

Third Quarter Financial Statement And Dividend Announcement for the Period Ended 31 December 2003

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),
HALF-YEAR AND FULL YEAR RESULTS**

1(a) An income statement (for the group) together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group Income Statement for third quarter ended 31 December 2003. These figures have not been audited.

				3Q YTD	3Q YTD	
	3Q 2003	3Q 2002	%	2003	2002	%
	S\$'000	S\$'000	+/(-)	S\$'000	S\$'000	+/(-)
Revenue	224,551	183,685	22.2	628,114	511,055	22.9
Cost of sales	(165,076)	(128,976)	28.0	(466,410)	(387,535)	20.4
Gross profit	59,475	54,709	8.7	161,704	123,520	30.9
Other operating income	335	1,010	(66.8)	1,480	1,604	(7.7)
Distribution expenses	(15,370)	(17,888)	(14.1)	(39,810)	(33,431)	19.1
Administrative expenses	(26,589)	(24,985)	6.4	(73,169)	(58,306)	25.5
Other operating expenses	(742)	(1,936)	(61.7)	(2,894)	(3,819)	(24.2)
Profit from operations	17,109	10,910	56.8	47,311	29,568	60.0
Finance costs	(2,460)	(2,015)	22.1	(7,360)	(7,842)	(6.1)
Profit before share of results of associates	14,649	8,895	64.7	39,951	21,726	83.9
Share of results of associates	2,720	1,922	41.5	7,621	6,302	20.9
Profit before income tax	17,369	10,817	60.6	47,572	28,028	69.7
Income tax expense	(2,612)	(1,566)	66.8	(6,972)	(3,812)	82.9
Profit after income tax	14,757	9,251	59.5	40,600	24,216	67.7
Minority interests	(1,201)	230	N/M	(3,117)	668	N/M
Profit attributable to shareholders	13,556	9,481	43.0	37,483	24,884	50.6

N/M: not meaningful

			3Q YTD	3Q YTD
	3Q 2003	3Q 2002	2003	2002
	S\$'000	S\$'000	S\$'000	S\$'000
Interest income included in other operating income	83	118	179	387
Foreign exchange adjustment gain included in other operating	0	974	498	974

income				
Foreign exchange adjustment loss included in other operating expenses	(476)	0	(1,970)	(1,406)
Depreciation and amortisation	(11,091)	(12,571)	(33,485)	(30,641)
Allowances for doubtful debts on trade receivables	(971)	(997)	(1,677)	(1,284)
Allowances for stock obsolescence	(833)	(988)	(4,556)	(4,274)
Bad trade receivables written off	0	0	(12)	(24)
Loss on disposal/written off of fixed assets (net)	(52)	(225)	(379)	(769)
Impairment loss of property, plant and equipment	0	(2,132)	0	(2,445)
Adjustment for underprovision of tax in respect of prior years	0	0	0	0

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

	The Group		The Company	
	31/12/2003	31/3/2003	31/12/2003	31/3/2003
	S\$'000	S\$'000	S\$'000	S\$'000
Non-current assets				
Fixed assets	305,615	298,602	7,606	7,806
Interest in subsidiaries	0	0	445,370	454,655
Interest in associates	30,425	27,564	11,453	11,453
Other investments	23,996	24,068	0	0
Deferred expenditure	38,454	43,319	2,115	2,350
Goodwill on consolidation	14,471	15,663	0	0
	412,961	409,216	466,544	476,264
Current assets				
- Stocks	184,218	148,426	3,911	4,066
- Debtors	214,388	190,257	81,764	58,087
- Short-term investments, at market value	59	52	0	0
- Deposits and prepayments	12,318	16,332	730	622
- Bank balances, deposits and cash	68,777	33,618	26,064	1,669
Total current assets	479,760	388,685	112,469	64,444
Current liabilities				
- Creditors and accrued charges	(168,892)	(142,503)	(18,450)	(28,015)
- Obligations under finance leases	(1,278)	(65)	(22)	(22)
- Income tax payable	(2,364)	(2,864)	(856)	(806)
- Bank loans and overdrafts	(107,766)	(86,414)	(31,497)	(12,994)
- Floating rate notes	0	(105,882)	0	(105,882)
Total current liabilities	(280,300)	(337,728)	(50,825)	(147,719)
Non-current liabilities				
- Bank loans	(69,186)	(57,034)	(42,707)	(26,471)

