

**Second Quarter and Half Year Financial Statement And Dividend Announcement for the Period Ended 30 September 2005**

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

**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 the second quarter ("Q2") and the half year ("H1") ended 30 September 2005. These figures have not been audited.

	Q2 ended 30.9.05 S\$'000	Q2 ended 30.9.04 S\$'000	Change %	H1 ended 30.9.05 S\$'000	H1 ended 30.9.04 S\$'000	Change %
		(restated)			(restated)	
Revenue	236,814	220,770	7.3	453,875	440,348	3.1
Cost of sales	(188,895)	(170,130)	11.0	(365,077)	(337,273)	8.2
Gross profit	47,919	50,640	(5.4)	88,798	103,075	(13.9)
Other operating income	1,165	492	136.8	1,917	1,437	33.4
Distribution expenses	(13,885)	(13,247)	4.8	(25,737)	(24,991)	3.0
Administrative expenses	(22,724)	(23,048)	(1.4)	(41,488)	(47,603)	(12.8)
Other operating expenses	(1,144)	(395)	189.6	(2,091)	(510)	310.0
Finance costs	(3,966)	(2,468)	60.7	(8,185)	(4,899)	67.1
Profit before exceptional items	7,365	11,974	(38.5)	13,214	26,509	(50.2)
Exceptional items	(3,545)	(2,501)	41.7	(5,790)	(2,501)	131.5
Profit before share of results of associates	3,820	9,473	(59.7)	7,424	24,008	(69.1)
Share of results of associates	2,037	1,063	91.6	3,753	3,184	17.9
Profit before income tax	5,857	10,536	(44.4)	11,177	27,192	(58.9)
Income tax	(1,118)	(1,383)	(19.2)	(1,926)	(4,053)	(52.5)
Profit after income tax	4,739	9,153	(48.2)	9,251	23,139	(60.0)
Attributable to:						
Equity holders of the Company	3,890	7,200	(46.0)	7,614	19,701	(61.4)
Minority interests	849	1,953	(56.5)	1,637	3,438	(52.4)
	4,739	9,153	(48.2)	9,251	23,139	(60.0)

Figures for prior period have been restated to reflect the adoption of new and revised FRS (see paragraph 4 for details).

	<b>Q2 ended 30.9.05 S\$'000</b>	<b>Q2 ended 30.9.04 S\$'000</b>	<b>H1 ended 30.9.05 S\$'000</b>	<b>H1 ended 30.9.04 S\$'000</b>
<b>Profit from operations is arrived at after crediting (charging) the following:</b>				
Depreciation and amortisation	(10,750)	(11,873)	(20,841)	(22,690)
Foreign exchange gain (loss)	(749)	(600)	(1,241)	78
<b>Exceptional items comprised:</b>				
Cost relating to the closing down and relocation of production facilities	(3,545)	0	(5,790)	0
Expenses in relation to Cadmium issue in Huizhou, China	0	(2,501)	0	(2,501)

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.

As at	Group		Company	
	30.9.05 S\$'000	31.3.05 S\$'000	30.9.05 S\$'000	31.3.05 S\$'000
		(restated)		(restated)
<b>Non-current Assets</b>				
Investment properties	21,077	20,478	800	800
Property, plant and equipment	283,288	285,607	6,404	6,613
Interest in subsidiaries	0	0	553,014	523,277
Interest in associates	63,670	49,877	26,579	20,630
Other investments	5,466	7,719	0	0
Deferred tax assets	3,437	2,703	0	0
Deferred expenditure	28,375	30,085	1,567	1,723
Goodwill on consolidation	12,558	12,558	0	0
Total non-current assets	417,871	409,027	588,364	553,043
<b>Current Assets</b>				
Stocks	224,204	223,898	7,700	4,615
Debtors	240,736	224,107	9,703	7,814
Short-term investments	15,597	18,035	0	0
Tax recoverable	1,783	4,262	0	0
Deposits and prepayments	15,513	12,584	1,541	876
Bank balances, deposits and cash	40,933	41,172	1,865	6,902
Total current assets	538,766	524,058	20,809	20,207
<b>Current Liabilities</b>				
Creditors and accrued charges	148,327	150,739	14,413	19,007
Obligations under finance leases	1,242	2,814	15	22
Income tax payable	4,758	3,586	1,267	1,267
Bank loans and overdrafts	163,739	147,479	56,506	37,711
Notes	0	50,000	0	50,000
Total current liabilities	318,066	354,618	72,201	108,007
<b>Net current assets (liabilities)</b>	<b>220,700</b>	<b>169,440</b>	<b>(51,392)</b>	<b>(87,800)</b>
<b>Non-current liabilities</b>				
Bank loans	76,369	82,057	67,826	65,823
Obligations under finance leases	516	5,844	0	2
Notes	165,870	104,367	165,870	104,367
Deferred tax liabilities	11,488	11,652	625	625
Total non-current liabilities	254,243	203,920	234,321	170,817
	384,328	374,547	302,651	294,426
<b>Represented by:</b>				
Share capital	87,571	87,563	87,571	87,563
Reserves	246,652	240,061	215,080	206,863
Shareholders' funds	334,223	327,624	302,651	294,426
Minority interests	50,105	46,923	0	0
	384,328	374,547	302,651	294,426

