia*, the unaudited half-yearly and full year financial results before they were announced to SGX-ST, received the reports by the IA and was briefed by the External Auditors on their annual audit plans and the completion reports prepared in connection with the annual statutory audit.

The Company Secretaries maintain records of all ARC meetings including records of discussions on key deliberations and decisions taken. The ARC meets with the Internal and External Auditors, each separately without the presence of Management, at least once annually. In FY2026, two of such private sessions were held with both Internal and External Auditors.

The ARC members continually keep themselves abreast of changes to accounting standards, risks and other issues which may have a material impact on financial statements. The ARC has been apprised of the relevant new or changes to financial reporting standards and relevant laws and regulations via their review of the annual audit plans and completion reports prepared by External Auditors and are kept abreast of changes of accounting standards and issues which have a direct impact on financial statements through updates from the External Auditors.

For the financial year under review, the ARC conducted a self-assessment of its own effectiveness in the discharge of its roles and responsibilities, which was facilitated with a self-assessment checklist ("**ARC Self-Assessment Checklist**"). The ARC Self-Assessment Checklist covered, *inter alia*, the responsibilities of the ARC under its terms of reference and considered the contribution of the ARC members to the ARC's deliberation and decision-making process.

Based on the self-assessment, the ARC is of the view that it has fulfilled its responsibilities and discharged its duties as set out in its terms of reference.

The ARC reviewed the annual audit plan for FY2026 prepared by the External Auditors and agrees with the External Auditors' proposed significant risks and areas of audit focus that impact the financial statements. The ARC also reviewed and addressed key audit matters ("**KAMs**").

The key objectives and duties of ARC and the summary of ARC's workdone in FY2026 are set out in the sections headed "Board Committees" (page 36) and "Summary of Workdone of Board Committee in FY2026" (page 46), respectively in this CG Report.

ARC's commentary on Key Audit Matters
(Provision 10.1)

The ARC has considered the audit completion reports from External Auditors, including their findings on significant risks and the key areas of audit focus. The ARC has discussed and reviewed the KAMs included in the independent auditor's report for FY2026 with Management and External Auditors, and is in agreement with the KAMs highlighted. The independent auditor's report for FY2026 is set out on pages 80 to 83 of the AR2026.

Following the review, the ARC is satisfied that the aforesaid KAMs have been properly dealt with and recommended the Board to approve the financial statements. The Board has approved the Group's Audited Financial Statements of AR2026 on 24 June 2026.

Internal Audit
(Provision 10.4)

The IA function, which presently has a staff strength of six, is independent of the activities it audits. The Head of IA's primary reporting line is to the ARC. The appointment, resignation and dismissal of the Head of IA is reviewed and/or approved by the ARC. Mr Edward Mo resigned as Head of IA to pursue personal career development, and the ARC approved the appointment of Mr Gavin Tse as his successor.

The ARC also provides input on the annual performance appraisal of the Head of IA and reviews his/her compensation within the compensation policies of the Company. The ARC meets the Head of IA at least once annually without the presence of Management. The Head of IA has unfettered access to the ARC, the Board and Management as well as all the Group's documents, records, properties and personnel relevant for the performance of audits.

The ARC assesses on a regular basis, the resourcing adequacy of the IA, remuneration, performance evaluation and all outsourcing arrangements entered into with external professional services providers (if any). The hiring and removal of the senior IA staff is also subject to the ARC's review and approval.

IA operates within the framework stated in its IA Charter which is approved and reviewed by the ARC on an annual basis. The standards of the IA Charter are consistent with the International Standards for the Professional Practice of Internal Auditing (the Standards) set by the Institute of Internal Auditors ("**IIA**").

All members of IA including the Head of IA have the relevant qualifications and experience. The Head of IA, Mr Gavin Tse, is a Certified Internal Auditor and holds professional certifications in internal auditing issued by the IIA. The IA is given sufficient time and resources dedicated by Management to facilitate the proper completion of internal audits and reporting of any material matters to the ARC. Processes are in place to ensure that the professional competence of IA staff is maintained and upgraded through CPD programmes which comprised technical and non-technical training for the development of the IA staff.

The IA adopts the internal control framework established by COSO when performing its work and the IA plan is developed through a risk centric approach. The IA has adopted and conducts its IA reviews based on the International Standards for the Professional Practice of Internal Auditing (the "**IIA Standards**") of the International Professional Practices Framework of the IIA. This ensures that the IA maintains the appropriate level of conformance to the attribute and performance standards of an IA function.

Role and Activities of IA

The primary role of IA is to assist the Board to evaluate the reliability, adequacy and effectiveness of the RMIC processes of the Company, reviewing the internal controls of the Company to ensure prompt and accurate recording of transactions and proper safeguarding of assets and reviewing the Company's compliance with the relevant laws, regulations and policies of the Company.

The ARC approved the annual IA plan and received quarterly reports during FY2026 on the progress of the audit work under the IA plan. All IA reports are given to the ARC, the ExeCo and the heads of the relevant business divisions, with a summary report of IA results presented at the ARC meetings. IA observations on internal control, operational and control lapses and recommendations to address them were also reviewed and discussed at ARC meetings. The key findings from the IA reviews are also shared with the risk management team and the CRO, to facilitate the necessary inclusion in the consideration of the Group's risks during the risk assessment process. The ARC was satisfied that recommendations made were dealt with by Management in a timely and appropriate manner, with outstanding exceptions or recommendations being closely monitored and reported back to the ARC.

The ARC reviewed the effectiveness and adequacy of the IA function including its resources through a review of the IA activities on a regular basis as well as its annual assessment of the IA function. The assessment was facilitated through the use of an evaluation framework which covers IA organisation, resources and continuing professional development, audit plans, work scope, quality of reports and recommendations, IA Charter and IA self-assessment. Based on the assessment conducted for the year under review, the ARC is satisfied with the quality and effectiveness of the IA function and that the IA function is currently adequately resourced and has appropriate independent standing within the Group to perform its functions effectively.

As part of the work done to provide the basis for the opinion on internal control, the ARC also assesses the findings of:

(i) the IA visits performed on the activities or entities within its scope;
(ii) the evaluation of the framework of risk governance; and
(iii) the assessment of adequacy of RMICs over financial, operational and compliance risk as principally managed by the first and second line roles.

The ARC also evaluates any weaknesses or material non-compliance identified by the External Auditors during the course of their financial audit, and the effectiveness of remediation actions taken to address the issues reported (if any).

Assessment of Quality of IA

The quality of the IA is regularly assessed to ensure compliance with the IIA Standards.

The IA function has a Quality Assurance and Improvement Programme ("**QAIP**") in place to ensure that its audit activities confirm to the IIA Standards. As part of the QAIP, an external Quality Assurance Review ("**QAR**") is carried out at least once every five years by qualified professionals from an external organisation. In the financial year ended 31 March 2023, Ernst & Young ("**EY**") was appointed to conduct the external QAR, based on Standard 1312 – External Assessments of International Professional Practices Framework of the IIA. The QAR covered the attribute standards (attributes of the function and individuals that perform IA) and the performance standards (which defines the nature of IA and provides quality criteria to measure the performance of these services). Based on EY's assessment, the IA function has been rated to have conformed with the requirements of the IIA Standards in all material respects.

The ARC considers that the IA function is independent, effective and adequately resourced.

Evaluation of External Auditors (Provision 10.1)
Cognisant that the External Auditors should be free from any business or other relationships with the Group that could materially interfere with their ability to act with integrity and objectivity, the ARC undertook a review of the independence of Deloitte and gave careful consideration to the Group's relationships with them during FY2026.

In determining the independence of Deloitte, the ARC reviewed all aspects of the Group's relationships with them including the policies, processes and safeguards adopted by the Group and Deloitte to protect and preserve audit independence, Deloitte's approach of the audit work, their proposed audit fees as well as the non-audit fees awarded to them.

During FY2026 and as in past years, the ARC reviewed the annual audit plans and reports prepared by External Auditors, discussed on the planned audit scope, materiality in auditing, significant risks and areas of audit focus, internal control plans, involvement of internal specialists, timing of audit and audit quality indicators.

In respect of the audit quality indicators, the ARC reviews, in particular, the following areas: audit hours spent, experience of the team, adequacy of training received by the team, results of internal and external inspection of their work, compliance with independence requirement, quality control, staff oversight, and staff attrition rate.

The ARC has reviewed all non-audit services rendered and fees charged by Deloitte and its member firms and is of the opinion that such services received would not affect the auditor's independence. During FY2026, the aggregate amount of fees paid and payable to Deloitte and its member firms is as follows (excluding fees paid or payable by the Group's associates):

Aggregate amount of fees paid and payable to Deloitte and its member firms	FY2026		FY2025	
Types of service	**S$'000**	**% of Total Fees**	**S$'000**	**% of Total Fees**
Audit fees to Deloitte Singapore	278	17.1%	289	15.5%
Audit fees to Deloitte member firms outside Singapore	1,351	82.9%	1,542	82.6%
Total Audit Fees	**1,629**	**100.0%**	**1,831**	**98.1%**
Total Non-audit Fees (both Singapore and its member firms)	-		36	1.9%
Total Fees	**1,629**		**1,867**	

The ARC has reviewed the nature and volume of all non-audit services rendered and fees charged by Deloitte and its member firms during FY2026. Based on the review, the ARC is of the opinion that Deloitte is, and is perceived to be, independent for the purpose of the Group's statutory financial audit.

In reviewing the nomination of Deloitte for re-appointment for the financial year ending 31 March 2027, the ARC had considered the adequacy of the resources and experience of Deloitte and the audit engagement partners assigned to the audit, the size and complexity of the audit engagement for the Group, and the number and experience of the supervisory and professional staff assigned to the Group's audit through a review of the curriculum vitae of the Deloitte audit team. The ARC also considered the quality of discussions with the findings raised by Deloitte, including the Audit Quality Indicators presented.

The ARC and Board noted that the Company's External Auditors, same auditing firm based in Singapore, are engaged to audit the financial statements of the Company and its Singapore-incorporated subsidiaries. The ARC and Board are satisfied that suitable auditing firms are engaged for its significant foreign-incorporated subsidiaries. Deloitte has confirmed that they are registered with Accounting and Corporate Regulatory Authority. The Company is thus in compliance with Rule 712 and Rule 715 (read with Rule 716) of the Listing Manual in relation to the appointment of its auditors.

Based on the above and taking into consideration the Audit Quality Indicators Disclosure Framework published by Accounting and Corporate Regulatory Authority, the ARC has recommended to the Board, the re-appointment of Deloitte, as External Auditor.

On the recommendation of the ARC, the Board approved the proposal of re-appointment of Deloitte as the independent External Auditors of the Group at the 2026 AGM for Shareholders' approval.

Interested Person Transactions (Provision 10.1)
The Company had obtained Shareholders' approval at its 2025 AGM held on 29 July 2025 for the Company, its subsidiaries and its associated companies not listed on SGX-ST or an approved exchange, over which the Company, its subsidiaries and/or interested persons have control, to enter into transactions within the categories of IPTs set out in the Company's Letter to Shareholders dated 14 July 2025 ("**Shareholders Letter 2025**"), with such persons within the class or classes of Interested Persons as described in the Letter to Shareholders, provided that such transactions are entered into in accordance with the review procedures set out in

the Shareholders Letter 2025 (the "**IPT Mandate**"). The IPT Mandate is subject to annual renewal by the Shareholders.

Given that such IPTs are expected to occur with some degree of frequency and may arise at any time, and to allow the Group to undertake such transactions in an expeditious manner, Shareholders' approval will be sought at the 2026 AGM to be held on 27 July 2026 for the renewal of the IPT Mandate.

The ARC has confirmed that an independent financial adviser's opinion is not required for the renewal of the IPT Mandate as the methods or procedures for determining the transaction prices of the IPTs conducted under the IPT Mandate have remained appropriate since Shareholders approved the renewal of the IPT Mandate at the 2025 AGM, and the methods or procedures continue to be sufficient to ensure that these IPTs will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

The Company has adopted an internal policy in respect of any transaction with interested persons and has set out the procedures for review and approval of the Company's IPTs.

The ARC conducted a review of the Group's IPTs to ensure that the transactions were in accordance with the Shareholders' Mandate and complied with Chapter 9 of the Listing Manual. The ARC is satisfied that other than those reported to the ARC, there were no material contracts involving the interests of the Directors, the controlling Shareholders or their associates. The ARC is therefore satisfied over the adequacy of internal controls relating to the identification, evaluation, review, approval and reporting of IPTs.

The Company's disclosure in accordance with Rule 907 of the Listing Manual in respect of IPTs for FY2026 is as follows:

Name of IP	**Nature of Relationship**	**Aggregate value of IPTs (excluding transactions less than S$100,000 conducted under Shareholders' mandate pursuant to Rule 920 of the Listing Manual during the financial year under review)**		
		Nature	**FY2026**	**FY2025**
			S$'000	**S$'000**
GP Energy Tech Limited and its subsidiaries ("**GPET Group**")	Gold Peak Technology Group Limited ("**Gold Peak**") is the ultimate holding company of the Company. GPET, being a subsidiary of Gold Peak, is an IP.	Sales	1,518	2,083
		Purchases	14,952	20,397

Name of IP	**Nature of Relationship**	**Aggregate value of all IPTs (excluding transactions less than S$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920 of the Listing Manual during the financial year under review)**		
		Nature	**FY2026**	**FY2025**
			S$'000	**S$'000**
GPET Group	An associate of a controlling shareholder	Management income	1,791	1,935
		Interest income	271	474
		IT service income	366	46
		Rental income	380	31
		Rental expenses	231	257
		Utilities expenses	341	390
		Management fee expenses	101	-
		Sales proceeds of property, plant & equipment	821	-
		Receipt of non-trade balance	8,124	1,893
Gold Peak	A controlling shareholder	Repayment of non-trade balance received from	10,607	-
		Advance of non-trade balance to	-	4,936
Brian Li	Director of the Company	Subscription of perpetual bonds	-	1,281
		Distribution paid on perpetual bonds	124	-

Name of IP	Nature of Relationship	Aggregate value of all IPTs (excluding transactions less than S$100,000 and transactions conducted under Shareholders' mandate pursuant to Rule 920 of the Listing Manual during the financial year under review)		
		Nature	**FY2026**	**FY2025**
			S$'000	**S$'000**
Waltery Law Wang Chak	Director of the Company	Subscription of perpetual bonds	-	3,202
		Distribution paid on perpetual bonds	312	-
Grace Lo Kit Yee	An associate of a controlling shareholder	Subscription of perpetual bonds	-	640
		Distribution paid on perpetual bonds	61	-

The above IPTs were carried out on normal commercial terms and were not prejudicial to the interests of the Company and its minority Shareholders.

Material Contracts
(Provision 10.1)
Save as disclosed in the Directors' Statement and the Audited Financial Statements of AR2026 and under the section headed "Interest Person Transactions" (Provision 10.1) of this CG Report, there were no material contracts entered into by the Company or any of its subsidiaries, involving the interests of the Executive Chairman and CEO, Directors or the controlling Shareholders, which are either still subsisting at the end of the financial year or, if not then subsisting, entered into since the end of the previous financial year.

Whistleblowing Policy
(Provision 10.1(f))
The Company has established a whistleblowing policy and procedure where employees of the Company and outsiders can in confidence, whether anonymously or otherwise, raise concerns on possible improprieties and irregularities relating to accounting, financial reporting, internal controls, fraudulent acts, and auditing matters or other matters without fear of reprisals in any form. The ARC has the responsibility of overseeing this policy to ensure that it is properly administered with the assistance of the Head of IA. Under these procedures, arrangements are in place for independent investigation of such matters raised and for appropriate follow-up action to be taken.

Pursuant to the whistleblowing policy:
(i) arrangements are in place for independent investigations by the ARC of such matters and review of the outcome of the follow-up actions;
(ii) the identity of the whistleblower is kept confidential and will be protected against detrimental or unfair treatment; and
(iii) any form of disadvantage or reprisal against the whistleblower by Management is expressly prohibited.

The Company is committed to maintaining procedures for the confidential submission of reports and the identity of the whistle-blower concerned will not be disclosed if so requested by the whistle-blower who lodged the report. Investigations of such reports will be handled on a confidential basis to the extent permissible or deemed appropriate under the circumstances and involve persons who need to be involved in order to properly carry out the investigation and will, on a best-efforts basis, be carried out in a timely manner.

To facilitate and encourage the reporting of such matters, the whistle-blowing policy, together with the dedicated whistle-blowing communication channels (email and postal address) are available on the Company's corporate website and intranet and are easily accessible by all employees.

A dedicated whistle-blowing email account at **internal.audit@gp.industries** has been set up for the Head of IA to receive complaints and information from all employees of the Group or other persons in order to facilitate and encourage the reporting of such matters. The ARC monitors the whistleblowing complaints based on reports prepared by the Head of IA and ensures appropriate follow-up actions are taken.

The whistle-blowing policy and procedures are reviewed by the ARC from time to time to ensure that they remain current.

D. SHAREHOLDER RIGHTS AND ENGAGEMENT

PRINCIPLE 11: SHAREHOLDER RIGHTS AND CONDUCT OF GENERAL MEETINGS

The Company treats all Shareholders fairly and equitably in order to enable them to exercise Shareholders' rights and have the opportunity to communicate their views on matters affecting the Company. The Company gives Shareholders a balanced and understandable assessment of its performance, position and prospects.

To facilitate the exercise of shareholders' rights, the Company ensures that all material information relating to the Company and its financial performance is disclosed in an accurate and timely manner via SGXNet and uploaded at the Company's corporate website.

Shareholders' Participation in General Meetings (Provision 11.1)
Shareholders are informed of the meetings through notices sent to them by post and via SGXNet and made available on the Company's website at **http://www.gp.industries**, and reports or circulars sent or made available to all Shareholders. In order to provide ample time for the Shareholders to review, the notice of AGM, together with the annual report, is announced via SGXNet and the Company's website at least fourteen days before the scheduled AGM date. As part of the Group's commitment towards environmental sustainability, the Company will only distribute printed copies of the notice of AGM and proxy form to its Shareholders. Printed annual report will only be sent to Shareholders upon receipt of duly completed annual report request forms.

All Shareholders are encouraged to attend and vote at General Meetings in person or by proxy or in the case of a corporate shareholder, through its appointed representative to ensure a high level of participation and accountability. At General Meetings of the Company, Shareholders are given the opportunity to communicate their views and are encouraged to ask the Directors and the Management questions regarding matters affecting the Company.

All Shareholders, other than those who are considered the "Interested Persons" in an IPT (as defined in the Listing Manual) subject to the approval by the Shareholders, are entitled to vote at General Meetings. In addition, at a General Meeting, the Company Secretaries and representatives from the share registrar's office are also available to provide Shareholders with information on the rules that govern the meeting, including voting procedures.

The rules for the appointment of proxies, including information that voting will be conducted by way of poll, are set out in the notice of General Meetings. In accordance with the Constitution of the Company, Shareholders who are not relevant intermediaries may appoint not more than two proxies to attend, speak and vote at General Meetings in their absence, and Shareholders who are relevant intermediaries may appoint more than two proxies to attend, speak and vote at General Meetings. The proxy forms must be deposited at such place or places specified in the notice or document accompanying the notice convening the General Meetings at least seventy-two hours before the time set for the General Meetings. This will enable indirect investors, including Sustainability investors, to be appointed as proxies to participate in the physical meetings. Such indirect investors, where so appointed, will have the same rights as direct investors to vote at the physical meeting.

Shareholders are invited to submit questions they may have on the motions to be debated and decided upon, to the Chairman of the meetings prior to the General Meetings. Responses to substantial and relevant questions submitted by Shareholders prior to the meetings are uploaded to SGXNet and the Company's corporate website prior to the events and addressed at the General Meetings.

At General Meetings of the Company, Shareholders are invited to put forth any further questions they may have on the motions to be debated and decided upon, and are given the opportunity to communicate their views and raise questions and discuss with the Directors and Management on matters affecting the Company, and vote on the resolutions at General Meetings.

The Company provides for separate resolutions at General Meetings on each substantial issue, including treating the re-election of each Director as a separate resolution. Detailed information on each item in the AGM agenda is provided in the explanatory notes to the notice of AGM. The rationale for the resolutions to be proposed at the meeting is set out in the notices to the meeting or their accompanying appendices. However, where the issues are interdependent and linked so as to form one significant proposal, the Company may propose "bundled resolutions" and will set out the reasons and material implication in the notices to the meeting or its accompanying appendices.

All Directors, including the Board Chairman, the Lead ID, the chairmen of the respective Board Committees, Management, the External Auditors and legal advisors (where necessary) are present at General Meetings to address queries from the Shareholders. At each AGM, the Management delivers presentations to update Shareholders on the Company's operations and financial performance in the preceding year. In Extraordinary General Meetings, external professional advisors engaged in advising the matters being put to vote are invited to attend the meetings, so that the Shareholders can seek necessary clarification directly from these professional advisors.

Interaction with Shareholders (Provision 11.3)

2025 AGM
The 2025 AGM was held on 29 July 2025 at PAN PACIFIC SINGAPORE, Marina Square, Singapore. Shareholders who participated at the 2025 AGM were able to vote in real-time. They were also able to submit questions in advance or during the 2025 AGM and/or appoint proxy(ies) to attend, speak and vote on their behalf at the 2025 AGM. The Company received relevant questions from Shareholders in advance of the 2025 AGM. All substantial and relevant questions submitted by shareholders during the 2025 AGM were addressed by the Company.

All the Directors, including the Board Chairman and the chairmen of the ARC, NC, RC and SSC, together with the KMPs, (who are not Directors) as well as the External Auditors were in attendance at the 2025 AGM.

Forthcoming 2026 AGM
The forthcoming 2026 AGM will be held at PAN PACIFIC SINGAPORE, Marina Square, Singapore on Monday 27 July 2026 at 3:00pm. Shareholders will be informed of arrangements for the 2026 AGM through a notification sent by post.

Shareholders will receive, via post, the Notice of the 2026 AGM together with a copy each of the detachable proxy form and annual report request form for Shareholders' use. These documents will also be made available on the Company's corporate website. The Notice of the 2026 AGM and the accompanying proxy form will be published on the SGX website.

Further, as part of the Company's commitment towards environmental sustainability, printed annual reports will only be sent to Shareholders upon receipt of duly completed annual report request forms. Arrangements relating to attendance at the 2026 AGM, submission of questions in advance of, or at the 2026 AGM and voting at the 2026 AGM by Shareholders or their duly appointed proxy(ies) or representative(s) in the case of corporate Shareholder(s), are set out in a separate announcement to be released by the Company on SGXNet.

Conduct of Resolutions and Voting
(Provision 11.2 & 11.4)
Shareholders are given the opportunity to vote at general meetings either in person or in absentia by way of appointed proxy(ies). The Constitution of the Company allows for absentia voting at General Meetings. Where Shareholders are unable to attend General Meetings, they may appoint proxies to attend, speak and vote on their behalf. However, as the authentication of shareholder identity information and other related integrity issues still remain a concern, the Company has decided, for the time being, not to implement voting in absentia by electronic means.

Pursuant to Listing Rule 730A(2), all resolutions to be proposed at General Meetings and at any adjournment thereof shall be put to the vote by way of poll.

To ensure transparency and to allow for a more efficient voting system, the Company conducts electronic poll voting for Shareholders/proxies present at the physical meeting for all the resolutions proposed at the General Meeting. Shareholders are informed of the rules, including voting procedures, governing such General Meetings. With electronic poll voting, Shareholders present or represented by proxy at the meeting will be entitled to vote on a 'one-share, one-vote' basis. The voting results of all votes cast in respect of each resolution will also be instantaneously displayed on screen at the meeting. The detailed results setting out the number of votes cast for and against each resolution and the respective percentages will be announced via SGXNet after the AGM. An external firm is appointed as scrutineers for the AGM voting process, which is independent of the firm appointed to undertake the electronic poll voting process to count and validate the votes cast at the General Meetings.

Minutes of General Meetings
(Provision 11.5)
The Company Secretaries prepare minutes of General Meetings, which incorporate the key and relevant comments or queries raised by Shareholders and responses from the Board, Management and/or the External Auditors. The minutes of the General Meetings are available on the Company's corporate website and SGX website within one month after meeting.

Dividend Policy
(Provision 11.6)
The Company has formalised its dividend policy and is committed to provide a return to Shareholders at least once a year through the payment of dividends so as to provide rewards to Shareholders in a fair and sustainable manner. The dividend policy is formulated by the Board after taking into account the Group's financial performance, short and long-term capital requirements, future investment plans, general global and business economic conditions and any regulatory factors. The Board endeavours to maintain a balance between meeting Shareholders' expectations and prudent capital management with a sustainable dividend policy. The Board will review the dividend policy from time to time and reserves the right to modify, amend and update the policy.

The Company has a track record for distributing about 60% of its annual net profit as dividends. In line with the Company's dividend policy, the Board has recommended a final ordinary dividend of S$1.75 cents per Share for FY2026. This will bring the total dividends for FY2026 to S$3.5 cents per Share.

PRINCIPLE 12: ENGAGEMENT WITH SHAREHOLDERS

The Company communicates regularly with its Shareholders and facilitates the participation of Shareholders during General Meetings and other dialogues to allow Shareholders to communicate their views on various matters affecting the Company.

Disclosures of Information
(Provisions 12.1 and 12.2)
The Company communicates with its Shareholders and the investment community on a non-selective basis. The Company informs Shareholders, stakeholders and the public of all material information about the Company and the Group through announcements, timely released via the SGXNet.

In FY2026, results for the half-year were released via SGXNet within 45 days of the end of 30 September 2025 whilst the full year results were released within 60 days from the financial year end. The dates of the Company's release of its financial results are set out in the 'Calendar of Financial Events' section of the AR2026.

In presenting the Group's financial results, the Board aims to provide investors with a balanced and understandable assessment of the Group's performance and financial position with a commentary of the significant trends and competitive conditions of the industries in which it operates as at the date of the announcement.

For the financial year under review, the CEO and the CFO provided assurance to the ARC and the Board on the integrity of the unaudited financial statements and the Board in turn provided a negative assurance confirmation in respect of the unaudited financial statements in accordance with the regulatory requirements.

The Company ensures that investors are notified of all material information in an accurate and timely manner. Should there be an inadvertent disclosure made to a select group, the Company will release the same information as promptly as possible via SGXNet. The financial statements and other presentation materials presented at the General Meetings, including material and price-sensitive information, are disseminated and publicly released via SGXNet on a timely basis. All Shareholders are notified of General Meetings and the documents relating thereto which are made available on the Company's corporate website and SGXNet.

In FY2026, the following documents related to 2025 AGM were made available to Shareholders by electronic means via publication both on the Company's corporate website and SGXNet:

(i) Notice and Proxy Form for 2025 AGM;
(ii) Annual Report for FY2025; and
(iii) Shareholders Letter 2025, in relation to the proposed (a) renewal of the share purchase mandate; and (b) renewal of the IPTs Mandate.

Shareholder Communication
(Provision 12.1)
Shareholders and investors can contact the Company or access information on the Company's corporate website at **http://www.gp.industries** which has a dedicated 'Investor Relations' (IR) section that provides, *inter alia*, information on the Board of Directors, Management team, the Company's latest and past years' Corporate Governance Reports, Sustainability Reports, Annual Reports, Announcements, Press Releases and Financial Results as released by the Company on SGXNet, and other information which may be relevant to investors. Investors can subscribe to email alerts on the Company corporate website to receive updates on its latest news.

The Company ensures that all Shareholders are treated fairly and equitably, and informed simultaneously in an accurate and comprehensive manner regarding all material developments that impact the Company and the Group via SGXNet, in line with the Company's disclosure obligation pursuant to the rules of the Listing Manual and the Companies Act. There is a dedicated team in place to respond to queries from investors and maintain regular dialogue with Shareholders and a dedicated investor relations email account at **investor@gp.industries** has been set up.

The Lead ID also serves as a channel of communication between Shareholders and the Board and Management and the Lead ID can be contacted via email at **LeadID@gp.industries**.

Pertinent information is communicated to Shareholders primarily through timely announcements released via SGXNet. To ensure the announcements are as descriptive, detailed and forthcoming as possible, the announcements are reviewed by the Board and the Company Secretaries before they are released. In addition, where appropriate, announcements are prepared with the assistance of other professional advisors, such as legal advisors and financial advisors.

Investor Relations Practices
(Provisions 12.1, 12.2 and 12.3)
The Company is committed to building investor confidence and trust and values open communication with Shareholders and the investment community and has in place an Investor Relations Policy which outlines the principles and framework for the Company to provide investors, analysts and other stakeholders with timely, accurate, balanced, clear and pertinent information on matters pertaining to and/or affecting the Group.

The Company provides investors with a better understanding of the Group's business and growth drivers, with regular updates on the Group's strategies, operations and financial performance.

Shareholders and investors can contact the Company or access information on the Company at its corporate website at **http://www.gp.industries**.

Dialogue with Shareholders
(Provisions 12.1 and 12.2)
The AGM is the annual forum at which the Company directly communicates with the Shareholders, gather their views and input and address their concerns. As the 2026 AGM will be held in wholly physical format, Shareholders are encouraged to attend in person so that they can engage with the Board directly.

In addition, Shareholders can also contact the Company through electronic mails, written correspondences and telephone through which investors can share their views on the Group with Management.

E. MANAGING STAKEHOLDERS RELATIONSHIPS

PRINCIPLE 13: ENGAGEMENT WITH STAKEHOLDERS

The Board adopts an inclusive approach by considering and balancing the needs and interests of material stakeholders, as part of its overall responsibility to ensure that the best interests of the Company are served.

Engagement with Stakeholders
(Provision 13.1)
The Company and the Group has regularly engaged its stakeholders through various medium and channels to ensure that the business interests are aligned with those of the stakeholders, to understand and address the concerns so as to improve services and products' standards, as well as to sustain business operations for long-term growth.

The stakeholders have been identified as those who are impacted by the Group's business and operations and those who are similarly able to impact the Group's business and operations. Six stakeholders' groups have been identified through an assessment of their significance to the business operations. They are namely, employees, customers, suppliers, Shareholders, government and regulators authorities, and local communities.

Sustainability and ESG Governance
The Group has established a comprehensive Sustainability and ESG governance framework that provides a strong foundation for incorporating sustainability into the Group's businesses and ensuring that the Group's stakeholders' interests and expectations are taken into account in the Group's development strategies and implementations. The comprehensive framework facilitates communications and defines the roles and responsibilities of the team to properly address ESG issues.

The Board incorporates sustainability issues into the strategic formulation of the Group. Corresponding key ESG targets, metrics, initiatives, and progress are reviewed by the ExeCo, and HODs and reported to the Board.

Details on the Company's corporate sustainability practices, climate-related agenda, sustainability efforts and performance for FY2026 will be presented in its 2026 Sustainability Report (the "**FY2026 SR**"). The FY2026 SR, which meets the requirement of the Listing Manual, will be available by late July 2026 in digital format on the Company's corporate and SGX websites.

The key responsibilities of the SSC as set out in its written terms of reference, approved by the Board, include the following:
(a) Provides oversight on the Group's compliance relating to sustainability governance and reporting including reviewing the framework put in place by Management for the identification, assessment, management, and monitoring of the material ESG factors and climate risks, and setting of the targets and key performance indicators for the achievement of the Group's sustainability strategy;
(b) Reviews the Group's sustainability issues including climate risks, sustainability initiatives and related performance as well as emerging corporate governance trends and best practices and recommends to the Board the adoption of such trends and best practices; and
(c) Reviews the Company's sustainability, climate-related disclosures and corporate governance reports.

The SSC held two meetings during the year and carried out its duties as set out within its terms of reference.

The Company Secretaries maintain records of all SSC meetings including records of key deliberations and decisions taken.

Strategy and Key Areas of Focus
(Provision 13.2)
The Company and the Group have undertaken a process to determine the economic, environmental and social issues, which are considered important to these stakeholders. These issues form the materiality matrix upon which targets, performance and progress are set and monitored.

The Company has arrangements in place to engage and manage relationships with its material stakeholders. The FY2026 Sustainability Report sets out in more details how the Group identifies its material stakeholders and strategies employed by the Group to engage its stakeholders, as well as such engagement activities during FY2026.

Corporate Website
(Provision 13.3)
The Company's website is one of the conduits through which the Group engages with its stakeholders. Stakeholders can obtain background information and published financial information about the Group, as well as contact information should more information be required.

The Company's policy on how it manages and protects personal data in accordance with the applicable regulatory requirements are set out in the Personal Data Protection Statement which is available on the Company's corporate website.

Rights of Creditors
The rights of the Group's creditors, comprising *inter alia* lending banks, contractors, service providers and vendors, are protected with an effective cash and liquidity management system. This includes processes to maintain an adequate level of cash and cash equivalents and available credit facilities, monitor debt maturity and financial metrics including gearing and interest cover ratios. Regular internal reviews are also conducted to ensure that the various capital management metrics and loan covenants are complied with.

F. OTHERS

Corporate Values and Conduct of Business
The Board and Management are committed to conducting business with integrity and consistent with the highest standards of business ethics, and in compliance with all applicable laws and regulatory requirements. The Board has adopted a Code of Business Conduct and Ethics for the Directors (the "**Ethics Code**") and incorporated the Ethics Code in various corporate policies. The Ethics Code serves to guide the Directors on the following areas of ethical risk and sets a framework where integrity and accountability are paramount:
(i) to avoid conflict of interest in corporate opportunities and other board appointments;
(ii) to maintain confidentiality of confidential or proprietary information that a Director may learn of when discharging his/her duties as a Director;
(iii) to ensure compliance with laws, rules and regulations, including those relating to the dealing in the Company's securities; and
(iv) to ensure fair dealing with the Group's stakeholders including customers, suppliers, competitors and employees.