- Obligations under finance leases	(6,776)	(133)	(29)	(48)
- Fixed/floating rate notes	(156,248)	(50,000)	(156,248)	(50,000)
- Deferred tax liabilities	(3,656)	(3,455)	(475)	(475)
Total non-current liabilities	(235,866)	(110,622)	(199,459)	(76,994)
	376,555	349,551	328,729	315,995
Represented by:				
Share capital	85,334	82,832	85,334	82,832
Reserves	249,310	223,286	243,395	233,163
Shareholders' funds	334,644	306,118	328,729	315,995
Minority interests	41,911	43,433	0	0
	376,555	349,551	328,729	315,995

The increase in current assets of S\$91.1 million for the Group was mainly due to:

- The increase in stocks and debtors of S\$35.8 million and S\$24.1 million respectively as a result of increase in revenue for the period.
- The decrease in deposits and prepayments by S\$4.0 million.
- Increase in bank balances by S\$35.2 million as the net proceeds from the issue of US\$30 million and S\$55 million floating rate notes (the "Notes") in October 2003 had not been fully utilised.

The decrease in current liabilities of S\$57.4 million was mainly due to:

- Increase in creditors and accrued charges by S\$26.4 million as a result of increase in manufacturing activities.
- Decrease in short term bank loans and overdrafts by S\$84.5 million due to the redemption of S\$105.9 million floating rate notes in September 2003. These floating rate notes were refinanced by the issue of the Notes due 2006 as reflected under non-current liabilities.

The increase in obligations under finance leases of non-current liabilities was due to the lease financing of the Group's machinery.

1(b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31/12/2003		As at 31/03/2003	
Secured	Unsecured	Secured	Unsecured
S\$2,002,000	S\$107,042,000	S\$768,000	S\$191,593,000

Amount repayable after one year

As at 31/12/2003		As at 31/03/2003	
Secured	Unsecured	Secured	Unsecured
S\$6,974,000	S\$225,236,000	S\$907,000	S\$106,260,000

Details of any collateral

The net book value of fixed assets includes an amount of S\$9,812,000 (as at 31/03/03: S\$408,000) for the Group and S\$81,000 (as at 31/03/03: S\$102,000) for the Company in respect of certain machinery, moulds and equipment held under finance leases.

Land and buildings with a total net book value of S\$3,991,000 (as at 31/03/03: S\$4,123,000) for the Group have been pledged to banks as securities for banking facilities granted.

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

Cash flow statement

The Group

	3Q 2003	3Q 2002
	S\$'000	S\$'000
Cash flows from operating activities:		
Profit before income tax and share of results of associates	14,649	8,895
Adjustments for:		
Depreciation and amortisation	11,091	12,571
Interest expense	2,460	2,015
Interest income	(83)	(118)
Impairment loss of property, plant and machinery	0	2,132
Loss on disposal of property, plant and equipment	52	225
Write off of product development expenditure	5	3,982
Operating profit before working capital changes	28,174	29,702
Stocks	(18,460)	(19,539)
Debtors	(7,303)	44,268
Deposits and prepayments	10,547	(1,678)
Creditors and accrued charges	7,521	5,235
Cash generated from operations	20,479	57,988
Interest received	73	107
Interest paid	(2,350)	(1,323)
Income tax paid	(4,160)	(916)
Net cash from operating activities	14,042	55,856
Cash flows from investing activities:		
Dividends received from associates	95	1,212
Purchase of other investments	(1,273)	0
Proceeds from disposal of property, plant and equipment	494	332
Purchase of property, plant and equipment	(16,871)	(12,015)
Acquisition of subsidiary, net of cash acquired (Note A)	369	(30,196)
Net cash used in investing activities	(17,186)	(40,667)

