

CIRCULAR DATED 14 JULY 2010

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the action you should take, you should consult your stockbroker or other professional adviser immediately.

The Singapore Exchange Securities Trading Limited ("SGX-ST") assumes no responsibility for the correctness of any of the statements made, reports contained or opinions expressed in this Circular. The approval of the SGX-ST shall not be taken as an indication of the merits of the Plan, the Shares, the Company and/or its Subsidiaries (as defined in this Circular).

If you have sold all your shares in the capital of GP Batteries International Limited, you should immediately hand this Circular and the enclosed Proxy Form to the stockbroker or agent through whom you effected the sale for transmission to the purchaser.



GP Batteries International Limited

(Incorporated in the Republic of Singapore)
(Company Registration No.199002111N)

CIRCULAR TO SHAREHOLDERS

IN RELATION TO

THE PROPOSED GP BATTERIES PERFORMANCE SHARE PLAN

IMPORTANT DATES AND TIMES:

Last date and time for lodgment of Proxy Form	:	28 July 2010 at 3.15 p.m.
Date and time of Extraordinary General Meeting	:	30 July 2010 at 3.15 p.m. (or as soon thereafter following the conclusion of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place)
Place of Extraordinary General Meeting	:	Libra & Gemini Level 1 Marina Mandarin 6 Raffles Boulevard Marina Square Singapore 039594

DEFINITIONS

In this Circular, the following definitions apply throughout unless otherwise stated:

“ACRA”	Accounting and Corporate Regulatory Authority
“Articles”	Articles of Association of the Company, as amended from time to time
“Associate”	(a) in relation to any Director, Chief Executive Officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: <ul style="list-style-type: none">(i) his immediate family;(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more. (b) in relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any company which is its subsidiary or holding company or is a Subsidiary of any such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
“Associated Company”	A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group and over which the Company has control
“Associated Company ” Employee	An executive of an Associated Company or a full time employee of an Associated Company selected by the Committee to participate in the Plan in accordance with the terms and conditions set out herein
“Award”	A contingent award of Shares granted under the Plan
“Board”	The board of directors of the Company
“CDP”	The Central Depository (Pte) Limited
“Committee”	The remuneration committee of the Board
“Company”	GP Batteries International Limited
“Companies Act”	Companies Act, Chapter 50 of Singapore (as may be amended from time to time)
“Control”	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company

“Controlling Shareholder”	A person who: <ul style="list-style-type: none"> (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over the Company
“Directors”	The directors of the Company for the time being
“EGM”	Extraordinary general meeting of the Company, notice of which is set out on page 33 of this Circular
“Eligible Person”	An executive or non-executive director of the Company, a full-time employee of any member of the Group or an Associated Company Employee who is selected by the Committee to participate in the Plan in accordance with the provisions thereof
“EPS”	Earnings per Share
“Gold Peak”	Gold Peak Industries (Holdings) Limited
“GPIL”	GP Industries Limited
“Group”	The Company and its subsidiaries
“Latest Practicable Date”	29 June 2010, being the latest practicable date prior to the printing of this Circular
“Listing Manual”	The listing manual of the SGX-ST
“Listing Rules”	The rules prescribed under the SGX-ST Listing Manual
“NTA”	Net tangible assets
“Ordinary Resolution”	The ordinary resolutions as set out in the notice of EGM
“Participant”	An Eligible Person who has been granted an Award
“Plan”	GP Batteries Performance Share Plan
“Securities Account”	A securities account maintained by a Depositor with CDP but does not include a securities sub-account
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Shares”	Ordinary shares in the capital of the Company
“Shareholders”	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares, mean the Depositors in whose Securities Accounts those Shares are credited. Any reference to Shares held by Shareholders shall include Shares standing to the credit of the respective Shareholders’ Securities Accounts
“Subsidiaries”	Companies which are for the time being subsidiaries of the Company as defined by Section 5 of the Act; and “Subsidiary” means any of them

“Substantial Shareholder”	A person (including a corporation) who holds, directly or indirectly, 5% or more of the total issued share capital of the Company
“Treasury Shares”	Issued Shares of the Company which was (or is treated as having been) purchased by the Company in circumstances which Section 76H of the Act applies and has since purchase been continuously held by the Company
“%” or “per cent.”	Percentage or per centum
“S\$” and “cents”	Singapore dollars and cents respectively

Words importing the singular shall, where applicable, include the plural and vice versa, and words importing the masculine gender shall, where applicable, include the feminine and neuter genders. Words importing persons include corporations.

Any reference to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Any reference to a time of day shall be a reference to Singapore time unless otherwise stated.

CONTENTS

	Page
LETTER TO SHAREHOLDERS	6
1. INTRODUCTION.....	6
2. THE GP BATTERIES PERFORMANCE SHARE PLAN	6
3. OPTIONS PREVIOUSLY GRANTED UNDER THE EXPIRED SHARE OPTION SCHEMES	16
4. RECOMMENDATION	17
5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS	17
6. MATERIAL LITIGATION	18
7. EXTRAORDINARY GENERAL MEETING	18
8. ACTION TO BE TAKEN BY SHAREHOLDERS	18
9. RESPONSIBILITY STATEMENT.....	18
10. INSPECTION OF DOCUMENTS	19
APPENDIX	20

LETTER TO SHAREHOLDERS

GP BATTERIES INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No. 199002111N)

Directors:

Andrew Ng Sung On, Chairman and Chief Executive
Richard Ku Yuk Hing, Vice Chairman
Henry Leung Kwong Hang
Hui Wing Sun
Tsang Kwan Lung
Wong Tze Hang
Phua Bah Lee
Harald E Kading
Lim Jiew Keng

Registered Office:

97 Pioneer Road
Singapore 639579

14 July 2010

Dear Shareholders,

1. INTRODUCTION

The Board has convened the EGM to be held on 30 July 2010 to seek Shareholders' approval for the proposed adoption of the Plan.

This Circular sets out information relating to, and the reasons for, the proposal.

2. THE GP BATTERIES PERFORMANCE SHARE PLAN

2.1. Rationale for the GP Batteries Performance Share Plan

The Directors are proposing to implement the Plan to increase the Company's flexibility and effectiveness in its continuing efforts to reward, retain and motivate employees to achieve increased performance. The Directors believe that the new plan will further strengthen the Company's competitiveness in attracting and retaining superior local and foreign talent.

The Plan allows the Company to target specific performance objectives and to provide an incentive for Participants to achieve these targets. The Directors believe that the plan will provide the Company with a flexible approach to provide performance incentives to its staff and, consequently, to improve performance and achieve sustainable growth for the Company in the changing business environment, and to foster a greater ownership culture within the Group.

2.2. Rules of the GP Batteries Performance Share Plan

The rules of the Plan are set out in the Appendix hereto. A summary of these provisions is set out in paragraph 2.5 below.

2.3. Operation of the GP Batteries Performance Share Plan

Awards granted under the Plan are principally performance-based with performance targets to be set over a performance period. Performance targets set are intended to be based on medium-term corporate objectives covering market competitiveness, business growth and productivity growth. The performance targets are stretched targets aimed at sustaining long-term growth. These targets will be tied in with the Company's corporate key performance indicators.

The Plan uses methods fairly common among major local and multinational companies to incentivise and motivate senior executives and key senior management to achieve pre-determined targets which create and enhance economic value for Shareholders. The Company believes that the Plan will be an effective tool in motivating senior executives and key senior management to work towards stretched goals.

The Plan contemplates the award of fully paid Shares, when and after pre-determined performance targets are achieved.

A Participant's Award under the Plan will be determined at the sole discretion of the Committee. In considering an Award to be granted to a Participant, the Committee may take into account, *inter alia*, the Participant's role, past performance and expected future contribution.

Under the Plan, Participants are encouraged to continue serving the Group beyond the achievement date of the pre-determined performance targets. The Committee has the discretion to impose a further vesting period after the performance period to encourage the Participant to continue serving the Group for a further period of time.

2.4. Maximum Limits on Shares available under the GP Batteries Performance Share Plan

In order to reduce the dilutive impact of the proposed Plan, the maximum number of Shares which may be issued pursuant to Awards granted under the Plan, when added to the number of new Shares issued and issuable in respect of (a) all Awards granted thereunder and (b) all options or awards granted under any other share schemes of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares) on the day preceding the relevant date of the Award.

2.5. Summary of Rules of the GP Batteries Performance Share Plan

The following is a summary of the principal rules of the Plan:

(a) Eligibility

All Eligible Persons who have attained the age of twenty-one (21) years and hold such rank as may be designated by the Committee from time to time may be selected to participate in the Plan.

(b) Awards

The Awards granted under the Plan allow a Participant to receive fully-paid Shares free of consideration upon the Participant achieving the performance target as are prescribed by the Committee at its absolute discretion.

(c) Participants

The selection of a Participant and the number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as *inter alia*, his rank, job performance and potential for future development, his contribution to the success and development of the Group and the extent of effort and resourcefulness required to achieve the performance target(s) within the performance period.

