

UPDATE ON PROPOSED ACQUISITION OF 75% OF THE EQUITY INTEREST IN THE ISSUED CAPITAL OF ZHONGYIN (NINGBO) BATTERY CO. LTD.

Further to the announcement on 17 September 2002 (the "**Announcement**") in connection with the proposed acquisition of 75% of the equity interest in the issued capital of Zhongyin (Ningbo) Battery Co. Ltd (the "**Acquisition**"), the Board of Directors of GP Batteries International Limited (the "**Company**") wishes to announce that the Singapore Exchange Securities Trading Limited (the "**SGX-ST**") has confirmed that Rule 1014 of the SGX-ST Listing Manual does not apply to the Acquisition. Accordingly, the Company will not have to seek shareholders' approval for the Acquisition.

Shareholders are advised to refer to the Announcement for details on the Acquisition, including description of Zhongyin (Ningbo) Battery Co. Ltd, material conditions precedent and the rationale for the Acquisition.

By Order of the Board

Tan San-Ju
Company Secretary

Submitted by Tan San-Ju, Company Secretary on 07/10/2002 to the SGX