The Ethics Code requires Directors to practise and promote ethical behaviour. Through the adoption of the Ethics Code, the Board affirms it shall take steps to ensure the Company encourages its employees:
(i) to seek guidance from supervisors, managers and appropriate personnel when in doubt about the best course of action in any particular situation; and

(ii) to report any violations of laws and Company's policies.

The Ethics Code also sets out the channel of communication for the Directors to report matters concerning improper business conducts and unethical practices.

The Company has also in place an Internal Code of Business Conduct and Ethics crystallising the Company's business principles and practices with respect to matters which may have ethical implications. The code, which provides a communicable and understandable framework for employees to observe the Company's principles such as honesty, integrity, responsibility and accountability at all levels of the organisation and in the conduct of the Company's business in their relationships with customers, suppliers and amongst employees, is available on the Company's intranet and is easily accessible by all employees.

The code provides guidance on issues such as:
- conflicts of interest and the appropriate disclosures to be made;
- the Company's zero-tolerance stance against corruption and bribery;
- compliance with applicable laws and regulations including those relating to the protection of the environment and the conservation of energy and natural resources;
- compliance with the Company's policies and procedures, including those on internal controls and accounting;
- safeguarding and proper use of the Company's assets, confidential information and intellectual property rights, including the respect of the intellectual property rights of third parties; and
- competition and fair dealing in the conduct of the Company's business, in its relationships with customers, suppliers, competitors and towards its employees.

In line with the Board's commitment to maintain high ethical standards which are integral to its corporate identity and business, the Company has the following two key corporate policies in place:
(i) **Anti-Corruption Policy & Guidelines** which sets out the responsibilities of the Group companies and of each employee in observing and upholding the Group's 'zero-tolerance' position against all forms of corruption, bribery and extortion and provides information and guidance to employees on how to recognise, address, resolve, avoid and prevent instances of corruption, bribery and extortion which may arise in the course of their work.
(ii) **Fraud Policy & Guidelines** which provides guidance on actions which may constitute fraudulent conduct and highlights the importance of the implementation, maintenance and compliance with the internal controls framework of the Group and its policies and procedures.

These policies are available on the Company's intranet and have also been disseminated to officers and employees of the Group's key subsidiaries.

Selected policies have also been translated into Mandarin for dissemination to employees of the Group in the People's Republic of China.

The Company's policy on how it manages and protects personal data in accordance with the applicable regulatory requirements are set out in the Group's Personal Data section.

Internal Code on Dealing in Securities
The Group has adopted a Code of Best Practices on Securities Transactions with respect to dealings in securities by Directors and officers of the Group. The Company has in place an internal code on securities trading which sets out the implications of insider trading and provides guidance and internal regulation with regard to dealings in the Company's securities by the Company, its Directors, and officers.

These guidelines prohibit the Company, all Directors and employees from dealing in the Company's securities:
(a) while in possession of unpublished material price-sensitive information; and
(b) during the "closed period" commencing one month before the date of announcement of the Company's half-year and full year financial statements and ending on the date of the announcement of the relevant results.

The internal code also prohibits all Directors and employees from dealing in the Company's securities on short-term considerations. The Directors and employees of the Company are notified in advance of the commencement of each 'closed period' relating to dealing in the Company's securities. The internal code on securities trading is available on the Company's intranet and is easily accessible by all employees.

DIRECTORS' STATEMENT

The directors of GP Industries Limited (the "Company") present their statement together with the audited consolidated financial statements of the Company and its subsidiaries (collectively, the "Group") and the statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2026.

In the opinion of the directors,

(a) the consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company as set out on pages 84 to 160 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2026, and the financial performance, changes in equity and cash flows of the Group and changes in equity of the Company for the financial year then ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

1. Directors

The directors of the Company in office at the date of this statement are:

Executive:
Victor Lo Chung Wing, Chairman
Brian Li Yiu Cheung, Chief Executive Officer
Lam Hin Lap, Vice Chairman and Deputy Chief Executive Officer
Waltery Law Wang Chak, Chief Financial Officer and Chief Risk Officer

Non-Executive Independent:
Seah Han Leong, Lead Independent Director
Timothy Tong Wai Cheung
Eric Yim Chi Ming
Hung Cheung Fuk
Charlene-Jayne Chang Wei-Ying

2. Arrangements to enable directors to acquire benefits by means of acquisition of shares or debentures

Neither at the end of the financial year nor at any time during the financial year did there subsist any arrangement, to which the Company is a party, the objective of which is to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

3. Directors' interest in shares and debentures

According to the register of directors' shareholdings kept by the Company under Section 164 of the Companies Act 1967, the undermentioned persons who were directors of the Company as at 31 March 2026 had interest in shares and debentures of the Company and interest in shares of the Company's ultimate holding company, Gold Peak Technology Group Limited ("Gold Peak"), as detailed below:

	Holdings registered in the name of director		Holdings in which director is deemed to have an interest	
Name of director	**At beginning of financial year**	**At end of financial year**	**At beginning of financial year**	**At end of financial year**
Interest in the Company's ordinary shares				
Victor Lo Chung Wing	300,000	300,000	414,098,443	414,098,443
Brian Li Yiu Cheung	1,465,000	1,465,000	-	-
Waltery Law Wang Chak	116,400	116,400	-	-
Interest in Gold Peak's ordinary shares				
Victor Lo Chung Wing	242,941,685	242,941,685	-	-
Brian Li Yiu Cheung	350,000	350,000	-	-
Fixed rate resetting perpetual subordinated bonds issued by the Company (Note 29)				
Brian Li Yiu Cheung	US$1,000,000	US$1,000,000	-	-
Waltery Law Wang Chak	US$2,500,000	US$2,500,000	-	-

By virtue of Section 7 of the Companies Act 1967, Mr Victor Lo Chung Wing is deemed to have interests in the shares of all of the Company's related corporations as he is interested in more than 20% in the issued shares of Gold Peak.

The directors' interest in the shares of the Company and Gold Peak as at 31 March 2026 disclosed above remained unchanged as at 21 April 2026.

4. Share options

a) During the financial year, no option to take up unissued shares of the Company or any corporation in the Group was granted.

b) During the financial year, there were no shares of the Company or any corporation in the Group issued by virtue of the exercise of an option to take up unissued shares.

c) At the end of the financial year, there were no unissued shares of the Company or any corporation in the Group under option.

5. **Audit and Risk Committee**

The Audit and Risk Committee carried out its functions in accordance with Section 201B(5) of the Companies Act 1967, including a review of the financial statements of the Company and of the Group for the financial year and the auditor's report thereon before their submission to the directors of the Company. In addition, the Audit and Risk Committee also provided oversight that management has created and maintained an effective risk management and control environment in the Company and there is a sound internal controls system and risk management practices in the Company.

At the date of this report, the Audit and Risk Committee comprises the following members and all are Non-Executive Independent Directors:

Seah Han Leong - Chairman
Timothy Tong Wai Cheung
Eric Yim Chi Ming
Hung Cheung Fuk
Charlene-Jayne Chang Wei-Ying

The Audit and Risk Committee met four times since the last Annual General Meeting. The Audit and Risk Committee has reviewed, *inter alia*, the following:

a) the annual audit plan and report of the external auditors;

b) the results of the internal auditors' examination of the Group's systems of internal accounting controls;

c) the internal audit plans and results of internal audits as well as management's responses to the recommendations of the internal auditors;

d) the Group's financial results and accounting policies;

e) the Group's half-yearly and full year results, the statement of financial position and statement of changes in equity of the Company and the consolidated financial statements of the Group before their submission to the Board of Directors for approval for public announcements in respect of such results and related results announcement;

f) the effectiveness of financial, operational, compliance and information technology controls;

g) the Group's interested person transactions;

h) non-audit services performed by the external auditors to ensure that the nature and extent of such services will not prejudice the independence and objectivity of the external auditors before recommending to the Board of Directors, subject to shareholders' approval, the re-appointment of the Company's external auditors; and

i) the co-operation and assistance given by the management to the internal and external auditors.

The Audit and Risk Committee has full access to and co-operation by management and full discretion to invite any director of the Company or executive officer of the Group to attend its meetings, and reasonable resources to enable it to discharge its functions properly. The external and internal auditors have unrestricted access to the Audit and Risk Committee.

The Audit and Risk Committee meetings are held with the internal and external auditors and by invitation, representatives from management.

The Audit and Risk Committee has recommended to the Board of Directors that Deloitte & Touche LLP be nominated for re-appointment as external auditors of the Group at the forthcoming Annual General Meeting of the Company.

6. **Independent Auditors**
The independent auditors, Deloitte & Touche LLP, have expressed their willingness to accept re-appointment.

On behalf of the Board of Directors

Victor Lo Chung Wing
Chairman

Brian Li Yiu Cheung
Chief Executive Officer

24 June 2026

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF GP INDUSTRIES LIMITED
For the financial year ended 31 March 2026

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of GP Industries Limited (the "Company") and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position of the Group and the statement of financial position of the Company as at 31 March 2026, and the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Group and the statement of changes in equity of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 84 to 160.

In our opinion, the accompanying consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are properly drawn up in accordance with the provisions of the Companies Act 1967 (the "Act") and Singapore Financial Reporting Standards (International) ("SFRS(I)s") so as to give a true and fair view of the consolidated financial position of the Group and the financial position of the Company as at 31 March 2026 and of the consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group and of the changes in equity of the Company for the year ended on that date.

Basis for Opinion
We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Group in accordance with the Accounting and Corporate Regulatory Authority *Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities* ("ACRA Code"), as applicable to audits of financial statements of public interest entities, together with the ethical requirements that are relevant to our audit of the financial statements of public interest entities in Singapore. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters
Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:

<u>Key Audit Matters</u>	**<u>How the matter was addressed in the audit</u>**
a) *Impairment assessment on interest in an associate*	
We have identified the impairment assessment on interest in an associate, AZ Limited (the "Associate"), which is engaged in trading of battery related products in Russia as a key audit matter due to the significant judgement exercised by the management of the Group in assessing impairment indicator arising from sanction risks applicable to Russian entities. Based on management's assessment, there is no impairment indicator identified from a quantitative perspective. As disclosed in Note 14 to the consolidated financial statements, as at 31 March 2026, the gross carrying amount of the Group's interest in the Associate was S$21,258,000 (2025: S$17,359,000). As at 31 March 2026, the management of the Group conducted an impairment assessment on the interest in the Associate. Based on management's assessment, the Group has not recognised impairment loss on its interest in the Associate. Details of the above assessment is disclosed in Notes 14 and 38 to the consolidated financial statements.	Our procedures in relation to the impairment assessment on the interest in the Associate included the following: • Understanding and evaluating the management's assessment on the sanction risks in respect of the Group's relationship with the Associate with reference to the external lawyer's opinion; • Understanding and assessing the impact of the current geopolitical situation, capital control measures and sanctions on Russia to the interest in the Associate and evaluating the overall reasonableness of management's impairment assessment on the interest in the Associate, including dividends received from the Associate; • Understanding and evaluating the financial position of the Associate; and • Reviewing the adequacy and appropriateness of the related disclosures made in the financial statements.

Key Audit Matters	How the matter was addressed in the audit
b) Assessment of recoverability of trade receivables	
We identified expected credit loss (ECL) of trade receivables as a key audit matter due to the significance of trade receivables to the Group's consolidated financial position and the involvement of subjective judgement and management estimates in evaluating the ECL of the Group's trade receivables at the end of the reporting period. As at 31 March 2026, the Group's net trade receivables amounted to S$204,362,000 and represented approximately 16.6% of the Group's total assets. As disclosed in Notes 19 and 39(d) to the consolidated financial statements, the management of the Group estimates the amount of lifetime ECL of trade receivables, excluding trade receivables from AZ Limited ("the Associate"), based on collective basis through grouping of various debtors that have similar loss patterns, after considering internal credit ratings of trade debtors, ageing, repayment history and/or past due status of respective trade receivables. Estimated loss rates are based on historical observed default rates over the expected life of the debtors and are adjusted for forward-looking information. In addition, trade receivables that are credit-impaired are assessed for ECL individually. The ECL on receivables from the Associate are also assessed individually due to the sanction risks and capital controls in the country where the Associate operates in. The loss allowance amount of the trade receivables is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows with the consideration of expected future credit losses. As disclosed in Note 19 to the consolidated financial statements, the Group recognised a S$320,000 loss allowance on trade receivables during the year ended 31 March 2026. The Group's ECL on trade receivables (including the ECL on trade receivable from the Associate) as at 31 March 2026 amounted to S$7,142,000.	Our procedures in relation to ECL of trade receivables included: • Evaluating the design and implementation of relevant controls in relation to how the management estimates the loss allowance for trade receivables; • Testing the integrity of information used by management to develop the inputs utilised to determine the loss allowance on trade receivables, including trade receivables ageing analysis as at 31 March 2026, on a sample basis, by comparing individual items in the analysis with the relevant sales invoices; • Challenging management's basis and judgement in determining loss allowance on trade receivables as at 31 March 2026, including their identification of credit-impaired trade receivables, the reasonableness of management's grouping of the remaining trade debtors into different categories on a collective basis, and the basis of estimated loss rates applied in each category on a collective basis (with reference to historical default rates and forward-looking information); and • Evaluating the sufficiency and appropriateness of the disclosures regarding the ECL of trade receivables in Notes 19 and 39(d) to the consolidated financial statements. In respect of the ECL on receivables from the Associate, our procedures included: • Understanding and evaluating the management's assessment on the sanction risks in respect of the Group's relationship with the Associate with reference to the external lawyer's opinion; • Understanding and assessing the impact of the current geopolitical situation, capital control measures and sanctions on Russia; • Assessing the competency, capabilities and objectivity of the independent qualified valuer ("Valuer") engaged by the management in determining the ECL on the Associate; • Involving our internal valuation specialists, in assessing the reasonableness of key assumptions adopted by the Valuer, including expected loss rate and forward looking adjustments, based on market available information; and • Evaluating the sufficiency and appropriateness of the disclosures regarding the ECL on trade receivables from the Associate in Notes 19 and 39(d) to the consolidated financial statements.

Information Other than the Financial Statements and Auditor's Report Thereon
Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements
Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and SFRS(I)s, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The directors' responsibilities include overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company and by those subsidiary corporations incorporated in Singapore of which we are the auditors have been properly kept in accordance with the provisions of the Act.

The engagement partner on the audit resulting in this independent auditor's report is Panjabi Sanjay Gordhan.

Deloitte & Touche LLP
Public Accountants and
Chartered Accountants
Singapore

24 June 2026

CONSOLIDATED INCOME STATEMENT

Financial year ended 31 March 2026

	Note	Group	
		2026	2025
		S$'000	S$'000
Revenue	3	**1,094,470**	1,104,700
Cost of sales		**(774,848)**	(774,524)
Gross profit		**319,622**	330,176
Other operating income	4	**25,132**	26,357
Distribution costs		**(139,265)**	(146,732)
Administrative expenses		**(128,217)**	(129,560)
Allowance for expected credit losses, net		**(1,207)**	(1,181)
Other operating expenses	5	**(9,906)**	(11,096)
Profit before finance costs and share of results of associates	6	**66,159**	67,964
Finance costs	7	**(23,431)**	(28,915)
Share of results of associates	14	**19,166**	13,462
Profit before taxation		**61,894**	52,511
Income tax expense	8	**(17,778)**	(12,413)
Profit for the financial year		**44,116**	40,098
Attributable to:			
Equity holders of the Company		**28,431**	24,326
Non-controlling interests		**15,685**	15,772
		44,116	40,098
Earnings per share (Singapore cents):			
Basic and diluted	9	**5.65**	4.90

See accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Financial year ended 31 March 2026

	Group	
	2026	2025
	S$'000	S$'000
Profit for the financial year	**44,116**	40,098
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	**2,633**	(47,743)
Revaluation surplus on property, plant and equipment upon transfer to investment properties (Note 11)	**-**	28,920
Deferred tax liability on revaluation surplus on property, plant and equipment upon transfer to investment properties (Note 27)	**(2,281)**	(4,926)
Share of other comprehensive income of associates		
- Defined benefit plan remeasurements	**87**	28
Items that are or may be reclassified subsequently to profit or loss:		
Foreign exchange translation		
- Exchange translation surplus (deficit)	**4,196**	(6,670)
- Exchange translation surplus, reclassified to profit or loss upon de-registration of subsidiaries	**(638)**	(1,991)
Share of other comprehensive (loss) income of associates		
- Exchange translation surplus, reclassified to profit or loss upon de-registration of an associate	**-**	(18)
- Exchange translation (deficit) surplus	**(1,989)**	14
Other comprehensive income (loss) for the financial year, net of tax	**2,008**	(32,386)
Total comprehensive income for the financial year	**46,124**	7,712
Attributable to:		
Equity holders of the Company	**31,227**	(13,299)
Non-controlling interests	**14,897**	21,011
	46,124	7,712

See accompanying notes to the financial statements.

STATEMENTS OF FINANCIAL POSITION

As at 31 March 2026

	Note	Group		Company	
		2026	2025	**2026**	2025
		S$'000	S$'000	**S$'000**	S$'000
Non-current Assets					
Investment properties	10	**74,672**	72,096	**-**	-
Property, plant and equipment	11	**314,779**	311,027	**421**	583
Right-of-use assets	12	**22,250**	29,074	**1,809**	1,444
Interest in subsidiaries	13	**-**	-	**428,681**	428,681
Interest in associates	14	**163,762**	164,333	**16,586**	16,586
Financial assets at fair value through other comprehensive income	15	**3,847**	1,284	**-**	-
Financial assets at fair value through profit or loss	16	**6,030**	7,677	**6,030**	7,677
Contract costs	23	**524**	-	**-**	-
Deferred tax assets	27	**3,335**	3,619	**-**	-
Deposits and prepayments		**3,254**	3,198	**-**	-
Intangible assets	17	**17,793**	9,690	**-**	-
		610,246	601,998	**453,527**	454,971
Current Assets					
Inventories	18	**166,510**	198,481	**-**	-
Contract costs	23	**152**	-	**-**	-
Receivables and prepayments	19	**237,326**	218,965	**384**	8,542
Dividend receivable	35	**5,913**	4,130	**12,316**	15,850
Taxation recoverable		**2,544**	3,685	**-**	-
Short-term investments	20	**21,111**	2,623	**-**	-
Bank balances, deposits and cash	21	**184,758**	185,511	**2,757**	6,524
		618,314	613,395	**15,457**	30,916
Total Assets		**1,228,560**	1,215,393	**468,984**	485,887
Current Liabilities					
Trade and other payables	22	**266,028**	258,976	**84,638**	82,626
Contract liabilities	23	**20,340**	18,370	**-**	-
Lease liabilities	24	**8,004**	10,431	**668**	599
Income tax payable		**6,794**	3,872	**13**	10
Derivative financial instruments	25	**9**	-	**-**	-
Bank and other loans	26	**316,591**	290,502	**41,226**	40,495
		617,766	582,151	**126,545**	123,730
Net Current Assets (Liabilities)		**548**	31,244	**(111,088)**	(92,814)
Non-current Liabilities					
Bank and other loans	26	**127,911**	167,709	**40,452**	59,849
Lease liabilities	24	**15,581**	20,603	**957**	695
Deferred tax liabilities	27	**14,948**	14,067	**12**	4
		158,440	202,379	**41,421**	60,548
Net Assets		**452,354**	430,863	**301,018**	301,609

See accompanying notes to the financial statements.

	Note	Group		Company	
		2026	2025	**2026**	2025
		S$'000	S$'000	**S$'000**	S$'000
Represented by:					
Issued capital	28	**286,307**	286,307	**286,307**	286,307
Treasury shares	28	**(22,601)**	(22,601)	**(22,601)**	(22,601)
Reserves		**28,336**	14,007	**22,773**	23,276
Ordinary equity		**292,042**	277,713	**286,479**	286,982
Perpetual bonds	29	**14,539**	14,627	**14,539**	14,627
Equity attributable to equity holders of the Company		**306,581**	292,340	**301,018**	301,609
Simple agreements for future equity ("SAFE")	30	**18,793**	18,793	**-**	-
Share of net assets of subsidiaries	13	**126,980**	119,730	**-**	-
Non-controlling interests		**145,773**	138,523	**-**	-
Total Equity		**452,354**	430,863	**301,018**	301,609

See accompanying notes to the financial statements.

STATEMENTS OF CHANGES IN EQUITY

Financial year ended 31 March 2026

	Issued capital S$'000	Treasury shares S$'000	Capital reserve[1] S$'000	Legal reserve[2] S$'000	Capital reserve on consolidation[3] S$'000	Exchange translation reserve[4] S$'000	Fair value reserve[5] S$'000
Group							
Balance at 1 April 2025	286,307	(22,601)	(56,262)	16,919	27,175	(140,606)	(46,334)
Total comprehensive income (loss)							
Profit for the financial year	-	-	-	-	-	-	-
Other comprehensive income (loss) for the financial year	-	-	-	-	-	1,673	2,633
Total comprehensive income (loss) for the financial year	-	-	-	-	-	1,673	2,633
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners:							
Accrued distribution for perpetual bonds	-	-	-	-	-	-	-
Distribution paid on perpetual bonds	-	-	-	-	-	-	-
Dividends paid (Note 28)	-	-	-	-	-	-	-
Total transactions with owners	-	-	-	-	-	-	-
Gain of control of a subsidiary without change in ownership interest (Note 42)	-	-	-	-	-	-	-
Transfer to reserve	-	-	-	479	-	-	-
Balance at 31 March 2026	286,307	(22,601)	(56,262)	17,398	27,175	(138,933)	(43,701)

See accompanying notes to the financial statements.

		Attributable to equity holders of the Company				Non-controlling interests			
Share-based payment reserve[6]	Property revaluation reserve[7]	Retained profits	Total ordinary equity	Perpetual bonds	Total	SAFE[8]	Share of net assets of subsidiaries	Total	**Total equity**
S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	**S$'000**
1,467	17,839	193,809	277,713	14,627	292,340	18,793	119,730	138,523	**430,863**
-	-	28,431	28,431	-	28,431	-	15,685	15,685	**44,116**
-	(1,597)	87	2,796	-	2,796	-	(788)	(788)	**2,008**
-	(1,597)	28,518	31,227	-	31,227	-	14,897	14,897	**46,124**
-	-	(1,282)	(1,282)	1,282	-	-	-	-	**-**
-	-	-	-	(1,370)	(1,370)	-	-	-	**(1,370)**
-	-	(15,616)	(15,616)	-	(15,616)	-	(18,664)	(18,664)	**(34,280)**
-	-	(16,898)	(16,898)	(88)	(16,986)	-	(18,664)	(18,664)	**(35,650)**
-	-	-	-	-	-	-	11,017	11,017	**11,017**
-	-	(479)	-	-	-	-	-	-	**-**
1,467	16,242	204,950	292,042	14,539	306,581	18,793	126,980	145,773	**452,354**

	Issued capital S$'000	Treasury shares S$'000	Capital reserve[1] S$'000	Legal reserve[2] S$'000	Capital reserve on consolidation[3] S$'000	Exchange translation reserve[4] S$'000	Fair value reserve[5] S$'000
Group							
Balance at 1 April 2024	286,307	(20,978)	(56,250)	15,540	27,175	(133,812)	1,409
Total comprehensive income (loss)							
Profit for the financial year	-	-	-	-	-	-	-
Other comprehensive (loss) income for the financial year	-	-	-	-	-	(6,794)	(47,743)
Total comprehensive (loss) income for the financial year	-	-	-	-	-	(6,794)	(47,743)
Transactions with owners, recognised directly in equity							
Contributions by and distributions to owners:							
Issue of perpetual bonds, net of transaction costs	-	-	-	-	-	-	-
Accrued distribution for perpetual bonds	-	-	-	-	-	-	-
Purchase of treasury shares (Note 28)	-	(1,623)	-	-	-	-	-
Dividends paid (Note 28)	-	-	-	-	-	-	-
Changes in ownership interests in subsidiary:							
De-registration of a subsidiary	-	-	(12)	-	-	-	-
Total transactions with owners	-	(1,623)	(12)	-	-	-	-
Transfer to reserve	-	-	-	1,379	-	-	-
Balance at 31 March 2025	286,307	(22,601)	(56,262)	16,919	27,175	(140,606)	(46,334)

See accompanying notes to the financial statements.

Attributable to equity holders of the Company						Non-controlling interests			
Share-based payment reserve[6]	Property revaluation reserve[7]	Retained profits	Total ordinary equity	Perpetual bonds	Total	SAFE[8]	Share of net assets of subsidiaries	Total	Total equity
S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
1,467	955	183,533	305,346	-	305,346	18,793	98,719	117,512	422,858
-	-	24,326	24,326	-	24,326	-	15,772	15,772	40,098
-	16,884	28	(37,625)	-	(37,625)	-	5,239	5,239	(32,386)
-	16,884	24,354	(13,299)	-	(13,299)	-	21,011	21,011	7,712
-	-	-	-	14,012	14,012	-	-	-	14,012
-	-	(615)	(615)	615	-	-	-	-	-
-	-	-	(1,623)	-	(1,623)	-	-	-	(1,623)
-	-	(12,096)	(12,096)	-	(12,096)	-	-	-	(12,096)
-	-	12	-	-	-	-	-	-	-
-	-	(12,699)	(14,334)	14,627	293	-	-	-	293
-	-	(1,379)	-	-	-	-	-	-	-
1,467	17,839	193,809	277,713	14,627	292,340	18,793	119,730	138,523	430,863

	Issued capital S$'000	Treasury shares S$'000	Capital reserve[1] S$'000	Fair value reserve[5] S$'000	Retained profits S$'000	Total ordinary equity S$'000	Perpetual bonds S$'000	**Total equity S$'000**
Company								
Balance at 1 April 2025	286,307	(22,601)	614	(46,238)	68,900	286,982	14,627	**301,609**
Total comprehensive income								
Profit for the financial year	-	-	-	-	16,395	16,395	-	**16,395**
Total comprehensive income for the financial year	-	-	-	-	16,395	16,395	-	**16,395**
Transactions with owners, recognised directly in equity								
Accrued distribution for perpetual bonds	-	-	-	-	(1,282)	(1,282)	1,282	**-**
Distribution paid on perpetual bonds	-	-	-	-	-	-	(1,370)	**(1,370)**
Dividends paid (Note 28)	-	-	-	-	(15,616)	(15,616)	-	**(15,616)**
Balance at 31 March 2026	286,307	(22,601)	614	(46,238)	68,397	286,479	14,539	**301,018**
Balance at 1 April 2024	286,307	(20,978)	614	-	76,524	342,467	-	342,467
Total comprehensive income (loss)								
Profit for the financial year	-	-	-	-	5,087	5,087	-	5,087
Other comprehensive loss for the financial year	-	-	-	(46,238)	-	(46,238)	-	(46,238)
Total comprehensive (loss) income for the financial year	-	-	-	(46,238)	5,087	(41,151)	-	(41,151)
Transactions with owners, recognised directly in equity								
Issue of perpetual bonds, net of transaction costs	-	-	-	-	-	-	14,012	14,012
Accrued distribution for perpetual bonds	-	-	-	-	(615)	(615)	615	-
Purchase of treasury shares (Note 28)	-	(1,623)	-	-	-	(1,623)	-	(1,623)
Dividends paid (Note 28)	-	-	-	-	(12,096)	(12,096)	-	(12,096)
Balance at 31 March 2025	286,307	(22,601)	614	(46,238)	68,900	286,982	14,627	301,609

See accompanying notes to the financial statements.

(1) Capital reserves comprises surplus or deficit from transactions with group entities.

(2) Legal reserve represents that part of the profit after taxation of certain subsidiaries in the People's Republic of China ("PRC" or "China") transferred in accordance with local requirements. The legal reserve cannot be distributed or reduced except where approval is obtained from the relevant PRC authority to apply the amount either in setting off accumulated losses or increasing capital.

(3) Capital reserve on consolidation comprises surplus or deficit from acquisitions and disposals of interest in subsidiaries that do not result in a change of control and the capitalisation of accumulated profits.

(4) Exchange translation reserve comprises the foreign exchange differences arising from the translation of the financial statements of the Group's foreign operations whose functional currencies are different from that of the Group's presentation currency.

(5) Fair value reserve includes the cumulative net change in the fair value of equity investments designated at fair value through other comprehensive income ("FVTOCI") until the investments are derecognised.

(6) Share-based payment reserve represents the cumulative fair value of employee services received in exchange for the grant of equity-settled shares and share options.

(7) Property revaluation reserve represents the revaluation surplus or deficit on property, plant and equipment.

(8) SAFE represents simple agreements for future equity entered by a subsidiary of the Company with an aggregate amount of US$13.7 million (Note 30).

See accompanying notes to the financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

Financial year ended 31 March 2026

	Group	
	2026	2025
	S$'000	S$'000
Operating activities		
Profit before taxation	**61,894**	52,511
Adjustments for:		
Share of results of associates	**(19,166)**	(13,462)
Depreciation of property, plant and equipment	**31,253**	31,206
Depreciation of right-of-use assets	**10,956**	10,913
Amortisation of intangible assets	**503**	351
Finance costs	**23,431**	28,915
Interest income	**(1,605)**	(1,999)
Write-off and gain on disposal of property, plant and equipment, net	**1,090**	3,800
Allowance for impairment loss on property, plant and equipment	**-**	650
Allowance for (Write-back of) inventory obsolescence and write-off of inventory, net	**2,135**	(1,331)
Allowance for expected credit losses, net	**1,207**	1,181
Fair value loss on short-term investments - unquoted / quoted equity shares	**32**	183
Fair value gain on short-term investments - structured deposits	**(91)**	-
Fair value gain on remeasurement of previously held equity interests in an associate (Note 42)	**(6,333)**	-
Fair value (gain) loss on investment properties	**(1,784)**	56
Fair value loss (gain) on financial assets at fair value through profit or loss	**1,647**	(3,638)
Gain from de-registration of interest in an associate	**-**	(18)
Gain from de-registration of subsidiaries, net	**(638)**	(1,991)
Dividend income from financial assets at fair value through other comprehensive income	**-**	(52)
Write-off of other payables	**-**	(189)
Unrealised fair value loss on derivative financial instruments	**10**	-
Gain on lease early termination	**-**	(24)
Unrealised exchange gain	**(795)**	(1,412)
Operating cash flows before movements in working capital	**103,746**	105,650
Inventories	**24,704**	(16,477)
Receivables and prepayments, and contract costs	**(24,666)**	10,451
Trade and other payables, and contract liabilities	**15,105**	9,143
Cash generated from operations	**118,889**	108,767
Income tax paid	**(15,266)**	(7,446)
Finance costs paid	**(24,418)**	(29,844)
Interest received	**1,309**	1,502
Net cash generated from operating activities	**80,514**	72,979

See accompanying notes to the financial statements.

	Group	
	2026	2025
	S$'000	S$'000
Investing activities		
Purchase of property, plant and equipment (Note a)	**(17,261)**	(32,038)
Deposits paid for purchase of property, plant and equipment	**(1,356)**	(84)
Dividends received from associates	**4,911**	8,907
Proceeds from disposal of property, plant and equipment, net of transaction costs	**1,713**	190
Additional investment / Investment in an associate	**(2,396)**	(6,088)
Net cash inflow from gain of control of a subsidiary (Note 42)	**808**	-
Placements of structured deposits	**(28,770)**	(2,579)
Redemptions of structured deposits	**10,103**	-
Investment in financial assets at fair value through profit or loss	**-**	(82)
Dividend income from financial assets at fair value through other comprehensive income	**-**	52
Capitalisation of development costs	**(2,362)**	-
Net cash used in investing activities	**(34,610)**	(31,722)
Financing activities		
Drawdown of bank and other loans	**92,930**	75,353
Repayment of bank and other loans	**(99,403)**	(105,098)
Payment of lease liabilities	**(10,918)**	(10,652)
Dividends paid	**(15,616)**	(12,096)
Dividends paid to non-controlling interests	**(18,664)**	-
Proceeds from issue of perpetual bonds, net of transaction costs	**-**	14,172
Distribution paid on perpetual bonds	**(1,370)**	-
Purchase of treasury shares	**-**	(1,623)
Non-trade receipt from related parties	**8,124**	1,893
Net cash used in financing activities	**(44,917)**	(38,051)
Net increase in cash and cash equivalents	**987**	3,206
Cash and cash equivalents at beginning of the financial year	**185,511**	187,102
Effects of exchange rate changes on the balance of cash held in foreign currencies	**(1,740)**	(4,797)
Cash and cash equivalents at end of the financial year, representing bank balances, deposits and cash (Note 21)	**184,758**	185,511

Note:

a) During the financial year, the Group acquired property, plant and equipment with an aggregate cost of S$19,612,000 (2025: S$32,293,000) of which S$2,351,000 (2025: S$255,000) were transferred from deposits paid for property, plant and equipment.

See accompanying notes to the financial statements.

31 March 2026

1. General

GP Industries Limited (the "Company") (Registration No. 199502128C) 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. The financial statements are expressed in Singapore dollars ("S$").

The principal activities of the Company comprise those of an investment holding company and regional headquarters of the Company and its subsidiaries (collectively, the "Group").

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 ("Hong Kong") and listed on The Stock Exchange of Hong Kong Limited.

The principal activities of the Group's significant subsidiaries and significant associates are disclosed in Notes 40 and 41 respectively.

The consolidated financial statements of the Group and statement of financial position and statement of changes in equity of the Company for the financial year ended 31 March 2026 were authorised for issue by the Board of Directors on 24 June 2026.

2. Material accounting policy information

Basis of Accounting

The financial statements have been prepared in accordance with the historical cost basis, except as disclosed in the material accounting policy information below, and are drawn up in accordance with the provisions of the Companies Act 1967, and Singapore Financial Reporting Standards (International) ("SFRS(I)").