(d) Details of Awards

The Committee shall decide, in relation to each Award to be granted to a Participant:

- (i) the date on which the Award is to be granted;
- (ii) the number of Shares which are the subject of the Award;
- (iii) the performance target(s) and the performance period during which such performance target(s) are to be satisfied, if any;

- (iv) the extent to which the prescribed performance target(s) has/have been satisfied (whether fully or partially) or been exceeded, as the case may be, and the extent to which Shares, which are the subject of that Award, shall be released at the end of the performance period on satisfaction of the prescribed performance target(s);
- (v) the vesting date of the Shares which are the subject of that Award; and
- (vi) any other condition which the Committee may determine in relation to that Award.

(e) Timing

While the Committee has the discretion to grant Awards at any time in the year, it is currently anticipated that Awards would in general be made once a year. An Award letter confirming the Award and specifying, *inter alia*, the number of Shares which are the subject of the Award, the prescribed performance target(s), the performance period during which the prescribed performance target(s) are to be attained or fulfilled, the schedule setting out the extent to which Shares will be released on satisfaction of the prescribed performance target(s) and the vesting date of the Shares which are the subject of that Award will be sent to each Participant as soon as reasonably practicable after the making of an Award.

(f) Events Prior to Vesting

Special provisions for the vesting and lapsing of Awards apply in certain circumstances including the following:

- (i) the misconduct on the part of a Participant as determined by the Committee in its discretion;
- (ii) the Participant ceasing to be in the employment of the Group or the relevant Associated Company or ceasing to be a non-executive director of the Company, as the case may be, for any reason whatsoever (other than as specified in paragraph (iv) below);
- (iii) the bankruptcy of the Participant or the happening of any other event which results in him being deprived of the legal or beneficial ownership of an Award;
- (iv) an order being made or a resolution passed for the winding-up of the Company on the basis, or by reason, of its insolvency;
- (v) the Participant ceases to be in the employment of the Group or the relevant Associated Company or ceases to be a non-executive director of the Company, as the case may be, by reason of:
 - (1) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (2) redundancy;
 - (3) retirement at or after the legal retirement age;
 - (4) retirement before the legal retirement age with the consent of the Committee;
 - (5) the company by which he is employed or to which he was seconded or by which he is appointed as a non-executive director, as the case may be, ceasing to be a company within the Group or an Associated Company, as the case may be, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group or to an Associated Company, as the case may be; or

- (6) (where applicable) his transfer of employment between companies within the Group or from the Group to an Associated Company (*or vice versa*);
- (7) (where applicable) his transfer to any government ministry, governmental or statutory body or corporation at the direction of any company within the Group or as the case may be, an Associated Company;
- (vi) any other event approved by the Committee;
- (vii) the death of a Participant; or
- (viii) a take-over, reconstruction or amalgamation of the Company or an order being made or a resolution passed for the winding-up of the Company (other than as provided in paragraph (iv) above or for reconstruction or amalgamation).

Upon the occurrence of any of the events specified in paragraphs (i), (ii), (iii) and (iv) above, an Award then held by a Participant shall, subject as provided in the rules of the Plan and to the extent not yet released, immediately lapse without any claim whatsoever against the Company.

Upon the occurrence of any of the events specified in paragraphs (v), (vi), and (vii) above, the Committee may, in its absolute discretion, preserve all or any part of any Award and decide either to vest some or all of the Shares which are the subject of the Award or to preserve all or part of any Award until the end of the relevant performance period. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant, the extent to which the applicable performance conditions and targets have been satisfied and the proportion of the performance period which has elapsed.

Upon the occurrence of the event specified in paragraph (viii) above, the Committee will consider, at its discretion, whether or not to release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to release any Award, then in determining the number of Shares to be vested in respect of such Award, the Committee will have regard to the proportion of the performance period which has elapsed and the extent to which the applicable performance conditions and targets have been satisfied.

(g) Size and Duration of the GP Batteries Performance Share Plan

In accordance with Rule 845 of the Listing Manual, the Plan shall be subject to the following limits:

- (a) The total number of Shares which may be issued pursuant to Awards granted under the Plan, when added to the number of new Shares issued and issuable in respect of (a) all Awards granted thereunder and (b) all options or awards granted under any other share schemes of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares) on the day preceding the relevant date of the Award;
- (b) The aggregate number of Shares available to Controlling Shareholders and their Associates must not exceed 25% of the new Shares available under the Plan;
- (c) The number of Shares available to each Controlling Shareholder or his Associates must not exceed 10% of the new Shares under the Plan; and
- (d) The aggregate number of Shares available to directors and employees of the Company's parent company and its subsidiaries must not exceed 20% of the new Shares available under the Plan.

The Company may also deliver Shares pursuant to Awards granted under the Plan in the form of existing Shares purchased from the market or from Shares held in treasury. Such methods will not be subject to any limit as they do not involve the issuance of any new Shares.

The Plan shall continue in force at the discretion of the Committee, subject to a maximum period of 10 years commencing on the date on which the Plan is adopted by the Company in general meeting, provided always that the Plan may continue beyond the above stipulated period with the approval of Shareholders in general meeting and of any relevant authorities which may then be required.

Notwithstanding the expiry or termination of the Plan, any Awards made to Participants prior to such expiry or termination will continue to remain valid.

(h) Operation of the GP Batteries Performance Share Plan

Subject to the prevailing legislation, the Company will deliver Shares to Participants upon vesting of their released Awards by way of either (i) an issue of new Shares; or (ii) delivering existing Shares to the Participant, whether such existing Shares are purchased or acquired pursuant to the share purchase mandate or (to the extent permitted by law) held as treasury shares.

In determining whether to issue new Shares to Participants upon vesting of their released Awards, the Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of issuing new Shares or delivering existing Shares.

The financial effects of the above methods are discussed in paragraph 2.12 below.

New Shares allotted and issued, and existing Shares procured by the Company for delivery, on the release of an Award, shall be eligible for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the record date for which is on or after the relevant date of issue or, as the case may be, delivery, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

The Committee shall have the discretion to determine whether the performance target(s) has/have been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make computational adjustments to the audited results of the Company or the Group, as the case may be, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and further, the right to amend the performance target(s) if the Committee decides that a changed performance target would be a fairer measure of performance.

2.6. Adjustments and Alterations under the GP Batteries Performance Share Plan

The following describes the adjustment events under, and provisions relating to alterations of, the Plan.

(a) Adjustment Events

If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, then:

- (i) the class and/or number of Shares which are the subject of an Award to the extent not yet vested; and/or

- (ii) the class and/or number of Shares over which future Awards may be granted under the Plan, shall be adjusted in such manner as the Committee may determine to be appropriate, provided that no adjustment shall be made if as a result, the Participant receives a benefit that a Shareholder does not receive.

Unless the Committee considers an adjustment to be appropriate, the following events shall not normally be regarded as a circumstance requiring adjustment:

- (a) the issue of securities as consideration for an acquisition or a private placement of securities;
- (b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by shareholders of the Company (including any renewal of such mandate) is in force;
- (c) an issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares to its employees including Directors or employees of the Company pursuant to a purchase approved by Shareholders in general meeting, including the Plan;
- (d) an issue of Shares or securities convertible into or with rights to acquire or subscribe for Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business; and
- (e) any issue of Shares arising from the exercise of any warrants or the conversion of any convertible securities issued by the Company.

Notwithstanding the above, any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Company's auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.

(b) Modifications or Alterations to the GP Batteries Performance Share Plan

The Plan may be modified and/or altered from time to time by a resolution of the Committee subject to the prior approval of the SGX-ST and such other regulatory authorities as may be necessary.

However, no modification or alteration shall adversely affect the rights attached to Awards granted prior to such modification or alteration except with the written consent of such number of Participants who, if their Awards were released to them, would thereby become entitled to not less than three-quarters in number of all the Shares which would be issued or delivered, as the case may be, upon the release in full of all outstanding Awards under the Plan.

No alteration shall be made to the rules of the Plan to the advantage of the holders of the Awards except with the prior approval of Shareholders in general meeting.

2.7. Disclosures in Annual Reports

The following disclosures (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation:

- (a) the names of the members of the Committee administering the Plan;
- (b) the aggregate number of Shares granted and transferred since the commencement of the Plan and during the financial year under review;

- (c) the aggregate number of Shares comprised in Awards which have vested during the financial year under review and in respect of such Awards, the proportion of new Shares issued and existing Shares purchased, including the range of prices at which such Shares have been purchased, upon the release of the vested Awards;
- (d) the aggregate number of Shares comprised in Awards which have not been released as at the end of the financial year under review;
- (e) in respect of the following Participants of the Plan:
 - (i) Participants who are Directors of the Company;
 - (ii) Participants who are Controlling Shareholders and their Associates of the Company; and
 - (iii) Participants (other than those in paragraphs (i) and (ii) above) who have received Shares pursuant to the release of Awards granted under the Plan which, in aggregate, represent five (5) per cent. or more of the total number of Shares available under the Plan, the following information must be disclosed:
 - (aa) the name of the Participant;
 - (bb) the following particulars relating to Awards released under the Plan:
 - (1) number of Shares granted during the financial year under review (including the terms);
 - (2) aggregate number of Shares granted since the commencement of the Plan to the end of the financial year under review;
 - (3) aggregate number of Shares which have vested since the commencement of the Plan to the end of the financial year under review;
 - (4) aggregate number of Shares outstanding as at the end of the financial year under review; and
 - (5) such other information as may be required by the Listing Manual or the Act.
- (f) an appropriate statement that none of the Controlling Shareholders and their Associates had received Shares pursuant to the Plan during the financial year under review; and
- (g) such other information as may be required by the Listing Manual or the Act.