Figures for prior period have been restated to reflect the adoption of new and revised FRS (see paragraph 4 for details).

The increase in interest in associates of S\$13.8 million was mainly due to:

- Investment in Jetview Limited ("Jetview") of S\$9.8 million. Jetview and its subsidiaries are primarily engaged in the design and assembly of Lithium ion and Lithium polymer battery packs for notebook computers and other electronic devices in Taiwan and China for sales to the OEM market worldwide; and
- Additional investment in Ningbo GP Sanyo of S\$5.9 million. Ningbo GP Sanyo is engaged in the production of primary lithium batteries in China.

The increase in current assets of S\$14.7 million was mainly due to the increase in debtors of S\$16.6 million which is in line with increase in sales.

The decrease in current liabilities of S\$36.6 million was mainly due to the redemption of the S\$50 million Notes in May 2005 offset by the increase in bank loans of S\$16.3 million for the investment in associates of S\$15.7 million.

The increase in non-current liabilities was due to the issue of Notes of S\$60 million in June 2005.

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

**Amount repayable in one year or less, or on demand**

As at 30.9.05		As at 31.3.05	
Secured	Unsecured	Secured	Unsecured
S\$1,242,000	S\$163,739,000	S\$2,829,000	S\$197,464,000

**Amount repayable after one year**

As at 30.9.05		As at 31.3.05	
Secured	Unsecured	Secured	Unsecured
S\$516,000	S\$242,239,000	S\$5,844,000	S\$186,424,000

**Details of any collateral**

The net book value of fixed assets included an amount of S\$5,870,000 (as at 31/3/05: S\$11,323,000) for the Group and S\$50,000 (as at 31/3/05: S\$57,000) 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\$3,962,000 (as at 31/3/05: S\$3,845,000) for the Group have been pledged to banks as securities for banking facilities granted.

**Other comments to paragraph 1(b)(ii)**

Not applicable.

