

GP Batteries International Limited

(Incorporated in the Republic of Singapore)

Company Registration No. 199002111N

ANNOUNCEMENT

PROFIT GUIDANCE FOR THE THIRD QUARTER ENDING 31 DECEMBER 2013 AND THE FINANCIAL YEAR ENDING 31 MARCH 2014

The Board of Directors (the “**Board**”) of GP Batteries International Limited (“**GP Batteries**” or the “**Company**”) wishes to provide guidance with respect to the unaudited consolidated financial results of the Company and its subsidiaries (the “**Group**”) for the nine months ending 31 December 2013 (“**3Q 2014**”) and for the financial year ending 31 March 2014 (“**FY2014**”).

Following a recent review of the Group’s 45 per cent. investment in the Vectrix group of companies (the “**Vectrix Group**”), as the carrying value of the Group’s investment (including receivables) is likely to exceed the amount recoverable based on Vectrix Group’s latest cash flow projection, the Board considers it is prudent to make further provision for impairment loss. While the Management is still taking active actions to minimise the loss, it is likely that the Group will report a net loss for 3Q 2014 taking into account the said provision. Subject to the financial performance of the Group for the rest of the financial year, the provision for impairment on the Group’s investment in the Vectrix Group may also negatively impact the Group’s financial results for the FY2014.

Further details of the Group’s financial performance will be disclosed when the Company announces its unaudited consolidated financial results for the Group for 3Q 2014 by mid-February 2014. In the meantime, shareholders and investors are advised to exercise caution when dealing in the shares of the Company (“**Shares**”) and to refrain from taking any action in relation to their Shares which may be prejudicial to their interests.

By Order of the Board

Lynn Wan Tiew Leng
Company Secretary
6 December 2013