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability which market participants would take into account when pricing the asset or liability at the measurement date. Fair value for measurement and / or disclosure purposes in these consolidated financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of SFRS(I) 2 *Share-based Payment* ("SFRS(I) 2"), leasing transactions that are within the scope of SFRS(I) 16 *Leases* ("SFRS(I) 16"), and measurements that have some similarities to fair value but are not fair value, such as net realisable value in SFRS(I) 1-2 *Inventories* or value in use in SFRS(I) 1-36 *Impairment of Assets* ("SFRS(I) 1-36").

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- 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
- Level 3 inputs are unobservable inputs for the asset or liability.

Basis of Consolidation

<u>Subsidiaries</u>

The consolidated financial statements incorporate the financial statements of the Company and its subsidiaries made up to 31 March each year. Subsidiaries are entities controlled by the Company. Control is achieved when the Company:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

2. Material accounting policy information (cont'd)

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated income statement and other comprehensive income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies used in line with those used by other members of the Group.

All inter-company transactions, balances, income and expenses are eliminated on consolidation.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Company.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified / permitted by applicable SFRS(I)). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under SFRS(I) 9 *Financial Instruments* ("SFRS(I) 9") or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture.

In the Company's financial statements, investments in subsidiaries are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

Interest in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

In the Group's financial statements, investments in associates are accounted for using the equity method of accounting. Under the equity method, investments in associates are carried in the consolidated statement of financial position at cost as adjusted for post-acquisition changes in the Group's share of the net assets of the associate, including profit or loss, other comprehensive income and changes in net assets of the associate other than other comprehensive income, less any impairment in the value of individual investments. Losses of an associate in excess of the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate) are not recognised, unless the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets and liabilities of the associate recognised at the date of acquisition is recognised as goodwill. The goodwill is included within the carrying amount of the investment and is assessed for impairment as part of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of acquisition, after reassessment, is recognised immediately in profit or loss.

2. Material accounting policy information (cont'd)

Where a Group entity transacts with an associate of the Group, profits and losses are eliminated to the extent of the Group's interest in the associate.

Where necessary, adjustments are made to the financial statements of associates to bring the accounting policies used in line with those used by other members of the Group.

In the Company's financial statements, investments in associates are carried at cost less any impairment in net recoverable value that has been recognised in profit or loss.

Business Combinations

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured, on the acquisition date, at the aggregate fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognised in profit or loss as incurred.

Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates at fair value, with changes in fair value recognised in profit or loss.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under the SFRS(I) are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with SFRS(I) 1-12 *Income Taxes* and SFRS(I) 1-19 *Employee Benefits* respectively;
- liabilities or equity instruments related to share-based payment transactions of the acquiree or the replacement of an acquiree's share-based payment awards transactions with share-based payment awards transactions of the acquirer in accordance with the method in SFRS(I) 2 at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with SFRS(I) 5 *Non-current Assets Held for Sale and Discontinued Operations* are measured in accordance with SFRS(I) 5.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interests of non-controlling shareholders that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured (at date of original business combination) either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see below), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year from acquisition date.

2. Material accounting policy information (cont'd)

Foreign Currency Transactions

The individual financial statements of each Group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). The consolidated financial statements of the Group and the statement of financial position and statement of changes in equity of the Company are presented in Singapore dollars, which is the functional currency of the Company and the presentation currency for the consolidated financial statements.

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency are recorded at the rate of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising from the settlement of monetary items, and from retranslation of monetary items are included in profit or loss for the period. Exchange differences arising from the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising from the retranslation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income. For such non-monetary items, any exchange component of that gain or loss is also recognised in other comprehensive income.

Exchange differences on foreign currency borrowings relating to assets under construction for future productive use, are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

Foreign Currency Translation

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are expressed in Singapore dollars using exchange rates prevailing at the end of the reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in the Group's exchange translation reserve.

On the disposal of a foreign operation (i.e. a disposal of the Group's entire interest in a foreign operation, or a disposal involving loss of control over a subsidiary that includes a foreign operation, or loss of significant influence over an associate that includes a foreign operation), all of the accumulated exchange differences in respect of that operation attributable to the Group are reclassified to profit or loss. Any exchange differences that have previously been attributed to non-controlling interests are derecognised, but they are not reclassified to profit or loss.

In the case of a partial disposal (i.e. no loss of control) of a subsidiary that includes a foreign operation, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. of associates that do not result in the Group losing significant influence), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

On consolidation, exchange differences arising from the translation of the net investment in foreign entities (including monetary items that, in substance, form part of the net investment in foreign entities), and of borrowings and other currency instruments designated as hedges of such investments, are recognised in other comprehensive income and accumulated in exchange translation reserve.

Goodwill and fair value adjustments arising from the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the exchange rates prevailing at the end of the reporting period.

Revenue Recognition

The Group recognises revenue from the following major sources:

- Sales of batteries and battery-related products
- Sales of electronics and acoustics products

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The Group recognises revenue when it transfers control of a product or service to a customer.

The revenue of the Group arising from product sales is recognised at a point in time. Revenue from these sales is recognised when customer acceptance has been obtained, which is the point of time when the goods are delivered based on the agreed shipping terms and the location specified by the customers, and when the customer has the ability to direct the use of these products and obtain substantially all of the remaining benefits of these products.

2. Material accounting policy information (cont'd)

A contract liability represents the Group's obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer.

A contract cost is capitalised when the Group determines that the incremental costs incurred are in support of or directly related to the manufacturing contracts obtain from customers and to meet (or continuing to meet) its performance obligations.

Management fee income is recognised when services are rendered.

Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Income from providing financial guarantee is recognised in profit or loss over the guarantee period on a straight-line basis.

Operating lease income is recognised on a straight-line basis over the term of the relevant lease.

Retirement Benefit Costs

Payments to defined contribution retirement benefit plans are charged as an expense when employees have rendered the services entitling them to the contributions. Payments to state-managed retirement benefit schemes, such as the Singapore Central Provident Fund, are dealt with as payments to defined contribution plans where the Group's obligations under the plans are equivalent to those arising in a defined contribution retirement benefit plan.

Employee Leave Entitlement

Employee entitlements to annual leave are recognised when they accrue to employees. A provision is made for the estimated liability for annual leave as a result of services rendered by employees up to the end of the reporting period.

Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

Government Grants

Government grants are not recognised until there is reasonable assurance that the Group will comply with the conditions attaching to them and the grants will be received. Government grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related costs for which the grants are intended to compensate. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are not taxable or tax deductible. The Group's liability for current tax is calculated using tax rates (and tax laws) enacted or substantively enacted in countries where the Group's entities operate by the end of the reporting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised on the differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

2. Material accounting policy information (cont'd)

Deferred tax liabilities are recognised for taxable temporary differences arising from investments in subsidiaries and associates, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. Except for investment properties measured using the fair value method, the measurement of deferred tax liabilities and assets reflects the tax consequence that will follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amounts of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets for investment properties that are measured using the fair value model, the carrying amounts of such properties are presumed to be recovered through sale unless the presumption is rebutted. The presumption is rebutted when the investment property is depreciable and is held within a business model of the Group whose business objective is to consume substantially all of the economic benefits embodied in the investment property over time, rather than through sale. The Group has not rebutted the presumption that the carrying amount of the investment properties will be recovered entirely through sale.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Current and deferred tax are recognised as an expense or income in profit or loss, except when they relate to items credited or debited outside profit or loss (either in other comprehensive income or directly in equity), in which case the tax is also recognised outside profit or loss (either in other comprehensive income or directly in equity, respectively), or where they arise from the initial accounting for a business combination. In the case of a business combination, the tax effect is taken into account in calculating goodwill or determining the excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over cost.

Financial Instruments

Financial assets and financial liabilities are recognised on the statement of financial position when the Group becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Financial Assets

All financial assets are recognised and derecognised on a trade date basis where the purchase or sale of financial assets is under a contract whose terms require delivery of assets within the timeframe established by the market concerned.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are subsequently measured at FVTOCI:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling the financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. Material accounting policy information (cont'd)

By default, all other financial assets are subsequently measured at fair value through profit or loss ("FVTPL").

Amortised cost and effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortisation using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Equity instruments designated as at FVTOCI

On initial recognition, the Group may make an irrevocable election (on an instrument-by-instrument basis) to designate investments in equity instruments as at FVTOCI. Designation at FVTOCI is not permitted if the equity investment is held for trading or if it is contingent consideration recognised by an acquirer in a business combination to which SFRS(I) 3 *Business Combinations* applies.

Investments in equity instruments at FVTOCI are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the investments revaluation reserve. The cumulative gain or loss will not be reclassified to profit or loss on disposal of the equity investments, instead, they will be transferred to retained earnings.

Dividends on these investments in equity instruments are recognised in profit or loss when the Group's right to receive the dividends is established, unless the dividends clearly represent a recovery of part of the cost of the investment. Dividends are included in the "other operating income" line item in profit or loss.

Financial assets at FVTPL

Financial assets that do not meet the criteria for being measured at amortised cost or FVTOCI are measured at FVTPL. Specifically:

- Investments in equity instruments are classified as at FVTPL, unless the Group designates an equity investment that is neither held for trading nor a contingent consideration arising from a business combination as at FVTOCI on initial recognition.
- Debt instruments that do not meet the amortised cost criteria or the FVTOCI criteria are classified as at FVTPL. In addition, debt instruments that meet either the amortised cost criteria or the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases. The Group has not designated any debt instruments as at FVTPL.

Financial assets at FVTPL are measured at fair value as at each reporting date, with any fair value gains or losses recognised in profit or loss to the extent they are not part of a designated hedging relationship. The net gain or loss recognised in profit or loss includes any dividend or interest earned on the financial asset.

<u>Impairment of financial assets</u>

The Group recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost or at FVTOCI. No impairment loss is recognised for investments in equity instruments. The amount of ECL is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group always recognises lifetime ECL for trade receivables. The ECL on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, as well as current and general economic conditions at the reporting date, including time value of money where appropriate.

For all other financial instruments, the Group recognises lifetime ECL when there has been a significant increase in credit risk since initial recognition. If, on the other hand, the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. The assessment of whether lifetime ECL should be recognised is based on significant increases in the likelihood or risk of a default occurring since initial recognition instead of on evidence of a financial asset being credit-impaired at the reporting date or an actual default occurring.

Lifetime ECL represents the ECL that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

2. Material accounting policy information (cont'd)

Significant increase in credit risk

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- an actual or expected significant deterioration in the financial instrument's external (if available) or internal credit rating;
- significant deterioration in external market indicators of credit risk for a particular financial instrument, e.g. a significant increase in the credit spread, the credit default swap prices for the debtor;
- existing or forecast adverse changes in business, financial or economic conditions that are expected to cause a significant decrease in the debtor's ability to meet its debt obligations;
- an actual or expected significant deterioration in the operating results of the debtor; or
- an actual or expected significant adverse change in the regulatory, economic, or technological environment of the debtor that results in a significant decrease in the debtor's ability to meet its debt obligations.

Irrespective of the outcome of the above assessment, the Group presumes that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due, unless the Group has reasonable and supportable information that demonstrates otherwise.

The Group regularly monitors the effectiveness of the criteria used to identify whether there has been a significant increase in credit risk and revises them as appropriate to ensure that the criteria are capable of identifying significant increase in credit risk before the amount becomes past due.

For financial guarantee contracts, the date that the Group becomes a party to the irrevocable commitment is considered to be the date of initial recognition for the purposes of assessing the financial instrument for impairment. In assessing whether there has been a significant increase in the credit risk since initial recognition of a financial guarantee contract, the Group considers the changes in the risk that the specified debtor will default on the contract.

Definition of default

A default on a financial asset is when the counter party fails to make contractual payments within a specific period after the credit period granted.

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets

A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

a) significant financial difficulty of the issuer or the borrower;
b) a breach of contract, such as a default or past due event; or
c) it is becoming probable that the borrower will enter bankruptcy or other financial reorganisation.

Write-off policy

The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Measurement and recognition of ECL

The measurement of ECL is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information as described above. As for the exposure at default, for financial assets, this is represented by the assets' gross carrying amount at the reporting date.

For financial assets, the ECL is estimated as the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive, discounted at the original effective interest rate.

2. **Material accounting policy information (cont'd)**

Where lifetime ECL is measured on a collective basis to cater for cases where evidence of significant increases in credit risk at the individual instrument level may not yet be available, the financial instruments are grouped on the following basis:

- Nature of financial instruments (i.e. the Group's trade and other receivables, finance lease receivables and amounts due from customers are each assessed as a separate group. Loans to related parties are assessed for ECL on an individual basis);
- Past-due status;
- Nature, size and industry of debtors; and
- External credit ratings where available.

The grouping is regularly reviewed by management to ensure the constituents of each group continue to share similar credit risk characteristics.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Group measures the loss allowance at an amount equal to 12-month ECL at the current reporting date.

The Group recognises an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

Derecognition of financial assets

The Group derecognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset measured at amortised cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in profit or loss. On derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the fair value reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Cash and cash equivalents in the consolidated statement of cash flows

Cash and cash equivalents in the consolidated statement of cash flows comprise cash on hand and at bank and short-term, highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, such as fixed deposit with an original maturity period of three months or less, and exclude cash at bank, fixed deposit or highly liquid investments which are pledged as security and bank overdrafts which are repayable on demand.

Financial Liabilities and Equity Instruments

Classification as debt or equity

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Trade and other payables

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest method. Interest expense is recognised on an effective yield basis, except for short-term payables when the recognition of interest would be immaterial.

Bank and other borrowings

Interest-bearing bank loans and other loans are initially measured at fair value, and are subsequently measured at amortised cost, using the effective interest method. Interest expense calculated using the effective interest method is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued are recorded at the proceeds received, net of direct issue costs.

2. Material accounting policy information (cont'd)

Treasury shares

When the Company purchases its own issued ordinary shares without immediately cancelling such purchased shares, such purchased shares are held as treasury shares. The consideration paid, including any directly attributable costs, on the treasury shares is presented as a component within equity. When the treasury shares are subsequently disposed of, the realised gains or losses on disposal of the treasury shares are recognised in equity.

Perpetual bonds

The perpetual bonds do not have a maturity date, and the Company is able to defer making a distribution subject to the term and conditions of the bonds issued. The Company is considered to have no contractual obligation to make principal repayments or distributions in respect of its perpetual bonds issue. Accordingly, the perpetual bonds do not meet the definition for classification as a financial liability under SFRS(I) 1-32 *Financial Instruments: Presentation*, and are presented within equity. Distributions are treated as dividends which will be directly debited from equity. Incremental costs directly attributable to the issue of the perpetual bonds are deducted against the proceeds from the issue.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

Offsetting arrangements

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when the Group and the Company has a legally enforceable right to set off the recognised amounts; and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Investment Properties

Investment property held to earn rentals and/or for capital appreciation is measured initially at its cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss for the period in which they arise.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised. When an investment property that was previously classified as property, plant and equipment is sold, any related amount included in the revaluation reserve is transferred to retained earnings.

Transfers are made to or from investment properties only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed costs of property for subsequent accounting is its fair value at the date of change in use.

Property, Plant and Equipment

Property, plant and equipment are carried at cost less accumulated depreciation and any accumulated impairment loss where the recoverable amount of the asset is estimated to be lower than its carrying amount.

Construction in progress comprises material and all other cost incurred in relation to the construction and is not depreciated. On completion, they are identified for transfer to specific categories of property, plant and equipment.

Depreciation is charged to write-off the cost of property, plant and equipment over their estimated useful lives using the straight-line method as follows:

Category of property, plant and equipment	Depreciation rates per annum
Furniture, fixtures and equipment	- 5% to 25%
Machinery and equipment	- 10% to 33⅓%
Motor vehicles	- 10% to 33⅓%
Moulds and tools	- 10% to 50%

Freehold land is not depreciated.

Leasehold land is depreciated over the period of the leases using the straight-line method.

Freehold buildings are depreciated at 2% to 4% per annum using the straight-line method.

2. Material accounting policy information (cont'd)

Leasehold buildings are depreciated at 2% to 10% per annum using the straight-line method.

Leasehold improvements are depreciated at the shorter of 10% to $33\frac{1}{3}$% or over the lease terms.

Fully depreciated assets still in use are retained in the financial statements.

The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss on disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

A transfer from owner-occupied property to investment property is fair valued at the date of transfer and the difference between fair value and the previous carrying amount is accounted for as property revaluation surplus or deficit in equity. The increase in carrying amounts arising from revaluation, including currency translation differences, are recognised in other comprehensive income, unless there was an impairment loss recognised for the same property in prior years and a portion of the increase is recognised in profit or loss to the extent of that impairment loss. The decrease is recognised in profit or loss for any decrease in excess of the amount included in the revaluation surplus for that property. On the subsequent sale or retirement of the property, the relevant revaluation reserve will be transferred directly to retained profits.

Intangible Assets

Goodwill

Goodwill arising from a business combination is recognised as an asset at the date that control is acquired (the acquisition date). Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest (if any) in the entity over net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

If, after reassessment, the Group's interest in the fair value of the acquiree's identifiable net assets exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held equity interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Goodwill is not amortised but is reviewed for impairment at least annually. For the purpose of impairment testing, goodwill is allocated to each of the Group's cash-generating units expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in a subsequent period.

On disposal of a subsidiary or the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

The Group's policy for goodwill arising from the acquisition of an associate is described under "Interest in Associates" above.

Trademarks and Patents

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 twenty years and two years respectively.

The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Customer Relationships

Customer relationships acquired in a business combination are recognised initially at fair value at the acquisition date or the date of control. Subsequent to initial recognition, customer relationships are reported at cost less accumulated amortisation and accumulated impairment losses. Customer relationships are amortised on a straight-line basis over their useful lives of 5 years.

Development Costs

Development costs relates to internally developed acoustics products that are expected to generate future economic benefits and are amortised on a straight-line basis over a period of 3 to 4 years, based on the estimated acoustics product life cycle.

2. **Material accounting policy information (cont'd)**

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and where applicable, direct labour costs and overheads that have been incurred in bringing the inventories to their present location and condition calculated using the first-in, first-out method. Net realisable value is calculated as the actual or estimated selling price less all further costs of production and the related costs of marketing, selling and distribution.

Leases

The Group as Lessor

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.

The Group as Lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For these leases, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses the incremental borrowing rate specific to the lessee.

Lease payments included in the measurement of the lease liability comprise:
- fixed lease payments (including in-substance fixed payments), less any lease incentives;
- variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- the amount expected to be payable by the lessee under residual value guarantees;
- the exercise price of purchase options, if the lessee is reasonably certain to exercise the options; and
- payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is presented as a separate line in the statement of financial position.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:
- the lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate;
- the lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using the initial discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used); or
- a lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognised and measured under SFRS(I) 1-37 *Provisions, Contingent Liabilities and Contingent Assets*. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset, unless those costs are incurred to produce inventories.

Right-of-use assets are depreciated using straight-line basis over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

2. Material accounting policy information (cont'd)

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies SFRS(I) 1-36 to determine whether a right-of-use asset is impaired.

Variable rents that do not depend on an index or rate are not included in the measurement of the lease liability and the right-of-use asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in profit or loss.

As a practical expedient, SFRS(I) 16 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement.

Impairment of Tangible and Intangible Assets Excluding Goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Share-based Payments

Equity-settled Share-based Payments

The fair value of the employee services received in exchange for the grant of options or shares is recognised as an expense in the profit or loss with a corresponding increase in share-based payment reserve, or capital reserve in respect of options granted by the Company's ultimate holding company, over the vesting period.

Options granted by a Group entity pursuant to schemes approved by its respective shareholders were measured at fair value (excluding the effect of non-market based vesting conditions) at the date of offer using the Black-Scholes pricing model. The fair value determined at the offer date of the options is expensed on a straight-line basis over the vesting period, based on the estimated number of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions. The expected life used in the model has been adjusted for the estimated effects of non-transferability, exercise restrictions and behavioural considerations.

2. Material accounting policy information (cont'd)

Certain directors and employees of the Group are also entitled to options to subscribe for the ordinary shares in the ultimate holding company of the Company. The fair value of such options is determined by the ultimate holding company. The Group's attributable share of the fair value of such options is expensed on a straight-line basis over the vesting period.

Upon the cancellation / lapse of share options, share option expenses previously recognised in the share-based payment reserve are transferred to retained profits.

3. Revenue

Revenue comprised product sales recognised at a point in time:

	Group	
	2026	2025
	S$'000	S$'000
Batteries and battery-related products	**806,534**	833,279
Electronics and acoustics products	**287,936**	271,421
	1,094,470	1,104,700

4. Other operating income

	Group	
	2026	2025
	S$'000	S$'000
Product development and engineering fee income	**244**	3,041
Interest income:		
Banks	**1,075**	1,313
Third parties	**259**	212
Related parties	**271**	474
Gain on disposal of property, plant and equipment	**317**	-
Management fee income from associates	**747**	599
Management fee income from related parties	**1,791**	1,935
Consultancy fee income from related parties	**-**	84
IT service fee income from related parties	**495**	188
Operating lease income	**723**	385
Net rental income from investment properties	**613**	627
Government grant	**6,572**	7,140
Gain on sales of parts, samples, scrap and surplus materials	**981**	718
Gain from de-registration of interest in an associate	**-**	18
Fair value gain on short-term investments - structured deposits	**91**	-
Fair value gain on investment properties	**1,784**	-
Fair value gain on financial assets at fair value through profit or loss	**-**	3,638
Gain from de-registration of subsidiaries	**790**	1,991
Fair value gain on remeasurement of previously held equity interests in an associate	**6,333**	-
Recovery of bad debts	**2**	5
Trademark licensing income	**607**	133
Royalty income	**374**	390
Write-off of other payables	**-**	189
Exchange gain	**-**	2,692
Others	**1,063**	585
	25,132	26,357

5. Other operating expenses

	Group	
	2026	2025
	S$'000	S$'000
Property, plant and equipment written-off	**1,407**	3,800
Bank charges	**1,604**	1,638
Fair value loss on short-term investments - unquoted / quoted equity shares	**32**	183
Fair value loss on financial assets at fair value through profit or loss	**1,647**	-
Allowance for impairment loss on property, plant and equipment	**-**	650
Unrealised fair value loss on derivative financial instruments	**10**	-
Loss from de-registration of a subsidiary	**152**	-
Restructuring charges (Note a)	**2,180**	4,294
Exchange loss	**1,225**	-
Reinstatement costs	**992**	-
Fair value loss on investment properties	**-**	56
Others	**657**	475
	9,906	11,096

Note:

a) Restructuring charges are costs for the proposed internal restructuring of the Group during the financial years ended 31 March 2026 and 2025.

6. Profit before finance costs and share of results of associates

Profit before finance costs and share of results of associates is arrived at after charging (crediting) the following:

	Group	
	2026	2025
	S$'000	S$'000
Audit fees:		
Auditors of the Company and Deloitte network firms	**1,629**	1,831
Other auditors	**405**	306
Non-audit fees:		
Auditors of the Company and Deloitte network firms	**-**	36
Other auditors	**109**	215
Depreciation of property, plant and equipment	**31,253**	31,206
Depreciation of right-of-use assets	**10,956**	10,913
Amortisation of intangible assets	**503**	351
Amortisation of contract costs	**32**	-
Expenses relating to short-term leases	**908**	1,118
Expenses relating to leases of low-value assets	**5**	10
Expenses relating to variable lease payments not included in the measurement of lease liability	**902**	1,077
Directors' remuneration:		
Fees	**431**	513
Other emoluments	**4,918**	4,481
Employee benefits expense (excluding directors' remuneration)	**191,388**	175,486
Cost of defined contribution plans included in employee benefits expense and directors' remuneration	**9,974**	9,501
Allowance for (Write-back of) inventory obsolescence and write-off of inventory, net	**2,135**	(1,331)
Cost of inventories recognised as expense	**769,794**	770,617

7. Finance costs

	Group	
	2026	2025
	S$'000	S$'000
Interest on bank loans, overdrafts, bills payable and amortised fees relating to term loans	**21,887**	26,952
Interest on lease liabilities	**1,529**	1,880
Interest on amounts due to related parties	**-**	83
Interest on amounts due to an associate	**15**	-
	23,431	28,915

8. Income tax expense

	Group	
	2026	2025
	S$'000	S$'000
Current taxation:		
Provision for taxation in respect of profit for the financial year	**14,139**	8,981
Under (Over)-provision in respect of prior years	**1,904**	(861)
Withholding tax on overseas income	**2,935**	731
Deferred taxation:		
(Credit) Charge for the financial year	**(1,200)**	3,562
	17,778	12,413

The income tax expense varied from the amount of income tax expense determined by applying the Singapore income tax rate of 17% (2025: 17%) to profit before taxation as a result of the following differences:

	Group	
	2026	2025
	S$'000	S$'000
Profit before taxation	**61,894**	52,511
Share of results of associates	**(19,166)**	(13,462)
Profit before taxation and share of results of associates	**42,728**	39,049
Income tax expense at statutory tax rate	**7,264**	6,638
Effect of different tax rates of overseas operations	**(2,245)**	(1,706)
Income not subject to tax	**(2,073)**	(5,458)
Expenses not deductible for tax purposes	**6,232**	7,114
Deferred tax assets not recognised	**5,423**	5,998
Recognition of previously unrecognised deferred tax assets	**(1,126)**	(2,824)
Under (Over)-provision in prior years	**1,904**	(861)
Withholding tax	**2,935**	731
Deferred tax on undistributed profits	**(1,712)**	2,242
Enhanced tax deductions	**(28)**	(128)
Top-up tax under Pillar Two Rules	**1,397**	744
Others	**(193)**	(77)
Total income tax expense at effective rates	**17,778**	12,413

8. Income tax expense (cont'd)

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 recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two top-up tax.

The Pillar Two legislation has become effective in Hong Kong, and since the Group is headquartered in Hong Kong, all jurisdictions in which the Group has operative subsidiaries will be subject to Pillar Two requirements. Under the Pillar Two legislation, a top-up tax liability arises where the Group's effective tax rate in a jurisdiction is below 15 per cent. Therefore, a top-up tax is accrued in the current year using the tax rate based on the estimated adjusted covered taxes and net GloBE income for the year.

During the financial year ended 31 March 2026, the Group has recognised a current tax expense of S$1,397,000 (2025: S$744,000) and over-provision in respect of prior year of S$116,000 (2025: S$Nil) 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 share

The following data were used in computing basic and fully diluted earnings per share disclosed in the income statement:

a) Earnings

	Group	
	2026	2025
	S$'000	S$'000
Profit attributable to equity holders of the Company	**28,431**	24,326
Less: Accrued distribution for perpetual bonds	**(1,282)**	(615)
Profit attributable to ordinary shareholders of the Company	**27,149**	23,711

b) Number of shares

	Group	
	2026	2025
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	**480,499,782**	483,595,729

There were no dilutive potential ordinary shares for the financial years ended 31 March 2026 and 2025.

10. Investment properties

	Group	
	2026	2025
	S$'000	S$'000
Balance 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	**1,784**	(56)
Currency realignment	**792**	15
Balance at end of the financial year	**74,672**	72,096

During the financial year ended 31 March 2025, certain portion of an industrial complex and a factory building (the "Properties") located in China with carrying amount of S$8,113,000 and S$64,024,000 respectively were transferred from property, plant and equipment to investment properties due to the end of owner-occupation. Immediately before the transfer, the Group remeasured the Properties to fair value and recognised a gain of S$28,920,000 and related deferred tax liability of S$4,926,000 in other comprehensive income.

During the financial year, the Group recognised rental income from investment properties of S$644,000 (2025: S$658,000) and direct operating expenses of S$31,000 (2025: S$31,000), the net rental income of S$613,000 (2025: S$627,000) was included in other operating income (Note 4).

Details of the Group's investment properties as at 31 March 2026 are as follows:

Location	Description / Existing use	Tenure	Unexpired lease term
No. 365 Jingu Middle Road (West), Panhuo Street, Yinzhou District, Ningbo City, Zhejiang Province, the PRC	Land and Industrial plant	Leasehold	31 years expiring in May 2057 and 32 years expiring in June 2058
No. 128 Xingguang Road, Ningbo National Hi-Tech Industrial Development Zone, Yinzhou District, Ningbo City, Zhejiang Province, the PRC	Land and Industrial plant	Leasehold	29 years expiring in December 2055

The fair values of the Group's investment properties as at 31 March 2026 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.

10. Investment properties (cont'd)

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	Fair value as at		Valuation techniques	Significant unobservable inputs	Sensitivity
	2026	2025			
	S$'000	S$'000			
Industrial complex	**7,790**	7,840	Income capitalisation method.	Market rents, taking into account the differences in location between the comparables and the properties, which is ranging from RMB 26 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	**66,882**	64,256	Market approach and depreciated replacement cost approach. Market approach is made based on prices realised 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 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.	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 3,013 to RMB 3,704 per square meter. 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 1,462 to RMB 1,485 (2025: RMB 1,188 to RMB 1,551) per square meter.	The higher the price per square meter, the higher the fair value.

11. Property, plant and equipment

	Freehold land and buildings(1)	Leasehold land and buildings(2)	Leasehold improve-ments	Furniture, fixtures and equipment	Machinery and equipment	Motor vehicles	Moulds and tools	Construc-tion in progress	**Total**
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	**S$'000**
Group									
Cost:									
Balance at 1 April 2025	12,000	166,346	33,917	44,497	328,025	8,545	95,610	7,130	**696,070**
Additions	-	1,825	614	2,631	3,824	356	2,203	8,159	**19,612**
Gain of control of a subsidiary (Note 42)	-	11,364	-	326	5,170	188	-	374	**17,422**
Disposals and write-offs	(160)	(151)	(101)	(4,174)	(6,032)	(664)	(6,307)	(25)	**(17,614)**
Reclassifications	1,274	4,494	997	774	2,255	4	2,600	(12,398)	**-**
Currency realignment	484	852	(1,058)	(677)	(4,545)	(154)	(258)	447	**(4,909)**
Balance at 31 March 2026	13,598	184,730	34,369	43,377	328,697	8,275	93,848	3,687	**710,581**
Accumulated depreciation:									
Balance at 1 April 2025	4,029	19,681	17,787	34,873	241,417	6,962	50,584	-	**375,333**
Charge for the financial year	172	5,062	3,068	2,616	13,747	574	6,014	-	**31,253**
Eliminated on disposals and write-offs	(16)	(51)	(101)	(4,071)	(3,726)	(609)	(5,611)	-	**(14,185)**
Currency realignment	150	93	(269)	(626)	(4,188)	(154)	(392)	-	**(5,386)**
Balance at 31 March 2026	4,335	24,785	20,485	32,792	247,250	6,773	50,595	-	**387,015**
Accumulated impairment loss:									
Balance at 1 April 2025	-	-	3	280	9,219	-	208	-	**9,710**
Eliminated on disposals and write-offs	-	-	-	-	(626)	-	-	-	**(626)**
Currency realignment	-	-	-	(13)	(275)	-	(9)	-	**(297)**
Balance at 31 March 2026	-	-	3	267	8,318	-	199	-	**8,787**
Carrying amount:									
Balance at 31 March 2026	9,263	159,945	13,881	10,318	73,129	1,502	43,054	3,687	**314,779**

11. Property, plant and equipment (cont'd)

	Freehold land and buildings[1]	Leasehold land and buildings[2]	Leasehold improve-ments	Furniture, fixtures and equipment	Machinery and equipment	Motor vehicles	Moulds and tools	Construc-tion in progress	Total
	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Group									
Cost:									
Balance at 1 April 2024	12,553	234,526	37,389	43,101	326,755	8,349	88,285	1,915	752,873
Additions	-	835	5,531	2,098	3,211	441	5,568	14,609	32,293
Disposals and write-offs	(1,201)	-	(8,868)	(1,219)	(7,982)	(150)	(2,889)	(19)	(22,328)
Reclassifications	-	-	-	230	3,626	-	5,385	(9,241)	-
Transfer from right-of-use assets	-	-	-	-	2,651	141	-	-	2,792
Revaluation surplus upon transfer to investment properties	-	28,920	-	-	-	-	-	-	28,920
Transfer to investment properties	-	(93,442)	-	-	-	-	-	-	(93,442)
Currency realignment	648	(4,493)	(135)	287	(236)	(236)	(739)	(134)	(5,038)
Balance at 31 March 2025	12,000	166,346	33,917	44,497	328,025	8,545	95,610	7,130	696,070
Accumulated depreciation:									
Balance at 1 April 2024	3,678	35,584	21,199	33,370	234,400	6,455	47,461	-	382,147
Charge for the financial year	167	6,090	3,824	2,602	11,994	576	5,953	-	31,206
Eliminated on disposals and write-offs	-	-	(7,059)	(1,183)	(7,294)	(143)	(2,659)	-	(18,338)
Reclassifications	-	-	-	3	-	-	(3)	-	-
Transfer from right-of-use assets	-	-	-	-	1,652	141	-	-	1,793
Transfer to investment properties	-	(21,305)	-	-	-	-	-	-	(21,305)
Currency realignment	184	(688)	(177)	81	665	(67)	(168)	-	(170)
Balance at 31 March 2025	4,029	19,681	17,787	34,873	241,417	6,962	50,584	-	375,333
Accumulated impairment loss:									
Balance at 1 April 2024	-	-	3	281	8,614	-	208	-	9,106
Charge for the financial year	-	-	-	-	650	-	-	-	650
Currency realignment	-	-	-	(1)	(45)	-	-	-	(46)
Balance at 31 March 2025	-	-	3	280	9,219	-	208	-	9,710
Carrying amount:									
Balance at 31 March 2025	7,971	146,665	16,127	9,344	77,389	1,583	44,818	7,130	311,027

(1) As at 31 March 2026, the carrying amount of freehold land was S$6,674,000 (2025: S$6,384,000).