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

	Q2 ended 30.9.05 S\$'000	Q2 ended 30.9.04 S\$'000
		(restated)
<b>Cash flows from operating activities</b>		
Profit before income tax and share of results of associates	3,820	9,473
Adjustments for:		
Changes in fair values of financial instruments	(219)	0
Cost of share-based payment	0	129
Depreciation and amortisation	10,750	11,873
Interest expense	3,966	2,468
Interest income	(116)	(81)
Loss on disposal of property, plant and equipment	285	286
Provision for advance to an associate	251	0
Operating profit before working capital changes	18,737	24,148
Stocks	11,759	(9,157)
Debtors	(11,345)	(8,655)
Deposits and prepayments	(170)	(1,969)
Creditors and accrued charges	(7,493)	(17,112)
Cash generated from (used in) operations	11,488	(12,745)
Interest received	116	81
Interest paid	(2,368)	(1,304)
Income tax (paid) refund	(241)	894
Net cash from (used in) operating activities	8,995	(13,074)
<b>Cash flows from investing activities</b>		
Acquisition of associates	0	(4,768)
Advance to an associate	(251)	(3,731)
Dividends received from associates	792	1,274
Proceeds from disposal of property, plant and equipment	492	2,497
Purchase of property, plant and equipment	(3,045)	(12,984)
Net cash used in investing activities	(2,012)	(17,712)
<b>Cash flows from financing activities</b>		
Bank loans (repaid) obtained	(6,963)	30,026
Capital contributions from minority shareholders	845	1,387
Dividend paid	(2,408)	(11,155)
Dividend paid to minority shareholders	(353)	(1,554)
Issue of shares	0	4,821
Obligations under finance leases	(3,001)	(1,115)
Net cash (used in) from financing activities	(11,880)	22,410
<b>Net effect of exchange rate changes in consolidating subsidiaries</b>	544	(974)
Net decrease in cash and cash equivalents	(4,353)	(9,350)
Cash and cash equivalents at beginning of period	43,635	50,269
<b>Cash and cash equivalents at end of period</b>	39,282	40,919
Cash and cash equivalents at end of period comprise:		
Bank balances, deposits and cash	40,933	41,164
Bank overdrafts	(1,651)	(245)
	39,282	40,919

Figures for prior period have been restated to reflect the adoption of new and revised FRS (see paragraph 4 for details).

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

Group	Share capital S\$'000	Share premium S\$'000	Capital/ legal reserve S\$'000	Translation reserve S\$'000	Property revaluation reserve S\$'000	Dividend reserve S\$'000	Retained profits S\$'000	Other reserve S\$'000	Sub- total S\$'000	Minority interest S\$'000	Total equity S\$'000
Balance at 31.3.04											
- As previously reported	85,436	139,388	(28,637)	(36,689)	2,093	11,019	167,551	0	340,161	42,209	382,370
- Change in accounting policy FRS 102	0	0	0	0	0	0	(388)	388	0	0	0
- As restated	85,436	139,388	(28,637)	(36,689)	2,093	11,019	167,163	388	340,161	42,209	382,370
Issue of shares	235	546	0	0	0	0	0	0	781	0	781
Cost of share-based payment	0	0	0	0	0	0	0	129	129	0	129
Capital contribution	0	0	0	0	0	0	0	0	0	81	81
Translation gain	0	0	0	4,030	0	0	0	0	4,030	642	4,672
Transfer to (from) reserves	0	0	15	0	(115)	0	100	0	0	0	0
Profit for the period	0	0	0	0	0	0	12,501	0	12,501	1,485	13,986
Dividends paid	0	0	0	0	0	0	0	0	0	(511)	(511)
Balance at 30.6.04	85,671	139,934	(28,622)	(32,659)	1,978	11,019	179,764	517	357,602	43,906	401,508
Issue of shares	1,749	3,072	0	0	0	0	0	0	4,821	0	4,821
Cost of share-based payment	0	0	0	0	0	0	0	129	129	0	129
Capital contribution	0	0	0	0	0	0	0	0	0	1,387	1,387
Translation Loss	0	0	0	(3,322)	0	0	0	0	(3,322)	(581)	(3,903)
Profit for the period	0	0	0	0	0	0	7,200	0	7,200	1,953	9,153
Dividends paid	0	0	0	0	0	(11,019)	(136)	0	(11,155)	(1,554)	(12,709)
Dividends proposed	0	0	0	0	0	4,159	(4,159)	0	0	0	0
Balance at 30.9.04	87,420	143,006	(28,622)	(35,981)	1,978	4,159	182,669	646	355,275	45,111	400,386

