

Press Release

For Immediate Release

20 November 2025, Hong Kong



Gold Peak announces 2025/2026 interim results

Gold Peak Technology Group Limited (*stock code: 40*) today announced its unaudited consolidated results of the Company and its subsidiaries for the six months ended 30 September 2025 ("1HFY2026").

Highlights of Results

- Revenue slightly increased by 0.5% to HK\$3,554.0 million compared with the six months ended 30 September 2024 ("1HFY2025"), despite the challenging global business environment.
- Gross profit margin dropped 150 basis points to 27.9% compared with 1HFY2025.
- Administrative expenses of HK\$447.7 million were 4.4% lower than in 1HFY2025.
- Finance costs of HK\$85.9 million were 26.7% lower than in 1HFY2025.
- Profit attributable to owners of the Company improved by 38.6% to HK\$36.2 million compared with 1HFY2025.
- Basic earnings per share is 3.57 HK cents (1HFY2025: 2.86 HK cents)
- The Board declared an interim dividend of 1.8 HK cents per share, representing 50.4% payout ratio.
- The Group's net current asset was HK\$62.0 million as at 30 September 2025, compared with net current liabilities of HK\$159.4 million as at 31 March 2025.
- Gearing ratio slightly increased to 0.99 from 0.98 compared with 31 March 2025.

Review of Results

For 1HFY2026, the Group recorded a revenue of HK\$3,554.0 million, representing an increase of HK\$18.4 million when compared to the revenue reported in 1HFY2025. Sales to Asia and Europe increased by HK\$78.7 million and HK\$10.7 million, respectively. Sales to the Americas decreased by HK\$73.0 million, reflecting broader challenges in global trade, particularly those stemming from evolving U.S. tariff policies during 1HFY2026.

Revenue from Primary Battery Business dropped by 1.6% during 1HFY2026 due to the decrease in sales to the Americas. Revenue from Rechargeable Battery Business increased by 1.4%, due to increases in sales to private label customers. Meanwhile, revenue from Electronics and Acoustics Business increased by 7.5%, driven by the successful launch of new products and sales channel expansion with leading retailers in key markets.

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金山科技工業有限公司

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Gross profit margin declined from 29.4% in 1H FY2025 to 27.9% in 1H FY2026, due to the impact of U.S. tariffs on products sold to the U.S. market and the increase in pricing competition in other markets.

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

Selling and distribution expenses declined by HK\$8.4 million, or 2.0%, to HK\$415.3 million compared to 1H FY2025, mainly due to the effective management of advertising and promotion expenses amid the uncertain business environment. Administrative expenses declined by HK\$20.7 million, or 4.4%, to HK\$447.7 million compared to 1H FY2025, mainly due to the Group's ongoing initiatives to optimise organisational structure, enhance operational efficiency, and implement expense control measures.

Other income and other gains for 1H FY2026 was HK\$56.2 million, mainly comprising:

- Government grants of HK\$12.2 million (1H FY2025: HK\$27.8 million),
- Fair value gain on investment properties of HK\$9.7 million (1H FY2025: Nil),
- Gain from de-registration of subsidiaries of the Battery segment of HK\$4.8 million (1H FY2025: HK\$11.6 million),
- Interest income of HK\$4.3 million (1H FY2025: HK\$7.8 million) and
- Exchange gain of HK\$12.5 million (1H FY2025: HK\$14.8 million).

Other expenses and other losses for 1H FY2026 were HK\$6.3 million, mainly property, plant and equipment write-off of HK\$5.2 million (1H FY2025: HK\$6.7 million).

The Group's profit before finance costs and share of results of associates for 1H FY2026 declined by 13.6% to HK\$173.8 million compared to 1H FY2025, primarily attributable to reduced gross profit and lower other income and other gains, despite savings in selling and distribution expenses and administrative expenses.

The Group's share of results of associates increased substantially from HK\$37.2 million in 1H FY2025 to HK\$57.9 million in 1H FY2026, mainly due to improved performance of Wisefull Technology Limited ("Wisefull").

The Group's finance costs declined by 26.7% to HK\$85.9 million in 1H FY2026, attributable to a reduction in borrowing interest rates.

Profit attributable to owner of the Company rose by 38.6% to HK\$36.2 million for 1H FY2026. Basic earnings per share for 1H FY2026 was 3.57 HK cents (1H FY2025: 2.86 HK cents).

The Directors declared an interim dividend of 1.8 HK cents per share (1H FY2025: 1.5 HK cents per share), representing a payout ratio of 50.4%.