(2) Rights to use leasehold land which has been fully paid up upon acquisition and not subject to any further payment obligations for such rights are presented under leasehold land and buildings, which has a carrying amount of S$159,945,000 as at 31 March 2026 (2025: S$146,665,000).

11. Property, plant and equipment (cont'd)

During the financial year ended 31 March 2026, the Group has assessed that there is no indication of impairment for its property, plant and equipment.

During the financial year ended 31 March 2025, the Group carried out a review of the recoverable amount of property, plant and equipment. Arising from the review, an impairment loss of S$650,000 was recognised to reduce the carrying amount of the plant and equipment to their recoverable amount. The recoverable amount of the relevant assets has been determined on the basis of their value in use. The discount rate used in measuring value in use for the financial year ended 31 March 2025 was 12.0% per annum. The impairment loss, arose from a plant engaged in the manufacturing of a particular type of battery product, was included in other operating expenses (Note 5).

	Leasehold improvements	Furniture, fixtures and equipment	Motor vehicles	**Total**
	S$'000	S$'000	S$'000	**S$'000**
Company				
Cost:				
Balance at 1 April 2025	396	1,513	549	**2,458**
Additions	-	2	-	**2**
Disposals and write-offs	(101)	(1,225)	-	**(1,326)**
Balance at 31 March 2026	295	290	549	**1,134**
Accumulated depreciation:				
Balance at 1 April 2025	224	1,351	300	**1,875**
Charge for the financial year	59	49	56	**164**
Disposals and write-offs	(101)	(1,225)	-	**(1,326)**
Balance at 31 March 2026	182	175	356	**713**
Carrying amount:				
Balance at 31 March 2026	113	115	193	**421**
Cost:				
Balance at 1 April 2024	396	1,510	549	2,455
Additions	-	3	-	3
Balance at 31 March 2025	396	1,513	549	2,458
Accumulated depreciation:				
Balance at 1 April 2024	165	1,302	241	1,708
Charge for the financial year	59	49	59	167
Balance at 31 March 2025	224	1,351	300	1,875
Carrying amount:				
Balance at 31 March 2025	172	162	249	583

	Group and Company	
	2026	2025
	S$'000	S$'000
Carrying amount of property, plant and equipment secured for the Company's borrowing:		
Motor vehicles	**157**	213

12. Right-of–use assets

	Leasehold buildings S$'000	Office equipment S$'000	Machinery and equipment S$'000	Motor vehicles S$'000	**Total S$'000**
Group					
Cost:					
Balance at 1 April 2025	56,783	39	254	627	**57,703**
Additions	3,419	-	14	194	**3,627**
Gain of control of a subsidiary (Note 42)	1,105	-	-	-	**1,105**
Lease expired	(2,166)	-	(107)	(259)	**(2,532)**
Currency realignment	(1,399)	-	14	10	**(1,375)**
Balance at 31 March 2026	57,742	39	175	572	**58,528**
Accumulated depreciation:					
Balance at 1 April 2025	28,216	5	125	283	**28,629**
Charge for the financial year	10,667	8	101	180	**10,956**
Lease expired	(2,166)	-	(107)	(259)	**(2,532)**
Currency realignment	(784)	-	6	3	**(775)**
Balance at 31 March 2026	35,933	13	125	207	**36,278**
Carrying amount:					
Balance at 31 March 2026	21,809	26	50	365	**22,250**
Cost:					
Balance at 1 April 2024	62,839	26	2,705	675	66,245
Additions	2,807	39	6	314	3,166
Modification to contracts	12	12	-	-	24
Extension of lease	1,711	-	41	-	1,752
Lease expired	(10,083)	(6)	-	(227)	(10,316)
Termination of lease	(451)	(32)	-	-	(483)
Transfer to property, plant and equipment	-	-	(2,651)	(141)	(2,792)
Currency realignment	(52)	-	153	6	107
Balance at 31 March 2025	56,783	39	254	627	57,703
Accumulated depreciation:					
Balance at 1 April 2024	27,590	25	1,551	500	29,666
Charge for the financial year	10,624	7	139	143	10,913
Lease expired	(9,696)	(6)	-	(227)	(9,929)
Modification to contracts	10	(1)	-	-	9
Termination of lease	(269)	(20)	-	-	(289)
Transfer to property, plant and equipment	-	-	(1,652)	(141)	(1,793)
Currency realignment	(43)	-	87	8	52
Balance at 31 March 2025	28,216	5	125	283	28,629
Accumulated impairment loss:					
Balance at 1 April 2024	394	-	-	-	394
Currency realignment	(7)	-	-	-	(7)
Lease expired	(387)	-	-	-	(387)
Balance at 31 March 2025	-	-	-	-	-
Carrying amount:					
Balance at 31 March 2025	28,567	34	129	344	29,074

12. Right-of–use assets (cont'd)

During the financial years ended 31 March 2026 and 2025, the Group has assessed that there is no indication of impairment for its right-of-use assets.

	Leasehold buildings S$'000
Company	
Cost:	
Balance at 1 April 2025	**2,936**
Additions	**1,125**
Lease expired	**(917)**
Balance at 31 March 2026	**3,144**
Accumulated depreciation:	
Balance at 1 April 2025	**1,492**
Charge for the financial year	**760**
Lease expired	**(917)**
Balance at 31 March 2026	**1,335**
Carrying amount:	
Balance at 31 March 2026	**1,809**
Cost:	
Balance at 1 April 2024	2,833
Additions	103
Balance at 31 March 2025	2,936
Accumulated depreciation:	
Balance at 1 April 2024	768
Charge for the financial year	724
Balance at 31 March 2025	1,492
Carrying amount:	
Balance at 31 March 2025	1,444

13. Interest in subsidiaries

	Company	
	2026	2025
	S$'000	S$'000
Unquoted equity shares, at cost	**576,079**	576,079
Allowance for impairment loss	**(147,398)**	(147,398)
	428,681	428,681

Details of the significant subsidiaries are set out in Note 40.

During the financial year, the Company carried out a review of the recoverable amount of its investment in subsidiaries to determine if the recoverable amount of certain subsidiaries were below its carrying amount and did not recognise any allowance for impairment loss (2025: S$Nil). The impairment was based on the market conditions reflecting the recoverability of the net assets in subsidiaries.

Details of non-wholly owned subsidiaries that has material non-controlling interests are as follows:

Name of subsidiary	Place of incorporation and business	Effective percentage of equity and voting power held by the non-controlling interests		Profit allocated to non-controlling interests		Accumulated non-controlling interests - Share of net assets of subsidiaries	
		2026	2025	**2026**	2025	**2026**	2025
		%	%	**S$'000**	S$'000	**S$'000**	S$'000
Zhongyin (Ningbo) Battery Co Ltd	The People's Republic of China	**30.00**	30.00	**3,085**	3,399	**63,775**	80,797
Ningbo Fubang Battery Co Ltd	The People's Republic of China	**28.00**	28.00	**175**	133	**9,693**	12,494
Subsidiaries with immaterial non-controlling interests				**12,425**	12,240	**53,512**	26,439
				15,685	15,772	**126,980**	119,730

13. Interest in subsidiaries (cont'd)

Summarised financial information in respect of the Group's subsidiaries that has material non-controlling interests, before any intra-group elimination, is set out below:

	2026		2025	
	Zhongyin (Ningbo) Battery Co Ltd	**Ningbo Fubang Battery Co Ltd**	Zhongyin (Ningbo) Battery Co Ltd	Ningbo Fubang Battery Co Ltd
	S$'000	**S$'000**	S$'000	S$'000
Current assets	**146,898**	**28,235**	155,732	38,521
Non-current assets	**195,218**	**9,525**	225,505	9,817
Current liabilities	**(147,779)**	**(1,741)**	(121,753)	(2,300)
Non-current liabilities	**(7,186)**	**(1,400)**	(3,468)	(1,418)
Non-controlling interests	**(56,145)**	**(9,693)**	(76,805)	(12,494)
Equity attributable to equity holders of the Company	**131,006**	**24,926**	179,211	32,126
Dividend payable to non-controlling interests	**7,630**	**-**	3,992	-
Revenue	**179,439**	**3,553**	255,282	3,191
Expenses, other gains and losses	**169,156**	**2,926**	243,952	2,715
Profit attributable to:				
Equity holders of the Company	**7,198**	**452**	7,931	343
Non-controlling interests	**3,085**	**175**	3,399	133
Profit for the financial year	**10,283**	**627**	11,330	476
Other comprehensive (loss) income attributable to:				
Equity holders of the Company	**(6,748)**	**(23)**	13,960	2,648
Non-controlling interests	**(2,892)**	**(9)**	5,982	1,030
Other comprehensive (loss) income for the financial year	**(9,640)**	**(32)**	19,942	3,678
Total comprehensive income attributable to:				
Equity holders of the Company	**450**	**429**	21,891	2,991
Non-controlling interests	**193**	**166**	9,381	1,163
Total comprehensive income for the financial year	**643**	**595**	31,272	4,154
Dividends paid to non-controlling interests	**17,215**	**3,365**	-	-
Net cash generated from operating activities	**33,297**	**9,141**	12,954	984
Net cash generated from (used in) investing activities	**28,898**	**(2)**	8,086	(395)
Net cash used in financing activities	**(77,043)**	**(10,985)**	(19,286)	-
Net (decrease) increase in cash and cash equivalents	**(14,848)**	**(1,846)**	1,754	589

14. Interest in associates

	Group		Company	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Quoted equity shares, at cost	**17,720**	17,741	**-**	-
Unquoted equity shares, at cost	**30,872**	33,351	**16,586**	16,586
	48,592	51,092	**16,586**	16,586
Loan to associates	**1,409**	1,409	**-**	-
Share of post-acquisition reserves, net of dividend declared	**116,417**	114,488	**-**	-
Allowance for impairment loss	**(2,656)**	(2,656)	**-**	-
	163,762	164,333	**16,586**	16,586
Market value of quoted equity shares	**41,806**	45,319	**-**	-

Details of the significant associates are set out in Note 41.

The issued shares of some of the Group's associates are quoted:

i) The shares of Meiloon Industrial Co., Ltd. ("Meiloon") are quoted on the Taiwan Stock Exchange Corporation. The fair value of the Group's investment in Meiloon as at 31 March 2026 was S$30,397,000 (2025: S$31,865,000).

ii) The shares of Hanoi Battery Joint Stock Company ("Habaco") are quoted on the Hanoi Stock Exchange. The fair value of the Group's investment in Habaco as at 31 March 2026 was S$11,409,000 (2025: S$13,454,000).

Loan to associates

As at 31 March 2026 and 2025, for purpose of impairment assessment, the loan to associates is considered to have low credit risk as there has been no significant increase in the risk of default on the receivables since initial recognition. Accordingly, for the purpose of impairment assessment for the asset, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the ECL, management has taken into account the financial position of the associate, adjusted for factors that are specific to the associate and general economic conditions of the industry in which the associate operates, in estimating the probability of default as well as the loss upon default. Management determined that the loan to associate is subject to immaterial credit loss.

Impairment of interest in the Associate

During the financial years ended 31 March 2026 and 2025, the Group has obtained legal opinions on the impact of sanctions in relation to Russia in respect of the Group's relationship with the Associate and the Group's ability to realise the economic benefit in its capacity as a foreign shareholder. Taking into consideration of the external lawyer's opinion, the Associate's actual financial performance and the receipt of dividends and collection of receivables from the Associate during the year, the impact of capital control measures and the sanctions on Russia in relation to the Group's ability to realise its share of the economic benefit as a foreign shareholder, the management of the Group considers that there was no indication of impairment in relation to the Group's interest in the Associate for the financial years ended 31 March 2026 and 2025. As at 31 March 2026, the carrying amount of the interest in Associate amounted to S$21,258,000 (2025: S$17,359,000) and no allowance for impairment loss were recognised for both years.

The Group received a dividend of S$660,000 (2025: S$549,000) from the Associate and recognised share of profit of Associate of S$4,230,000 (2025: S$2,186,000) during the financial year ended 31 March 2026.

The Group's share of results of associates comprised:

	Group	
	2026	2025
	S$'000	S$'000
Share of profit before taxation	**23,746**	17,425
Share of taxation	**(4,580)**	(3,963)
Share of results	**19,166**	13,462

Meiloon and its subsidiaries ("Meiloon Group") is the Group's material associates.

14. Interest in associates (cont'd)

Summarised financial information in respect of each of the Group's material associates for the financial year ended and as at 31 March 2026 and 2025 are as follows:

	Meiloon Group	
	2026	2025
	S$'000	S$'000
Current assets	**219,169**	218,041
Non-current assets	**115,093**	116,830
Current liabilities	**(89,031)**	(81,614)
Non-current liabilities	**(62,829)**	(62,737)
Non-controlling interests	**(13,481)**	(13,901)
Equity attributable to equity holders of the associate	**168,921**	176,619
Revenue	**104,018**	108,849
Profit attributable to equity holders of the associate	**11,102**	9,812
Other comprehensive (loss) income	**(10,168)**	3,621
Total comprehensive income	**934**	13,433
Dividend received from the associate during the financial year	**1,738**	662

Reconciliation of the above summarised financial information to the carrying amount of the interest in associates recognised in the consolidated financial statements:

	Meiloon Group	
	2026	2025
	S$'000	S$'000
Equity attributable to equity holders of the associate	**168,921**	176,619
Proportion of the Group's ownership	**20.27%**	20.27%
The Group's share of equity attributable to equity holders of the associate	**34,234**	35,795
Goodwill	**6,068**	6,089
Other adjustments	**(1,845)**	(1,722)
Carrying amount of the Group's interest in the associate	**38,457**	40,162

Aggregate information of associates that are not individually material are as follows:

	2026	2025
	S$'000	S$'000
The Group's share of:		
Results	**16,916**	11,473
Other comprehensive income (loss)	**231**	(421)
Total comprehensive income	**17,147**	11,052
Aggregate carrying amount of the Group's interest in these associates	**125,305**	124,171

15. Financial assets at fair value through other comprehensive income

	Group		Company	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Non-current assets				
Investment in unquoted equity shares	**3,847**	1,284	**-**	-

The investment in unquoted equity shares represents investment in companies where the recoverability of investment is uncertain and dependent on the outcome of its activities. The fair values of these equity investments were derived using market approach and adjusted net assets approach.

During the financial year ended 31 March 2025, the Group and the Company's investment in XIC Innovation Limited ("XIC") has been written down to a fair value of S$Nil. A fair value loss of S$46,238,000 for the investment in XIC was recognised in other comprehensive income for the financial year ended 31 March 2025.

16. Financial assets at fair value through profit or loss

	Group and Company	
	2026	2025
	S$'000	S$'000
Non-current assets		
Investment in unquoted equity shares	**6,030**	7,677

The investment in unquoted equity shares represents approximately 11.40% (2025: 11.40%) interests in GPET. Further details are disclosed in Note 39(i) for the fair value disclosure.

17. Intangible assets

	Goodwill	Trademarks	Patents	Customer relationships	Development costs	**Total**
	S$'000	S$'000	S$'000	S$'000	S$'000	**S$'000**
Group						
Cost:						
Balance at 1 April 2025	15,424	6,542	431	-	-	**22,397**
Additions - internally generated	-	-	-	-	2,362	**2,362**
Gain of control of a subsidiary (Note 42)	6,380	-	-	315	-	**6,695**
Currency realignment	(710)	(295)	(19)	6	(7)	**(1,025)**
Balance at 31 March 2026	21,094	6,247	412	321	2,355	**30,429**
Accumulated impairment loss and amortisation:						
Balance at 1 April 2025	9,111	3,165	431	-	-	**12,707**
Amortisation	-	314	-	16	173	**503**
Currency realignment	(409)	(144)	(19)	-	(2)	**(574)**
Balance at 31 March 2026	8,702	3,335	412	16	171	**12,636**
Carrying amount:						
Balance at 31 March 2026	12,392	2,912	-	305	2,184	**17,793**

17. Intangible assets (cont'd)

	Goodwill	Trademarks	Patents	Total
	S$'000	S$'000	S$'000	S$'000
Group				
Cost:				
Balance at 1 April 2024	15,449	6,552	432	22,433
Currency realignment	(25)	(10)	(1)	(36)
Balance at 31 March 2025	15,424	6,542	431	22,397
Accumulated impairment loss and amortisation:				
Balance at 1 April 2024	9,126	2,842	407	12,375
Amortisation	-	326	25	351
Currency realignment	(15)	(3)	(1)	(19)
Balance at 31 March 2025	9,111	3,165	431	12,707
Carrying amount:				
Balance at 31 March 2025	6,313	3,377	-	9,690

<u>Impairment testing of goodwill</u>
Goodwill acquired in a business combination allocated to the cash-generating units ("CGUs") that are expected to benefit from that business combination are as follows:

	2026	2025
	S$'000	S$'000
Changzhou Lithium Batteries Ltd.	**6,364**	-
Zhongyin (Ningbo) Battery Co Ltd and its subsidiaries	**5,992**	6,274
Others	**36**	39
	12,392	6,313

The recoverable amounts of the cash generating units ("CGUs") to which goodwill are allocated (the "Relevant CGUs") are determined at least annually. Where appropriate, the recoverable amount is determined from value in use calculations. 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.

During the financial year ended 31 March 2026, the Group carried out a review of the recoverable amount of the Relevant CGUs for Changzhou Lithium Batteries Ltd. ("CZLB") and Zhongyin (Ningbo) Battery Co Ltd and its subsidiaries ("ZYNB Group").

Recoverable amount of CZLB determined from value in use calculations were based on cash flow projections derived from most recent financial budget approved by management for the next year and extrapolates for the following four years based on a growth rates from 3.0% to 14.0% and a terminal growth rate of 2.0%. Discount rate of 15.9% was used to discount the cash flow forecast. Any reasonably possible change to the key assumptions applied is not likely to cause the recoverable amount to be below the carrying amount of the CGU. Accordingly, no allowance or further allowance for impairment loss is required.

Recoverable amount of ZYNB Group determined from value in use calculations were based on cash flow projections derived from most recent financial budget approved by management for the next year (2025: one year) and extrapolates for the following four years (2025: four years) based on a growth rate of 4.0% (2025: 4.0%) and a terminal growth rate of 2.0% (2025: 2.0%). Discount rate of 14.1% (2025: 13.9%) was used to discount the cash flow forecast. Any reasonably possible change to the key assumptions applied is not likely to cause the recoverable amount to be below the carrying amount of the CGU. Accordingly, no allowance or further allowance for impairment loss is required.

18. Inventories

	Group	
	2026	2025
	S$'000	S$'000
Raw materials	**57,571**	47,543
Work-in-progress	**39,000**	38,050
Finished goods	**69,939**	112,888
	166,510	198,481

The cost of inventories recognised as an expense includes S$2,512,000 (2025: S$1,215,000) in respect of write-downs of inventory to net realisable value and allowance for slow moving inventories, and has been reduced by S$377,000 (2025: S$2,546,000) in respect of the reversal of such write-downs. Previous write-downs have been reversed as a result of increased sales price in certain markets and reduction in slow moving inventories for certain products.

19. Receivables and prepayments

	Group		Company	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Trade receivables:				
Third parties	**200,144**	157,445	**-**	-
Associates (Note a)	**10,809**	12,703	**-**	-
Related parties (Note a)	**551**	201	**-**	-
Less: Allowance for ECL:				
Third parties	**(5,986)**	(5,448)	**-**	-
Associates	**(1,156)**	(1,424)	**-**	-
	204,362	163,477	**-**	-
Other receivables:				
Third parties	**22,887**	25,445	**1**	4
Ultimate holding company (Note a)	**-**	10,223	**-**	-
Associates (Note a)	**1,538**	3,302	**-**	-
Subsidiaries (Note b)	**-**	-	**53**	8,111
Related parties (Note a)	**914**	10,181	**-**	93
Less: Allowance for ECL:				
Third parties	**(9,540)**	(9,066)	**-**	-
	15,799	40,085	**54**	8,208
Deposits and prepayments	**17,165**	15,403	**330**	334
	237,326	218,965	**384**	8,542

Note:

a) The amounts due from ultimate holding company, associates and related parties are unsecured, non-interest bearing and repayable on demand.

b) As at 31 March 2025, the amounts due from subsidiaries included loans receivable from a subsidiary amounting to S$8,000,000, with interest rates ranging from 5.1% to 5.9% per annum.

As at 1 April 2024, trade receivables from contracts with customers amounted to S$172,369,000 (net of loss allowance of S$6,095,000).

Trade receivables are generally non-interest bearing with credit terms of up to 120 days (2025: 120 days). The Group closely monitors the credit quality of its trade receivables. For receivables that are not past due, they are considered collectable and accordingly not impaired. Interest may be charged on past due trade receivables.

19. Receivables and prepayments (cont'd)

Movement in lifetime ECL that has been recognised for trade receivables under the simplified approach:

	Group		
	Lifetime ECL (not credit-impaired)	Lifetime ECL (credit-impaired)	**Total**
	S$'000	S$'000	**S$'000**
Balance at 1 April 2025	2,377	4,495	**6,872**
Allowance for ECL for the financial year, net	292	28	**320**
Currency realignment	(1)	(49)	**(50)**
Balance at 31 March 2026	2,668	4,474	**7,142**
Balance at 1 April 2024	1,356	4,739	6,095
Allowance for (Reversal of) ECL for the financial year, net	1,019	(329)	690
Currency realignment	2	85	87
Balance at 31 March 2025	2,377	4,495	6,872

<u>Other receivables</u>

As at 31 March 2026, a loss allowance of S$9,540,000 (2025: S$9,066,000) for ECL were provided against other receivables.

Other receivables of the Company consists mainly of non-trade advances to subsidiaries. For the purpose of impairment assessment, the loss allowance is measured at an amount equal to 12-month ECL. In determining the ECL, management has taken into account the financial position of the subsidiaries, adjusted for factors that are specific to the subsidiaries and general economic conditions of the industry in which the subsidiaries operate, in estimating the probability of default of the amount due from subsidiaries as well as the loss upon default. Management determined that the default risk for the amount due from subsidiaries is low.

For purpose of impairment assessment, the other receivables of the Group are considered to have low credit risk as they are not due for payment at the end of the reporting period and there has been no significant increase in the risk of default on the receivables since initial recognition, except for the loan to non-controlling interests as at 31 March 2026 and 2025, which was assessed individually due to significant increase in credit risk (Note 39(d)). For the purpose of impairment assessment for other receivables with low credit risk, the loss allowance is measured at an amount equal to 12-month ECL.

In determining the expected credit losses for these receivables, management has taken into account the historical default experience and the financial position of the counterparties and considering various external sources of actual and forecast economic information, as appropriate, in estimating the probability of default of each of these financial assets occurring within their respective loss assessment time horizon, as well as the loss upon default in each case.

20. Short-term investments

	Group	
	2026	2025
	S$'000	S$'000
Structured deposits	**21,111**	2,589
Investment in unquoted / quoted equity shares	**-**	34
	21,111	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. The management has not identified any potential significant financial risk exposure.

During the financial year ended 31 March 2025, the investment in quoted equity shares were 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.

During the financial year ended 31 March 2026, the quoted equity shares were delisted from the New York Stock Exchange in United States and are currently traded on the United States Over-the-counter markets. As at 31 March 2026, the fair value of the unquoted equity shares was based on the latest available transaction price preceding the reporting period. This method uses recent market-based evidence to establish the fair value as at 31 March 2026. The value of the unquoted equity shares has become insignificant as at 31 March 2026.

21. Bank balances, deposits and cash

The carrying amounts of bank balances, deposits and cash approximate their fair values.

22. Trade and other payables

	Group		Company	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Trade payables:				
Third parties	**169,059**	160,183	**-**	-
Associates	**13,765**	23,617	**-**	-
Related parties	**2,109**	6,964	**-**	-
Other payables:				
Third parties	**26,543**	26,880	**15**	65
Ultimate holding company	**481**	-	**-**	-
Associates	**127**	126	**-**	-
Subsidiaries	**-**	-	**83,354**	80,700
Related parties	**357**	1,251	**-**	-
Accrued charges	**53,445**	39,815	**1,269**	1,861
Deposits	**142**	140	**-**	-
	266,028	258,976	**84,638**	82,626

Trade payables have credit terms of up to 120 days (2025: 120 days).

The amounts due to ultimate holding company, associates, related parties and subsidiaries are unsecured, non-interest bearing and repayable on demand. As at 31 March 2025, included in trade payables due to related parties, an amount of S$2,483,000 bears interest rate of 6.5% per annum.

23. Contract balances

23.1 Contract liabilities

Contract liabilities are mainly advance payment received from customers. The amount of revenue recognised in the current reporting period which relates to brought-forward contract liabilities is S$18,370,000 (2025: S$14,961,000).

23.2 Contract costs

	Group
	2026
	S$'000
Balance at beginning of the financial year	**-**
Contract cost incurred	**711**
Amortisation	**(32)**
Currency realignment	**(3)**
Balance at end of the financial year	**676**
Analysed as:	
Current	**152**
Non-current	**524**

The contract costs relates to the Group's development related engineering costs in support of product development projects of external customers. These costs are capitalised in the statement of financial position and amortised as cost of sales and administrative expenses on a basis consistent with the pattern of recognition of the associated revenue. There was no loss allowance in relation to the costs capitalised.

24. Lease liabilities

The maturity analysis of lease liabilities of the Group and the Company are as follows:

	Group		Company	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Contractual undiscounted cash flows:				
Within one year	**9,058**	11,867	**715**	639
After one year but within two years	**5,717**	7,834	**687**	374
After two years but within five years	**9,201**	9,948	**295**	347
After five years	**2,503**	5,543	**-**	-
	26,479	35,192	**1,697**	1,360
Less: Future interest expense	**(2,894)**	(4,158)	**(72)**	(66)
Present value of lease liabilities	**23,585**	31,034	**1,625**	1,294
Analysed as:				
Current	**8,004**	10,431	**668**	599
Non-current	**15,581**	20,603	**957**	695
	23,585	31,034	**1,625**	1,294

The initial lease terms ranged between two years and ten years (2025: two years and ten years).

The total cash outflow for leases (including short-term, low value assets and variable leases) amounted to S$14,262,000 (2025: S$14,733,000).

In determining the lease term of certain lease arrangement for buildings with extension option, management considers all facts and circumstances that create an economic incentive to exercise the extension option, including any expected changes in facts and circumstances from the commencement date until the exercise date of the option. Extension options are only included in the lease term if the lease is reasonably certain to be extended. If a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee, the above assessment will be reviewed further. As at 31 March 2026, potential future (undiscounted) cash outflows of S$4,079,000 (2025: S$3,864,000) have not been included in the lease liability because it is not reasonably certain that the related leases will be extended.

25. Derivative financial instruments

	Group	
	2026	2025
	S$'000	S$'000
<u>Current liabilities</u>		
Forward foreign exchange contracts	**9**	-

Forward foreign exchange contracts

The Group uses forward foreign exchange contracts to manage its exchange rate exposures.

As at 31 March 2026, major terms of the forward foreign exchange contracts were as follows:

Aggregate notional amount	Maturity	Exchange rate
Sell USD 500,000	22 April 2026	USD/MYR 3.9851

26. Bank and other loans

	Group		Company	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Current liabilities				
Secured				
Current portion of motor vehicle loan	**30**	28	**30**	28
Unsecured				
Current portion of long-term bank loans (Note a)	**158,574**	70,267	**19,366**	9,567
Short-term bank loans	**112,352**	179,060	**21,830**	30,900
Import and export loans	**45,635**	41,147	**-**	-
	316,591	290,502	**41,226**	40,495
Non-current liabilities				
Secured				
Motor vehicle loan	**83**	113	**83**	113
Unsecured				
Long-term bank loans due after one year (Note a)	**127,828**	167,596	**40,369**	59,736
	127,911	167,709	**40,452**	59,849
	444,502	458,211	**81,678**	100,344

Note:

a) Long-term bank loans of the Group and the Company are stated net of unamortised transaction costs, which amounted to S$1,540,000 (2025: S$1,140,000) and S$233,000 (2025: S$233,000) respectively for the current portion; and S$1,178,000 (2025: S$1,054,000) and S$231,000 (2025: S$464,000) respectively for the non-current portion. These loans are repayable within one to three years (2025: one to three years) and are based on variable interest rates.

b) As at 31 March 2026, under the non-current bank loans, the Group's long-term bank loans of S$127,828,000 (2025: S$167,596,000) and the Company's long-term bank loans of S$40,369,000 (2025: S$59,736,000) are subject to certain ongoing financial covenants relating to the Group's tangible net worth, gearing ratio, leverage ratio and interest coverage ratio. In addition, certain subsidiaries are required to comply with the financial covenants prescribed under their respective loan facility agreements.

c) As at 31 March 2026 and 2025, there were no incidence of non-compliance with the financial covenants committed under various loan facility agreements.

As at 31 March 2026, bank loans of the Company amounting to S$64,400,000 (2025: S$83,000,000) were guaranteed by certain subsidiaries of the Company.

26. Bank and other loans (cont'd)

Reconciliation of liabilities arising from financing activities

The table below details changes in the Group's liabilities arising from financing activities, including both cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's consolidated statement of cash flows as cash flows from financing activities.

				Non-cash changes				
	Note	At 1 April 2025	Financing cash flows	Foreign exchange movement	Net lease liabilities additions	Gain of control of a subsidiary	Transaction costs paid, net of amortisation	**At 31 March 2026**
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000	**S$'000**
Lease liabilities	24	31,034	(10,918)[(1)]	(93)	3,562	-	-	**23,585**
Bank and other loans	26	458,211	(6,473)[(2)]	(10,323)	-	3,673	(586)	**444,502**
		489,245	(17,391)	(10,416)	3,562	3,673	(586)	**468,087**

				Non-cash changes			
	Note	At 1 April 2024	Financing cash flows	Foreign exchange movement	Net lease liabilities additions	Amortisation, net of transaction costs paid	At 31 March 2025
		S$'000	S$'000	S$'000	S$'000	S$'000	S$'000
Lease liabilities	24	36,882	(10,652)[(1)]	45	4,759	-	31,034
Bank and other loans	26	490,771	(29,745)[(2)]	(3,253)	-	438	458,211
		527,653	(40,397)	(3,208)	4,759	438	489,245

(1) Being repayment of principal element of lease liabilities in the consolidated statement of cash flows.

(2) The cash flow comprises the following items shown in the consolidated statement of cash flows:

	2026	2025
	S$'000	S$'000
Drawdown of bank and other loans	**92,930**	75,353
Repayment of bank and other loans	**(99,403)**	(105,098)
	(6,473)	(29,745)

27. Deferred tax assets and deferred tax liabilities

Movements in the deferred tax assets and deferred tax liabilities recognised by the Group and the Company are as follows:

	Lease Liabilities S$'000	Accelerated tax depreciation S$'000	Revaluation of investment properties S$'000	Tax losses S$'000	Other temporary differences, net S$'000	**Total S$'000**
Group						
Deferred tax assets						
Balance at 1 April 2025	4,925	685	-	1,762	978	**8,350**
(Charge) Credit to profit or loss for the financial year	(739)	15	-	(602)	120	**(1,206)**
Currency realignment	(164)	3	-	39	(33)	**(155)**
Balance at 31 March 2026	4,022	703	-	1,199	1,065	**6,989**
Balance at 1 April 2024	5,065	1,390	-	1,631	1,786	9,872
(Charge) Credit to profit or loss for the financial year	(160)	(684)	-	134	(801)	(1,511)
Currency realignment	20	(21)	-	(3)	(7)	(11)
Balance at 31 March 2025	4,925	685	-	1,762	978	8,350

	Right-of-use assets S$'000	Accelerated tax depreciation S$'000	Revaluation of investment properties S$'000	Tax losses S$'000	Other temporary differences, net S$'000	**Total S$'000**
Group						
Deferred tax liabilities						
Balance at 1 April 2025	4,779	1,892	4,885	-	7,242	**18,798**
(Credit) Charge to profit or loss for the financial year	(943)	(189)	447	-	(1,721)	**(2,406)**
Gain of control of a subsidiary (Note 42)	-	-	-	-	128	**128**
Charge to other comprehensive income resulting from a tax rate change	-	-	2,281	-	-	**2,281**
Currency realignment	(161)	119	145	-	(302)	**(199)**
Balance at 31 March 2026	3,675	1,822	7,758	-	5,347	**18,602**
Balance at 1 April 2024	5,014	1,680	-	-	5,082	11,776
(Credit) Charge to profit or loss for the financial year	(251)	141	(14)	-	2,175	2,051
Charge to other comprehensive income	-	-	4,926	-	-	4,926
Currency realignment	16	71	(27)	-	(15)	45
Balance at 31 March 2025	4,779	1,892	4,885	-	7,242	18,798

27. Deferred tax assets and deferred tax liabilities (cont'd)

	Lease Liabilities / Right-of-use assets
	S$'000
Company	
Deferred tax assets	
Balance at 1 April 2025	**220**
Credit to profit or loss for the financial year	**56**
Balance at 31 March 2026	**276**
Balance at 1 April 2024	310
Charge to profit or loss for the financial year	(90)
Balance at 31 March 2025	220
Deferred tax liabilities	
Balance at 1 April 2025	**224**
Charge to profit or loss for the financial year	**64**
Balance at 31 March 2026	**288**
Balance at 1 April 2024	317
Credit to profit or loss for the financial year	(93)
Balance at 31 March 2025	224

The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Group		Company	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Deferred tax assets	**6,989**	8,350	**276**	220
Set off of tax	**(3,654)**	(4,731)	**(276)**	(220)
Net deferred tax assets	**3,335**	3,619	**-**	-
Deferred tax liabilities	**18,602**	18,798	**288**	224
Set off of tax	**(3,654)**	(4,731)	**(276)**	(220)
Net deferred tax liabilities	**14,948**	14,067	**12**	4

As at 31 March 2026, subsidiaries of the Group had potential tax benefits of approximately S$64,639,000 (2025: S$66,422,000) arising from unutilised tax losses, unabsorbed wear and tear allowances and other temporary differences, which were available for set off against future taxable profits. These potential tax benefits were not recognised in the financial statements due to the uncertainty of future profits available to utilise these losses. The use of these potential tax benefits is subject to the agreement of the tax authorities and compliance with certain provisions of the tax legislation of the respective countries in which the subsidiaries operate.

