

GP BATTERIES INTERNATIONAL LIMITED

GP Batteries Invests in TCL Group of China

Main board listed GP Batteries International Limited ("GP Batteries") announces today that together with Clipsal Industries (Holdings) Limited ("Clipsal Industries"), they had entered into an agreement to acquire a total of 6% interest in TCL Holdings Corporation Limited ("TCL Group") of Huizhou, China from an independent third party.

GP Batteries and Clipsal Industries will each take up a 3% interest in TCL Group with the total cash consideration amounted to RMB49,260,000 (approximately S\$10,800,000) for each company. Completion of the acquisitions is expected to take place by 31 March 2002 subject to, inter alia, the approvals of the TCL Group's shareholders and the relevant Chinese authorities.

GP Batteries and Clipsal Industries are respectively 47.9% and 49.5% owned by GP Industries Limited ("GP Industries"). Gold Peak Industries (Holdings) Limited of Hong Kong currently holds an 86.5% interest in GP Industries.

"We believe this partnership will prove to be mutually beneficial by leveraging strengths of both groups. There are a lot of synergies between us in areas such as product technologies, manufacturing capabilities, and distribution networks for China as well as global markets," said Victor Lo, Chairman of GP Industries.

"Our business in Huizhou has been started since the mid 1980s and we believe this investment will further strengthen our position in our respective industries," Lo added.

Established in 1981 in China, TCL Group of companies is a large-scale state-owned enterprise engaged in the manufacture, R&D, sales and distribution of electronic and electrical appliances, information technology devices and telecommunications products. In 20 years of development, TCL Group's business has progressively evolved from the industry of traditional household appliances to that of IT-oriented electronic devices.

Today, TCL is a major brand in China. Its two member companies – TCL Communication Equipment Company Limited and TCL International Holdings Limited – are publicly-listed in Shenzhen and Hong Kong respectively.

Background Information on GP Batteries

GP Batteries International Limited ("GP Batteries") is principally engaged in the development, manufacturing and marketing of batteries and battery related products.

GP Batteries has been listed on the main board of the Singapore Exchange Securities Trading Limited since March 1991 and is currently a component stock of the BT Singapore Regional Index.

GP Batteries' major production facilities are located in Hong Kong, China, Singapore, Taiwan, Malaysia, Denmark and Poland, supported by marketing and trading offices in Singapore, Hong Kong, Taiwan, China, South Korea, Malaysia, Thailand, Australia, Sweden, Poland, France, Germany, Italy, the United Kingdom, Canada and the United States. The Group currently employs over 7,000 people and occupies a total floor area of over 154,000 square metres.

Submitted by Tan San-Ju, Company Secretary on 30/01/2002 to the SGX