<b>Group</b>	<b>Share capital S\$'000</b>	<b>Share premium S\$'000</b>	<b>Capital/ legal reserve S\$'000</b>	<b>Translation reserve S\$'000</b>	<b>Property revaluation reserve S\$'000</b>	<b>Dividend reserve S\$'000</b>	<b>Retained profits S\$'000</b>	<b>Other reserve S\$'000</b>	<b>Sub- total S\$'000</b>	<b>Minority interest S\$'000</b>	<b>Total equity S\$'000</b>
Balance at 31.3.05											
- As previously stated	87,563	143,106	(28,599)	(41,535)	1,978	2,408	162,703	0	327,624	46,923	374,547
- Change in accounting policy FRS 102	0	0	0	0	0	0	(904)	904	0	0	0
- As restated	87,563	143,106	(28,599)	(41,535)	1,978	2,408	161,799	904	327,624	46,923	374,547
Effects of adopting FRS 39	0	0	0	0	0	0	(194)	(1,560)	(1,754)	0	(1,754)
Effects of adopting FRS 103	0	0	(5,169)	0	0	0	5,169	0	0	0	0
	87,563	143,106	(33,768)	(41,535)	1,978	2,408	166,774	(656)	325,870	46,923	372,793
Capital contribution	8	5	0	0	0	0	0	0	13	0	13
Cost of share-based payment	0	0	0	0	0	0	0	129	129	0	129
Net fair value changes on:											
- hedges on net investment in foreign entities	0	0	0	(4,215)	0	0	0	0	(4,215)	0	(4,215)
- assets available for sale	0	0	0	0	0	0	0	(622)	(622)	0	(622)
Translation gain	0	0	0	13,666	0	0	0	0	13,666	1,332	14,998
Transfer to (from) reserves	0	0	1,670	0	0	0	(1,670)	0	0	0	0
Profit for the period	0	0	0	0	0	0	3,724	0	3,724	788	4,512
Dividends paid	0	0	0	0	0	0	0	0	0	(45)	(45)
Balance at 30.6.05	87,571	143,111	(32,098)	(32,084)	1,978	2,408	168,828	(1,149)	338,565	48,998	387,563
Capital contribution	0	0	0	0	0	0	0	0	0	845	845
Net fair value changes on:											
- hedges on net investment in foreign entities	0	0	0	68	0	0	0	0	68	0	68
- assets available for sale	0	0	0	0	0	0	0	(3,219)	(3,219)	0	(3,219)
Translation loss	0	0	0	(2,673)	0	0	0	0	(2,673)	(234)	(2,907)
Profit for the period	0	0	0	0	0	0	3,890	0	3,890	849	4,739
Dividends paid	0	0	0	0	0	(2,408)	0	0	(2,408)	(353)	(2,761)
Dividends proposed	0	0	0	0	0	1,642	(1,642)	0	0	0	0
Balance at 30.9.05	87,571	143,111	(32,098)	(34,689)	1,978	1,642	171,076	(4,368)	334,223	50,105	384,328

<b>Company</b>	<b>Share capital S\$'000</b>	<b>Share premium S\$'000</b>	<b>Translation reserve S\$'000</b>	<b>Dividend reserve S\$'000</b>	<b>Retained profits S\$'000</b>	<b>Other reserve S\$'000</b>	<b>Total equity S\$'000</b>
Balance at 31.3.04							
- As previously reported	85,436	139,388	(22,931)	11,019	122,154	0	335,066
- Change in accounting policy FRS 21	0	0	22,931	0	(22,931)	0	0
- Change in accounting policy FRS 102	0	0	0	0	(388)	388	0
As restated	85,436	139,388	0	11,019	98,835	388	335,066
Issue of shares	235	546	0	0	0	0	781
Cost of share-based payment	0	0	0	0	0	129	129
Profit for the period	0	0	0	0	2,478	0	2,478
Balance at 30.6.04	85,671	139,934	0	11,019	101,313	517	338,454
Issue of shares	1,749	3,072	0	0	0	0	4,821
Cost of share-based payment	0	0	0	0	0	129	129
Profit for the period	0	0	0	0	7,942	0	7,942
Dividends paid	0	0	0	(11,019)	(136)	0	(11,155)
Dividends proposed	0	0	0	4,159	(4,159)	0	0
Balance at 30.9.04	87,420	143,006	0	4,159	104,960	646	340,191
Balance at 31.3.05							
- As previously reported	87,563	143,106	(29,694)	2,408	91,043	0	294,426
- Change in accounting policy FRS 21	0	0	29,694	0	(29,694)	0	0
- Change in accounting policy FRS 102	0	0	0	0	(904)	904	0
- As restated	87,563	143,106	0	2,408	60,445	904	294,426
Effects of adopting FRS 39	0	0	0	0	(100)	0	(100)
	87,563	143,106	0	2,408	60,345	904	294,326
Issue of shares	8	5	0	0	0	0	13
Cost of share-based payment	0	0	0	0	0	129	129
Profit for the period	0	0	0	0	7,670	0	7,670
Balance at 30.6.05	87,571	143,111	0	2,408	68,015	1,033	302,138
Profit for the period	0	0	0	0	2,921	0	2,921
Dividends paid	0	0	0	(2,408)	0	0	(2,408)
Dividends proposed	0	0	0	1,642	(1,642)	0	0
Balance at 30.9.05	87,571	143,111	0	1,642	69,294	1,033	302,651