Unutilised tax losses include losses of S$23,636,000 (2025: S$24,210,000) for subsidiaries operating in certain foreign tax jurisdiction that will expire within five years.

As at 31 March 2026, the aggregate amount of temporary differences associated with undistributed earnings of subsidiaries and associates for which deferred tax liabilities have not been recognised was S$143,203,000 (2025: S$117,418,000). No deferred tax liability has been recognised in respect of these temporary differences because the Group is in a position to control the timing of the reversal of the temporary differences, and it is probable that such differences will not reverse in the foreseeable future.

28. Issued capital, treasury shares and dividends

a) Issued capital

	Group and Company			
	2026	2025	**2026**	2025
	Number of ordinary shares		**S$'000**	S$'000
Issued and fully paid up:				
At beginning and end of the financial year	**521,358,482**	521,358,482	**286,307**	286,307

Fully paid ordinary shares of the Company ("Shares"), which have no par value, carry one vote per share and carry a right to dividends as and when declared by the Company.

b) Treasury shares

	Group and Company			
	2026	2025	**2026**	2025
	Number of ordinary shares		**S$'000**	S$'000
At beginning of the financial year	**40,858,700**	37,515,000	**22,601**	20,978
On-market purchases	**-**	3,343,700	**-**	1,623
At end of the financial year	**40,858,700**	40,858,700	**22,601**	22,601

Treasury shares are Shares that are held by the Company. The Company cannot exercise the voting rights in respect of the treasury shares and the treasury shares are not entitled to dividend or other distribution to be paid by the Company.

During the financial year ended 31 March 2025, the Company purchased 3,343,700 of its Shares by way of on-market purchases at share prices ranging from S$0.460 to S$0.510.

c) Dividends

	Group and Company	
	2026	2025
	S$'000	S$'000
i) Dividends paid during the financial year are as follows:		
Final tax-exempt (1-tier) dividend of 1.50 Singapore cents ("S cents") per Share for the financial year ended 31 March 2025	**7,207**	-
Final tax-exempt (1-tier) dividend of 1.00 S cent per Share for the financial year ended 31 March 2024	**-**	4,838
Interim tax-exempt (1-tier) dividend of 1.75 S cents per Share for the financial year ended 31 March 2026	**8,409**	-
Interim tax-exempt (1-tier) dividend of 1.50 S cents per Share for the financial year ended 31 March 2025	**-**	7,258
	15,616	12,096
ii) Dividends proposed before these financial statements were authorised and not included as liabilities in these financial statements are as follows:		
Final tax-exempt (1-tier) dividend of 1.75 S cents per Share for the financial year ended 31 March 2026 (2025: 1.50 S cents)	**8,409**	7,207

29. 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) ("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 in respect of its perpetual bonds issue. Accordingly, 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 financial year ended 31 March 2025) have subscribed for an aggregate principal amount of US$4.0 million (equivalent to S$5,123,000). 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 financial year ended 31 March 2026, distributions amounting to US$997,000 (equivalent to S$1,282,000) (2025: US$459,000 (equivalent to S$615,000)) were recognised and US$1,045,000 (equivalent to S$1,370,000) (2025: S$Nil) 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$332,500 (equivalent to S$436,000), US$47,500 (equivalent to S$61,000) and US$95,000 (equivalent to S$124,000) respectively.

30. 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 (equivalent to S$18,793,000). 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 will be terminated following (i) the issuance of shares of KGG for raising capital; or (ii) repayment to SAFE investors pursuant to change in control or dissolution of KGG. The SAFE is not mandatorily redeemable and has no interest rate or maturity date.

31. Lease commitments

The Group as lessee

As at 31 March 2026, the Group has approximately S$243,000 (2025: S$249,000) of aggregate undiscounted commitments for short-term leases.

The Group as lessor

Operating leases, in which the Group is the lessor, relate to investment property owned by the Group which will be expiring in January 2027. The lessee does not have an option to purchase the property at the expiry of the lease period.

Maturity analysis of operating lease payments:

	Group	
	2026	2025
	S$'000	S$'000
Within 1 year	**552**	655
Between 1 to 2 years	**-**	546
	552	1,201

32. Capital commitments

	Group		Company	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Capital expenditure:				
Commitments for the acquisition of property, plant and equipment	**814**	203	**-**	-

33. Contingent liabilities (unsecured)

	Group		Company	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Guarantees given to certain banks in respect of banking facilities utilised by subsidiaries	**-**	-	**281,092**	293,989
Others	**3,685**	3,609	**-**	-

The maximum amount the Group and the Company could become liable is as shown above.

The financial effects relating to financial guarantee contracts issued by the Company are insignificant to the financial statements of the Company and therefore are not recognised.

34. Segment 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 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 GPET.

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. The reportable segments apply the Group's accounting policies as described in Note 2. 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.

34. Segment information (cont'd)

Information regarding the Group's operating segments is presented below.

a) Operating segments

	Battery S$'000	Electronics and acoustics S$'000	Other industrial investments S$'000	Elimination S$'000	**Total S$'000**
2026					
Revenue					
External revenue	806,534	287,936	-	-	**1,094,470**
Inter-segment revenue	13	143	-	(156)	**-**
Total revenue	806,547	288,079	-	(156)	**1,094,470**
Results					
Contribution before taxation	32,863	10,523	7,699	-	**51,085**
Other information					
Interest income	1,267	268	-	-	**1,535**
Finance costs	15,631	3,680	-	-	**19,311**
Share of results of associates	7,307	-	11,859	-	**19,166**
Depreciation and amortisation	29,281	12,211	1,220	-	**42,712**
Allowance for inventory obsolescence and write-off of inventory, net	1,449	686	-	-	**2,135**
Gain on disposal of property, plant and equipment, net	131	186	-	-	**317**
Allowance for expected credit losses, net	971	144	92	-	**1,207**
Fair value (gain) loss on short-term investments, net	(91)	-	32	-	**(59)**
Fair value loss on financial assets at fair value through profit or loss	-	-	1,647	-	**1,647**
(Gain) Loss from de-registration of subsidiaries, net	(790)	152	-	-	**(638)**
Fair value gain on investment properties	1,784	-	-	-	**1,784**
Fair value gain on remeasurement of previously held equity interests in an associate	6,333	-	-	-	**6,333**

34. **Segment information (cont'd)**

	Battery	Electronics and acoustics	Other industrial investments	Elimination	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
2025					
Revenue					
External revenue	833,279	271,421	-	-	1,104,700
Inter-segment revenue	9	138	-	(147)	-
Total revenue	833,288	271,559	-	(147)	1,104,700
Results					
Contribution before taxation	31,667	3,206	7,708	-	42,581
Other information					
Interest income	1,301	275	-	-	1,576
Finance costs	18,548	5,981	-	-	24,529
Share of results of associates	5,776	-	7,686	-	13,462
Depreciation and amortisation	28,891	12,338	1,241	-	42,470
Allowance for impairment loss on property, plant and equipment	650	-	-	-	650
(Write-back of) Allowance for inventory obsolescence and write-off of inventory, net	(1,405)	74	-	-	(1,331)
(Gain) Loss on disposal of property, plant and equipment, net	(4)	4	-	-	-
Allowance of expected credit losses, net	914	267	-	-	1,181
Fair value loss on short-term investments	-	-	183	-	183
Fair value gain on financial assets at fair value through profit or loss	-	-	3,638	-	3,638
Gain from de-registration of a subsidiary	1,991	-	-	-	1,991
Gain from de-registration of an associate	18	-	-	-	18
Fair value loss on investment properties	56	-	-	-	56

	Battery	Electronics and acoustics	Other industrial investments	Elimination	**Total**
	S$'000	S$'000	S$'000	S$'000	**S$'000**
2026					
Assets and liabilities					
Assets	994,376	245,043	143,976	(160,714)	**1,222,681**
Liabilities	557,211	165,972	108,692	(160,714)	**671,161**
Other information					
Interest in associates	51,698	-	112,064	-	**163,762**
Additions to property, plant and equipment	15,936	3,614	62	-	**19,612**
Additions to right-of-use assets	1,243	1,260	1,124	-	**3,627**

34. Segment information (cont'd)

	Battery	Electronics and acoustics	Other industrial investments	Elimination	Total
	S$'000	S$'000	S$'000	S$'000	S$'000
2025					
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

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

	Group	
	2026	2025
	S$'000	S$'000
Results		
Contribution before taxation per reportable segments	**51,085**	42,581
Unallocated finance costs, net	**(4,050)**	(3,963)
Taxation	**(17,778)**	(12,413)
Share of taxation of associates	**(4,580)**	(3,963)
Taxation attributable to non-controlling interests' share of results	**3,754**	2,084
Profit attributable to equity holders of the Company	**28,431**	24,326
Interest income		
Per reportable segments	**1,535**	1,576
Unallocated interest income	**70**	423
Per consolidated financial statements	**1,605**	1,999
Finance costs		
Per reportable segments	**19,311**	24,529
Unallocated finance costs	**4,120**	4,386
Per consolidated financial statements	**23,431**	28,915
Assets		
Per reportable segments	**1,222,681**	1,208,089
Other unallocated assets	**5,879**	7,304
Per consolidated financial statements	**1,228,560**	1,215,393
Liabilities		
Per reportable segments	**671,161**	672,953
Unallocated bank loans and lease liabilities	**83,303**	93,638
Other unallocated liabilities	**21,742**	17,939
Per consolidated financial statements	**776,206**	784,530

34. Segment information (cont'd)

b) Geographical information

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

	2026	2025
	S$'000	S$'000
Singapore	**7,866**	6,990
PRC	**531,313**	525,696
Other Asian countries	**65,857**	58,632
Asia	**605,036**	591,318
Germany, Netherlands, Russia and United Kingdom	**114,327**	128,166
Other European countries	**122,092**	112,353
Europe	**236,419**	240,519
United States of America	**222,845**	247,339
Other American countries	**21,981**	18,415
Americas	**244,826**	265,754
Others	**8,189**	7,109
Revenue	**1,094,470**	1,104,700

Non-current assets analysed by the geographical location in which the assets are located is as follows:

	2026	2025
	S$'000	S$'000
Singapore	**1,660**	1,008
PRC	**485,495**	481,280
Other Asian countries	**61,860**	64,123
Europe	**38,168**	35,684
Americas and others	**9,851**	7,323
	597,034	589,418

Non-current assets comprise investment properties, property, plant and equipment, right-of-use assets, interest in associates, contract costs, deposits and prepayments and intangible assets.

c) No customer individually contributed more than 10% of the Group's revenue for the financial years ended 31 March 2026 and 2025.

35. Related party transactions, commitments and balances

Related companies in these financial statements refer to members of the ultimate holding company's group of companies, other than the Company and its subsidiaries.

Transactions between the Company and its subsidiaries, and among its subsidiaries, have been eliminated on consolidation and are not disclosed in this note.

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

	Group			
	Associates		Related companies	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Sales	**30,283**	44,476	**1,742**	2,221
Purchases	**(63,829)**	(86,000)	**(15,233)**	(20,774)
Interest income	**-**	-	**271**	474
Rental income	**36**	42	**683**	343
Royalty income	**166**	135	**-**	-
IT service income	**111**	-	**495**	188
Trademark licensing income	**388**	-	**-**	-
Sales proceeds of property, plant and equipment	**-**	-	**821**	-
Rental expenses	**-**	-	**(231)**	(257)
Utilities expenses	**-**	-	**(341)**	(390)
Management fee expenses	**-**	-	**(101)**	-
Marketing expenses	**(1)**	(770)	**-**	-

In addition to the related party information disclosed elsewhere in the financial statements, the Group and the Company have dividend receivable from related parties as at the end of the financial year as follows:

	Group		Company	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Associates	**5,913**	4,130	**1,742**	1,006
Subsidiaries	**-**	-	**10,574**	14,844
	5,913	4,130	**12,316**	15,850

The remuneration of the directors and key management personnel is as follows:

	Group	
	2026	2025
	S$'000	S$'000
Short-term benefits (including directors' fees)	**8,761**	7,955
Post-employment benefits	**299**	288
	9,060	8,243

36. Adoption of new and revised standards

During the financial year, the Group has adopted all the new and revised SFRS(I) pronouncements that are relevant to its operations and effective for the Company's annual period beginning 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 years.

37. New and revised financial reporting standards

At the date of authorisation of these financial statements, the following SFRS(I) pronouncements that are relevant to the Group and the Company were issued but not effective:

- Amendments to SFRS(I) 9 and SFRS(I) 7 *Amendments to the Classification and Measurement of Financial Instruments* (1)
- Annual Improvements to SFRS(I)s-Volume 11 (1)
- Amendments to SFRS(I) 9 and SFRS(I) 7 *Contracts Referencing Nature-dependent Electricity* (1)
- SFRS(I) 18 *Presentation and Disclosure in Financial Statements* (2)
- SFRS(I) 19 *Subsidiaries without Public Accountability: Disclosures* (2)
- Amendments to SFRS(I) 19 *Subsidiaries without Public Accountability: Disclosures* (2)
- Amendments to SFRS(I) 1-21 *Translation to a Hyperinflationary Presentation Currency* (2)
- Amendments to SFRS(I) 10 and SFRS(I) 1-28 *Sale or Contribution of Assets between Investor and its Associate or Joint Venture* (3)

(1) Applies to annual periods beginning on or after 1 January 2026.
(2) Applies to annual periods beginning on or after 1 January 2027.
(3) Effective date not yet announced.

Management anticipates that the adoption of the above standards in future periods will not have a material impact on the financial statements of the Group and of the Company in the period of their initial adoption, except as disclosed below.

SFRS(I) 18 *Presentation and Disclosure in Financial Statements*

SFRS(I) 18 replaces SFRS(I) 1-1 *Presentation of Financial Statements*, carrying forward many of the requirements in SFRS(I) 1-1 unchanged and complementing them with new requirements. In addition, some paragraphs from SFRS(I) 1-1 have been moved to SFRS(I) 1-8 *Accounting Policies, Changes in Accounting Estimates and Errors* and SFRS(I) 7 *Financial Instruments: Disclosures*. Furthermore, minor amendments to SFRS(I) 1-7 *Statement of Cash Flows* and SFRS(I) 1-33 *Earnings per Share* have been made.

SFRS(I) 18 introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss;
- provide disclosures on management-defined performance measures ("MPMs") in the notes to the financial statements; and
- improve aggregation and disaggregation.

An entity is required to apply SFRS(I) 18 for annual reporting periods beginning on or after 1 January 2027, with earlier application permitted. The amendments to SFRS(I) 1-7 and SFRS(I) 1-33, as well as the revised SFRS(I) 1-8 and SFRS(I) 7, become effective when an entity applies SFRS(I) 18. SFRS(I) 18 requires retrospective application with specific transition provisions.

The application of the new standard is not expected to have a significant impact on the financial performance and positions of the Group in terms of recognition and measurement. However, it is expected to affect the structure and presentation of the consolidated statement of profit or loss. Additional disclosures required for the Group's MPMs will be disclosed in a separate note to the consolidated financial statements.

38. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's material accounting policies, which are described in Note 2, management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Judgements in Applying the Group's Material Accounting Policies

The critical judgements, apart from those involving estimations reported (see below), that management has made in the process of applying the Group's material accounting policies and that have the most significant effect on the amounts reported in the financial statements are as follows below.

<u>Impairment Assessment on Interest in AZ Limited (the "Associate")</u>

During the financial year ended 31 March 2026, taking into consideration the Associate's actual financial performance, the receipt of dividends and collection of receivables from the Associate, the Group considers that there was no impairment indicator from a quantitative perspective in relation to the Group's interest in the Associate.

However, as the Associate operates in Russia, it is exposed to sanction risks which may affect the Group's ability to realise the benefits from the investment in Associate. Arising from geopolitical situation, the Group has obtained legal opinions on the sanction risks in respect of the Group's relationship with the Associate and the effects of the sanctions on Russia on the Group's ability to realise the economic benefit in its capacity as a foreign shareholder. Based on the legal opinions received, the management has concluded that there is no impairment required.

Key Sources of Estimation Uncertainty

In addition to the estimates and underlying assumptions mentioned elsewhere in the financial statements, the key assumptions concerning the future, and other key sources of estimation uncertainty at the end of the reporting period, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

<u>ECL on Trade Receivables due from the Associate</u>

During the financial year ended 31 March 2026, taking into consideration the Associate's actual financial performance and the collection of receivables from the Associate, there was a decrease in credit risk in respect of the trade receivables due from the Associate. The management of the Group appointed the Valuer to individually assess the ECL on the trade receivables due from the Associate.

Based on management's assessment, a reversal of ECL provision of S$222,000 (2025: reversal of ECL provision of S$216,000) was made on the trade receivables due from the Associate. Details of the above assessments are disclosed in Note 39(d).

<u>Allowance for ECL</u>

The Group use provision matrix to calculate ECL for the trade receivables. The provision rates are based on internal credit ratings for each grouping of debtors that have similar credit risk characteristics. The provision matrix is based on the Group's historical default rates taking into consideration forward-looking information that is reasonable and supportable, and available without undue costs or effort. At every reporting date, the historical observed default rates are reassessed and changes in the forward-looking information are considered. In addition, certain material balances of trade receivables and those credit-impaired are assessed for ECL individually.

The provision of ECL is sensitive to changes in estimates. The information about the ECL and the Group's trade receivables are disclosed in Notes 19 and 39(d).

<u>Impairment of Goodwill</u>

The Group estimates the value in use of the cash-generating units to which the goodwill is allocated in determining whether goodwill requires any impairment. This requires the Group to estimate the future cash flows expected from the cash-generating units and an appropriate discount rate in order to calculate the present value of the future cash flows. Details of the carrying amount of goodwill are stated in Note 17.

38. Critical accounting judgements and key sources of estimation uncertainty (cont'd)

Allowance for Inventory Obsolescence

The carrying amount of inventories, stated in Note 18, is progressively reduced based on the age and type of inventories. These estimates of realisable values are made by management after taking into account historical and forecast selling prices.

Income Taxes

The Group is subject to income taxes in numerous jurisdictions. Judgement is involved in determining the group-wide provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

As at 31 March 2026, the carrying amounts of taxation recoverable of the Group is S$2,544,000 (2025: S$3,685,000). The carrying amounts of income tax payable of the Group and the Company are S$6,794,000 (2025: S$3,872,000) and S$13,000 (2025: S$10,000) respectively. The carrying amounts of deferred tax assets and deferred tax liabilities are stated in Note 27.

Fair value measurement of Investment Properties

Investment properties are stated at fair value based on the valuation performed by independent professional valuers. The determination of fair value involves certain assumptions of market conditions which are set out in Note 10.

In relying on the valuation report, the directors of the Company have exercised their judgement and are satisfied that the assumptions used in the valuation is reflective of the current market conditions. Changes to these assumptions, including the potential risk of any market violation, policy, geopolitical and social changes or other unexpected incidents as a result of change in macroeconomic environment would result in changes in the fair values of the Group's investment properties and the corresponding adjustments to the amount of gain or loss and revaluation surplus which reported in the consolidated statement of profit or loss and other comprehensive income.

As at 31 March 2026, the carrying amount of the Group's investment properties is S$74,672,000 (2025: S$72,096,000). Immediately before the transfer from property, plant and equipment to investment properties, the Group remeasured the investment properties to fair value and recognised a revaluation surplus of S$28,920,000 in other comprehensive income during the financial year ended 31 March 2025.

Fair value measurement of financial assets at FVTPL

As at 31 March 2026, the fair value of the equity instrument is estimated based on discounted cashflow under the income approach, market approach and adjusted net assets approach. If there are changes in facts and circumstances which results in the revision of future cash flows, or there are adjustments in the discount rates or other assumptions, material changes in fair value may arise. As at 31 March 2026, the fair value of financial assets at FVTPL is S$6,030,000 (2025: S$7,677,000) and fair value loss on financial assets at FVTPL is S$1,647,000 (2025: fair value gain of S$3,638,000).

39. Financial instruments, financial risk and capital risk management

a) Categories of financial instruments

The following table sets out the financial instruments as at the end of the reporting period:

	Group		Company	
	2026	2025	**2026**	2025
	S$'000	S$'000	**S$'000**	S$'000
Financial assets				
Financial assets at FVTOCI	**3,847**	1,284	**-**	-
Financial assets at FVTPL	**27,141**	10,300	**6,030**	7,677
Financial assets at amortised cost	**410,832**	393,203	**15,127**	30,582
Financial liabilities				
Derivative financial instruments	**9**	-	**-**	-
Financial liabilities at amortised cost	**713,248**	719,381	**166,780**	183,667

39. Financial instruments, financial risk and capital risk management (cont'd)

b) Financial risk management policies and objectives

The Group's major financial instruments include trade and other receivables, trade and other payables, bank balances and bank and other loans. The Group's financial assets at FVTOCI are not held for trading purposes. Details of these financial instruments are disclosed in the respective notes. The Group uses derivative financial instruments to manage its exchange rate, interest rate and raw material price exposures. Such financial instruments are not for speculative purposes.

The risks associated with the Group's major financial instruments include equity price risk, credit risk, interest rate risk, foreign currency risk and liquidity risk. The policies on how to manage these risks are set out in this Note 39.

Management manages and monitors these exposures to ensure appropriate measures are implemented on a timely and an effective manner. The Group's overall strategy remains unchanged from prior year.

c) Equity price risk management

As at 31 March 2026 and 2025, the Group is exposed to equity price risk arising from investment in equity shares classified as financial assets at FVTOCI, financial assets at FVTPL and short-term investments. Further details of these investments can be found in Notes 15, 16 and 20.

Equity price sensitivity for financial assets at FVTOCI

If the quoted price or inputs to the valuation model had been 5% higher or lower, while all other variables were held constant, the Group's fair value reserve at 31 March 2026 would increase or decrease by S$248,000 (2025: S$149,000).

Equity price sensitivity for financial assets at FVTPL

If the equity price or observable inputs had been 5% higher or lower, while all other variables were held constant, the Group's profit or loss for the financial year would increase or decrease by S$302,000 (2025: S$384,000).

Equity price sensitivity for short-term investments

If the unquoted price / quoted price had been 5% higher or lower, while all other variables were held constant, the Group's profit or loss for the financial year would be insignificant (2025: increase or decrease by S$2,000).

d) Credit risk management

The Group's maximum exposure to credit risk in the event of the counterparties' failure to perform their obligations at the end of the reporting period in relation to each class of recognised financial assets is the carrying amount of those assets stated in the consolidated statement of financial position.

The Group does not hold any collateral or other credit enhancements to cover its credit risks associated with its financial assets.

In addition, in assessing counterparty's risk, the Group also takes into consideration the possible impact of other significant events or factors which are not directly related to the creditworthiness of the debtor but may ultimately adversely affect the Group's collection of the receivables.

Trade receivables

In order to minimise the credit risk, the directors of the Company have delegated the management to be responsible for determination of credit limits, credit approvals and other monitoring procedures to ensure that follow-up action is taken to recover overdue debts. Before accepting any new customer, the Group uses an internal credit rating system to assess the potential customer's credit quality and defines credit limits by customer. Limits and rating attributed to customers are reviewed twice a year. Other monitoring procedures are in place to ensure that follow-up action is taken to recover overdue debts. In this regard, the directors of the Company consider that the Group's credit risk is significantly reduced. In addition, the Group performs impairment assessment under ECL model on trade balances individually or based on a collective basis.

The Group has no major concentration of credit risk over trade receivables. Trade receivables consist of a large number of customers and spread across diverse industries.

As part of the Group's credit risk management, the Group applies internal credit rating for its customers. As at 31 March 2026, credit-impaired trade receivables (excluding trade receivables from the Associate) with gross carrying amount of S$4,885,000 (2025: S$4,835,000) were assessed individually and a loss allowance of S$4,473,000 (2025: S$4,495,000) was recorded for high risk customers. High risk represents there is evidence indicating the asset is credit-impaired.

39. Financial instruments, financial risk and capital risk management (cont'd)

The following table provides information about the exposure to credit risk for trade receivables which are assessed based on a collective basis within lifetime ECL (not credit-impaired). As the Group's historical credit loss experience does not show significantly different loss patterns for different customer segments, the provision for loss allowance based on past due status is not further distinguished between the Group's different customer base.

Internal credit rating	Gross trade receivables	Range of loss rates	ECL	**Net trade receivables**
	S$'000	%	S$'000	**S$'000**
31 March 2026				
Very low risk *	88,273	0.01 to 0.29	134	**88,139**
Low risk	57,254	0.30 to 1.00	378	**56,876**
Average risk	40,666	1.01 to 3.50	875	**39,791**
Moderate risk	11,266	3.51 to 50.00	1,088	**10,178**
	197,459		2,475	**194,984**
31 March 2025				
Very low risk *	79,548	0.01 to 0.29	102	79,446
Low risk	36,253	0.30 to 1.00	236	36,017
Average risk	33,307	1.01 to 3.50	683	32,624
Moderate risk	5,386	3.51 to 50.00	940	4,446
	154,494		1,961	152,533

* Included bills receivables amounting to S$5,662,000 (2025: S$5,054,000).

Internal credit rating definition:

"Very low risk"	The counterparty has a very low risk of default due to strong financial background and a prompt payment pattern.
"Low risk"	The counterparty has a low risk of default with strong financial background but occasionally repays after due dates.
"Average risk"	Debtor frequently repays after due dates but usually settle in full.
"Moderate risk"	There have been significant increases in credit risk since initial recognition through information developed internally or external resources.

The estimated loss rates are estimated based on historical observed default rates over the expected life of the debtors and adjusted for forward-looking information that is available without undue cost or effort. The grouping is regularly reviewed by management to ensure relevant information about specific debtors is updated.

39. Financial instruments, financial risk and capital risk management (cont'd)

Trade receivables due from the Associate

As at 31 March 2026 and 2025, the management has individually assessed the ECL of the trade receivables due from the Associate amounting to S$9,160,000 (2025: S$11,020,000). Management had appointed the Valuer to assist in the estimation of the ECL provision of the trade receivables due from the Associate as at 31 March 2026 and 2025, by determining expected loss rate and forward-looking adjustments based on market available information. Based on the results of the assessment, a reversal of ECL provision was made on the trade receivables due from the Associate of S$222,000 (2025: S$216,000). As at 31 March 2026, the ECL provision on the trade receivables due from the Associate amounted to S$194,000 (2025: S$416,000), and the carrying value of the trade receivables was S$8,966,000 (2025: S$10,604,000).

Loan to non-controlling interests

As at 31 March 2026 and 2025, the management has individually assessed the ECL of the loan to non-controlling interests of S$7,265,000 (2025: S$7,550,000). Management considered that due to the past due events of the loan to non-controlling interests, there is significant increase in credit risk in the loan to non-controlling interests. The management estimates the estimated loss rates of loan receivables based on historical credit loss experience of the debtors as well as the fair value of the collateral pledged by non-controlling interests to the loan receivables. Based on assessment by the management, a full ECL provision of S$7,265,000 (2025: S$7,550,000) was made on the loan to non-controlling interests.

Other receivables

In determining the ECL for other receivables, the management has made periodic individual assessment on the recoverability of other receivables, based on historical settlement records, past experience, and also forward-looking information, as appropriate, for example, the Group has considered the consistently low historical default rate in connection with payments, and concluded the credit risk inherent in the Group's outstanding other receivables is insignificant, except for "Loan to non-controlling interests" above.

The Group has no major concentration of credit risk in respect of its trade and other receivables.

Bank balances

The Group places its cash and fixed deposits with reputable financial institutions.

e) Interest rate risk management

The interest rate risk exposure of the Group mainly arises from its interest bearing debts and interest bearing assets, which are substantially bearing interest at floating rates. The Group considers, where appropriate, to use derivative financial instruments to mitigate the financial impact associated with interest rates fluctuations relating to certain actual or forecasted transactions.

The Group is exposed to variable interest rates arising from borrowings denominated in various currencies such as Singapore dollars, Hong Kong dollars, United States dollars and Renminbi.

The Group has certain variable interest bearing term loans which are subject to covenants requiring compliance with interest coverage ratios. The Group utilises short-term revolving credit facilities that are subject to variable interest rates. Management has evaluated the risk of non-compliance with these interest coverage covenants amidst a high interest rate environment and concluded based on the available information, that any reasonable change in the interest rates subsequent to reporting period up to June 2027 will not result in any non-compliance of covenant. The Group may also look into funding some of its future expansions by equity financing, where appropriate, to reduce the Group's borrowing level.

Interest rate sensitivity analysis

If interest rate had been 50 basis points higher or lower and all other variables were held constant:

i) consolidated interest income for the financial year would increase or decrease by S$69,000 (2025: S$102,000).
ii) consolidated finance costs for the financial year would increase or decrease by S$2,350,000 (2025: S$2,273,000).

f) Foreign currency risk management

The Group's monetary assets and liabilities are mainly denominated in United States dollar, Euro, Hong Kong dollar, Japanese Yen, Malaysian Ringgit, Renminbi and Singapore dollar. Exposures to foreign currency risks are managed as far as possible by matching monetary assets and liabilities in the same currency denomination and supplemented with appropriate financial instruments where necessary. The Group considers, where appropriate, to use derivative financial instruments to mitigate the financial impact associated with foreign currency fluctuations relating to certain forecasted transactions.

39. Financial instruments, financial risk and capital risk management (cont'd)

The Group's significant net foreign currency denominated monetary assets (liabilities) exposures relative to the respective functional currency of the Company and its subsidiaries at the end of the reporting period are summarised below:

	Group	
	2026	2025
	S$'000	S$'000
Euro	**12,150**	7,176
Hong Kong dollar	**(23,121)**	(12,251)
Japanese Yen	**9,781**	9,550
Malaysian Ringgit	**(17,343)**	(17,232)
Renminbi	**2,292**	(27,351)
Singapore dollar	**(135)**	(831)
United States dollar	**22,494**	33,975

The Company's significant net foreign currency denominated monetary assets (liabilities) exposures relative to its functional currency at the end of the reporting period are summarised below:

	Company	
	2026	2025
	S$'000	S$'000
Hong Kong dollar	**(16,029)**	(16,444)
Japanese Yen	**(778)**	(1,186)
United States dollar	**2,196**	5,134

If the respective functional currency of the Company and its subsidiaries strengthens or weakens by 5% (2025: 5%) against the following major relevant foreign currencies with all other variables held constant, the Group would record additional exchange gain (loss) as follows:

	Group			
	2026		2025	
	Strengthen	**Weaken**	Strengthen	Weaken
	S$'000	**S$'000**	S$'000	S$'000
Euro	**(612)**	**612**	(361)	361
Hong Kong dollar	**1,173**	**(1,173)**	592	(592)
Japanese Yen	**(491)**	**491**	(471)	471
Malaysian Ringgit	**867**	**(867)**	862	(862)
Renminbi	**(115)**	**115**	1,364	(1,364)
Singapore dollar	**7**	**(7)**	42	(42)
United States dollar	**(1,126)**	**1,126**	(1,696)	1,696

If the functional currency of the Company strengthens or weakens by 5% (2025: 5%) against the following major relevant foreign currencies with all other variables held constant, the Company would record additional exchange gain (loss) as follows:

	Company			
	2026		2025	
	Strengthen	**Weaken**	Strengthen	Weaken
	S$'000	**S$'000**	S$'000	S$'000
Hong Kong dollar	**801**	**(801)**	822	(822)
Japanese Yen	**39**	**(39)**	59	(59)
United States dollar	**(110)**	**110**	(257)	257

39. Financial instruments, financial risk and capital risk management (cont'd)

In management's opinion, the sensitivity analyses are unrepresentative of the inherent foreign exchange risk as the year end exposure does not reflect the exposure during the year due to seasonal effects of its business activities.

The Group's foreign currency translation risk arises mainly from the Company's foreign incorporated subsidiaries and associates, whose net assets are denominated in currencies other than Singapore dollar, the Company's reporting currency.

g) Liquidity risk management

The Group and the Company finances its operations through a combination of borrowings and equity. Adequate lines of credit are maintained to ensure the necessary liquidity is available when required. There are measures to monitor compliance with existing loan covenants imposed by the banks. The Group and the Company closely monitors their compliance with financial covenants and undertakings to identify any potential covenant issues and obtain waivers from the banks where necessary. As at the date of authorisation of these financial statements, the Group had sufficient headroom on its loan covenants (Note 26). Also, to respond to a severe downside scenario, management has plans to reduce non-essential capital expenditure and deferring or cancelling discretionary spending to reduce costs, and explore alternative strategies which may include monetising assets and raising capital fundings, optimise the Group's cash flow and preserve liquidity.

In preparing the consolidated financial statements, the management and Board of Directors have given careful consideration to the future liquidity of the Group in light of these circumstances. After considering the cash flow projection up to June 2027 prepared by management, which took into consideration the internally generated funds, continued support from the Group's existing bankers in providing banking and other credit facilities and that the Group will continue to have access to the short-term revolving credit facilities which are expected to be rolled over as and when they fall due, the Board of Directors has concluded that the Group and the Company will have sufficient financial resources to manage its liquidity risk for at least the next twelve months up to June 2027. As at the date of authorisation of these financial statements, the Group has available uncommitted credit facilities of approximately S$401,404,000.