2.8. Role and Composition of the Committee

The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards to be granted to him or held by him. At the Latest Practicable Date, the Committee comprises Messrs Phua Bah Lee, Harald E Kading and Lim Jiew Keng.

The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards and the released Awards to the Participants, as they may, in their absolute

discretion, think fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under the Plan shall be determined by the Committee. The Committee shall also decide whether the Award should be by way of issue of new shares or the transfer of Shares to a Participant or a combination of both methods, by taking into consideration various factors like the share price and such other factors as they deem fit.

In compliance with the requirements of the SGX-ST Listing Manual, a Participant of the Plan who is a member of the Committee shall not be involved in its deliberations in respect of Awards to be granted to or held by that member of the Committee.

2.9. Participation of Non-Executive Directors of the Company

The non-executive Directors of the Company are in a position to provide valuable support, input and business contacts, and to contribute their experience, knowledge and expertise, and/or to provide the Company and/or the Group with strategic or significant business alliances or opportunities. This category of persons comprises individuals from various disciplines with different working experience and backgrounds which the Company and/or the Group may tap for assistance in furthering the business interests of the Company and/or the Group. Currently, remuneration is by way of directors' fees to non-executive Directors (for their services as directors of a company), which is wholly in the form of cash. By including them in the Plan, the Company will have the flexibility to consider, in the future, compensating non-executive Directors for their services in cash and in Share awards. For instance, the Company may include Share awards (taking into account their intrinsic value) as a cash-linked component within the fee-based remuneration of such persons, or as a form of additional compensation in lieu of increasing the cash remuneration. Through the Plan, the Company may acknowledge and give recognition to the efforts, achievements and contributions made by such persons, to the success and development of the Company and/or the Group, in a combination of cash and Share awards. By implementing the Plan and giving the non-executive Directors the opportunity to participate in the equity of the Company, their working relationships with the Company will also be enhanced as it will instill in them a greater sense of involvement.

In order to minimise any potential conflicts of interests, the Company does not intend to grant awards of significant sizes to non-executive Directors. In particular, in the event that any Awards are granted to the independent Directors, the quantum of such awards will not be of such significance as will affect or compromise the independence of such Directors. In addition, in the event that any conflicts of interests arise in any matter to be decided upon by the Board, the Company will request that the relevant non-executive Director abstain from voting on such matter.

2.10 Participation by Associated Company Employees

While the Plan cater principally to employees of the Group, it is recognised that there may be individuals who are able to make significant contributions to the Group through their close working relationship with the Group, even though they are not employed within the Group. Such persons include the Associated Company Employees.

Associated Company Employees are expected to work closely with the Group to provide services, knowledge, expertise, assistance and support to the Group on a continuing basis in the development and implementation of business strategies, investments and projects in which the Company or the Group has interests. The extension of the Plan to Associated Company Employees allows the Group to have a fair and equitable system to reward Associated Company Employees who have made and who continue to make significant contribution to the long-term growth of the Group. It is hoped that by doing so, the Company will also strengthen its working relationships with the Associated Company Employees by inculcating in them a stronger and more lasting sense of identification with the Group.

2.11. Controlling Shareholders and their Associates

Employees and Directors who are Controlling Shareholders or their Associates are not excluded from participating in the Plan. The Company believes that such persons, even though they already have shareholding interests in the Company, should be treated equally and remunerated for their services and contributions to the Group on the same basis as those who are employees and Directors who are not Controlling Shareholders or their Associates. Allowing such persons to participate in the Plan is a means of giving them due recognition and rewards for their valuable contributions to the Group. This will help enhance their long-term commitment to the Group.

The terms of the Plan do not differentiate between the Controlling Shareholders from other employees in determining the eligibility of such persons to be granted Awards. They should not unduly favour the Controlling Shareholders and likewise, the Controlling Shareholders should not be excluded solely for the reason that they are Controlling Shareholders. To exclude participation of the Controlling Shareholders in the Plan may serve to de-motivate them and undermine the objectives of the Plan.

The Company's Controlling Shareholders and their Associates who have contributed to the success and development of the Company are, subject to the absolute discretion of the Committee, eligible to participate in the Plan provided that the participation by each such Controlling Shareholder and their Associates and each grant of Awards to any one of them may only be effected with the specific prior approval of independent Shareholders at a general meeting in separate resolutions.

Specific approval of the independent Shareholders is required for the grant of Awards to the Controlling Shareholders and their Associates, as well as disclosure of the actual number of and terms of such Awards.

Rationale for Participation of Mr Andrew Ng Sung On in the Plan

Mr Andrew Ng Sung On is the Chairman and Chief Executive of the Company. He is deemed to be a Controlling Shareholder pursuant to his aggregate direct and deemed interests in the shares of Gold Peak of approximately 28.81%, Gold Peak's direct interest in the shares of GPIL of approximately 79.49% and GPIL's direct interest in approximately 49.79% of the Shares. As Chairman and Chief Executive of the Company, Mr Andrew Ng Sung On plays a major role in the overall management of the operations and business opportunities of the Group. The Group benefits much from his strategic directions and looks to him to actively lead the Group in maintaining the Group's position in various business segments of the Group. The extension of the Plan to him will serve not only as recognition of his valuable contributions to the Group but also give him a stake in the future performance of the Group. Participation in the Plan will serve as a means to motivate him to continue to achieve and maintain a high level of performance which is vital to the success of the Group.

The Directors are of the view that Mr Andrew Ng Sung On's experience and contribution towards the growth of the Group is invaluable and his continuing contribution is required for the continued success of the Group. Participation in the Plan will provide sufficient incentive which will instill in him a deeper sense of commitment to the Group. As the Plan serves to recognise past contributions as well as to encourage future contributions, the Directors consider it important that Mr Andrew Ng Sung On be allowed to participate in the Plan.

The Directors (save for Mr Andrew Ng Sung On) are of the view that the remuneration packages of Mr Andrew Ng Sung On is fair given his contributions to the Company. The extension of the Plan to Mr Andrew Ng Sung On is consistent with the Company's objectives to motivate its key Employees to achieve and maintain a high level of performance and contribution. Although Mr Andrew Ng Sung On already has substantial interests in the Company, the extension of the Plan to him will ensure he is equally entitled to take part in and benefit from this system of remuneration, thereby enhancing his long-term commitment to the Company.

Subject to and contingent upon the passing of Ordinary Resolution 1 as set out in the Notice of EGM, Shareholders' approval is sought, for the purposes of Rule 853 of the Listing Manual, for the participation of Mr Andrew Ng Sung On (who is a Controlling Shareholder) in the Plan (Ordinary Resolution 2).

Pursuant to Rule 853 of the Listing Manual, the specific grant of Awards to Mr Andrew Ng Sung On has to be approved by independent Shareholders in general meeting. Subject to Shareholders' approval for Ordinary Resolutions 1 and 2 as set out in the Notice of EGM at the EGM, the Company proposes to grant to Mr Andrew Ng Sung On an Award of up to 1,600,000 Shares under the Plan, subject to the limits set out in paragraph 2.5(g) of this Circular.

2.12. Financial Effects of the GP Batteries Performance Share Plan

The following sets out the financial effects of the Plan.

(a) Cost of Award

As Participants are not required to pay for the grant of the Awards, such grant of Awards will have a financial effect on the Company.

The Singapore Financial Reporting Standards ("FRS") 102 "Share-based Payment" issued by the Council on Corporate disclosure and Governance, which has been effective for the financial periods beginning on or after 1 January 2005, requires the recognition of an expense in respect of Awards granted under the Plan. The expenses will be based on the fair value of the Awards at the date of the grant and will be recognized over the expected vesting period. However, no expense will ultimately be recognized for any Awards granted that do not vest because of failure to satisfy the vesting conditions.

In accordance with FRS 102, paragraph 15, the Company shall account for the grant of Awards during the vesting period, with a corresponding increase in equity. As per FRS 102, paragraph 13, on a cumulative basis, no amount is recognized for services received if the equity instruments granted do not vest because of failure to satisfy a vesting condition. Also, as per FRS 102, paragraph 20, the Company shall recognized an amount for the services received during the vesting period based on the best available estimate of the number of equity instruments expected to vest and shall revise that estimate, if necessary. Therefore, the grant of Awards are recognized to income statement over the expected vesting period. If an employee leaves before the end of vesting period, the Company should revise the estimated number of equity instruments expected to vest.

(b) Share Capital

The Plan will result in an increase in the Company's issued share capital only if new Shares are issued to Participants. The number of new Shares issued will depend on, *inter alia*, the size of the Awards granted under the Plan. However, if existing Shares are purchased for delivery to Participants in lieu of issuing new Shares to Participants, the Plan will have no impact on the Company's issued share capital.

(c) NTA

As described in paragraph 2.12(d) below on EPS, the Plan will result in a charge to the Company's profit and loss account equal to the market value at which the new Shares are issued or the existing Shares are purchased to meet delivery under the Awards. If new Shares are issued under the Plan, there would be no effect on the NTA of the Company. If existing Shares are purchased for delivery to Participants, the NTA of the Company would be impacted by the cost of the Shares purchased.