	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Group								
Balance at 30/9/2002	82,802	135,648	(29,615)	(26,700)	2,093	4,347	126,282	294,857
Issue of shares	0	0	0	0	0	0	0	0
Premium arising from issue of shares, net of expenses	0	0	0	0	0	0	0	0
Translation loss	0	0	0	(4,752)	0	0	0	(4,752)
Transfer to (from) reserves	0	0	3	0	0	0	(3)	0
Profit attributable to shareholders	0	0	0	0	0	0	9,481	9,481
Balance at 31/12/2002	82,802	135,648	(29,612)	(31,452)	2,093	4,347	135,760	299,586
Balance at 30/9/2003	84,575	137,703	(28,676)	(30,398)	2,093	6,048	151,712	323,057
Issue of shares	759	0	0	0	0	0	0	759
Premium arising from issue of shares, net of expenses	0	1,480	0	0	0	0	0	1,480
Translation loss	0	0	0	(4,208)	0	0	0	(4,208)
Transfer to (from) reserves	0	0	0	0	0	0	0	0
Profit attributable to shareholders	0	0	0	0	0	0	13,556	13,556
Balance at 31/12/2003	85,334	139,183	(28,676)	(34,606)	2,093	6,048	165,268	334,644

	Share capital	Share premium	Translation reserve	Dividend reserve	Retained profits	Total
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
The Company						
Balance at 30/9/2002	82,802	135,648	(12,320)	4,347	91,707	302,184
Issue of shares	0	0	0	0	0	0
Premium arising from issue of shares, net of expenses	0	0	0	0	0	0
Translation gain	0	0	1	0	0	1
Profit attributable to shareholders	0	0	0	0	19,930	19,930
Balance at 31/12/2002	82,802	135,648	(12,319)	4,347	111,637	322,115
Balance at 30/9/2003	84,575	137,703	(16,835)	6,048	112,292	323,783
Issue of shares	759	0	0	0	0	759
Premium arising from issue of shares, net of expenses	0	1,480	0	0	0	1,480
Translation loss	0	0	(2,314)	0	0	(2,314)
Profit attributable to shareholders	0	0	0	0	5,021	5,021
Balance at 31/12/2003	85,334	139,183	(19,149)	6,048	117,313	328,729

1(d)(ii) Details of any changes in the company's share capital arising from rights issue,

bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for

acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.

Since 30 September 2003, 949,000 ordinary shares of S\$0.80 each of the Company were issued pursuant to the exercise of options granted under the Company's Executives' Share Option Scheme, as follows:

	Number of issued shares	Issued share capital (S\$'000)
As at 30/9/2003	105,718,168	84,575
- Issued at S\$3.08 per share	515,000	412
- Issued at S\$1.41 per share	45,000	36
- Issued at S\$1.60 per share	389,000	311
As at 31/12/2003	106,667,168	85,334

Status of Outstanding Share Options

The total number of shares that may be issued on exercise of all outstanding share options granted under the Company's Executives' Share Option Scheme are as follows:

	Date of Expiry	Exercise Price per each ordinary share of S\$0.80	As at 31/12/2003	As at 31/12/2002
Share Option				
1992 Scheme				
No. 7	5 August 2004	S\$3.08	1,904,000	2,730,000
1999 Scheme				
No. 1	16 March 2010	S\$1.41	586,000	1,733,000
No. 2	10 October 2010	S\$1.60	808,000	2,000,000
No. 3	4 August 2012	S\$1.25	2,000,000	2,000,000
No. 4	24 June 2013	S\$2.50	2,500,000	0
			7,798,000	8,463,000

2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.

The figures have not been audited or reviewed.

3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).

Not applicable.

4. Whether the same accounting policies and methods of computation as in the

issuer's most recently audited annual financial statements have been applied.

The Group has adopted the same accounting policies and methods of computation for the current financial year as those adopted for the audited financial statements for the financial year ended 31 March 2003.

5. If there are any changes in the accounting policies and methods of computation,

including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

Not applicable.

6. Earnings per ordinary share of the group for the current financial period reported

on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

	Group			
	3Q 2003	3Q 2002	3Q YTD 2003	3Q YTD 2002
Earnings per ordinary share for the year after deducting any provision for preference dividends:				
(a) Based on weighted average number of ordinary shares in issue	12.77 cents	9.16 cents	35.71 cents	24.04 cents
(b) On a fully diluted basis	12.36 cents	9.13 cents	34.96 cents	23.96 cents
Weighted average number of ordinary shares	106,150,453	103,502,168	104,952,083	103,502,037

For earnings per ordinary share calculation, the weighted average number of ordinary shares for the period represents the number of ordinary shares in issue at the beginning of the period adjusted for shares issued upon exercise of options, multiplied by a time-weighted factor. For the purpose of calculating the diluted earnings per ordinary share, the weighted average number of ordinary shares in issue had been adjusted to reflect the effect of all potentially dilutive ordinary shares from the exercise of all outstanding share options.

