

Incorporation of Subsidiary

The Directors of GP Batteries International Limited are pleased to announce the incorporation of the following subsidiary:

| | Paid up capital | Group's effective % held | Principal activities |
|---------------------------------|----------------------------|---|---------------------------------------|
| GP Battery (Ningbo) Co., Ltd | US\$200,000 | 100% | Marketing and trading in batteries |

The above transaction is not expected to have any impact on the Group's earnings per share and net tangible assets per share 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.

By Order of the Board

Tan San-Ju
Company Secretary

Submitted by Tan San-Ju, Company Secretary on 20/10/2004 to the SGX