The remaining contractual maturity for non-derivative financial liabilities at the end of the reporting period is as follows:

	Group					
	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	More than 5 years	Adjustments	**Total**
	%	S$'000	S$'000	S$'000	S$'000	**S$'000**
31 March 2026						
Non-interest bearing		266,028	-	-	-	**266,028**
Lease liabilities	5.5	9,058	14,918	2,503	(2,894)	**23,585**
Variable interest rate instruments	3.9	330,357	135,802	-	(18,939)	**447,220**
		605,443	150,720	2,503	(21,833)	**736,833**
31 March 2025						
Non-interest bearing		256,493	-	-	-	256,493
Trade payables due to related parties	6.5	2,644	-	-	(161)	2,483
Lease liabilities	5.6	11,867	17,782	5,543	(4,158)	31,034
Variable interest rate instruments	5.1	309,199	182,362	-	(31,156)	460,405
		580,203	200,144	5,543	(35,475)	750,415

39. Financial instruments, financial risk and capital risk management (cont'd)

	Company				
	Weighted average effective interest rate	On demand or within 1 year	Within 2 to 5 years	Adjustments	**Total**
	%	S$'000	S$'000	S$'000	**S$'000**
31 March 2026					
Non-interest bearing		84,638	-	-	**84,638**
Lease liabilities	3.7	715	982	(72)	**1,625**
Variable interest rate instruments	3.8	43,540	41,989	(3,387)	**82,142**
Financial guarantee contracts		281,092	-	(281,092)	**-**
		409,985	42,971	(284,551)	**168,405**
31 March 2025					
Non-interest bearing		82,626	-	-	82,626
Lease liabilities	4.4	639	721	(66)	1,294
Variable interest rate instruments	5.4	44,566	65,040	(8,565)	101,041
Financial guarantee contracts		293,989	-	(293,989)	-
		421,820	65,761	(302,620)	184,961

Liabilities pertaining to financial guarantee contracts are the Company's contingent liabilities arising from guarantees given to banks (Note 33).

h) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as a going concern while maximising the return to its stakeholders through the optimisation of the debt and equity balance.

The capital structure of the Group consists of debt, which includes the borrowings disclosed in Note 26, and equity attributable to the equity holders of the Company.

Management reviews the Group's capital structure from time to time and recommends to the Board of Directors appropriate actions such as payment of dividend, new share issues, share buy-back and utilisation of available banking facilities.

The Group's overall strategy remains unchanged from the financial year ended 31 March 2025. The Group and the Company were in compliance with externally imposed capital requirements which include PRC legal requirement to set aside a legal reserve as at 31 March 2026 and 2025.

The Group and the Company closely monitors their compliance with financial covenants and undertakings required by certain financial institutions for the loans and banking facilities granted to the Group and the Company. As at 31 March 2026 and 2025, the Group and the Company complied with all the financial covenants and undertakings.

39. Financial instruments, financial risk and capital risk management (cont'd)

i) Fair values of financial assets and financial liabilities

The fair values of financial assets and financial liabilities approximate their respective carrying amounts recorded in the financial statements, determined in accordance with the accounting policies disclosed in Note 2.

The financial instruments carried at fair value, analysed by fair value hierarchy, are as follows:

	Group			
	Level 1	Level 2	Level 3	**Total**
	S$'000	S$'000	S$'000	**S$'000**
31 March 2026				
Financial assets				
Financial assets at FVTOCI	-	-	3,847	**3,847**
Financial assets at FVTPL	-	21,111	6,030	**27,141**
	-	21,111	9,877	**30,988**
Financial liabilities				
Derivative financial instruments	-	9	-	**9**
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	Level 2	Level 3	**Total**
	S$'000	S$'000	S$'000	**S$'000**
31 March 2026				
Financial assets				
Financial assets at FVTPL	-	-	6,030	**6,030**
31 March 2025				
Financial assets				
Financial assets at FVTPL	-	-	7,677	7,677

There was a transfer of financial assets at FVTPL from Level 1 to Level 2 during the financial year ended 31 March 2026 due to the delisting of the equity shares from the New York Stock Exchange in United States. The unquoted equity shares are currently traded on the United States Over-the-counter markets. The fair value of the unquoted equity shares was based on the latest available transaction price preceding the reporting period. This method uses recent market-based evidence to establish the fair value as at 31 March 2026. The value of the unquoted equity shares has become insignificant as at 31 March 2026.

There was transfer of financial assets at FVTPL from Level 2 to Level 3 for the financial year ended 31 March 2025 relating to the Company's direct interest in GPET.

As GPET is an investment holding company with varied investments in subsidiaries and equity investments, the values of GPET's subsidiaries and equity investments were assessed separately and added up for the total fair value of the 11.40% equity interest in GPET as at 31 March 2025. Depending on the operating status and nature of the subsidiaries or equity investments, different approaches were adopted by the independent professional valuer, including discounted cashflow under the income approach, market approach and adjusted net assets value are adopted.

39. Financial instruments, financial risk and capital risk management (cont'd)

Fair value of the Group's and Company's financial assets that are measured at fair value on a recurring basis

Some of the Group's financial assets are measured at fair value at the end of each financial year. The following table gives information about how the fair values of these financial assets are determined (in particular, the valuation techniques and inputs used).

Group

Financial assets	Fair value as at		Fair value hierarchy	Basis of fair value measurement/valuation techniques and key inputs	Significant unobservable inputs	Relationship and sensitivity of unobservable inputs to fair value
	2026 S$'000	2025 S$'000				
1. Short-term investments - Equity shares	**- ***	34	Change from Level 1 to Level 2	The fair value of the equity securities is estimated by the price quotation available on the Over-the-counter market (2025: New York Stock Exchange) in United States.	N/A	N/A
2. Short-term investments - Structured deposits	**21,111**	2,589	Level 2	The fair value of the equity instrument is approximate to their carrying amounts.	N/A	N/A
3. Equity instruments at FVTPL - Investment in GPET	**6,030**	7,677	Level 3	The fair value of the equity instrument is estimated by the combination of income approach, market approach and adjusted net assets approach.	Discount rate in the discounted cash flow model, ranging from 19.8% to 29.4% (2025: 20.3% to 29.6%).	The higher the discount rate in the discounted cash flow model, the lower the fair value of the equity instrument. 1% (2025: 1%) increase (decrease) in discount rate, the fair value would decrease by S$874,000 (2025: S$970,000) or increase by S$977,000 (2025: S$1,083,000).
					Long-term growth rate in the discounted cash flow model of 2% (2025: 2%).	The higher the long-term growth rate in the discounted cash flow model, the higher the fair value of the equity instrument. 1% (2025: 1%) increase (decrease) in the growth rate, the fair value would increase by S$233,000 (2025: S$246,000) or decrease by S$216,000 (2025: S$228,000).
					The discount for lack of marketability ("DLOM") was 44% (2025: 37% to 39%).	The higher the DLOM, the lower the fair value of the equity instrument. 5% (2025: 5%) increase (decrease) in DLOM would result in a (decrease) increase in fair value by S$572,000 (2025: S$804,000).

* Amount less than S$1,000.

39. Financial instruments, financial risk and capital risk management (cont'd)

Group

Financial assets	Fair value as at		Fair value hierarchy	Basis of fair value measurement/valuation techniques and key inputs	Significant unobservable inputs	Relationship and sensitivity of unobservable inputs to fair value
	2026 S$'000	2025 S$'000				
4. Equity instruments at FVTOCI - Unquoted equity shares	**3,847**	1,284	Level 3	Market approach. The market approach was used to determine the valuation by estimated values using the enterprise value to earnings before interest and taxes ratio of selected comparable listed companies in a similar business and similar business model and adjusted for the lack of marketability.	The DLOM, was 32% (2025: 25%) and applied multiples of 11 (2025: 13).	The higher the DLOM, the lower the fair value. 5% (2025: 5%) increase (decrease) in DLOM would result in a (decrease) increase in fair value by S$283,000 (2025: S$86,000). The higher the applied multiples, the higher the fair value. 5% (2025: 5%) increase (decrease) in applied multiples would result in an increase (decrease) in fair value by S$248,000 (2025: S$149,000).

Information in the above table for investment No. 3 relates to the Company's equity instruments at FVTPL of S$6,030,000 (2025: S$7,677,000) (Note 16).

Information relating to equity instruments at FVTOCI - Investment in XIC was not disclosed in the table above as the carrying amount was nil as at 31 March 2026 and 2025 (Note 15).

40. Subsidiaries

Significant subsidiaries of the Group are as follows:

Name of company	Place of incorporation and business	Principal activities	Effective percentage of equity and voting power held	
			2026	2025
			%	%
Battery segment [5]				
GP Batteries International Limited [a]	Singapore	Manufacture, development and marketing of batteries and battery-related products	**100**	100
Changzhou Lithium Batteries Ltd. [8] [i]	The People's Republic of China	Manufacturing of batteries	**55.00**	-
Dongguan GP Batteries Ltd. [2] [b]	The People's Republic of China	Manufacturing of batteries	**100**	100
GP Batteries (Americas) Inc [b]	United States of America	Marketing and trading in batteries	**100**	100
GP Batteries (Malaysia) Sdn Bhd [b]	Malaysia	Manufacturing of batteries	**100**	100
GP Batteries (Shenzhen) Co., Ltd [2] [7]	The People's Republic of China	Manufacturing of batteries	**-**	100
GP Batteries (U.K.) Limited [g]	England and Wales	Marketing and trading in batteries	**100**	100
GP Batteries (Vietnam) Limited Liability Company [b]	Vietnam	Manufacturing of batteries	**96.00**	96.00
GP Battery Marketing (H.K.) Limited [b]	Hong Kong	Marketing and trading in batteries	**100**	100
GP Battery Marketing (Korea) Limited [g]	South Korea	Marketing and trading in batteries	**100**	100
GP Battery Marketing (Malaysia) Sdn Bhd [g]	Malaysia	Marketing and trading in batteries	**100**	100
GP Battery Marketing (Singapore) Pte Ltd [a]	Singapore	Marketing and trading in batteries	**100**	100
GP Battery (Poland) Sp. z.o.o. [g]	Poland	Marketing and trading in batteries	**100**	100
GP Battery Technology (HK) Limited [b]	Hong Kong	Investment holding	**100**	100
GPI International Limited [b]	Hong Kong	Marketing and trading in batteries	**100**	100
GPPD Pte. Ltd. [a]	Singapore	Investment holding	**70.00**	70.00
GPPD Energy Company Limited [2]	Vietnam	Manufacturing and trading of batteries	**70.00**	70.00
Huizhou Chao Ba Batteries Co Ltd [2]	The People's Republic of China	Marketing and trading in batteries	**90.00**	90.00
Ningbo Fubang Battery Co Ltd [h]	The People's Republic of China	Manufacturing of batteries	**72.00**	72.00

40. Subsidiaries (cont'd)

Name of company	Place of incorporation and business	Principal activities	Effective percentage of equity and voting power held	
			2026	2025
			%	%
Ningbo GP Energy Co., Ltd [h]	The People's Republic of China	Manufacturing of batteries	**90.00**	90.00
Ningbo GP & Sonluk Battery Co., Ltd [2][b]	The People's Republic of China	Manufacturing of batteries	**70.00**	70.00
Zhongyin (Ningbo) Battery Co Ltd [2][b]	The People's Republic of China	Manufacturing of batteries	**70.00**	70.00
<u>Electronics and Acoustics segment</u>				
Celestion Music Asia Limited [1][b]	Hong Kong	Marketing and distribution of acoustic products	**100**	100
GP Acoustics GmbH [1][c]	Germany	Marketing and distribution of acoustic and electronic products	**100**	100
GP Acoustics (HK) Limited [1][b]	Hong Kong	Marketing, retailing and distribution of acoustic and electronic products	**100**	100
GP Acoustics International Limited [1][b]	Hong Kong	Investment holding, design, marketing and distribution of acoustic and electronic products	**100**	100
GP Acoustics Limited [1][3]	British Virgin Islands	Investment holding	**100**	100
GP Acoustics (Taiwan) Limited [1][3][7]	Taiwan	Marketing and distribution of acoustic and electronic products	**-**	100
GP Acoustics (UK) Limited [1][j]	England and Wales	Investment holding, design, marketing and distribution of acoustic and electronic products	**100**	100
GP Acoustics (US), Inc. [1][c]	United States of America	Marketing and distribution of acoustic and electronic products	**100**	100
GP Electronics (HK) Limited [1][b]	Hong Kong	Marketing and trading of audio products	**100**	100
GP Electronics (Huizhou) Co., Ltd. [1][2][d]	The People's Republic of China	Manufacturing of acoustic and electronic products	**100**	100
金柏電子有限公司 [1][2][4][e]	The People's Republic of China	Marketing and distribution of acoustic and electronic products	**100**	100
GP Electronics (SZ) Limited [1][2][e]	The People's Republic of China	Development of electronic products	**100**	100
GP Electronics & Acoustics Co., Ltd. [1][f]	Thailand	Manufacturing and trading of acoustic and electronic products	**90.00**	90.00
KEF Celestion Corporation [1][3]	Cayman Islands	Holding of trademarks	**100**	100
KEF GP Group Limited [3]	Cayman Islands	Investment holding	**100**	100
KEF Japan, Inc. [1][3]	Japan	Trading of acoustics products	**100**	100

40. Subsidiaries (cont'd)

Name of company	Place of incorporation and business	Principal activities	Effective percentage of equity and voting power held	
			2026	2025
			%	%
Other industrial investments segment				
Bowden Industries Limited [(1) (b)]	Hong Kong	Investment holding	**100**	100
CIH Limited [(a)]	Singapore	Investment holding	**100**	100
Faith Capital Investment Limited [(b)]	Hong Kong	Investment holding	**100**	100
Famingo Pte Ltd [(a)]	Singapore	Investment holding	**100**	100
Fancy Luck Investment Limited [(1) (b)]	Hong Kong	Investment holding	**100**	100
Giant Fair Investment Limited [(1) (b)]	Hong Kong	Investment holding	**100**	100
GP Electronics (China) Limited [(b)]	Hong Kong	Investment holding	**100**	100
GP Global Marketing Corporation [(3)]	Cayman Islands	Holding of trademarks	**100**	100
GP Global Marketing Limited [(1) (b)]	Hong Kong	Marketing	**100**	100
GP Marketing Services (Shenzhen) Company Limited [(1) (2) (e)]	The People's Republic of China	Marketing	**100**	100
GPE International Limited [(b)]	Hong Kong	Investment holding	**100**	100
Key Win Industrial Limited [(b)]	Hong Kong	Investment holding	**100**	100
Nike Enterprises Limited [(b)]	Hong Kong	Investment holding	**100**	100

Note:

(1) Equity interest is held by subsidiaries of the Company.

(2) These subsidiaries, in compliance with their local statutory requirement, adopt 31 December as their financial year end. Such financial year end is not co-terminous with that of the Company. Adjustments are made for the effect of any significant transactions that occur between 1 January and 31 March. A member firm of Deloitte Touche Tohmatsu Limited has audited the financial statements of these subsidiaries for the purposes of the Group's consolidated financial statements for the financial year ended and as at 31 March 2026 ("2026 Consolidated Financial Statements").

(3) The financial statements of these subsidiaries are not audited as there are no statutory audit requirements in their countries of incorporation. The financial statements of these subsidiaries, with the exception of GP Acoustics (Taiwan) Limited and KEF Japan, Inc., have been audited by a member firm of Deloitte Touche Tohmatsu Limited for the purposes of the 2026 Consolidated Financial Statements.

(4) For identification purpose, the translated name for this subsidiary is "GP Acoustics (China) Limited".

(5) Other than GP Batteries International Limited ("GP Batteries") which is a directly held subsidiary of the Company, equity interest in other subsidiaries of the battery segment is held by GP Batteries or their subsidiaries. For the preparation of the 2026 Consolidated Financial Statements purposes, the consolidation of GP Batteries have been audited by a member firm of Deloitte Touche Tohmatsu Limited.

(6) The financial statements of this subsidiary have been audited by a member firm of Deloitte Touche Tohmatsu Limited for the purposes of the 2026 Consolidated Financial Statements.

(7) De-registered during the financial year.

(8) Changzhou Lithium Batteries Ltd. was reclassified from an associate to a subsidiary and was consolidated from the date control was obtained (Note 42).

40. Subsidiaries (cont'd)

[(a)] Audited by Deloitte & Touche LLP, Singapore, which are the auditors of all Singapore incorporated subsidiaries.
[(b)] Audited by member firms of Deloitte Touche Tohmatsu Limited.
[(c)] Subsidiary of GP Acoustics (UK) Limited. The financial statements of (1) GP Acoustics (US), Inc. audited by Mercadien P.C. and (2) GP Acoustics GmbH is not audited as there are no statutory audit requirements in its country of incorporation, have been audited by a member firm of Deloitte Touche Tohmatsu Limited for the purposes of the 2026 Consolidated Financial Statements.
[(d)] Local statutory audit performed by Huizhou Huizheng Qinghua Certified Public Accountants Firm (General Partnership).
[(e)] Local statutory audit performed by Shenzhen ZhiGong Certified Public Accountants.
[(f)] Local statutory audit performed by Bangkok Audit & Tax Consultants Company Limited.
[(g)] Local statutory audit performed by other accounting firms as these subsidiaries are not significant.
[(h)] Audited by Grant Thornton China, Zhejiang Office for consolidation purposes.
[(i)] Local statutory audit performed by Changzhou Yongcheng United Certified Public Accountants.
[(j)] Audited by Affinia Limited.

41. Associates

Significant associates of the Group are as follows:

Name of company	Place of incorporation and business	Principal activities	Effective percentage of equity and voting power held	
			2026	2025
			%	%
Battery segment [(7)]				
AZ Limited [(e)]	Russia	Marketing and trading in batteries	**40.00**	40.00
Changzhou Lithium Batteries Ltd. [(f) (13)]	The People's Republic of China	Manufacturing of batteries	**-**	55.00
Gold Yi Industries Company Limited [(d)]	Hong Kong	Investment holding and trading of batteries	**39.35**	39.35
GP Battery Marketing (Germany) GmbH [(d)]	Germany	Marketing and trading in batteries	**50.00**	50.00
GP Battery Marketing (Middle East) Limited (FZC) [(d)]	United Arab Emirates	Marketing and trading in batteries	**50.00**	50.00
Hanoi Battery Joint Stock Company [(9) (c)]	Vietnam	Manufacturing of batteries	**49.00**	49.00
Huizhou Gold Yi Industries Co., Ltd. [(11) (d)]	The People's Republic of China	Manufacturing of batteries	**39.35**	39.35
Ningbo Fengyin Battery Co., Ltd [(d)]	The People's Republic of China	Marketing and trading in battery materials	**32.00**	32.00
T.G. Battery Co. (China) Ltd [(10)]	The People's Republic of China	Manufacturing of batteries	**42.50**	42.50
T.G. Battery Co. (Hong Kong) Limited [(a)]	Hong Kong	Investment holding and provision of logistic support	**50.00**	50.00
Other industrial investments segment				
Dongguan Jifu Metallic Products Co., Ltd. [(1) (2)]	The People's Republic of China	Manufacturing of metallic products for thermal management and structural support	**30.00**	30.00
Julong Technology Limited [(1) (b)]	British Virgin Islands	Investment holding	**30.00**	30.00

41. Associates (cont'd)

Name of company	Place of incorporation and business	Principal activities	Effective percentage of equity and voting power held	
			2026	2025
			%	%
Shinwa Industries (China) Ltd. (1) (4)	The People's Republic of China	Manufacturing of electronic components	**10.50**	10.50
Shinwa Industries (Hangzhou) Limited (1) (4) (8)	The People's Republic of China	Manufacturing of electronic components	**-**	10.50
Shinwa Industries (H.K.) Limited (6) (b)	Hong Kong	Trading of electronic components	**15.00**	15.00
Wisefull Technology Limited (1) (b)	Hong Kong	Investment holding and trading of metallic products for thermal management and structural support	**30.00**	30.00
Youjia Technology Limited (1) (b)	British Virgin Islands	Investment holding	**30.00**	30.00
Yousheng Technology Limited (1) (3) (b)	Hong Kong	Trading of metallic products	**30.00**	30.00
Meiloon Industrial Co., Ltd. (1) (5)	Taiwan	Development, manufacturing and marketing of acoustics and audio-visual equipment	**20.27**	20.27
JWS Technology Co., Ltd. (1) (b)	Taiwan	Development, manufacturing and trading of thermal management solutions and cosmetic metallic parts/products	**33.36**	30.00
JWS America, Inc. (1) (8) (b)	United States of America	Wholesales and aftersales service of thermal management products	**-**	30.00
JWSWISE Inc. (1) (15) (b)	United States of America	Wholesales and aftersales service of thermal management products	**33.36**	-
Jihui Technology Development Co., Ltd. (1) (b)	Republic of Seychelles	Investment holding	**33.36**	30.00
东莞智惠科技开发有限公司 (1) (12) (b)	The People's Republic of China	Investment holding	**33.36**	30.00
JWS Technology Pte. Ltd. (1) (b)	Singapore	Investment holding	**31.34**	30.00
Jifu Vietnam Precision Industrial Company Limited (formerly known as Duty Jifu Vietnam Precision Industrial Company Limited) (1) (14) (b)	Vietnam	Manufacturing and trading of metallic products for thermal management and structural support	**23.82**	21.00

Note:

(1) Equity interest is held by subsidiaries or associates of the Company.

(2) Subsidiary of Wisefull Technology Limited.

(3) Subsidiary of Youjia Technology Limited.

(4) Subsidiary of Shinwa Industries (H.K.) Limited.

(5) Meiloon is listed on the Taiwan Stock Exchange Corporation. The consolidated financial statements of Meiloon are audited by PKF Taiwan. Meiloon has been equity accounted for in the consolidated financial statements based on results ended 31 December, the financial year end of Meiloon. Adjustments are made for the effect of any significant transactions that occur between 1 January and 31 March.

41. Associates (cont'd)

(6) The Group has significant influence in Shinwa Industries (H.K.) Limited ("Shinwa") through the Company's representation on Shinwa's board of directors.

(7) Equity interest is held by GP Batteries, its subsidiaries or associates. For the preparation of the 2026 Consolidated Financial Statements purposes, the consolidation of GP Batteries have been audited by a member firm of Deloitte Touche Tohmatsu Limited.

(8) Dissolved during the financial year.

(9) Listed on the Hanoi Stock Exchange.

(10) Subsidiary of T.G. Battery Co. (Hong Kong) Limited.

(11) Subsidiary of Gold Yi Industries Company Limited.

(12) For identification purpose, the translated name for this associate is "Dongguan Jihui Technology Development Co., Ltd.".

(13) CZLB was reclassified from an associate to a subsidiary during the financial year (Note 42).

(14) This associate has not commenced manufacturing and trading as at 31 March 2026.

(15) Incorporated during the financial year.

(a) Audited by a member firm of Deloitte Touche Tohmatsu Limited.

(b) These associates adopt a different financial year end from that of the Group. For the purposes of applying the equity method of accounting, the financial statements of these associates for the twelve months period ended 31 March have been used. The local statutory consolidated financial statements of Shinwa Industries (H.K.) Limited and Wisefull Technology Limited are audited by a member firm of Deloitte Touche Tohmatsu Limited and Au Choi Yuen & Co., respectively. The financial statements of Julong Technology Limited, Youjia Technology Limited and Jihui Technology Development Co., Ltd. are not audited as there are no statutory audit requirements in their countries of incorporation. The local statutory financial statements of Yousheng Technology Limited are audited by Au Choi Yuen & Co. The local statutory financial statements of JWS Technology Co., Ltd., are audited by Veritas CPAs. The local statutory financial statements of JWS America, Inc. and JWSWISE Inc., are audited by VSR Accountancy Corp. CPAs. The local statutory financial statements of Dongguan Jihui Technology Development Co., Ltd. and Jifu Vietnam Precision Industrial Company Limited are audited by Dongguan Tianrui Certified Public Accountants and AAGroup Auditing Consulting Company Limited, respectively. The financial statement of JWS Technology Pte. Ltd. is not audited as it qualifies for audit exemption.

(c) Local statutory audit performed by AASC Auditing Firm Company Limited.

(d) Local statutory audit performed by other accounting firms as these associates are not significant.

(e) Local statutory audit performed by Group Finance LLC.

(f) Local statutory audit performed by Changzhou Yongcheng United Certified Public Accountants.

42. Changes in ownership interest in subsidiaries

a) Gain of control of a subsidiary

On 1 January 2026, the Group assessed that it has control over Changzhou Lithium Batteries Ltd. ("CZLB") following the amendments of CZLB's Articles of Association which grant the Group the right to appoint majority of the members to its board of directors. As a result, the Group has majority representations on the board and the power to direct relevant activities. Accordingly, CZLB was reclassified from an associate to a subsidiary and was consolidated from the date control was obtained. There is no change in the 55% shareholding interest of the Group in CZLB.

During the financial year ended 2026, the Group completed a purchase price allocation exercise of CZLB and recognised a goodwill arising from gain of control. The fair value of the identifiable material assets and the fair value of the 55% shareholding interest in CZLB are determined by an independent professional valuer. As a result, the Group recognised a fair value gain on the 55% shareholding interest in CZLB, which is previously classified as an associate under equity accounting method, amounting to S$6,333,000.

42. Changes in ownership interest in subsidiaries (cont'd)

The fair value of the identifiable assets and liabilities of CZLB as at date of control were as follows:

	Group
	2026
	S$'000
Assets (Liabilities)	
Property, plant and equipment	**17,422**
Right-of-use assets	**1,105**
Intangible assets (excluding Goodwill)	**315**
Inventories	**3,144**
Receivables and prepayments	**12,028**
Cash and cash equivalents	**808**
Trade and other payables	**(6,374)**
Income tax payable	**(166)**
Bank and other loans	**(3,673)**
Deferred tax liabilities	**(128)**
Total identifiable net assets	**24,481**
Non-controlling interests	**(11,017)**
Net assets acquired	**13,464**
Net cash inflow from gain of control	
Net assets acquired	**13,464**
Less: Fair value of previously held 55% equity interest	**(19,844)**
Goodwill arising from gain of control	**6,380**
Consideration paid	**-**
Add: Cash and cash equivalents acquired	**808**
Net cash inflow from gain of control	**808**

Goodwill arose from the gain of control of CZLB, attributable to the benefit of the assembled workforce. These assets do not meet the recognition criteria for identifiable intangible assets and therefore subsumed into goodwill.

CZLB contributed S$0.2 million revenue and S$0.2 million to the Group's profit attributable to the equity holders of the Company for the period from 1 January 2026, the date of control, to 31 March 2026.

Had CZLB been consolidated from 1 April 2025, the Group's revenue would have been increased by S$1.4 million. There is no impact on the Group's profit attributable to equity holders of the Company as the shareholding interest of the Group in CZLB remains as 55%.

b) Changes in ownership interest in subsidiaries that resulted in a loss of control

During the financial year ended 31 March 2026, the Group de-registered two inactive subsidiaries and recognised (i) a gain from de-registration of a subsidiary of S$790,000 in other operating income (Note 4), comprising cumulative exchange translation surplus; and (ii) a loss from de-registration of a subsidiary of S$152,000 in other operating expense (Note 5), comprising cumulative exchange translation deficit.

During the financial year ended 31 March 2025, the Group de-registered an inactive subsidiary and recognised a gain from de-registration of a subsidiary of S$1,991,000 in other operating income (Note 4), comprising cumulative exchange translation surplus.

ADDITIONAL INFORMATION ON DIRECTORS SEEKING RE-ELECTION

The information required under Rule 720(6) and Appendix 7.4.1 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**") in respect of the Directors seeking re-election at the 2026 AGM of the Company to be convened on 27 July 2026 is set out below:

Name of Director and appointment	**Mr Victor LO Chung Wing**
Date of first appointment	18 October 1995
Date of last re-appointment (if applicable)	25 July 2023
Age	75
Country of principal residence	Hong Kong Special Administrative Region, PRC
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board reviewed and concurred with the recommendation of the Nominating Committee on the re-election of Mr Lo as an Executive Director of the Company, which took into account, *inter alia*, his contribution to the effectiveness of the Board (which includes his participation and candour at Board and Nominating Committee meetings), as well as his time commitment and contribution to the Board's collective skill set based on the Company's Board diversity policy and targets.
Whether appointment is executive, and if so, the area of responsibility	Executive and Mr Lo is mainly responsible for the Group's strategies for sustainable growth.
Job Title	• Executive Chairman • Executive Director • Nominating Committee – Member
Professional qualifications	Refer to section on "Board of Directors and Senior Management" on page 26 of this Annual Report.
Working experience and occupation(s) during the past 10 years	• The Company Executive Director (since October 1995) Chairman (since October 1995) Chief Executive Officer (February 2016 to March 2026) • Gold Peak Technology Group Limited ("Gold Peak") Executive Director (since June 1977) Chairman (since April 1990) Chief Executive (since April 1990)
Shareholding interest in the listed issuer and its subsidiaries	The Company: Direct interest in 300,000 ordinary shares and deemed interest in 414,098,443 ordinary shares. *Mr Lo's deemed interest in the Company's issued shares arises pursuant to Mr Lo's aggregate direct and deemed interests of approximately 26.92% in the issued shares of Gold Peak, which has a direct interest in 414,098,443 (86.18%) issued shares of the Company.
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr Lo is an Executive Director, the Chairman and Chief Executive of Gold Peak and is deemed to be a substantial shareholder of the Company.
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* including Directorship – Past (for the last 5 years)	Refer to "Other Principal Commitments including Directorships – Past (for the last 5 years)" Table A on page 164, of this Annual Report.
Other Principal Commitments* including Directorship – Present	Refer to sections on "Board of Directors and Senior Management" on page 26 and "Other Principal Commitments including Directorships – Present" Table A on page 164 respectively, of this Annual Report.
Information required pursuant to Listing Rule 704(7) - Confirmation under items (a) to (k) in Appendix 7.4.1 of the SGX-ST Listing Manual	Report Responses to questions (a) to (k) are negative.

* "Principal Commitments" has the same meaning as defined in the CG Code.

Name of Director and appointment	Mr Waltery LAW Wang Chak
Date of first appointment	1 April 2019
Date of last re-appointment (if applicable)	25 July 2023
Age	63
Country of principal residence	Hong Kong Special Administrative Region, PRC
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board reviewed and concurred with the recommendation of the Nominating Committee on the re-election of Mr Law as an Executive Director of the Company, which took into account, *inter alia*, his contribution to the effectiveness of the Board (which includes his participation and candour at Board and Sustainability Steering Committee meetings), as well as his time commitment and contribution to the Board's collective skill set based on the Company's Board diversity policy and targets.
Whether appointment is executive, and if so, the area of responsibility	Executive and Mr Law is mainly responsible for the Group's overall finance matters.
Job Title	• Chief Financial Officer • Chief Risk Officer • Executive Director • Sustainability Steering Committee – Member
Professional qualifications	Refer to section on "Board of Directors and Senior Management" on page 27 of this Annual Report.
Working experience and occupation(s) during the past 10 years	• The Company Executive Director (since April 2019) Chief Financial Officer ("CFO") (since April 2019) Chief Risk Officer ("CRO") (since July 2021) Senior Vice President, Finance and Corporate Development (July 2021 to March 2026) • Gold Peak Technology Group Limited ("Gold Peak") Group Chief Risk Officer (since July 2021) Executive Director (since July 2021) Senior Vice President, Group Finance Management (July 2021 to March 2024) Group Chief Financial Officer (since April 2024)
Shareholding interest in the listed issuer and its subsidiaries	116,400 ordinary shares in the Company
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Mr Law is an Executive Director, the Group Chief Financial Officer and Group Chief Risk Officer of Gold Peak, a substantial shareholder of the Company.
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* including Directorship – Past (for the last 5 years)	Refer to "Other Principal Commitments including Directorships – Past (for the last 5 years)" Table B on page 164, of this Annual Report.
Other Principal Commitments* including Directorship – Present	• Gold Peak, Executive Director, Group CFO and Group CRO • Meiloon Industrial Co., Ltd., Authorised representative of a director (Famingo Pte Ltd) • Ergon Ventures Pte. Limited, director Refer to "Other Principal Commitments including Directorships – Present" Table B on page 164, of this Annual Report.
Information required pursuant to Listing Rule 704(7) - Confirmation under items (a) to (k) in Appendix 7.4.1 of the SGX-ST Listing Manual	Responses to questions (a) to (k) are negative.

* "Principal Commitments" has the same meaning as defined in the CG Code.

