

GP BATTERIES INTERNATIONAL LIMITED

GP Batteries International Limited entered into a new joint venture to produce Lithium Coin Cell in China

The Directors of GP Batteries International Limited ("GP Batteries" or the "Company") are pleased to announce that its wholly-owned subsidiary, Sylva Industries Limited ("Sylva") has entered into an agreement with Chang Zhou Xin Qu Fu Ba Batteries Limited ("Fu Ba") to set up a joint venture company "Chang Zhou Lithium Batteries Limited" ("CZLB") to produce Lithium Coin Cell in China. Sylva and Fu Ba will own 55% and 45% of the equity interest in CZLB respectively.

Under the joint venture agreement, CZLB will have a registered capital of US\$5 million. Sylva's investment of US\$2,750,000 in the joint venture will be financed from internal resources.

The directors consider the new joint venture a good opportunity to expand the range of products offered by GP Batteries group. Output from CZLB will be sold in both the domestic and overseas markets.

The new joint venture is not expected to have any material impact on the earnings per share and net asset value per share of the Company for the current financial year.

None of the Directors or Controlling Shareholders of the Company has any interest, direct or indirect, in the above transaction. This is a non-discloseable transaction under Chapter 10 of the SGX-ST Listing Manual.

By order of the Board
Tan San-Ju
Company Secretary

Singapore 12 December 2003

Submitted by Tan San-Ju, Company Secretary on 12/12/2003 to the SGX