Although the Plan will result in a charge to the profit and loss account of the Company, it should be noted that Awards are granted only on a selective basis and will be granted to Participants whom the Company believes would have contributed or will contribute significant value in its success including financial performance. In particular, the grant of Awards and delivery of Shares to Participants of the Plan, are contingent upon the Participants meeting

prescribed performance targets and conditions. Therefore, Participants would have contributed to or will contribute significant value add to the NTA of the Company before the Awards are granted and Shares delivered.

(d) EPS

The Plan will result in a charge to earnings equivalent to the market value at which the existing Shares are purchased or the market value on the date at which new Shares are issued under the Awards. Although the Plan will have a dilutive impact (to the extent that new Shares are issued pursuant to the Plan) on the EPS of the Company, the delivery of Shares to Participants in respect of Awards granted under the Plan, is contingent upon the Participants meeting prescribed conditions. Accordingly, the earnings of the Company and the Group should have grown before the Awards are granted and the Shares delivered.

(e) Dilutive Impact

It is expected that the dilutive impact of the Plan on the NTA per Share and EPS will not be significant.

2.13. Listing on the SGX-ST

In-principle approval has been received from the SGX-ST for the listing and quotation of the new Shares to be issued pursuant to the Plan. Such approval is not to be taken as an indication of the merits of the Plan, the new Shares or the Group.

3. OPTIONS PREVIOUSLY GRANTED UNDER THE EXPIRED SHARE OPTION SCHEMES

Pursuant to Rule 861 of the Listing Manual, the following details about options previously granted under the 1992 Share Option Scheme and the 1999 Share Option Scheme which had expired in 1999 and 2009 respectively are as follow:

3.1. 1992 Scheme

Details of options previously granted under the 1992 Share Option Scheme

Total number of Shares reserved	7,724,000
Total number of Shares allotted	3,353,000
Number of participants	About 130
Any material conditions to which the options are subject	Nil

Details of options previously granted to Directors, Controlling Shareholders and their Associates under the 1992 Share Option Scheme

Dates options were granted*	24 August 1992, 6 August 1993, 22 August 1994, 17 July 1995, 16 January 1997, 29 July 1997 and 6 August 1999
Number of Shares offered under the options	2,594,000
Number of Shares allotted upon exercise of the options	1,129,000

* These options were granted only to Directors.

3.2. 1999 Scheme

Details of options previously granted under the 1999 Share Option Scheme

Total number of Shares reserved	8,271,000
Total number of Shares allotted	4,017,000
Number of participants	About 270
Any material conditions to which the options are subject	Nil

Details of options previously granted to Directors, Controlling Shareholders and their Associates under the 1999 Share Option Scheme

Dates options were granted*	17 March 2000, 11 October 2000, 5 August 2002 and 25 June 2003
Number of Shares offered under the options	4,025,000
Number of Shares allotted upon exercise of the options	1,920,000

* These options were granted only to Directors.

4. RECOMMENDATION

As all the Directors would be eligible to participate in the Plan, they have refrained from making any recommendation to Shareholders in respect of the Plan. Additionally, in view of their being either participants or potential participants of the Plan, all the Directors will abstain from voting on Ordinary Resolution 1 at the EGM and will also not accept nominations as proxies or otherwise for voting at the EGM in respect of Ordinary Resolution 1 unless specific instructions have been given in the proxy form on how the vote is to be cast for Ordinary Resolution 1 at the EGM.

Under Rule 853 of the Listing Manual, participation in a share scheme by Controlling Shareholders and their Associates must be approved by independent shareholders of the Company. Accordingly, Mr Andrew Ng Sung On, Mr Victor Lo Chung Wing and GPIL shall abstain from voting on Ordinary Resolutions 2 and 3.

5. DIRECTORS' AND SUBSTANTIAL SHAREHOLDERS' INTERESTS

As at the Latest Practicable Date, the interests of the Directors and substantial Shareholders in the share capital of the Company are as follows:

	Direct		Deemed	
	No. of shares	% of total issued Shares	No. of shares	% of total issued Shares
Executive Directors				
Andrew Ng Sung On ¹	300,000	0.27	55,149,428	50.28
Richard Ku Yuk Hing	222,000	0.20	–	–
Henry Leung Kwong Hang	–	–	–	–
Hui Wing Sun	410,028	0.37	–	–
Tsang Kwan Lung	120,000	0.11	–	–
Wong Tze Hang	–	–	–	–
Non-Executive Directors				
Phua Bah Lee	80,000	0.07	–	–
Harald E Kading	–	–	–	–
Lim Jiew Keng	–	–	–	–
Substantial Shareholders				
GP Industries Limited	54,616,096	49.79	–	–
Gold Peak Industries (Holdings) Limited ²	–	–	54,616,096	49.79
Andrew Ng Sung On ¹	300,000	0.27	55,149,428	50.28
Victor Lo Chung Wing ³	200,000	0.18	54,616,096	49.79

- 1 Mr Andrew Ng Sung On has a deemed interest in 54,616,096 Shares pursuant to his aggregate direct and deemed interests in the shares of Gold Peak Industries (Holdings) Limited ("Gold Peak") of approximately 28.81%, Gold Peak's direct interest in the shares of GP Industries Limited ("GPIL") of approximately 79.49%, and GPIL's direct interest in the said 54,616,096 Shares. Mr Andrew Ng Sung On is also deemed to have an interest in 533,332 Shares held by HSBC (Singapore) Nominees Pte Ltd.
- 2 Gold Peak is deemed interested in the Shares held by GPIL by virtue of Gold Peak's controlling interest in GPIL.
- 3 Mr Victor Lo Chung Wing has a deemed interest in 54,616,096 Shares pursuant to his aggregate direct and deemed interests in the shares of Gold Peak of approximately 29.68%, Gold Peak's direct interest in the shares of GPIL of approximately 79.49%, and GPIL's direct interest in the said 54,616,096 Shares.

6. MATERIAL LITIGATION

The Directors are not aware of any litigation, claims or proceedings pending or threatened against the Company or any of its subsidiaries or any facts likely to give rise to any litigation, claims or proceedings which may have a material adverse effect on the financial position of the Company and its subsidiaries taken as a whole.

7. EXTRAORDINARY GENERAL MEETING

A notice convening the EGM to be held on 30 July 2010 at 3.15 p.m. (or as soon thereafter following the conclusion of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place) is set out on page 33 of this Circular.

8. ACTION TO BE TAKEN BY SHAREHOLDERS

The instrument appointing any proxy must be lodged at the registered office of the Company at 97 Pioneer Road, Singapore 639579 not less than 48 hours before the time appointed for the EGM.

PERSONS HOLDING SHARES IN THE CAPITAL OF THE COMPANY THROUGH THE CENTRAL DEPOSITORY (PTE) LIMITED ARE REMINDED THAT THE PROXY FORMS APPOINTING THEMSELVES AS PROXIES MUST SIMILARLY BE DEPOSITED NOT LESS THAN 48 HOURS BEFORE THE TIME APPOINTED FOR THE EGM IN ORDER FOR SUCH PERSONS TO BE ABLE TO ATTEND AND/OR VOTE AT SUCH MEETING.

IF A SHAREHOLDER IS ENTITLED TO PARTICIPATE IN THE GP BATTERIES PERFORMANCE SHARE PLAN, HE SHOULD ABSTAIN FROM VOTING AT THE EGM IN RESPECT OF ORDINARY RESOLUTIONS RELATING TO THE GP BATTERIES PERFORMANCE SHARE PLAN, AND SHOULD NOT ACCEPT NOMINATIONS AS PROXIES OR OTHERWISE FOR VOTING AT THE EGM, IN RESPECT OF THE AFORESAID ORDINARY RESOLUTIONS, UNLESS SPECIFIC INSTRUCTIONS HAVE BEEN GIVEN IN THE PROXY FORM ON HOW THE VOTE IS TO BE CAST FOR THE AFORESAID ORDINARY RESOLUTIONS.

9. RESPONSIBILITY STATEMENT

The Directors collectively and individually accept full responsibility for this Circular and confirm, after having made all reasonable enquiries, that to the best of their knowledge and belief, this Circular constitutes full and true disclosure of all material facts about the proposed Plan, and that there are no material facts the omission of which would make any statement in this Circular misleading.

10. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company during normal business hours from the date of this Circular and up to the date of the EGM:

- (a) the Memorandum of Association and Articles of Association of the Company; and
- (b) the annual report of the Company for the financial year ended 31 March 2010.

Yours faithfully

For and on behalf of
the Board of Directors of
GP BATTERIES INTERNATIONAL LIMITED

Andrew Ng Sung On
Chairman and Chief Executive

APPENDIX

RULES OF THE GP BATTERIES PERFORMANCE SHARE PLAN

1. NAME OF THE PLAN

The Plan shall be called the “GP Batteries Performance Share Plan”.