7. Net asset value (for the issuer and group) per ordinary share based on issued share

capital of the issuer at the end of the:-

**(a) current financial period reported on; and
(b) immediately preceding financial year.**

	Group		Company	
	31/12/2003	31/3/2003	31/12/2003	31/3/2003
	S\$	S\$	S\$	S\$
Net asset value per ordinary share based on issued share capital at the end of the	3.14	2.96	3.08	3.05

8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-

(a) any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and

(b) any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.

The Group's turnover for the three months ended 31 December 2003 was S\$224.6 million, an increase of 22.2% over the corresponding period last year. The consolidated net profit after taxation and minority interests attributable to members of the Company for the third quarter was S\$13.6 million, an increase of 43.0%.

For the nine months ended 31 December 2003, the Group's turnover was S\$628.1 million, an increase of 22.9% over that of the same period last year. The consolidated net profit after taxation and minority interests attributable to members of the Company for the first three quarters was S\$37.5 million, an increase of 50.6%.

The increase in turnover was attributable to the continued increase in turnover of high-capacity Nickel Metal Hydride and Lithium-ion rechargeable batteries and the consolidation of sales of Zhongyin Ningbo Battery Co. Ltd ("Ningbo Batteries") after the acquisition in November 2002.

Sales in Asia, especially Hong Kong and China, continued to grow as the market gradually recovered following containment of the SARS outbreak. During the third quarter, export sales to America and Europe increased by about 34% and 25% respectively.

Gross profit increased by 30.9% to S\$161.7 million for the nine months ended 31 December 2003. Gross profit margin for the third quarter was slightly affected by the increase in prices of raw materials especially nickel and cobalt. However, profit attributable to shareholders maintained at about 6% due to the contributions from associates and continued cost control.

Total distribution expenses and administrative expenses incurred for the first three quarters were higher as compared to the previous corresponding period mainly due to inclusion of Ningbo Batteries since November 2002.

Production capacities for Li-ion and Nickel Metal Hydride batteries has been expanded to meet the increase in demand.

On 16 October 2003, the Company issued the second series of US\$30 million Floating Rate Notes due 2006 and the third series of S\$55 million Floating Rate Notes due 2006 pursuant to its S\$500 million Multicurrency Debt Issuance Programme established in May 2002. Part of the net proceeds from the issue of the Notes has been used to refinance existing borrowings.

9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.

The results are in line with the statement made in the Company's second quarter results announcement.

10. A commentary at the date of the announcement of the significant trends and

competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.

The general business outlook continues to be steady. The effect of the drastic increase in commodity prices has been cushioned by improvement in the general market conditions and battery prices adjustments.

The Group will continue to increase production capacities to meet expected increase in demand. It will further promote its GP brand name and capitalise on its strong worldwide distribution network, especially in China.

The Group will continue to explore more business opportunities for Electric Vehicle batteries and Thin Metal Film Lead Acid batteries.

The Company was notified on 26 January 2004 that the Minister for Trade and Industry had approved the extension of its International Headquarters ("IHQ") Award by the Economic Development Board of Singapore. The IHQ status shall be for a 5-year period commencing 1 July 2002.

On 30 January 2004, the Group's dispute with Energizer Holdings, Inc and Eveready Battery Company, Inc ("Energizer") was resolved through a cross licensing agreement that provided all parties with the freedom to operate throughout the world.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on? None

(b) Corresponding Period of the Immediately Preceding Financial Year

Any dividend declared for the corresponding period of the immediately preceding financial year?
None

(c) Date payable

Not applicable.

(d) Books closure date

Not applicable.

12. If no dividend has been declared/recommended, a statement to that effect.

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT

(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

13. Segmented revenue and results for business or geographical segments (of the

group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.

Not applicable.

14. In the review of performance, the factors leading to any material changes in

contributions to turnover and earnings by the business or geographical segments.

Not applicable

15. A breakdown of sales.

Not applicable.

16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.

Total Annual Dividend (*Refer to Para 16 of Appendix 7.2 for the required details*)

	Latest Full Year ()	Previous Full Year ()
Ordinary		
Preference	0	0
Total:		

BY ORDER OF THE BOARD

Andrew Ng Sung On
Chairman and Chief Executive
24/02/2004