Business Review

Battery Business

Revenue for the Battery Business in 1HFY2026 was HK\$2,532.3 million, a decline of 1.6% compared to 1HFY2025. The drop in revenue from American customers was mainly due to uncertainties in global trade and U.S. tariff developments during 1HFY2026. In geographical terms, sales to the Americas decreased by 21.2%, while sales to Asia and Europe slightly increased by 1.8% and 4.1%, respectively.

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

During 1HFY2026, the Group recognised a fair value gain on investment properties of HK\$9.7 million, which is mainly related to the factories building in China, compared to a one-off gain of HK\$11.6 million from de-registration of a dormant Malaysia battery subsidiary in 1HFY2025.

Segment profit of the Battery Business decreased from HK\$223.1 million in 1HFY2025 to HK\$212.2 million in 1HFY2026, with lower administrative expenses partially offsetting the revenue and margin decline.

Rechargeable Battery Business

Revenue for the Rechargeable Battery Business in 1HFY2026 was HK\$210.0 million, an increase of 1.4% compared to 1HFY2025. This growth was primarily due to an increase in sales to private label customers, partially offset by lower industrial sales resulting from softening demand from major customers due to economic pressures from global market uncertainty. In geographical terms, sales to Asia increased by 39.0%, while sales to Europe and the Americas decreased by 5.9% and 21.2%, respectively.

Gross profit margin decreased from 18.0% in 1HFY2025 to 14.3% in 1HFY2026, mainly due to a shift in customer mix toward private label customers with relatively lower margins.

Segment result of the Rechargeable Battery Business declined from a HK\$2.5 million profit in 1HFY2025 to a HK\$15.8 million loss in 1HFY2026. This decrease was mainly attributable to a lower gross profit and the development cost of the Nickel Zinc ("NiZn") battery business.

Electronics & Acoustics Business

Revenue of the Electronics and Acoustics Business for 1HFY2026 was HK\$811.7 million, an increase of 7.5% compared to 1HFY2025.

KEF's sales grew 4.9%, driven by successful new product launches and distribution channel expansion. These initiatives contributed to sales increases of 5.9% in the Americas and 5.6% in Europe. The Celestion brand professional speaker driver business reported a 11.7% revenue increase, supported by higher production level in its U.K. factory, resulting a 23.0%,

11.2% and 6.7% increases in sales to the Americas, Europe and Asia, respectively. The professional audio manufacturing business reported a 10.0% increase in revenue from external customers, attributable primarily from additional production orders for the Thailand factory. The sales increase was contributed by 8.6% and 32.2% increases to the Americas and Asia, respectively.

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

Other Industrial Investments

This segment mainly includes investments in Meiloon Industrial Co., Ltd., Shinwa Industries (H.K.) Limited and Wisefull. Segment profit increased by HK\$10.7 million to HK\$24.8 million in 1HFY2026, mainly due to improved share of results from Wisefull.

Capital Resource and Liquidity

During 1HFY2026, the Group successfully completed a 3-year syndicated sustainability-linked loan facility of HK\$504 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 held net current assets of HK\$62.0 million as at 30 September 2025, a significant improvement from the net current liabilities of HK\$159.4 million as at 31 March 2025. The current ratio, calculated as the ratio of current assets to current liabilities, was 1.02 as at 30 September 2025 (31 March 2025: 0.96).

The Group's gearing ratio, defined as the ratio of the Group's consolidated net bank borrowings to shareholders' fund and non-controlling interests, as at 30 September 2025 was 0.99 (31 March 2025: 0.98).

Outlook

Market Environment

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

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

The rechargeable battery market presents the Group with the most compelling growth opportunity, driven by the exponential rise of AI and data centers and their soaring demand for safe, reliable backup power.

The Group's pioneering NiZn technology uniquely positions us to capture this high-value industrial transformation. Our global manufacturing presence across multiple regions helps us manage short-term market changes while building long-term growth. The Group's investments in NiZn battery production enable us to serve the high-demand AI and data center industry. The Group has accelerated its strategic expansion through focused investments targeting high growth industrial markets. The investment for a state-of-the-art NiZn battery plant and R&D center is expected to start the first mass production line before the end of 2025.

Assets Optimization

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

Conclusion

Commenting on the prospects of GP Industries, Chairman and Chief Executive Officer, Victor Lo said, "Despite ongoing global challenges, the Group's diversified manufacturing footprint, adaptable supply chain, strong brand portfolio, and commitment to innovation position the Group well to navigate global uncertainties. Through disciplined cost control, focus on core businesses, and strategic asset optimisation, the Group remains confident in its ability to deliver sustainable long-term value, enhancing profitability, and expanding market share."

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