2. DEFINITIONS

2.1 In the Plan, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“Act”	The Companies Act, Chapter 50 of Singapore
“Adoption Date”	The date on which the Plan is adopted by the Company in general meeting
“Articles of Association”	Articles of Association of the Company
“Associate”	(a) in relation to any Director, Chief Executive Officer, Substantial Shareholder or Controlling Shareholder (being an individual) means: <ul style="list-style-type: none">(i) his immediate family;(ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and(iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more. (b) in relation to a Substantial Shareholder or Controlling Shareholder (being a company) means any company which is its subsidiary or holding company or is a Subsidiary of any such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more
“Associated Company”	A company in which at least 20% but not more than 50% of its shares are held by the Company or the Group and over which the Company has control
“Associated Company Employee”	An executive of an Associated Company or a full time employee of an Associated Company selected by the Committee to participate in the Plan in accordance with the terms and conditions set out herein
“Auditors”	The auditors of the Company for the time being
“Award”	A contingent award of Shares granted under Rule 5
“Award Date”	In relation to an Award, the date on which the Award is granted pursuant to Rule 5

“Award Letter”	A letter, in such form as the Committee shall approve, confirming an Award granted to a Participant by the Committee
“Board”	The board of directors of the Company
“CDP”	The Central Depository (Pte) Ltd
“Committee”	The remuneration committee of the Board
“Company”	GP Batteries International Limited, a company incorporated in Singapore
“Control”	The capacity to dominate decision-making, directly or indirectly, in relation to the financial and operating policies of a company
“Controlling Shareholder”	A person who: <ul style="list-style-type: none"> (a) holds directly or indirectly 15% or more of the total number of issued shares excluding treasury shares in the Company. The SGX-ST may determine that a person who satisfies this paragraph is not a Controlling Shareholder; or (b) in fact exercises control over the Company.
“Depository Agent”	Shall have the meaning ascribed to it in the Act
“Eligible Person”	An executive or non-executive director of the Company, a full-time employee of any member of the Group or an Associated Company Employee who is selected by the Committee to participate in the Plan in accordance with Rule 4
“Group”	The Company and its subsidiaries
“Listing Manual”	The listing manual of the SGX-ST
“Participant”	An Eligible Person who has been granted an Award
“Performance Condition”	In relation to an Award, the condition or conditions specified on the Award Date in relation to that Award
“Performance Period”	In relation to an Award, the period as may be determined by the Committee at its discretion, during which the Performance Condition is to be satisfied
“Plan”	The GP Batteries Performance Share Plan, as the same may be modified or altered from time to time
“Release”	In relation to an Award, the release at the end of the Performance Period relating to that Award of all or some of the Shares to which that Award relates in accordance with Rule 7 and, to the extent that any Shares which are the subject of the Award are not released pursuant to Rule 7, the Award in relation to those Shares shall lapse accordingly, and “Released” shall be construed accordingly

“Release Schedule”	In relation to an Award, a schedule in such form as the Committee shall approve, setting out the extent to which Shares which are the subject of that Award shall be Released on the Performance Condition being satisfied (whether fully or partially) or exceeded or not been satisfied, as the case may be, at the end of the Performance Period
“Released Award”	An Award which has been Released in accordance with Rule 7
“Shares”	Ordinary shares in the capital of the Company
“SGX-ST”	Singapore Exchange Securities Trading Limited
“Substantial Shareholder”	A person (including a corporation) who holds, directly or indirectly, 5% or more of the total issued share capital of the Company
“Trading Day”	A day on which the Shares are traded on SGX-ST
“Vesting”	In relation to Shares which are the subject of a Released Award, the absolute entitlement to all or some of the Shares which are the subject of a Released Award and “Vest” and “Vested” shall be construed accordingly
“Vesting Date”	In relation to Shares which are the subject of a Released Award, the date (as determined by the Committee and notified to the relevant Participant) on which those Shares have Vested pursuant to Rule 7

2.2 Words importing the singular number shall, where applicable, include the plural number and *vice versa*. Words importing the masculine gener shall, where applicable include the feminine and neuter genders.

2.3 Any reference to a time of a day in the Plan is a reference to Singapore time.

2.4 Any reference in the Plan to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Act or any statutory modification thereof and not otherwise defined in the Plan and used in the Plan shall have the meaning assigned to it under the Act or any statutory modification thereof, as the case may be.

3. OBJECTIVES OF THE PLAN

3.1 The Plan has been proposed in order to:

- (a) foster an ownership culture within the Group which aligns the interests of the Participants with the interests of shareholders;
- (b) motivate Participants to achieve key financial and operational goals of the Company and/or their respective business units; and
- (c) make total employee remuneration sufficiently competitive to recruit and retain staff having skills that are commensurate with the Company’s ambition to become a world-class company and whose contribution are important to the long-term growth and profitability of the Group.

4. ELIGIBILITY OF PARTICIPANTS

Eligible Persons who have attained the age of 21 years and hold such rank as may be designated by the Committee from time to time and who have, as of the Award Date, (i) been in full time employment of the Group, (ii) held the appointment of a non-executive director of the Company or (iii) is an Associated Company Employee as the case may be, for a period of at least 12 months (or such shorter period as the Committee may determine), may be selected to participate in the Plan at the absolute discretion of the Committee.

5. GRANT OF AWARDS

5.1 Subject as provided in Rule 8, the Committee may grant Awards to Eligible Persons as the Committee may select, in its absolute discretion, at any time during the period when the Plan is in force.

5.2 The number of Shares which are the subject of each Award to be granted to a Participant in accordance with the Plan shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as, *inter alia*, his rank, job performance and potential for future development, his contribution to the success and development of the Group and the extent of effort with which the Performance Condition may be achieved within the Performance Period. The Performance Conditions will be set by the Committee depending on each individual Participant's job scope and responsibilities.

5.3 The Committee shall decide in relation to an Award:

- (a) the Participant;
- (b) the Award Date;
- (c) the Performance Period;
- (d) the number of Shares which are the subject of the Award;
- (e) the Performance Condition;
- (f) the Release Schedule;
- (g) the Vesting Date; and
- (h) any other condition which the Committee may determine in relation to that Award.

5.4 The Committee may amend or waive the Performance Period, the Performance Condition and/or the Release Schedule in respect of any Award:

- (a) in the event of a take-over offer being made for the Shares or if under the Act, the court sanctions, and/or shareholders of the Company approve, a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies or in the event of a proposal to liquidate or sell all or substantially all of the assets of the Company; or
- (b) if anything happens which causes the Committee to conclude that:
 - (i) a changed Performance Condition and/or Release Schedule would be a fairer measure of performance, and would be no less difficult to satisfy; or
 - (ii) the Performance Condition and/or Release Schedule should be waived, and shall notify the Participants of such change or waiver.

- 5.5. As soon as reasonably practicable after making an Award, the Committee shall send to each Participant an Award Letter confirming the Award and specifying in relation to the Award:
- (a) the Award Date;
 - (b) the Performance Period;
 - (c) the number of Shares which are the subject of the Award;
 - (d) the Performance Condition;
 - (e) the Release Schedule;
 - (f) the Vesting Date; and
 - (g) any other condition which the Committee may determine in relation to that Award.
- 5.6 Participants are not required to pay for the grant of Awards. For the avoidance of doubt, the Awards shall be granted to Participants, in lieu of a cash bonus otherwise payable.
- 5.7 An Award or Released Award shall be personal to the Participant to whom it is granted and, prior to the allotment and/or transfer to the Participant of the Shares to which the Released Award relates, shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, except with the prior approval of the Committee and if a Participant shall do, suffer or permit any such act or thing as a result of which he would or might be deprived of any rights under an Award or Released Award without the prior approval of the Committee, that Award or Released Award shall immediately lapse.

6. EVENTS PRIOR TO THE VESTING DATE

- 6.1 An Award shall, to the extent not yet Released, immediately lapse (together with all voting, dividend or transfer rights that may be attached to the Awards) without any claim whatsoever against the Company:
- (a) in the event of misconduct on the part of the Participant as determined by the Committee in its discretion;
 - (b) subject to Rule 6.2(a), upon the Participant ceasing to be in the employment of the Group or the relevant Associated Company or ceasing to be a non-executive director of the Company, as the case may be, for any reason whatsoever;
 - (c) the bankruptcy of the Participant or the happening of any other event which results in him being deprived of the legal or beneficial ownership of an Award; or
 - (d) in the event of an order being made or a resolution passed for the winding-up of the Company on the basis, or by reason, of its insolvency.

For the purpose of Rule 6.1(b), the Participant shall be deemed to have ceased to be so employed by the Group or the relevant Associated Company, or ceased to be a non-executive director of the Company, as the case may be, as of the date the notice of termination of employment or the notice of cessation of appointment, as the case may be, is tendered by or is given to him, unless such notice shall be withdrawn prior to its effective date.

