

**ACQUISITION OF SHARES IN GOLD YI INDUSTRIES COMPANY LIMITED AND LONG TEK INDUSTRIES CO LTD**

The Board of Directors of GP Batteries International Limited ("GP Batteries") are pleased to announce that its wholly-owned subsidiary, Hayle Limited has completed the acquisition of 2 associated companies:

a a 45% interest, comprising 4,500 ordinary shares of HK\$1 each, in Gold Yi Industries Company Limited ("Gold Yi"), a company incorporated in Hong Kong, at a total cash consideration of HK\$28 million. Based on the unaudited accounts of Gold Yi at 31 December 2000, the net tangible asset per share was HK\$380.

The principal activities of Gold Yi and its subsidiary are the production and sale of terminals a key component used in the manufacture of 9-volt layer-built batteries. Gold Yi has been a major supplier to the Group for several years.

b a 50% interest, comprising 4,000 ordinary shares of HK\$1 each in Long Tek Industries Co Ltd ("Long Tek"), a company incorporated in Hong Kong at a total consideration of HK\$15.6 million. Based on the unaudited accounts of Long Tek at 31 December 2000, the net tangible asset per share was HK\$25.

The principal activities of Long Tek and its subsidiary are the production and sale of PVC shrinkable tube used in the manufacture of primary and rechargeable batteries.

The considerations were arrived at on a willing-buyer-willing-seller basis, following negotiation which took into account the unique market position of Gold Yi as a significant produce of terminal and a major supplier to the GP Batteries Group. Technology and know-how transfer has also been included in the consideration.

The GP Batteries Group is one of the world's major suppliers of primary and rechargeable batteries. The acquisition is regarded by the Directors as a strategic move to enhance the vertical integration and production efficiency of

the Group.

The acquisitions are financed from internal resources and is not expected to have any material effect on the earnings per share and net tangible asset of the Group for the year ending 31 March 2002.

None of the Directors and substantial shareholder of the Company has any interest, direct or indirect in the acquisition.

Submitted by [Tan San-Ju](#), Company Secretary on 23/03/2001 to the SGX