Name of Director and appointment	Prof Eric YIM Chi Ming
Date of first appointment	1 August 2023
Date of last re-appointment (if applicable)	26 July 2024
Age	64
Country of principal residence	Hong Kong Special Administrative Region, PRC
The Board's comments on this appointment (including rationale, selection criteria, board diversity considerations, and the search and nomination process)	The Board reviewed and concurred with the recommendation of the Nominating Committee on the re-election of Prof Yim as a Non-executive Independent Director of the Company, which took into account, *inter alia*, his contribution to the effectiveness of the Board (which includes his participation and candour at Board and Board Committee meetings), his time commitment as well as his independence with regards to the provisions in the applicable Rule 210(5)(d) of the Listing Manual and Provision 2.1 of the CG Code.
Whether appointment is executive, and if so, the area of responsibility	Non-Executive Independent
Job Title	• Non-Executive Independent Director • Audit and Risk Committee - Member • Nominating Committee - Chairman • Remuneration Committee - Member
Professional qualifications	Refer to section on "Board of Directors and Senior Management" on page 29 of this Annual Report.
Working experience and occupation(s) during the past 10 years	9H Limited (Chairman)
Shareholding interest in the listed issuer and its subsidiaries	None
Any relationship (including immediate family relationships) with any existing director, existing executive officer, the issuer and/or substantial shareholder of the listed issuer or of any of its principal subsidiaries	Prof Yim is an Independent Non-Executive Director of Gold Peak Technology Group Limited.
Conflict of Interest (including any competing business)	No
Undertaking (in the format set out in Appendix 7.7) under Rule 720(1) has been submitted to the listed issuer	Yes
Other Principal Commitments* including Directorship – Past (for the last 5 years)	• Chief Executive's Council of Advisers on Innovation and Strategic Development, Advisor • Education Commission, Member • Hong Kong Design Centre, Chairman • Hong Kong Export Credit Insurance Corporation, Chairman • Mega Arts and Cultural Events Committee, Member • Ocean Park Hong Kong, Director • Technology Voucher Programme (TVP) Committee, Chairman • Vocational Training Council, Deputy Chairman
Other Principal Commitments* including Directorship – Present	• Hong Kong Furniture & Decoration Trade Association, Honorary Chairman • Hong Kong Designer Association, Advisor • Hong Kong Architecture Centre, Advisor • Laboratory for Artificial Intelligence in Design (AiDLab), Advisor • Our Hong Kong Foundation, Advisor • School of Design of Hong Kong Polytechnic University, Professor of Practice • Swinburne University of Technology, Australia, Adjunct Professor
Information required pursuant to Listing Rule 704(7) - Confirmation under items (a) to (k) in Appendix 7.4.1 of the SGX-ST Listing Manual	Responses to questions (a) to (k) are negative

* "Principal Commitments" has the same meaning as defined in the CG Code.

Table A

Mr Victor LO Chung Wing

Other past directorships (for the last 5 years)

1 Blue Poles Limited
2 Hong Kong Design Centre Limited
3 Hotel ICON Limited
4 M Plus Museum Limited
5 West Kowloon Cultural District Foundation Limited

Other present directorships

GP Industries Limited Group Companies

1 GP Batteries International Limited
2 GP Electronics (HK) Limited
3 GP Energy Tech International Pte. Limited
4 GP Global Marketing Corporation
5 GP Global Marketing Limited
6 GP ZincTech International Pte. Limited
7 KEF Celestion Corporation
8 KEF GP Group Limited
9 Shinwa Industries (HK) Limited
10 Zhongyin (Ningbo) Battery Co., Ltd

Non-GP Industries Limited Group Companies

1 Amazing Wesley Limited
2 Debbie Lo Creativity Foundation Limited
3 Euro Asian Investments Limited
4 Expert Harvest Limited
5 M K Lau Collection Limited
6 M K Lau Foundation Limited
7 PMQ Management Company Limited
8 The Ink Society Limited

Table B

Mr Waltery LAW Wang Chak

Other past directorships (for the last 5 years)

1 AB Builders Group Limited
2 Best Drop Wine Limited
3 D&G Technology Holding Company Limited
4 GP Industries Marketing Limited
5 Himart Limited
6 In Technical Productions Holdings Limited
7 Maxson Industries Limited
8 Orient Victory Travel Group Company Limited
9 Shinwa Industries (Hangzhou) Limited
10 Solis Holdings Limited
11 Suzhou Yue Tai Trading Co Ltd
12 Vicon Holdings Limited
13 Whitehill Industries Limited
14 Woylw Property Investments Limited
15 Woylw Holdings Limited
16 Waltery & Partners Limited

Other present directorships

GP Industries Limited Group Companies

1 Dongguan Jifu Metallic Products Co., Ltd.
2 Dongguan Meiloon Acoustic Equipments Co Ltd
3 Dongguan Zhixin Metallic Products Co. Ltd
4 Faith Capital Investment Limited
5 Famingo Pte Ltd
6 Fine Station Ltd
7 GP Auto Parts Limited
8 GP Batteries International Limited
9 GP Batteries (Malaysia) Sdn. Bhd.
10 GP Electronics & Acoustics Co., Ltd.
11 GP Electronics (China) Limited
12 GP Energy Tech International Pte. Limited
13 GP Energy Tech Limited
14 GP Global Marketing Corporation
15 GP Global Marketing Limited
16 GP Group Treasury Limited
17 GP ZincTech International Pte. Limited
18 GP ZincTech Limited
19 Huizhou Shinwa Optical Technology Co., Ltd
20 Julong Technology Limited
21 JWS Technology Co., Ltd.
22 JWS Technology Pte. Ltd.
23 KEF Celestion Corporation
24 KEF GP Group Limited
25 Key Win Industrial Limited
26 Loonchenfa Investment Co Ltd
27 Makingo Development Corporation
28 Mei Xin Audio Equip (Dongguan) Co Ltd
29 Meida Technology (Suzhou) Co Ltd
30 Meifong (Suzhou) Co Ltd
31 Meiloon International Ltd
32 Nike Enterprises Limited
33 Premier Golden Holdings Ltd
34 PT Meiloon Technology Indonesia
35 PT. Taifa Jaya Development
36 Shinwa Electronics (Haining) Limited
37 Shinwa Industries (China) Ltd.
38 Shinwa Industries (H.K.) Limited
39 Wisefull Technology Limited
40 Youjia Technology Limited

Non-GP Industries Limited Group Companies

1 Celestion (China) Limited
2 Joint Leader Enterprises Limited
3 Nam Kwok Football Club Limited
4 Profundas Capital Limited

STATISTICS OF ORDINARY SHAREHOLDINGS

As at 15 June 2026

Class of equity securities	:	Ordinary Shares
Number of issued Ordinary Shares	:	521,358,482
Number of issued Ordinary Shares (excluding treasury shares and subsidiary holdings)	:	480,499,782
Number of Treasury Shares	:	40,858,700 (representing 8.5% of the total number of issued shares, excluding treasury shares)
Number of Subsidiary Holdings#	:	Nil
Voting Rights	:	One vote per Ordinary Share. The Company cannot exercise any voting rights in respect of the shares held as treasury shares.

Subject to the Companies Act 1967, subsidiaries cannot exercise any voting rights in respect of shares held by them as subsidiary holdings#.

Distribution of shareholdings

Range of Ordinary Shareholdings	Number of shareholders	%	Number of Ordinary Shares	%
1 - 99	47	3.60	1,753	0.00
100 - 1,000	217	16.61	177,668	0.04
1,001 - 10,000	613	46.94	2,895,488	0.60
10,001 - 1,000,000	420	32.16	28,890,245	6.01
1,000,001 and above	9	0.69	448,534,628	93.35
	1,306	100.00	480,499,782	100.00

Top 20 Ordinary Shareholders as at 15 June 2026

No.	Name of Ordinary Shareholders	Number of shares	%*
1.	Gold Peak Technology Group Limited	414,098,443	86.18
2.	UOB Kay Hian Private Limited	14,583,327	3.04
3.	Ablewood International Limited	5,830,000	1.21
4.	DBS Nominees (Private) Limited	3,098,459	0.64
5.	ABN Amro Clearing Bank N.V.	2,668,651	0.56
6.	Koh Beng Ling	2,363,750	0.49
7.	Citibank Nominees Singapore Pte Ltd	2,339,398	0.49
8.	Heng Siew Eng	2,087,600	0.43
9.	Brian Li Yiu Cheung	1,465,000	0.31
10.	Phillip Securities Pte Ltd	871,662	0.18
11.	Woo Koon Chee	782,300	0.16
12.	Tan Seok Ling	673,409	0.14
13.	iFAST Financial Pte. Ltd.	593,300	0.12
14.	Quah Biow Chye	593,140	0.12
15.	Hobee Print Pte Ltd	570,000	0.12
16.	Chiam Toon Chew	517,224	0.11
17.	Koh Family Investment Pte Ltd	500,000	0.11
18.	HSBC (Singapore) Nominees Pte Ltd	493,860	0.10
19.	Suthin Hannirankoor	488,154	0.10
20.	Lai Weng Kay	356,800	0.08
		454,974,477	94.69

* The percentage of Ordinary Shares held is based on the total number of issued Ordinary Shares, excluding treasury shares as at 15 June 2026.

\# "Subsidiary Holdings" is defined in the Listing Manual to mean shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act 1967.

Substantial shareholders
(as recorded in the Register of Substantial Shareholders)

Name of substantial shareholder	Direct Interest Number of shares	% [2]	Deemed Interest Number of shares	% [2]
Gold Peak Technology Group Limited (“Gold Peak”)	414,098,443	86.18	-	-
Victor Lo Chung Wing (“Mr Victor Lo”) [1]	300,000	0.06	414,098,443	86.18

Note:

(1) Mr Victor Lo’s deemed interest in 414,098,443 issued shares of the Company arises pursuant to his direct interest in the issued shares of Gold Peak of approximately 26.92%, and Gold Peak’s direct interest in 414,098,443 issued shares of the Company.

(2) Percentages are calculated based on 480,499,782 issued Shares (excluding treasury shares) as at 24 June 2026. Percentage figures have been rounded to 2 decimal places.

Public float
Based on the information available to the Company as at 15 June 2026, approximately 13.40% of the issued Ordinary Shares (excluding treasury shares and subsidiary holdings) is held by the public. Accordingly, the Company has complied with Rule 723 of the Listing Manual of the Singapore Exchange Securities Trading Limited.

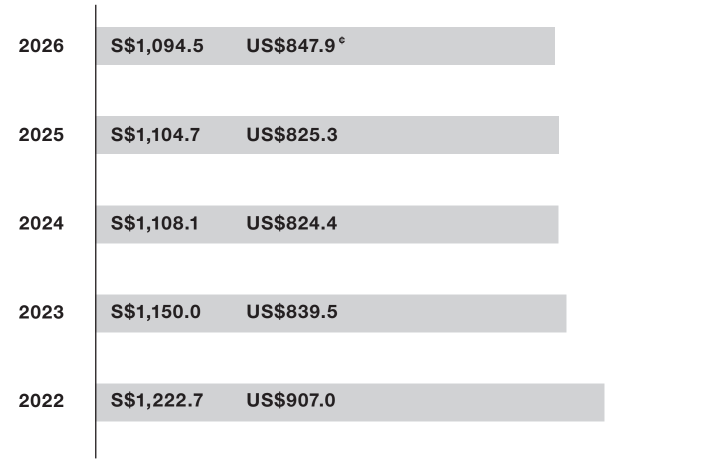
FIVE-YEAR FINANCIAL SUMMARY

Consolidated Income Statement Year ended 31 March	**2026** **S$'000**	2025 S$'000	2024 S$'000	2023 S$'000	2022 S$'000 (Restated)
Revenue - Continuing operations	**1,094,470**	1,104,700	1,108,131	1,150,046	1,222,749
Profit (Loss) after taxation					
- Continuing operations	**44,116**	40,098	(47,034)	27,437	49,178
- Discontinued operations	**-**	-	-	-	(3,050)
	44,116	40,098	(47,034)	27,437	46,128
Non-controlling interests	**(15,685)**	(15,772)	(11,712)	(5,393)	(6,112)
Profit (Loss) attributable to equity holders	**28,431**	24,326	(58,746)	22,044	40,016

Consolidated Statement of Financial Position As at 31 March	**2026** **S$'000**	2025 S$'000	2024 S$'000	2023 S$'000	2022 S$'000 (Restated)
Investment properties	**74,672**	72,096	-	-	-
Property, plant and equipment	**314,779**	311,027	361,620	392,085	411,572
Right-of-use assets	**22,250**	29,074	36,185	43,802	47,749
Interest in associates	**163,762**	164,333	155,254	268,581	355,145
Financial assets at fair value through other comprehensive income	**3,847**	1,284	49,037	4,191	6,739
Financial assets at fair value through profit or loss	**6,030**	7,677	3,957	-	-
Deposits and prepayments	**3,254**	3,198	3,198	3,333	4,286
Non-current receivables	**-**	-	-	-	3,226
Contract costs	**524**	-	-	-	-
Deferred tax assets	**3,335**	3,619	4,932	5,829	5,937
Intangible assets	**17,793**	9,690	10,058	10,387	10,696
Current assets	**618,314**	613,395	612,701	643,798	737,769
Total assets	**1,228,560**	1,215,393	1,236,942	1,372,006	1,583,119
Non-current liabilities	**158,440**	202,379	229,560	183,228	152,310
Current liabilities	**617,766**	582,151	584,524	660,972	806,948
Total liabilities	**776,206**	784,530	814,084	844,200	959,258
Net assets	**452,354**	430,863	422,858	527,806	623,861
Shareholders' funds	**306,581**	292,340	305,346	416,136	523,813
Non-controlling interests	**145,773**	138,523	117,512	111,670	100,048
Total equity	**452,354**	430,863	422,858	527,806	623,861

REVENUE - CONTINUING OPERATIONS

Year ended 31 March (million)



¢ Based on exchange rate of US$1 to S$1.2908

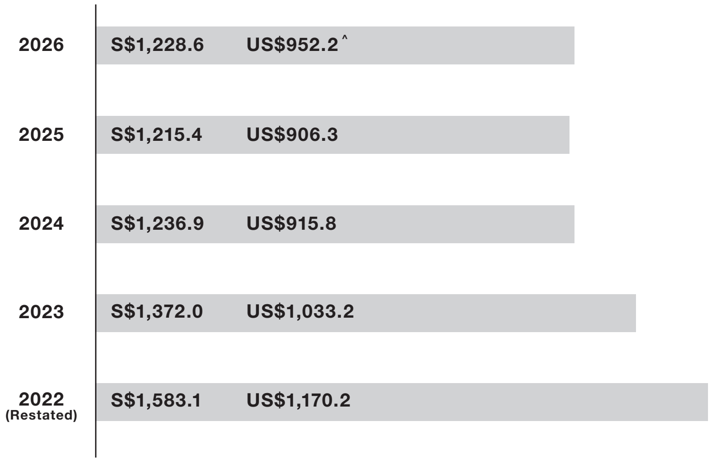
PROFIT ATTRIBUTABLE TO EQUITY HOLDERS

Year ended 31 March (million)

¢ Based on exchange rate of US$1 to S$1.2908

TOTAL ASSETS

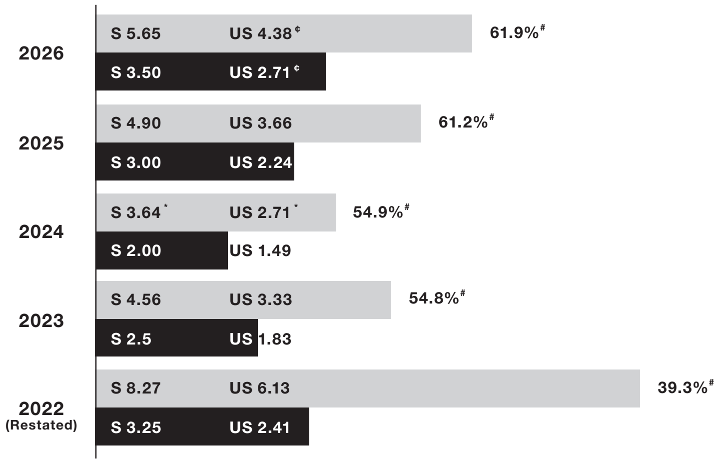
As at 31 March (million)



^ Based on exchange rate of US$1 to S$1.2903

EARNINGS PER SHARE & DIVIDENDS PER SHARE

Year ended 31 March (cents)



Earnings per share (cents)

Dividends per share (cents)

 # % - Payout ratio

*** FY2024 Profit attributable to equity holders and earnings per share exclude share of attributable loss (including impairment loss) of XIC Innovation Limited of S$76.4 million.**

¢ Based on exchange rate of US$1 to S$1.2908

DEFINITIONS & GLOSSARY

AGM | Annual General Meeting of the Company or any adjournment thereof

2025 AGM | AGM held on 29 July 2025

2026 AGM | AGM to be held on Monday, 27 July 2026 at 3:00 p.m. at Ocean 4-5, Level 2, Pan Pacific Singapore, 7 Raffles Boulevard, Marina Square, Singapore 039595

AR2026 | Annual Report for FY2026

Audit and Risk Committee or ARC | The audit and risk committee of the Company

Board | The board of Directors of the Company

Board Committees | Committee(s) formed under the Board, including but not limited to the Audit and Risk Committee, Nominating Committee, Remuneration Committee and Sustainability Steering Committee of the Company

CG Code | Revised Code of Corporate Governance 2018, as amended

China or PRC | The People's Republic of China

Companies Act | The Singapore Companies Act 1967

CZLB | Changzhou Lithium Batteries Ltd., a 55%-owned subsidiary of the Group

Directors | The directors of the Company

ESG | Environmental, social and governance

FY | The financial year, 1 April of a year to 31 March of the following year

FY2025 | The financial year ended 31 March 2025

FY2026 | The financial year ended 31 March 2026

Gold Peak | Gold Peak Technology Group Limited, a corporate incorporated and listed in Hong Kong and the ultimate holding company of the Company

GP Batteries | GP Batteries International Limited, a wholly-owned subsidiary of the Company

GP Energy Tech or GPET | GP Energy Tech Limited, an effective 95.41%-owned subsidiary of Gold Peak

GP Industries or the Company | GP Industries Limited

Group | The Company and its subsidiaries

Hong Kong or HKSAR | Hong Kong Special Administrative Region, China

IPTs | Interested Person Transactions

KGG | KEF GP Group Limited, a wholly-owned subsidiary of the Company

Listing Manual | Rules of the listing manual of the SGX-ST

Meiloon | Meiloon Industrial Co., Ltd., an associate of the Company, listed on The Taiwan Stock Exchange Corporation and engaged in the development, manufacturing and marketing of acoustics and audio-visual equipment

Nominating Committee or NC | The nominating committee of the Company

Remuneration Committee or RC | The remuneration committee of the Company

SGX-ST | Singapore Exchange Securities Trading Limited

S$ and cents | Singapore dollars and cents, respectively

Shares | Ordinary shares of the Company

Shareholders | Shareholders of the Company

Sustainability Steering Committee or SSC | The sustainability steering committee of the Company

U.K. | United Kingdom

U.S. or USA | United States of America

Wisefull | Wisefull Technology Limited, an associate of the Company, engaged in the manufacturing of high precision parts and components used in electronics products for thermal management and structural support

% | Per centum or percentage

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GP Industries Limited

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#14-01 UE Square
Singapore 239920
Tel : (65) 6395 0850 Fax : (65) 6395 0860
Email : gpind@gp.industries
Website : www.gp.industries
Co. Reg. No. 199502128C

Member
Gold Peak Technology Group

LETTER TO SHAREHOLDERS DATED 11 JULY 2026

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser immediately.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Letter.

If you have sold all your shares in the capital of GP Industries Limited, you should immediately inform the purchaser or the stockbroker, bank or the agent through whom you effected the sale for onward notification to the purchaser.

GP INDUSTRIES

GP Industries Limited

(Incorporated in the Republic of Singapore)

Co. Reg. No. 199502128C

LETTER TO SHAREHOLDERS DATED 11 JULY 2026

in relation to the proposed

(1) RENEWAL OF THE SHARE BUYBACK MANDATE; AND

(2) RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

CONTENTS

DEFINITIONS

In this Letter, the following definitions shall apply throughout unless the context otherwise requires or unless otherwise stated:

"**AGM**"	:	Annual general meeting of the Company
"**Audit and Risk Committee**"	:	The audit and risk committee of the Company comprising Messrs Seah Han Leong, Timothy Tong Wai Cheung, Eric Yim Chi Ming, Hung Cheung Fuk and Ms Charlene-Jayne Chang Wei-Ying for the time being
"**Board**"	:	The Board of Directors of the Company
"**CDP**"	:	The Central Depository (Pte) Limited
"**Company**"	:	GP Industries Limited
"**Companies Act**"	:	The Companies Act 1967 of Singapore, as amended or modified from time to time
"**Constitution**"	:	The Constitution of the Company, as amended or modified from time to time
"**Directors**"	:	The directors of the Company
"**EGM**"	:	Extraordinary general meeting of the Company
"**Executive Directors**"	:	The Directors who are executives of the Company and are involved in its day-to-day operations, namely Messrs Victor Lo Chung Wing, Lam Hin Lap, Brian Li Yiu Cheung and Waltery Law Wang Chak for the time being
"**Gold Peak**"	:	Gold Peak Technology Group Limited, a corporation incorporated and listed in Hong Kong Special Administrative Region of the People's Republic of China and a Substantial Shareholder
"**Group**"	:	The Company and its subsidiaries
"**Non-Executive Independent Directors**"	:	The Directors who are deemed independent in relation to the General Mandate for Interested Person Transactions, namely Messrs Seah Han Leong, Timothy Tong Wai Cheung, Eric Yim Chi Ming, Hung Cheung Fuk and Ms Charlene-Jayne Chang Wei-Ying for the time being
"**Interested Persons**"	:	The interested persons of the Company who fall within the General Mandate for Interested Person Transactions, as set out in paragraph 4.1 of Appendix 2 to this Letter
"**Interested Person Transactions**"	:	The categories of transactions with Interested Persons which fall within the General Mandate for Interested Person Transactions, as set out in paragraph 4.2 of Appendix 2 to this Letter
"**Latest Practicable Date**"	:	30 June 2026, being the latest practicable date prior to the printing of this Letter

"**Letter**"	:	Letter to Shareholders dated on 11 July 2026
"**Listing Manual**"	:	The listing manual of the SGX-ST, as amended or modified from time to time
"**NTA**"	:	Net tangible assets
"**SFA**"	:	Securities and Futures Act 2001 of Singapore, as amended or modified from time to time
"**SGX-ST**"	:	Singapore Exchange Securities Trading Limited
"**Shareholders**"	:	Registered holders of the Shares in the register of members of the Company or, where CDP is the registered holder, the term "Shareholders" shall in relation to such Shares mean the Depositors who have Shares entered against their names in the Depository Register
"**Shares**"	:	Ordinary shares in the capital of the Company
"**Substantial Shareholder**"	:	A person who has an interest in one or more voting Shares and the total votes attached to those Shares is not less than 5% of the total votes attached to all the voting Shares
"**S$**" and "**cents**"	:	Singapore dollars and cents, respectively
"**%**"	:	Per centum or percentage

The terms "**Depositor**" and "**Depository Register**" shall have the meanings ascribed to them respectively in Section 81SF of the SFA.

The term "**subsidiary holdings**" are shares referred to in Sections 21(4), 21(4B), 21(6A) and 21(6C) of the Companies Act.

Words importing the singular shall, where applicable, include the plural and vice versa and words importing the masculine gender shall include the feminine gender where the context admits. References to persons shall, where applicable, include corporations and limited liability partnerships.

Any reference to a time of day in this Letter shall be a reference to Singapore time unless otherwise stated. Any reference in this Letter to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any term defined under the Companies Act or the Listing Manual or any modification thereof and used in this Letter shall, where applicable, have the meaning ascribed to it under the Companies Act or the Listing Manual or such modification thereof, as the case may be, unless otherwise provided.

GP INDUSTRIES LIMITED

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

Directors

Executive
Victor Lo Chung Wing (Chairman)
Brian Li Yiu Cheung (Chief Executive Officer)
Lam Hin Lap (Vice Chairman and Deputy Chief Executive Officer)
Waltery Law Wang Chak (Chief Financial Officer and Chief Risk Officer)

Non-Executive Independent
Seah Han Leong (Lead Independent Director)
Timothy Tong Wai Cheung
Eric Yim Chi Ming
Hung Cheung Fuk
Charlene-Jayne Chang Wei-Ying

Registered Office

83 Clemenceau Avenue
#14-01 UE Square
Singapore 239920

11 July 2026

To: The Shareholders of GP Industries Limited

Dear Sir/Madam

1. INTRODUCTION

We refer to the Notice of AGM dated 11 July 2026 (the "**Notice of AGM**"), convening the AGM to be held on 27 July 2026 (the "**2026 AGM**").

Item 8 appearing under the heading "Special Business" in the Notice of AGM is an Ordinary Resolution ("**Resolution 9**") for the renewal of a general and unconditional mandate to be given for purchase or acquisition by the Company of its issued Shares (the "**Share Buyback Mandate**").

Item 9 appearing under the heading "Special Business" in the Notice of AGM is an Ordinary Resolution ("**Resolution 10**") for the renewal of a general mandate for interested person transactions (the "**IPT Mandate**").

The purpose of this Letter is to provide Shareholders with the reasons for, and information relating to, and to seek their approval for, Resolutions 9 and 10 proposed in the Notice of AGM (collectively, the "**Proposals**") at the 2026 AGM.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other independent professional adviser immediately.

The SGX-ST assumes no responsibility for the correctness of any of the statements made, opinions expressed or reports contained in this Letter.

2. THE PROPOSED RENEWAL OF THE SHARE BUYBACK MANDATE

Any purchase or acquisition of its Shares by the Company has to be made in accordance with, and in the manner prescribed by, the Companies Act, the Listing Manual, the Constitution and such other laws and regulations as may for the time being be applicable.

At an EGM held on 19 November 1999, Shareholders had granted a general and unconditional mandate to the Directors to exercise all powers of the Company to purchase or otherwise acquire its issued Shares, on the terms of that mandate (the "**1999 Mandate**"). At the previous AGM held on 29 July 2025 (the "**2025 AGM**"), Shareholders approved the renewal of the authority contained in the 1999 Mandate (the "**2025 Mandate**"). The 2025 Mandate will expire on 27 July 2026, being the date of the 2026 AGM. It is proposed that such authority be renewed.

Accordingly, Resolution 9 is to seek Shareholders' approval at the 2026 AGM for a renewal of general and unconditional mandate to be given to the Directors to exercise all powers of the Company to purchase or otherwise acquire its Shares on the terms of such mandate. If approved at the 2026 AGM, the authority conferred by the Share Buyback Mandate will continue in force until the date the next AGM is held or is required by law to be held, whichever is earlier (whereupon it will lapse, unless renewed at such meeting) or until it is varied or revoked by the Company in general meeting (if so varied or revoked prior to the date the next AGM is held or is required by law to be held, whichever is earlier).

As at the Latest Practicable Date, the Company had not made any purchases or acquisitions of its Shares pursuant to the 2025 Mandate.

The rationale for and further details of the proposed renewal of the Share Buyback Mandate is set out in Appendix 1 to this Letter.

3. THE PROPOSED RENEWAL OF THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

The Company had, at an EGM held on 27 August 2003, sought and obtained the approval of Shareholders for a general mandate (the "**IPT Mandate**") to enable the Company, its subsidiaries and associated companies, or any of them, to enter into certain types of recurrent transactions of a revenue or trading nature or those necessary for its day-to-day operations with the specified classes of persons who are considered to be "interested persons" for the purposes of Chapter 9 of the Listing Manual. The IPT Mandate is subject to annual renewal. The IPT Mandate was last renewed at the 2025 AGM and its validity period will expire at the 2026 AGM. It is proposed that the IPT Mandate be tabled to Shareholders for renewal and approval at the 2026 AGM.

The scope of the IPT Mandate, the classes of Interested Persons, the particulars of the Interested Person Transactions and the review procedures for Interested Person Transactions in respect of which the IPT Mandate is sought to be renewed remain unchanged since the renewal of the same at the 2025 AGM. The rationale for the proposed renewal of the IPT Mandate is set out in paragraph 1 of Appendix 2 to this Letter. Further details of the IPT Mandate, such as the review procedures implemented by the Company, its subsidiaries and associated companies to ensure that the mandated transactions with the specified classes of interested persons of the Company that are covered by the IPT Mandate are undertaken with such Interested Persons on an arm's length basis and on normal commercial terms, are set out in Appendix 2 to this Letter.

4. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

Based on the Company's Register of Directors' Shareholdings and Register of Substantial Shareholders, the interests of the Directors and the Substantial Shareholders in the Shares as at the Latest Practicable Date were as follows:

	Direct Interest		Deemed Interest	
	No. of Shares	**%***	**No. of Shares**	**%***
Directors' Interests				
Victor Lo Chung Wing[(1)]	300,000	0.06	414,098,443	86.18
Lam Hin Lap[(2)]	-	-	-	-
Brian Li Yiu Cheung[(3)]	1,465,000	0.30	-	-
Waltery Law Wang Chak[(4)]	116,400	0.02	-	-
Seah Han Leong	-	-	-	-
Timothy Tong Wai Cheung[(5)]	-	-	-	-
Eric Yim Chi Ming[(6)]	-	-	-	-
Hung Cheung Fuk	-	-	-	-
Charlene-Jayne Chang Wei-Ying	-	-	-	-
Substantial Shareholders' Interests				
Gold Peak	414,098,443	86.18	-	-
Victor Lo Chung Wing[(1)]	300,000	0.06	414,098,443	86.18

* As a percentage of the total number of issued Shares (excluding treasury shares) as at the Latest Practicable Date, comprising 480,499,782 Shares.

Notes:

(1) Mr Victor Lo Chung Wing is the Chairman, Chief Executive and an executive director of Gold Peak. His deemed interest in 414,098,443 issued Shares arises pursuant to his interest in 242,941,685 shares in Gold Peak, representing 26.92% of the issued capital of Gold Peak, and Gold Peak's direct interest in 414,098,443 issued Shares.

(2) Mr Lam Hin Lap is the Managing Director and an executive director of Gold Peak.

(3) Mr Brian Li Yiu Cheung is the Vice Chairman, Executive Vice President and an executive director of Gold Peak, and is interested in 350,000 shares in Gold Peak, representing 0.04% of the issued capital of Gold Peak.

(4) Mr Waltery Law Wang Chak is the Group Chief Financial Officer, Group Chief Risk Officer and an executive director of Gold Peak.

(5) Mr Timothy Tong Wai Cheung is an independent non-executive director of Gold Peak.

(6) Mr Eric Yim Chi Ming is an independent non-executive director of Gold Peak.

Save as disclosed above and in this Letter, the Directors and the Substantial Shareholders do not have any interest, whether direct or indirect, in the IPT Mandate.

5. VOTING AT THE ANNUAL GENERAL MEETING

Gold Peak, a Substantial Shareholder and an Interested Person in relation to the proposed IPT Mandate, will abstain, and has undertaken to ensure that its associates (as defined in the Listing Manual), who are also Interested Persons, will abstain, from voting on Resolution 10 relating to the renewal of the IPT Mandate to be proposed at the 2026 AGM, in respect of any Shares respectively held by them. Gold Peak will also decline, and will procure its associates to decline, to accept appointment as proxy from any Shareholder to vote unless given specific instructions by the Shareholder as to how he wants his votes to be cast.

Mr Victor Lo Chung Wing, an Interested Person, has also undertaken to ensure that his associates (as defined in the Listing Manual), who are also Interested Persons, will abstain, from voting on Resolution 10, in respect of any Shares respectively held by them. Mr Victor Lo Chung Wing will also decline, and will procure his associates to decline, to accept appointment as proxy from any Shareholder to vote unless given specific instructions by the Shareholder as to how he wants his votes to be cast. The Directors who will, in this connection, abstain from voting by virtue of their directorship in Gold Peak and interest in Shares are Messrs Brian Li Yiu Cheung and Waltery Law Wang Chak. They will also decline to accept appointment as proxy for any Shareholder to vote unless given specific instructions by the Shareholder as to how he wants his votes to be cast.

6. DIRECTORS' RECOMMENDATIONS

Proposed renewal of the Share Buyback Mandate - The Directors are of the opinion that the proposed renewal of the Share Buyback Mandate is in the best interests of the Company, and they accordingly recommend that Shareholders vote in favour of Resolution 9 at the 2026 AGM.

Proposed renewal of the IPT Mandate - The Non-Executive Independent Directors having considered, *inter alia*, the terms, the rationale and the benefits of the proposed renewal of the IPT Mandate, are of the view that the proposed renewal of the IPT Mandate is in the interests of the Company and accordingly recommend that Shareholders vote in favour of Resolution 10 at the 2026 AGM.

7. STATEMENT OF THE AUDIT AND RISK COMMITTEE

The Audit and Risk Committee of the Company (the "**Audit and Risk Committee**") confirms that:

(i) the methods or procedures for determining the transaction prices under the IPT Mandate have not changed since the 2025 AGM; and

(ii) the methods or procedures referred to in sub-paragraph (i) above are sufficient to ensure that the transactions will be carried out on normal commercial terms and will not be prejudicial to the interests of the Company and its minority Shareholders.

8. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for the accuracy of the information given in this Letter and confirm after making all reasonable enquiries that, to the best of their knowledge and belief, this Letter constitutes full and true disclosure of all material facts about the Proposals, the Company and its subsidiaries which are relevant to the Proposals, and the Directors are not aware of any facts the omission of which would make any statement in this Letter misleading. Where information in the Letter has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Letter in its proper form and context.

9. DOCUMENTS FOR INSPECTION

The following documents may be inspected at the registered office of the Company at 83 Clemenceau Avenue, #14-01 UE Square, Singapore 239920 during normal business hours from the date hereof up to and including the date of the 2026 AGM:

(i) the Constitution of the Company;

(ii) the Annual Report of the Company for the financial year ended 31 March 2026;

(iii) the 2025 Mandate; and

(iv) Letters of Undertaking from (a) the Board of Directors of Gold Peak and (b) Mr Victor Lo Chung Wing in accordance with paragraph 5 of this Letter.

Yours faithfully
For and on behalf of the Board of Directors of
GP Industries Limited

Victor Lo Chung Wing
Chairman

Appendix 1
The Proposed Renewal of the Share Buyback Mandate

1. RATIONALE FOR THE SHARE BUYBACK MANDATE

The Share Buyback Mandate will give the Directors the flexibility to purchase or acquire the Shares of the Company if and when circumstances permit. Share purchases or acquisitions provide the Company and its Directors with an easy mechanism to facilitate the return of surplus cash over and above its ordinary capital requirements, in an expedient and cost-efficient manner. Share purchases or acquisitions also allow the Directors to exercise control and have greater flexibility over the Company's share capital structure and its dividend policy with a view to enhance the earnings per Share and/or net asset value per Share. The proposed Share Buyback Mandate will also give the Company the opportunity to purchase or acquire Shares when such Shares are undervalued.