6.2 In any of the following events, namely:

- (a) where the Participant ceases to be in the employment of the Group or the relevant Associated Company or ceases to be a non-executive director of the Company, as the case may be, by reason of:
 - (i) ill health, injury or disability (in each case, evidenced to the satisfaction of the Committee);
 - (ii) redundancy;
 - (iii) retirement at or after the legal retirement age;
 - (iv) retirement before the legal retirement age with the consent of the Committee;
 - (v) the company by which he is employed or to which he is seconded or by which he is appointed as a non-executive director, as the case may be, ceasing to be a company within the Group or an Associated Company, as the case may be, or the undertaking or part of the undertaking of such company being transferred otherwise than to another company within the Group or to an Associated Company, as the case may be;
 - (vi) (where applicable) his transfer of employment between companies within the Group or from the Group to an Associated Company (or *vice versa*);
 - (vii) (where applicable) his transfer to any government ministry, governmental or statutory body or corporation at the direction of any company within the Group or as the case may be, an Associated Company; or
 - (viii) any other event approved by the Committee;
- (b) the death of a Participant; or
- (c) any other event approved by the Committee,

then the Committee may, in its absolute discretion, preserve all or any part of any Award and decide as soon as reasonably practicable following such event either to Vest some or all of the Shares which are the subject of any Award or to preserve all or part of any Award until the end of the Performance Period and subject to the provisions of the Plan. In exercising its discretion, the Committee will have regard to all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant, the extent to which the Performance Condition has been satisfied and the proportion of the Performance Period which has elapsed.

6.3 Without prejudice to the provisions of Rule 5.4, if before the Vesting Date, any of the following occurs:

- (a) a take-over offer for the Shares becomes or is declared unconditional;
- (b) a compromise or arrangement proposed for the purposes of, or in connection with, a scheme for the reconstruction of the Company or its amalgamation with another company or companies being approved by shareholders of the Company and/or sanctioned by the court under the Act; or
- (c) an order being made or a resolution being passed for the winding up of the Company (other than as provided in Rule 6.1(c) or for amalgamation or reconstruction),

the Committee will consider, at its discretion, whether or not to Release any Award, and will take into account all circumstances on a case-by-case basis, including (but not limited to) the contributions made by that Participant. If the Committee decides to Release any Award, then in determining the number of Shares to be Vested in respect of such Award, the Committee will have regard to the proportion of the Performance Period which has elapsed and the extent to which the Performance Condition has been satisfied. Where Awards are Released, the Committee will, as soon as practicable after the Awards have been Released, procure the allotment or transfer to each Participant of the number of Shares so determined, such allotment or transfer to be made in accordance with Rule 7.

7. RELEASE OF AWARDS

7.1 Review of Performance Condition

- (a) As soon as reasonably practicable after the end of each Performance Period, the Committee shall review the Performance Condition specified in respect of each Award and determine at its discretion whether it has been satisfied and, if so, the extent to which it has been satisfied (whether fully or partially) or exceeded, Release to that Participant all of the Shares to which his Award relates in accordance with the Release Schedule specified in respect of his Award on the Vesting Date and provided that the relevant Participant has continued to be an Eligible Person from the Award Date up to the end of the Performance Period, shall Release to that Participant all or part (as determined by the Committee at its discretion in the case where the Committee has determined that there has been partial satisfaction of the Performance Condition) of the Shares to which his Award relates in accordance with the Release Schedule specified in respect of his Award on the Vesting Date. If not, the Awards shall lapse and be of no value.

If the Committee determines in its sole discretion that the Performance Condition has not been satisfied or (subject to Rule 6) if the relevant Participant has not continued to be an Eligible Person from the Award Date up to the end of the relevant Performance Period, that Award shall lapse and be of no value and the provisions of Rules 7.2 and 7.3 shall be of no effect.

The Committee shall have the discretion to determine whether the Performance Condition has been satisfied (whether fully or partially) or exceeded and in making any such determination, the Committee shall have the right to make computational adjustments to the audited results of the Company or the Group, as the case may be, to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and further, the right to amend the Performance Condition if the Committee decides that a changed performance target would be a fairer measure of performance.

- (b) Subject to the prevailing legislation and the provisions of the Listing Manual, the Company will deliver Shares to a Participant upon Vesting of their Released Awards by way of an issue of new Shares or the transfer of Shares to a Participant.
- (c) In determining whether to issue new Shares to Participants upon Vesting of their Released Awards, the Company will take into account factors such as (but not limited to) the number of Shares to be delivered, the prevailing market price of the Shares and the cost to the Company of issuing new Shares or delivering existing Shares.
- (d) The Committee will procure, upon the Board's approval therefore, the allotment or transfer to each Participant of the number of Shares which are to be Released to that Participant pursuant to an Award under Rule 5. Any proposed issued of new Shares will be subject to there being in force at the relevant time the requisite shareholders' approval under the Act for the issue of Shares. Any allotment of new Shares pursuant to an Award will take into account the rounding of odd lots.

- (e) Shares which are the subject of a Released Award shall be Vested to a Participant on the Vesting Date, which shall be the day as specified in the Award Letter or if not so specified in the Award Letter, a Trading Day falling as soon as practicable after the review by the Committee referred to in Rule 7.1 and, on the Vesting Date, the Committee will procure the allotment or transfer to each Participant of the number of Shares so determined.
- (f) Where new Shares are allotted upon the Vesting of any Released Award, the Company shall, as soon as practicable after such allotment, apply to the SGX-ST for permission to deal in and for quotation of such Shares.

7.2 Release of Award

Shares which are allotted or transferred on the Release of an Award to a Participant shall be issued in the name of, or transferred to, CDP to the credit of the Securities Account of that Participant maintained with CDP or the securities sub-account of that Participant maintained with a Depository Agent, in each case, as designated by that Participant. Until such issue or transfer of such Shares has been effected, that Participant shall have no voting rights nor entitlements to dividends or other distributions declared or recommended in respect of any Shares which are the subject of the Award granted to him.

7.3 Ranking of Shares

New Shares allotted and issued, and existing Shares procured by the Company for transfer, on the Release of an Award shall:

- (a) be subject to all the provisions of the Memorandum and Articles of Association of the Company; and
- (b) rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the Record Date for which is on or after the relevant Vesting Date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

For the purposes of this Rule 7.3, "Record Date" means the date fixed by the Company for the purposes of determining entitlements to dividends or other distributions to or rights of holders of Shares.

8. LIMITATION ON THE SIZE OF THE PLAN

8.1 In accordance with Rule 845 of the Listing Manual, the Plan shall be subject to the following limits:

- (a) The total number of new Shares which may be issued pursuant to Awards granted under the Plan, when added to the number of new Shares issued and issuable in respect of (a) all Awards granted thereunder and (b) all options or awards granted under any other share schemes of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares) on the day preceding the relevant date of the Award;
- (b) The aggregate number of Shares available to Controlling Shareholders and their Associates must not exceed 25% of the new Shares available under the Plan;
- (c) The number of Shares available to each Controlling Shareholder or his Associates must not exceed 10% of the new Shares under the Plan; and
- (d) The aggregate number of Shares available to directors and employees of the Company's parent company and its subsidiaries must not exceed 20% of the new Shares available under the Plan.

8.2 Shares which are the subject of Awards which have lapsed for any reason whatsoever may be the subject of further Awards granted by the Committee under the Plan.

9. ADJUSTMENT EVENTS

- 9.1 If a variation in the issued ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation, distribution or otherwise) shall take place, then:
- (a) the class and/or number of Shares which are the subject of an Award to the extent not yet Vested; and/or
 - (b) the class and/or number of Shares in respect of which future Awards may be granted under the Plan, shall be adjusted in such manner as the Committee may determine to be appropriate, provided that no adjustment shall be made if as a result, the Participant receives a benefit that a Shareholder does not receive.
- 9.2 Unless the Committee considers an adjustment to be appropriate, the following events shall not normally be regarded as a circumstance requiring adjustment:
- (a) the issue of securities as consideration for an acquisition or a private placement of securities;
 - (b) the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by shareholders of the Company (including any renewal of such mandate) is in force;
 - (c) an issue of Shares or other securities convertible into or with rights to acquire or subscribe for Shares to its employees including Directors or employees of the Company pursuant to a purchase approved by Shareholders in general meeting, including the Plan;
 - (d) an issue of Shares or securities convertible into or with rights to acquire or subscribe for Shares, in any such case in consideration or part consideration for the acquisition of any other securities, assets or business; and
 - (e) any issue of Shares arising from the exercise of any warrants or the conversion of any convertible securities issued by the Company.
- 9.3 Notwithstanding the provisions of Rule 9.1, any adjustment (except in relation to a capitalisation issue) must be confirmed in writing by the Auditors (acting only as experts and not as arbitrators) to be in their opinion, fair and reasonable.
- 9.4 Upon any adjustment required to be made pursuant to this Rule 9, the Company shall notify the Participant (or his duly appointed personal representatives where applicable) in writing and deliver to him (or his duly appointed personal representatives where applicable) a statement setting forth the class and/or number of Shares thereafter to be issued or transferred on the Vesting of an Award. Any adjustment shall take effect upon such written notification being given.

10. ADMINISTRATION OF THE PLAN

- 10.1 The Plan shall be administered by the Committee in its absolute discretion with such powers and duties as are conferred on it by the Board, provided that no member of the Committee shall participate in any deliberation or decision in respect of Awards to be granted to him or held by him.
- 10.2 The Committee shall have the power, from time to time, to make and vary such arrangements, guidelines and/or regulations (not being inconsistent with the Plan) for the implementation and administration of the Plan, to give effect to the provisions of the Plan and/or to enhance the benefit of the Awards and the Released Awards to the Participants, as they may, in their absolute discretion, think fit. Any matter pertaining or pursuant to the Plan and any dispute and uncertainty as to the interpretation of the Plan, any rule, regulation or procedure thereunder or any rights under

the Plan shall be determined by the Committee. The Committee shall also decide whether the Award should be by way of issue of new shares or the transfer of Shares to a Participant or a combination of both methods, by taking into consideration various factors like the share price and such other factors as they deem fit.

- 10.3 Neither the Plan nor the grant of Awards under the Plan shall impose on the Company or the Committee or any of its members any liability whatsoever in connection with:
- (a) the lapsing of any Awards pursuant to any provision of the Plan;
 - (b) the failure or refusal by the Committee to exercise, or the exercise by the Committee of, any discretion under the Plan; and/or
 - (c) any decision or determination of the Committee made pursuant to any provision of the Plan.
- 10.4 Any decision or determination of the Committee made pursuant to any provision of the Plan (other than a matter to be certified by the Auditors) shall be final, binding and conclusive (including for the avoidance of doubt, any decisions pertaining to disputes as to the interpretation of the Plan or any rule, regulation or procedure hereunder or as to any rights under the Plan). The Committee shall not be required to furnish any reasons for any decision or determination made by it.

11. NOTICES AND COMMUNICATIONS

- 11.1 Any notice required to be given by a Participant to the Company shall be sent or made to the registered office of the Company or such other addresses (including electronic mail addresses) or facsimile number, and marked for the attention of the Committee, as may be notified by the Company to him in writing.
- 11.2 Any notices or documents required to be given to a Participant or any correspondence to be made between the Company and the Participant shall be given or made by the Committee (or such person(s) as it may from time to time direct) on behalf of the Company and shall be delivered to him by hand or sent to him at his home address, electronic mail address or facsimile number according to the records of the Company or the last known address, electronic mail address or facsimile number of the Participant.
- 11.3 Any notice or other communication from a Participant to the Company shall be irrevocable, and shall not be effective until received by the Company. Any other notice or communication from the Company to a Participant shall be deemed to be received by that Participant, when left at the address specified in Rule 11.2 or, if sent by post, on the day following the date of posting or, if sent by electronic mail or facsimile transmission, on the day of despatch.

12. MODIFICATIONS TO THE PLAN

- 12.1 Any or all of the provisions of the Plan may be modified and/or altered at any time and from time to time by a resolution of the Committee, except that:
- (a) no modification or alteration shall adversely affect the rights attached to any Award granted prior to such modification or alteration except with the consent in writing of such number of Participants who, if their Awards were Released to them upon the Performance Conditions for their Awards being satisfied in full, would become entitled to not less than three-quarters in number of all the Shares which would fall to be Vested upon Release of all outstanding Awards upon the Performance Conditions for all outstanding Awards being satisfied in full;
 - (b) no alteration shall be made to the rules of the Plan to the advantage of the holders of the Awards except with the prior approval of shareholders in general meeting; and
 - (c) no modification or alteration shall be made without the prior approval of the SGX-ST and such other regulatory authorities as may be necessary.

For the purposes of Rule 12.1(a), the opinion of the Committee as to whether any modification or alteration would adversely affect the rights attached to any Award shall be final, binding and conclusive. For the avoidance of doubt, nothing in this Rule 12.1 shall affect the right of the Committee under any other provision of the Plan to amend or adjust any Award.

- 12.2 Notwithstanding anything to the contrary contained in Rule 12.1, the Committee may at any time by resolution (and without other formality, save for the prior approval of the SGX-ST) amend or alter the Plan in any way to the extent necessary or desirable, in the opinion of the Committee, to cause the Plan to comply with, or take into account, any statutory provision (or any amendment or modification thereto, including amendment of or modification to the Act) or the provision or the regulations of any regulatory or other relevant authority or body (including the SGX-ST).
- 12.3 Written notice of any modification or alteration made in accordance with this Rule 12 shall be given to all Participants.

13. TERMS OF EMPLOYMENT OR APPOINTMENT UNAFFECTED

The terms of employment of a Participant or the terms of appointment of a Participant as a non-executive director of the Company, as the case may be, shall not be affected by his participation in the Plan, which shall neither form part of such terms nor entitle him to take into account such participation in calculating any compensation or damages on the termination of his employment or cessation of his appointment, as the case may be, for any reason.

14. DURATION OF THE PLAN

- 14.1 The Plan shall continue to be in force at the discretion of the Committee, subject to a maximum period of ten (10) years commencing on the Adoption Date, provided always that the Plan may continue beyond the above stipulated period with the approval of the Company's shareholders by ordinary resolution in general meeting and of any relevant authorities which may then be required.
- 14.2 The Plan may be terminated at any time at the discretion of the Committee, or by an ordinary resolution of the Company in general meeting, subject to all relevant approvals which may be required and if the Plan is so terminated, no further Awards shall be granted by the Committee hereunder.
- 14.3 The expiry or termination of the Plan shall not affect Awards which have been granted prior to such expiry or termination, whether such Awards have been Released (whether fully or partially) or not.

15. TAXES

All taxes (including income tax) arising from the grant or Release of any Award granted to any Participant under the Plan shall be borne by that Participant.

16. COSTS AND EXPENSES OF THE PLAN

- 16.1 Each Participant shall be responsible for all fees of CDP relating to or in connection with the issue and allotment or transfer of any Shares pursuant to the Release of any Award in CDP's name, the deposit of share certificate(s) with CDP, the Participant's securities account with CDP, the Participant's securities sub-account with a Depository Agent or CPF Investment account with a CPF agent bank.
- 16.2 Save for the taxes referred to in Rule 15 and such other costs and expenses expressly provided in the Plan to be payable by the Participants, all fees, costs and expenses incurred by the Company in relation to the Plan including but not limited to the fees, costs and expenses relating to the allotment and issue, or transfer, of Shares pursuant to the Release of any Award shall be borne by the Company.

17. DISCLAIMER OF LIABILITY

Notwithstanding any provisions herein contained, the Committee and the Company shall not under any circumstances be held liable for any costs, losses, expenses and damages whatsoever and howsoever arising in any event, including but not limited to the Company's delay in issuing, or procuring the transfer of, the Shares or applying for or procuring the listing of new Shares on the SGX-ST in accordance with Rule 7.1(f).

18. DISCLOSURES IN ANNUAL REPORTS

18.1 The following disclosures (as applicable) will be made by the Company in its annual report for so long as the Plan continues in operation:

- (a) the names of the members of the Committee administering the Plan;
- (b) the aggregate number of Shares granted and transferred since the commencement of the Plan and during the financial year under review;
- (c) the aggregate number of Shares comprised in Awards which have Vested during the financial year under review and in respect of such Awards, the proportion of new Shares issued and existing Shares purchased, including the range of prices at which such Shares have been purchased, upon the Release of the Vested Awards;
- (d) the aggregate number of Shares comprised in Awards which have not been Released as at the end of the financial year under review;
- (e) in respect of the following Participants of the Plan:
 - (i) Participants who are Directors of the Company;
 - (ii) Participants who are Controlling Shareholders and their Associates of the Company; and
 - (iii) Participants (other than those in paragraphs (i) and (ii) above) who have received Shares pursuant to the Release of Awards granted under the Plan which, in aggregate, represent five (5) per cent. or more of the total number of Shares available under the Plan, the following information must be disclosed:
 - (aa) the name of the Participant;
 - (bb) the following particulars relating to Awards Released under the Plan:
 - (1) number of Shares granted during the financial year under review (including the terms);
 - (2) aggregate number of Shares granted since the commencement of the Plan to the end of the financial year under review;
 - (3) aggregate number of Shares which have Vested since the commencement of the Plan to the end of the financial year under review;
 - (4) aggregate number of Shares outstanding as at the end of the financial year under review; and
 - (5) such other information as may be required by the Listing Manual or the Act.

- (f) an appropriate statement that none of the Controlling Shareholders and their Associates had received Shares pursuant to the Plan during the financial year under review; and
- (g) such other information as may be required by the Listing Manual or the Act.

19. DISPUTES

Any disputes or differences of any nature arising hereunder shall be referred to the Committee and its decision shall be final and binding in all respects.

20. GOVERNING LAW

The Plan shall be governed by, and construed in accordance with, the laws of the Republic of Singapore. The Participants, by accepting grants of Awards in accordance with the Plan, and the Company submit to the exclusive jurisdiction of the courts of the Republic of Singapore.

21. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT, CHAPTER 53B OF SINGAPORE

No person other than the Company or a Participant shall have any right to enforce any provision of the Plan or any Award by virtue of the Contracts (Rights of Third Parties) Act, Chapter 53B of Singapore.