The purchase or acquisition of Shares may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the earnings per Share and/or net tangible asset value per Share.

If and when circumstances permit, the Directors will decide whether to effect the Share purchases or acquisitions via Market Purchases or Off-Market Purchases, after taking into account, among others, the amount of surplus cash available, the then prevailing market conditions and the most cost effective and efficient approach.

While the Share Buyback Mandate would authorise a purchase or acquisition of Shares up to the 10% limit described in paragraph 3.1 below, it should be noted that purchases or acquisitions of Shares pursuant to the Share Buyback Mandate may not be carried out to the full 10% limit as authorised, and no purchases or acquisitions of Shares would be made in circumstances which would have or may have a material adverse effect on the financial position of the Company and the Group, or affect the listing status of the Company on SGX-ST.

2. SHARE CAPITAL OF THE COMPANY

The share capital of the Company comprises one class of shares, namely, ordinary shares. As at the Latest Practicable Date:

(i) the Company had 521,358,482 fully-paid Shares in issue, of which 40,858,700 Shares were held by the Company as treasury shares;

(ii) there were no subsidiary holdings;

(iii) there was no outstanding (unexercised) rights to subscribe for any Shares; and

(iv) no Shares was reserved for issue for any purpose.

3. THE RENEWAL OF THE SHARE BUYBACK MANDATE

3.1 Terms of the Share Buyback Mandate

The terms of the Share Buyback Mandate are summarised below:

3.1.1 Maximum number of Shares

The total number of Shares that may be purchased or acquired under the Share Buyback Mandate shall not exceed 10% of the issued Shares of the Company as at 27 July 2026, the date of the 2026 AGM at which the Share Buyback Mandate is approved. Any Shares which are held as treasury shares and subsidiary holdings as at 27 July 2026 will be disregarded for purposes of computing the 10% limit.

Purely for illustrative purposes, on the basis of 480,499,782 Shares in issue, excluding treasury shares and subsidiary holdings, as at the Latest Practicable Date and assuming that (i) no further Shares are issued and (ii) no further Shares are purchased or acquired by the Company on or prior to the date of the 2026 AGM, not more than 48,049,978 Shares (representing 10% of the Shares in issue, excluding treasury shares and subsidiary holdings, as at that date) may be purchased or acquired by the Company pursuant to the renewed Share Buyback Mandate.

3.1.2 Duration of authority

The authority to purchase or acquire Shares under the Share Buyback Mandate shall continue up to the earlier of (i) the date on which the next AGM is held or is required by law to be held; (ii) the date it is varied or revoked by the Company in general meeting (if so varied or revoked prior to the date on which the next AGM is held or is required by law to be held, whichever is earlier); or (iii) the date on which the Share Buyback Mandate is carried out to the full extent mandated.

3.1.3 Manner of purchase or acquisition

Shares may be purchased or acquired under the Share Buyback Mandate either:

(i) by way of on-market purchases transacted on the SGX-ST or on another stock exchange on which the Company's equity securities are listed (the "**Market Purchases**"); or

(ii) by way of an off-market acquisition in accordance with an equal access scheme as defined in Section 76C of the Companies Act (the "**Off-Market Purchases**").

Off-Market Purchases may be made on such terms and conditions not inconsistent with the Share Buyback Mandate, the Listing Manual and the Companies Act as the Directors consider fit in the interests of the Company. The Companies Act requires an equal access scheme to satisfy all the following conditions:

(i) offers under an equal access scheme must be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;

(ii) all of those persons must have a reasonable opportunity to accept the offers made to them; and

(iii) the terms of all the offers must be the same except that there shall be disregarded, where applicable, (a) differences in consideration attributable to the fact that the offers relate to Shares with different accrued dividend entitlements; (b) differences in consideration attributable to the fact that the offers relate to Shares with different amounts remaining unpaid; and (c) differences in the offers introduced solely to ensure that each Shareholder is left with a whole number of Shares.

Additionally, pursuant to Rule 885 of the Listing Manual, if the Company wishes to make an Off-Market Purchases in accordance with an equal access scheme, it will issue an offer document to all Shareholders containing at least the following information:

(i) the terms and conditions of the offer;

(ii) the period and procedures for acceptances;

(iii) the reasons for the proposed share purchases;

(iv) the consequences, if any, of share purchases by the Company that will arise under the Singapore Code on Take-overs and Mergers (the "**Take-over Code**") or any other applicable take-over rules;

(v) whether the share purchases, if made, could affect the listing of the Company's equity securities on the SGX-ST;

(vi) details of any share purchases made by the Company in the previous 12 months whether through Market Purchases or Off-Market Purchases, giving the total number of Shares purchased, the purchase price per Share or the highest and lowest prices paid for such purchases, where relevant, and the total consideration paid for such purchases; and

(vii) whether the shares purchased by the Company will be cancelled or kept as treasury shares.

3.1.4 Maximum purchase or acquisition price

The purchase price (excluding brokerage, stamp duties (if applicable), commission, applicable goods and services tax and other related expenses (if applicable) (collectively "related expenses") to be paid for a Share will be determined by the Directors. The maximum price to be paid for the Shares as determined by the Directors (the "**Maximum Price**") must not exceed:

(i) in the case of a Market Purchase, 105% of the Average Closing Price (as defined below) of the Shares; and

(ii) in the case of an Off-Market Purchase, 110% above the Average Closing Price (as defined below) of the Shares.

For the purposes of determining the Maximum Price:

"**Average Closing Price**" means the average of the closing market prices of the Shares over the last five consecutive market days, on which the Shares are transacted on SGX-ST, as the case may be, such stock exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted in accordance with the listing rules of the SGX-ST for any corporate action which occurs during the relevant five-day period and the day on which the purchase is made; and

"**date of the making of the offer**" means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, stating therein the purchase price (which shall not be more than the Maximum Price for an Off-Market Purchase calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

3.2 Status of Purchased Shares

Shares which are purchased or acquired by the Company and which are not held by the Company as treasury shares will be deemed cancelled immediately on purchase or acquisition, and all rights and privileges attached to the Shares will expire on cancellation. Accordingly, the total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company which are cancelled and are not held as treasury shares.

3.3 Treasury Shares

Under the Companies Act, the Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act are summarised below:

3.3.1 Maximum holdings

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

3.3.2 Voting and other rights

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of Shares as fully paid bonus Shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share into treasury shares of a smaller amount is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

3.3.3 Disposal and cancellation

Where Shares purchased or acquired by the Company are held as treasury shares, the Company may at any time:

(i) sell the treasury shares for cash;

(ii) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;

(iii) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;

(iv) cancel the treasury shares; or

(v) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

Under Rule 704(28) of the Listing Manual, an immediate announcement must be made of any sale, transfer, cancellation and/or use of treasury shares (in each case, the "**Usage**"). Such announcement must include details such as the date of the Usage, the purpose of the Usage, the number of treasury shares of the Usage, the number of treasury shares before and after the Usage, the percentage of the number of treasury shares against the total number of issued Shares (of the same class as the treasury shares) which are listed on SGX-ST before and after the Usage; and the value of the treasury shares of the Usage.

3.4 Source of Funds

In purchasing or acquiring Shares, the Company may only apply funds legally available for such purchase or acquisition in accordance with its Constitution and applicable laws in Singapore. The Companies Act provides that purchases or acquisitions of Shares by the Company may be made out of capital, as well as from profits, so long as the Company is solvent (as defined in Section 76F(4) of the Companies Act).

The Company intends to use internal and/or external sources of funds to finance its purchase or acquisition of Shares. The Directors do not propose to exercise the Share Buyback Mandate in a manner and to such extent that the Group's working capital requirements, current dividend policy and ability to service its debts would be adversely affected.

3.5 Financial Effects

The financial effects arising from purchases or acquisitions of Shares which may be made pursuant to the Share Buyback Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of capital or profits of the Company, the aggregate number of Shares purchased or acquired and the consideration paid at the relevant time and whether the Shares purchased or acquired are held in treasury or cancelled. The financial effects on the Company and the Group based on the audited financial accounts of the Group for the financial year ended 31 March 2026 are based on the assumptions set out below:

3.5.1 Purchase or acquisition out of capital or profits

Under the Companies Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent.

Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

3.5.2 Maximum Price paid for Shares purchased or acquired

As at the Latest Practicable Date, the Company has 480,499,782 Shares in issue, excluding treasury shares and subsidiary holdings. The exercise in full of the Share Buyback Mandate will result in the purchase or acquisition of 48,049,978 Shares, representing 10% of the issued Shares, excluding treasury shares and subsidiary holdings.

Assuming that the Company purchases or acquires the 48,049,978 Shares on the Latest Practicable Date, at the Maximum Price, the maximum amount of funds required is:

(i) in the case of Market Purchases, S$29,310,487 based on S$0.610 for each Share (being the highest price of not more than 5% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on SGX-ST immediately preceding the Latest Practicable Date); and

(ii) in the case of an Off-Market Purchase, S$30,751,986 based on S$0.640 for each Share (being the highest price of not more than 10% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on SGX-ST immediately preceding the Latest Practicable Date).

3.5.3 Illustrative financial effects

It is not possible for the Company to realistically calculate or quantify the financial effects of Share purchases or acquisitions (the "**Share Purchase**") that may be made pursuant to the Share Buyback Mandate as the resultant effect would depend on factors such as the actual aggregate number of Shares purchased or acquired (as the Company may not carry out the Share Buyback Mandate to the full 10% mandated), the purchase price paid at the relevant time, whether the Shares purchased or acquired are cancelled or held in treasury and the manner in which the purchase or acquisition is funded.

However, for illustrative purposes only, based on the audited accounts of the Group and the Company for the financial year ended 31 March 2026, the assumptions stated above and assuming the purchases or acquisitions were funded solely by the Group's cash and cash equivalents, the effects of such purchases or acquisitions on the financial position of the Group and the Company for the financial year ended 31 March 2026 is set out below:

Shareholders should note that the financial effects set out below, based on the respective afore-mentioned assumptions, are for illustrative purposes only.

In particular, it is important to note that the illustration below is based on the latest audited financial statements of the Group for the financial year ended and as at 31 March 2026, and is not necessarily representative of future financial performance of the Group and the Company.

	The Group		
	Audited S$'000	After Market Purchase S$'000	After Off-Market Purchase S$'000
As at 31 March 2026			
Shareholders' funds	306,581	277,271	275,829
Total equity	452,354	423,044	421,602
NTA(1)	288,788	259,478	258,036
Current assets	618,314	589,004	587,562
Current liabilities	617,766	617,766	617,766
Total borrowings	444,502	444,502	444,502
Cash and cash equivalents	184,758	155,448	154,006
Number of issued and paid-up Shares(5)	480,499,782	432,449,804	432,449,804
Financial ratios			
NTA per Share (cents)	60.10	60.00	59.67
Gross gearing(2) (%)	98.26	105.07	105.43
Net gearing(3) (%)	57.42	68.33	68.90
Current ratio(4) (times)	1.00	0.95	0.95

	The Company		
	Audited S$'000	**After Market Purchase S$'000**	**After Off-Market Purchase S$'000**
As at 31 March 2026			
Shareholders' funds / Total equity	301,018	271,708	270,266
NTA[1]	301,018	271,708	270,266
Current assets	15,457	15,457	15,457
Current liabilities	126,545	155,855	157,297
Total borrowings	81,678	81,678	81,678
Cash and cash equivalents	2,757	2,757	2,757
Number of issued and paid-up Shares[5]	480,499,782	432,449,804	432,449,804
Financial ratios			
NTA per Share (cents)	62.65	62.83	62.50
Gross gearing[2] (%)	27.13	30.06	30.22
Net gearing[3] (%)	26.22	29.05	29.20
Current ratio[4] (times)	0.12	0.10	0.10

Notes:

(1) NTA equals shareholders' funds less intangible assets.

(2) Gross gearing equals total borrowings divided by total equity times 100%.

(3) Net gearing equals total borrowings less cash and cash equivalents divided by total equity times 100%.

(4) Current ratio equals current assets divided by current liabilities.

(5) Excluding treasury shares and subsidiary holdings.

The illustrative financial effects for Share Purchase remain the same irrespective of whether the purchase or acquisition of the Shares are Market Purchase or Off-Market Purchase (a) effected out of capital or profits; and (b) held in treasury or cancelled.

Although the Share Buyback Mandate would authorise the Company to purchase or acquire up to 10% of the total number of issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the total number of issued Shares. In addition, the Company may cancel or hold in treasury all or part of the Shares purchased or acquired. The Company will take into account both financial and non-financial factors (for example, share market conditions and performance of the Shares) in assessing the relative impact of a share purchase before execution.

3.6 Taxation

Shareholders who are in doubt as to their respective tax positions or the tax implications of Share purchases or acquisitions by the Company, or, who may be subject to tax whether in or outside Singapore, should consult their own professional advisers.

3.7 Listing Manual

The Listing Manual provides that the price for the purchase of Shares by way of Market Purchases must not be more than 5% above the Average Closing Price as stated in paragraph 3.1 of this Appendix 1.

3.7.1 Reporting requirements

Rule 886(1) of the Listing Manual also specifies that the Company must report all purchases of its Shares to the SGX-ST not later than 9:00 a.m. (1) in the case of a Market Purchase, on the market day following the day of purchase of any of its Shares; and (2) in the case of an Off-Market Purchase, on the second market day after the close of acceptances of the offer. The announcement must include details of the total number of Shares purchased or acquired, and the purchase price per Share or the highest and lowest prices paid for such Shares, as applicable.

3.7.2 No purchase during price sensitive developments

While the Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the Share Buyback Mandate at any time after a price or trade sensitive development has occurred or has been the subject of a consideration and/or decision of the Directors until the price or trade sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares during the period of one (1) month immediately preceding the announcement of the Company's half-year and full-year financial statements, and ending on the date of announcement of the relevant results.

3.7.3 Listing status on the SGX-ST

The Listing Manual provides that the Company must ensure that at least 10% of a class of its listed securities is at all times held by the public. Under the Listing Manual, "public" is defined as persons other than the directors, chief executive officer, substantial shareholders, or controlling shareholders of the company or its subsidiaries, as well as the associates of such persons.

Under the Listing Manual, if the percentage of such securities held by public Shareholders falls below 10%, the Company must, as soon as practicable, announce that fact, and the SGX-ST may suspend trading of the class, or all the securities of the Company. The Listing Manual also provides that the SGX-ST may allow the Company a period of three months, or such longer period as the SGX-ST may agree, to raise the percentage of securities by public Shareholders to at least 10%. The Company may be removed from the list of issuers maintained by the SGX-ST in relation to the Main Board of the Singapore Exchange Limited if it fails to restore the percentage of securities by public Shareholders to at least 10% after the period.

As at the Latest Practicable Date, the percentage of issued Shares, excluding treasury shares and subsidiary holdings, held by public Shareholders is approximately 13.40%. A full 10% purchase of the issued Shares held by the public will therefore result in the percentage of issued Shares, excluding treasury shares and subsidiary holdings, held by public Shareholders falling to approximately 3.78%.

The Company will ensure that there is a sufficient number of Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the Share Buyback Mandate, without affecting the listing status of the Shares on SGX-ST, causing market illiquidity or affecting orderly trading of the Shares. As at the Latest Practicable Date, the Company had approximately 1,303 Shareholders.

3.8 Obligation to Make a Take-over Offer

If as a result of any purchase or acquisition by the Company of its Shares, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of the Take-over Code. If such increase results in a Shareholder or group of Shareholders acting in concert obtaining or consolidating effective control (as defined in the Take-over Code), it may in certain circumstances give rise to an obligation on the part of such Shareholders to make a take-over offer under Rule 14 of the Take-over Code ("**Rule 14**").

The circumstances under which Shareholders, including Directors and persons acting in concert with them respectively will incur an obligation to make a take-over offer under Rule 14 after a purchase or acquisition of Shares by the Company are set out in Appendix 2 to the Take-over Code.

3.8.1 Effect of Rule 14 and Appendix 2 of the Take-over Code

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer if, as a result of a purchase or acquisition of Shares by the Company:

(i) the percentage of voting rights held by such Directors and their concert parties in the Company increases to 30% or more; or

(ii) if they together hold between 30% and 50% of the Company's voting rights, their voting rights are increased by more than 1% in any period of six (6) months.

Under Appendix 2 to the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six (6) months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Buyback Mandate.

3.8.2 Persons acting in concert

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal) co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company. Unless the contrary is established, the Take-over Code presumes the following persons (*inter alia*) to be acting in concert with each other:

(i) a company with any of its directors, together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts;

(ii) a company, its parent, subsidiaries and fellow subsidiaries, and their associated companies, companies of which such companies are associated companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights, all with each other;

(iii) a company with any of its pension funds and employee share schemes;

(iv) a person with any investment company, unit trust or other fund whose investment such person manages on a discretionary basis, but only in respect of the investment account which such person manages;

(v) a financial or other professional adviser, including a stockbroker, with its client in respect of the shareholdings of: (i) the adviser and persons controlling, controlled by or under the same control as the adviser; and (ii) all the funds which the adviser manages on a discretionary basis, where the shareholdings of the adviser and any of those funds in the client total 10% or more of the client's equity share capital;

(vi) directors of a company (together with their close relatives, related trusts and companies controlled by any of such directors, their close relatives and related trusts) which is subject to an offer or where the directors have reason to believe a *bona fide* offer for their company may be imminent;

(vii) partners; and

(viii) an individual and his/her controlled companies, his/her close relatives and their controlled companies, his/her related trusts and its controlled companies, any person who is accustomed to act in accordance with his/her instructions and their controlled companies and any person who has provided financial assistance (other than a bank in the ordinary course of business) to any of the above for the purchase of voting rights.

For this purpose, ownership or control of at least 20% but not more than 50% of the voting rights of a company will be regarded as the test of associated company status.

The interests of the Directors and the Substantial Shareholders as at the Latest Practicable Date are set out in paragraph 4 of this Letter.

The Company is a subsidiary of Gold Peak. Certain Directors, namely Messrs Victor Lo Chung Wing, Brian Li Yiu Cheung, Lam Hin Lap, Waltery Law Wang Chak, Timothy Tong Wai Cheung and Eric Yim Chi Ming are also directors of Gold Peak (the "**Relevant Directors**"). As at the Latest Practicable Date, the collective interests of all the Relevant Directors in the issued Shares (excluding treasury shares and subsidiary holdings), excluding Mr Victor Lo Chung Wing's deemed interest in the Company by virtue of his interest in Gold Peak, is approximately 0.38%.

Under the Take-over Code, unless the contrary is established, Relevant Directors would be presumed to be persons acting in concert with Gold Peak. As Gold Peak and the Relevant Directors presumed to be acting in concert with it collectively already hold more than 50% of the issued Shares, purchases or acquisitions of Shares by the Company pursuant to the Share Buyback Mandate will not result in the Directors (or any of them) and/or Gold Peak incurring an obligation to make a mandatory take-over offer under Rule 14 read with Appendix 2 of the Take-over Code.

Except as disclosed above, the Directors are not aware of any facts or factors which suggest or imply that any particular person(s) and/or Shareholder(s) are, or may be regarded as, parties acting in concert such that their respective interests in voting Shares in the capital of the Company should or ought to be consolidated, and consequences under the Take-over Code would ensue as a result of a purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate.

Shareholders who are in doubt as to whether they would incur any obligation to make a take-over offer as a result of any purchase or acquisition of Shares by the Company pursuant to the Share Buyback Mandate are advised to consult their professional advisers and/or the Securities Industry Council before they purchase or acquire any Shares in the Company during the period when the Share Buyback Mandate is in force.

Appendix 2
The Proposed Renewal of the General Mandate For Interested Person Transactions

1. RATIONALE FOR THE PROPOSED RENEWAL OF THE IPT MANDATE

Due to the size of operations of the Group and the diversity of the Group's activities, it is envisaged that the Company, its subsidiaries and associated companies (other than (a) subsidiaries or associated companies which are themselves listed on the SGX-ST or an approved stock exchange, or (b) associated companies over which the Company and its subsidiaries and/or its interested person(s) have no control) which are considered to be "entities at risk" within the meaning of Chapter 9 of the Listing Manual (together, the "**EAR Group**"), or any of them, will, in the ordinary course of their businesses, continue to enter into Interested Person Transactions with Interested Persons (the details of which are set out in paragraph 4 of this Appendix 2 for mutual benefit. Such transactions are likely to occur with some degree of frequency, and could arise at any time. Thus, the IPT Mandate is intended to facilitate transactions in the normal course of business of the EAR Group falling within the categories of Interested Person Transactions as set out in Section 4.2 below that are transacted from time to time with its Interested Persons as specifically described in Section 4.1 below provided that they are carried out at arm's length and on the Group's normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

Given that the Interested Person Transactions are expected to be recurrent transactions and may occur at any time, and to allow the EAR Group to undertake such transactions in a more expeditious manner, the Directors are seeking Shareholders' approval for the renewal of the IPT Mandate for the purposes of Chapter 9 of the Listing Manual and for the EAR Group to enter into the specified categories of transactions with certain classes of Interested Persons at the 2026 AGM.

2. SCOPE OF THE IPT MANDATE

The IPT Mandate will cover a range of transactions arising in the normal course of business operations of the EAR Group, in particular, those relating to its principal business of manufacturing and marketing electronic and acoustic products and battery products.

The IPT Mandate will not cover any transaction by a company in the EAR Group with an Interested Person that is below S$100,000 in value, as the threshold and aggregation requirements of Chapter 9 of the Listing Manual do not apply to such transactions.

Transactions by the EAR Group with the Interested Persons that do not fall within the ambit of the IPT Mandate will be subject to the relevant provisions of Chapter 9 and/or other applicable provisions of the Listing Manual.

3. BENEFITS TO SHAREHOLDERS OF THE PROPOSED RENEWAL OF THE IPT MANDATE

Where the Interested Person Transactions relate to the purchase of products and receipt of services from the Interested Persons, the EAR Group will benefit from having access, where applicable, to competitive quotes from its Interested Persons, and may also derive savings in terms of cost efficiencies and greater economies of scale in its transactions with the Interested Persons. The sale of products and provision of services to the Interested Persons are also an additional source of revenue for the EAR Group, provided that such products and services are provided on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders.

The IPT Mandate and its renewal on an annual basis is intended to enhance the Group's ability to pursue business opportunities which are time-sensitive in nature, and will eliminate the need for the Company to announce, or to announce and convene separate general meetings from time to time to seek Shareholders' approval as and when the need to enter a specified category of Interested Person Transaction with an Interested Person arises, thereby substantially reducing the administrative time and expenses in convening such meetings, without compromising the corporate objectives and adversely affecting the business opportunities available to the EAR Group.

4. THE GENERAL MANDATE FOR INTERESTED PERSON TRANSACTIONS

4.1 Classes of Interested Persons

The IPT Mandate will apply to the Interested Person Transactions with the following classes of Interested Persons, namely:

(i) Gold Peak and its associates; and

(ii) Mr Victor Lo Chung Wing and his associates, including his brother, Mr Paul Lo Chung Wai.

4.2 Categories of Interested Person Transactions

The Interested Person Transactions entered into by the EAR Group with the Interested Persons which will be covered by the IPT Mandate and which will not include transactions in respect of the purchase or sale of assets, undertakings or business and the payment of licence fee for the use of intellectual properties (which are subject to the relevant provisions of Chapter 9 of the Listing Manual), are as follows:

(i) the sale or supply and/or purchase of raw materials, sub-assemblies, semi-finished products, components and other products (such as, but are not limited to, speakers, home theatre systems and video panel frames) in connection with the EAR Group's principal business of manufacturing and marketing electronic and acoustic products and battery products; and

(ii) the provision and/or obtaining of distribution, subcontracting, tooling and engineering services.

4.3 Review Procedures for Interested Person Transactions

4.3.1 In general, the EAR Group has internal control procedures to ensure that all Interested Person Transactions (including transactions which are below S$100,000 in value) are undertaken on normal commercial terms, are not prejudicial to the interests of the Company and its minority Shareholders, and consistent with the EAR Group's usual business practices and policies, which (in relation to products or services to be provided to an Interested Person) are no more favourable to the Interested Person than those extended to unrelated third parties, or (in relation to products or services to be obtained from an Interested Person) are no less favourable than those extended to the EAR Group by unrelated third parties.

In particular, the following review procedures have been established:

(a) Purchase of Products or Obtaining of Services

It is the EAR Group's established procedure that for each purchase, the purchasing department will obtain at least two quotations from unrelated vendors or suppliers for the same or substantially similar type of product or service as bases for comparison. A committee comprising the general manager, material manager and engineering manager of the relevant company of the EAR Group (all of whom have no interest, directly or indirectly, in the transaction) (the "**Purchasing Committee**") will compare these quotations with that provided by the Interested Person. In comparing the quotations, the Purchasing Committee will consider, where applicable, factors such as price (including any preferential rates, rebates or discounts accorded for bulk purchases or long-term contracts as well as the credit terms offered), quality of the product or service and the terms of delivery. Where it is impractical or not possible for unrelated third party quotations to be obtained (for instance, if there are no unrelated third party vendors or suppliers of similar products or services, or if the product or service is proprietary), the Purchase Committee will ensure that the price and terms of purchase are in accordance with industry norms, and/or will take into account, where relevant, factors such as, but are not limited to, track record, skill and specification compliance.

(b) Sale of Products or Provision of Services

(i) It is the EAR Group's established procedure that for every sales transaction which involves either a new product or service, a new customer or a revision of terms and conditions, a price proposal form is to be jointly prepared by the engineering, material, marketing and finance departments of the relevant company of the EAR Group (the "**Sales Committee**"). The price proposal form includes information such as proposed sales price, projected costs and profit margin for the transaction. In determining the transaction price, the Sales Committee will refer to internal and external quotations for comparable products or services as reference for prevailing market rates or prices. The Sales Committee will take into account various factors including, where applicable, the type and volume of the product to be sold, the type and complexity of the service to be provided, the credit worthiness of the customers, the duration of the contract, the strategic purposes of the transaction, and the then prevailing business conditions. Where the prevailing market rates or prices are not available due to the nature of the product to be sold or the service to be provided (for instance, if there are no other purchasers or customers for similar products or services, or if the product or service is proprietary), the terms of supply will (where applicable) be in accordance with the EAR Group's usual business practices and pricing policies, consistent with the usual margin of the EAR Group for the same or substantially similar type of transaction. The price proposal form is then submitted for review and approval by the financial controller and general manager of the relevant business division of the EAR Group (both of whom have no interest, directly or indirectly, in the transaction).

(ii) Every sales transaction which does not involve a new product or service, a new customer or a revision of terms and conditions will be priced based on the approved price proposal form for the same product or service. However, a revised price proposal form will be prepared if there are known significant changes in market conditions or internal cost structures. The internal cost structures are reviewed regularly or when the raw materials costs change materially. The general manager of the relevant business division of the EAR Group (who has no interest, directly or indirectly, in the transaction) will review and approve the sales transaction which does not involve a new product or service, a new customer or a revision of terms and conditions. During the review and approval process, he will also determine if there is a need for the preparation of a revised price proposal form.

4.3.2 In addition to the review procedures set out in paragraph 4.3.1, the following additional review and approval procedures for Interested Person Transactions will be applied to ensure that significant Interested Person Transactions are undertaken on normal commercial terms and are not prejudicial to the interests of the Company and its minority Shareholders:

(a) Interested Person Transactions, other than those with Gold Peak or its associates, equal to or exceeding S$500,000 but less than S$5,000,000 in value will be reviewed and approved by Mr Brian Li Yiu Cheung, an Executive Director, or in his absence, Mr Lam Hin Lap, an Executive Director (Mr Brian Li Yiu Cheung and Mr Lam Hin Lap have no material interest in the transaction);

(b) Interested Person Transactions with Gold Peak or its associates equal to or exceeding S$500,000 but less than S$5,000,000 in value will be reviewed and approved by Mr Seah Han Leong, a Non-Executive Independent Director, or in his absence, any other Non-Executive Independent Director (Mr Seah Han Leong and such approving Non-Executive Independent Director have no material interest in the transaction); and

(c) Interested Person Transactions equal to or exceeding S$5,000,000 in value will be reviewed and approved by the Audit and Risk Committee.

Interested Person Transactions which need not have the prior approval of the Audit and Risk Committee will be reviewed on a quarterly basis by the Audit and Risk Committee.

4.3.3 The EAR Group records all Interested Person Transactions (and the basis on which they are entered into), including transactions which are below S$100,000 in value, and reports to management of the Company on a monthly basis.

The Company shall, on a quarterly basis, report to the Audit and Risk Committee on all Interested Person Transactions (including transactions which are below S$100,000 in value), and the basis of such transactions, entered into with Interested Persons during the preceding quarter. The Audit and Risk Committee shall review such Interested Person Transactions (including transactions which are below S$100,000 in value) at its quarterly meetings except where such Interested Person Transactions are required under the review procedures to be approved by the Audit and Risk Committee prior to the entry thereof.

4.3.4 The Company's annual internal audit plan shall incorporate a review of all Interested Person Transactions, including the established review procedures for the monitoring of such Interested Person Transactions, entered into during the current financial year pursuant to the IPT Mandate.

The Audit and Risk Committee shall, in conjunction with its review of the Interested Person Transactions and the internal audit report, ascertain whether the established review procedures have been complied with. If, during its reviews, the Audit and Risk Committee is of the view that the review procedures as stated above are not sufficient or have become inappropriate, it will take such actions as it deems appropriate and/or institute additional procedures as necessary to ensure that the Interested Person Transactions will be on normal commercial terms and not prejudicial to the interests of the Company and its minority Shareholders, and the Company will revert to the Shareholders for a fresh IPT Mandate based on new review procedures for the Interested Person Transactions. In such a case, all Interested Person Transactions will be reviewed and approved by the Audit and Risk Committee prior to their entry while the fresh IPT Mandate is being sought from the Shareholders.

4.3.5 For the purposes of the above review and approval process, any Director who is not considered independent for purposes of the IPT Mandate and/or any Interested Person Transaction will abstain from voting in relation to any respective resolution, and/or abstain from participating in the Audit and Risk Committee's decision during its review of the established review procedures for the Interested Person Transactions or during its review or approval of any Interested Person Transaction.

5. EXPIRY AND RENEWAL OF THE IPT MANDATE

If approved by Shareholders at the 2026 AGM, the IPT Mandate will take effect from the date of receipt of Shareholders' approval, and will (unless revoked or varied by the Company in a general meeting) continue to be in force until the next AGM or the expiration of the period within which the next AGM is required by law to be held, whichever is the earlier, and will apply to Interested Person Transactions entered into from the date of receipt of Shareholders' approval. Approval from Shareholders will be sought for the renewal of the IPT Mandate at each subsequent AGM, subject to review by the Audit and Risk Committee of its continued application to the Interested Person Transactions.

6. DISCLOSURE IN ANNUAL REPORT

Pursuant to Chapter 9 of the Listing Manual, the Company will disclose in its annual report the aggregate value of the Interested Person Transactions conducted under the IPT Mandate during the financial year, and in the annual reports for the subsequent financial years during which the IPT Mandate is in force. In addition, the Company will announce the aggregate value of the Interested Person Transactions conducted pursuant to the IPT Mandate for the financial periods which it is required to report on (in accordance with Rule 705 of the Listing Manual) within the time required for the announcement of such report. These disclosures will be in the form set out in Rule 907 of the Listing Manual.

7. DEFINITIONS OF MAIN TERMS UNDER THE LISTING MANUAL

"Entity at Risk"

The term "entity at risk" is defined to mean (a) the listed company, (b) a subsidiary of the listed company that is not listed on the SGX-ST or an approved exchange or (c) an associated company of the listed company that is not listed on the SGX-ST or an approved exchange, provided that the listed group, or the listed group and its interested person(s), has control over the associated company.

"Interested Person"

The term "interested person" is defined to mean, in the case of a company, a director, chief executive officer or controlling shareholder of the listed company, or an associate of any such director, chief executive officer or controlling shareholder. The SGX-ST may also deem any person or entity to be an interested person if the person or entity has entered into, or proposes to enter into (i) a transaction with an entity at risk, and (ii) an agreement or arrangement with an interested person in connection with that transaction.

"Interested Person Transaction"

The term "interested person transaction" is defined to mean a transaction between an entity at risk and an interested person.

"Associate"

In relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual), an "associate" is defined to be an immediate family (that is, spouse, child, adopted child, step-child, sibling and parent); the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and any company in which the individual and his immediate family together (directly or indirectly) have an interest of 30% or more.

In relation to a substantial shareholder or controlling shareholder (being a company), an "associate" is defined to be any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.

"Associated Company"

A listed company's "associated company" is defined as a company in which at least 20% but not more than 50% of its shares are held by the listed company or group.

"Controlling Shareholder"

A "controlling shareholder" of a listed company is a person who holds directly or indirectly 15% or more of the total voting rights in the listed company, or a person who in fact exercises control over the listed company.

"Approved Exchange"

An "approved exchange" means a stock exchange that has rules which safeguard the interests of shareholders against interested person transactions according to similar principles to Chapter 9 of the Listing Manual.

"Chief Executive Officer"

A "chief executive officer" is defined to mean the most senior executive officer who is responsible under the immediate authority of the board of directors for the conduct of the business of the listed company.

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GP INDUSTRIES

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

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To: GP Industries Limited

Instructions: Please tick (√) accordingly and fill in your details below. We regret that incomplete or improperly completed request forms will not be processed. **Please complete and sign this Request Form and send it by email (AGM2026@gp.industries), fax ((65) 6395 0860) or by post.**

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☐ Please send me a printed copy of the Letter to Shareholders dated 11 July 2026

Name of shareholder(s)	
Address	
E-mail	Contact number
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