GP BATTERIES INTERNATIONAL LIMITED

(Incorporated in the Republic of Singapore)
(Company Registration No.199002111N)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an EXTRAORDINARY GENERAL MEETING of the Company will be held at Libra & Gemini, Level 1 Marina Mandarin, 6 Raffles Boulevard, Marina Square, Singapore 039594 on 30 July 2010 at 3.15 p.m. (or as soon thereafter following the conclusion of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without any modifications, the following Resolutions (proposed as an ordinary resolutions):

Resolution 1

Ordinary Resolution:

GP Batteries Performance Share Plan

That:

- (a) the performance share plan to be known as the “GP Batteries Performance Share Plan” (the “Plan”), the rules of which, for the purpose of identification, have been subscribed to by the Chairman of the Meeting, under which awards (“Awards”) of fully paid-up ordinary shares in the capital of the Company (“Shares”) will be granted, to selected executive directors, non-executive directors and employees of the Company, its subsidiaries and associated companies particulars of which are set out in the Company’s Circular to its shareholders dated 14 July 2010, be and is hereby approved;
- (b) the Directors of the Company be and are hereby authorised:
 - (i) to establish and administer the Plan; and
 - (ii) to modify and/or alter the Plan from time to time, provided that such modification and/or alteration is effected in accordance with the provisions of the Plan, and to do all such acts and to enter into all such transactions and arrangements as may be necessary or expedient in order to give full effect to the Plan; and
- (c) the Directors of the Company be and are hereby authorised to grant Awards in accordance with the provisions of the Plan and to allot and issue from time to time such number of fully-paid up Shares as may be required to be allotted and issued pursuant to the vesting of Awards under the Plan, provided that the aggregate number of Shares to be allotted and issued pursuant to the Plan on any date, when added to the number of new Shares issued and issuable in respect of (a) all Awards granted thereunder and (b) all options or awards granted under any other share schemes of the Company then in force, shall not exceed 15% of the total number of issued Shares (excluding treasury shares) on the day preceding the relevant date of the Award.

Resolution 2

Ordinary Resolution:

The Proposed Participation of Mr Andrew Ng Sung On in the Plan

That:

Subject to and contingent upon the passing of Ordinary Resolution 1 above, the participation of Mr Andrew Ng Sung On, who is a Controlling Shareholder (as defined in the Listing Manual of the SGX-ST) of the Company, in the Plan be and is hereby approved.

Resolution 3

Ordinary Resolution:

The Proposed Grant to Mr Andrew Ng Sung On in the Plan

That:

Subject to and contingent upon the passing of Ordinary Resolutions 1 and 2 above, the grant of Award of up to 1,600,000 Shares to Mr Andrew Ng Sung On, who is a Controlling Shareholder (as defined in the Listing Manual of the SGX-ST) of the Company, in accordance with the Plan be and is hereby approved.

By Order of the Board

Tan San-Ju
Yeo Poh Noi Caroline
Secretaries
Singapore, 14 July 2010

Notes:

1. A member of the Company entitled to attend and vote at the Extraordinary General Meeting ("EGM") is entitled to appoint a proxy to attend and vote in his/her stead. A proxy need not be a member of the Company.
2. With the exception of The Central Depository (Pte) Limited, who may appoint more than two proxies, a member of the Company entitled to attend and vote at the EGM is entitled to appoint no more than two proxies to attend and vote in his/her stead.
3. The instrument appointing the proxy must be lodged at the registered office of the Company at 97 Pioneer Road, Singapore 639579 not less than 48 hours before the time appointed for the EGM.

PERSONS HOLDING SHARES IN THE CAPITAL OF THE COMPANY THROUGH THE CENTRAL DEPOSITORY (PTE) LIMITED ARE REMINDED THAT THE PROXY FORMS APPOINTING THEMSELVES AS PROXIES MUST SIMILARLY BE DEPOSITED NOT LESS THAN 48 HOURS BEFORE THE TIME APPOINTED FOR THE EXTRAORDINARY GENERAL MEETING IN ORDER FOR SUCH PERSONS TO BE ABLE TO ATTEND AND/OR VOTE AT SUCH MEETING.

IF A MEMBER OF THE COMPANY IS ENTITLED TO PARTICIPATE IN THE GP BATTERIES PERFORMANCE SHARE PLAN, HE/SHE SHOULD ABSTAIN FROM VOTING AT THE EXTRAORDINARY GENERAL MEETING IN RESPECT OF ORDINARY RESOLUTIONS RELATING TO THE GP BATTERIES PERFORMANCE SHARE PLAN, AND SHOULD NOT ACCEPT NOMINATIONS AS PROXIES OR OTHERWISE FOR VOTING AT THE EXTRAORDINARY GENERAL MEETING, IN RESPECT OF THE AFORESAID ORDINARY RESOLUTIONS, UNLESS SPECIFIC INSTRUCTIONS HAVE BEEN GIVEN IN THE PROXY FORM ON HOW THE VOTE IS TO BE CAST FOR THE AFORESAID ORDINARY RESOLUTIONS.

GP BATTERIES INTERNATIONAL LIMITED

(Company Registration No.: 199002111N)
(Incorporated In The Republic of Singapore)

IMPORTANT:

1. For investors who have used their CPF monies to buy GP Batteries International Limited's shares, this Report is forwarded to them at the request of the CPF Approved Nominees and is sent solely FOR INFORMATION ONLY.
2. This Proxy Form is not valid for use by CPF investors and shall be ineffective for all intents and purposes if used or purported to be used by them.
3. CPF investors who wish to attend the Meeting as an observer must submit their requests through their CPF Approved Nominees within the time frame specified. If they also wish to vote, they must submit their voting instructions to the CPF Approved Nominees within the time frame specified to enable them to vote on their behalf.

**PROXY FORM
EXTRAORDINARY GENERAL MEETING**

I/We, _____

of _____

being a member/members of GP Batteries International Limited (the "Company"), hereby appoint:

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

and/or (delete as appropriate)

Name	NRIC/Passport No.	Proportion of Shareholdings	
		No. of Shares	%
Address			

as *my/our proxy/proxies, to vote for *me/us and on *my/our behalf at the Extraordinary General Meeting of the Company to be held at Libra & Gemini, Level 1 Marina Mandarin, 6 Raffles Boulevard, Marina Square, Singapore 039594 on 30 July 2010 at 3.15 p.m (or as soon thereafter following the conclusion of the Annual General Meeting of the Company to be held at 2.30 p.m. on the same day and at the same place).

*I/We have indicated with an "X" in the appropriate box below how *I/we wish *my/our proxy/proxies to vote. If no specific direction as to voting is given, *my/our proxy/proxies may vote or abstain at the discretion of *my/our proxy/proxies, as he/she will on any other matter arising at the Meeting.

Ordinary Resolutions		For	Against
1.	To approve the proposed GP Batteries Performance Share Plan.		
2.	To approve the proposed participation of Mr Andrew Ng Sung On in the GP Batteries Performance Share Plan.		
3.	To approve the proposed grant of award to Mr Andrew Ng Sung On.		

Dated this _____ day of _____ 2010.

Number of Shares held	
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Signature of Shareholder(s)
or, Common Seal of Corporate Shareholder

IMPORTANT: PLEASE READ NOTES OVERLEAF BEFORE COMPLETING THIS PROXY FORM

* Delete Accordingly



Notes:

1. Please insert the total number of shares held by you. If you have shares entered against your name in the Depository Register (as defined in Section 130A of the Companies Act, Chapter 50), you should insert that number of shares. If you have shares registered in your name in the Register of Members, you should insert that number of shares. If you have shares entered against your name in the Depository Register and shares registered in your name in the Register of Members, you should insert the aggregate number of shares entered against your name in the Depository Register and registered in your name in the Register of Members. If no number is inserted, the instrument appointing a proxy or proxies shall be deemed to relate to all the shares held by you.
2. A member entitled to attend and vote at a meeting of the Company is entitled to appoint not more than two proxies to attend and vote on his/her behalf.
3. Where a member appoints two proxies, he/she shall specify the percentage of his shares to be represented by each proxy and if no percentage is specified, the first named proxy shall be deemed to represent 100 per cent of his shareholding and the second named proxy shall be deemed to be an alternate to the first named.
4. A proxy need not be a member of the Company.
5. The instrument appointing a proxy or proxies together with the letter or power of attorney, if any, under which it is signed or a duly certified copy thereof, must be deposited at the registered office of the Company at 97 Pioneer Road, Singapore 639579, not less than 48 hours before the time appointed for the Extraordinary General Meeting.
6. The instrument appointing a proxy or proxies must be under the hand of the appointor or his attorney duly authorized in writing. Where the instrument appointing a proxy or proxies is executed by a corporation, it must be executed either under its seal or under the hand of an officer or attorney duly authorized.
7. A corporation which is a member may authorize by resolution of its directors or other governing body such person as it thinks fit as its representative at the Extraordinary General Meeting, in accordance with Section 179 of the Companies Act, Chapter 50.
8. Please indicate with an "X" in the spaces provided whether you wish your vote(s) to be for or against the Resolutions as set out in the Notice of Extraordinary General Meeting. In the absence of specific directions, the proxy/proxies will vote or abstain as he/they may think fit, as he/they will on any other matter arising at the Extraordinary General Meeting.
9. The Company shall be entitled to reject the instrument appointing a proxy or proxies if it is incomplete, improperly completed or illegible or where the true intentions of the appointor are not ascertainable from the instructions of the appointor specified in the instrument appointing a proxy or proxies.
10. In the case of a member whose shares are entered against his name in the Depository Register, the Company may reject any instrument appointing a proxy or proxies lodged if the member, being the appointor, is not shown to have shares entered against his name in the Depository Register as at 48 hours before the time appointed for holding the Extraordinary General Meeting, as certified by The Central Depository (Pte) Limited to the Company.