- 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.

There were no movement in the issued share capital of the Company from 30 June 2005 to 30 September 2005.

**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:

Share option	Date of Expiry	Exercise Price per each ordinary share of S\$0.80	As at 30.9.05	As at 30.9.04
<b>1999 Scheme</b>				
No. 1	16 March 2010	S\$1.41	375,000	479,000
No. 2	10 October 2010	S\$1.60	517,000	521,000
No. 2	10 October 2005	S\$1.60	30,000	30,000
No. 3	4 August 2012	S\$1.25	1,004,000	1,075,000
No. 3	4 August 2007	S\$1.25	60,000	70,000
No. 4	24 June 2013	S\$2.50	2,400,000	2,400,000
No. 4	24 June 2008	S\$2.50	100,000	100,000
			4,486,000	4,675,000

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 by the Company's auditors.

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.**

Other than the adoption of certain revisions to various existing Financial Reporting Standards ("FRSs") and the new FRSs that are mandatory for the Group in respect of its financial year commencing on 1 April 2005, the Group has adopted the same accounting policies and methods of computation for the current financial period as those adopted in its audited financial statements for the financial year ended 31 March 2005. The effects of the adoption of these revised or new FRSs are disclosed in paragraph 5.

**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.**

The adoption of the various revised and new FRSs effective 1 April 2005 does not have a material financial effect on the Group and the Company except as discussed below:

FRS39 – Financial Instruments: Recognition and Measurement

FRS 39 sets out the new requirements for the recognition, derecognition and measurement of the Group's financial instruments and hedge accounting.

In accordance with the transitional provisions of FRS 39, the comparative figures have not been restated for the effect of recognition, derecognition and measurement of financial instruments. On 1 April 2005, the following transitional adjustments were made:

	Fair value Reserve S\$'000	Retained profits S\$'000	Total S\$'000
Fair valuation of:			
- Derivatives	-	(94)	(94)
- Available-for-sale investments	(1,560)	-	(1,560)
Remeasurement of financial liabilities	-	(100)	(100)
Transitional adjustments required under FRS 39	<u>(1,560)</u>	<u>(194)</u>	<u>(1,754)</u>

The adoption of FRS 39 has resulted in a decrease in equity as at 1 April 2005 of S\$1.8 million.

FRS 102 – Share-based Payment

Fair value of options granted to employees after 22 November 2002 and not yet vested as at 1 January 2005 are recognised and expensed over the vesting period of the options, with a corresponding credit to reserves.

FRS 103 – Business Combinations

The goodwill arising from consolidation was, until 31 March 2005, amortised on a straight line basis over a period of 10 years.

In accordance with the provisions of FRS 103, the Group will cease amortisation of goodwill from 1 April 2005 onwards. Goodwill will be assessed annually for impairment at the end of each financial year or when there are indications of impairment. Previously recognised negative goodwill S\$5,169,000 as at 1 April 2005 had been derecognised with a corresponding adjustment to the opening balance of retained earnings.

FRS 21: The Effect of Changes in Foreign Exchange Rates.

In accordance with the provisions of the revised FRS 21, exchange differences arising on monetary items that are in substance an extension of the Company's net investment or a hedge of the Company's net investment in a foreign entity, are recognised in the profit and loss account, instead of currency translation reserve as previously allowed. Upon consolidation, such exchanges differences are taken to the translation reserve.

Adoption of FRS 39 and 103 has been applied prospectively. Adoption of FRS 21 and 102 has been applied retrospectively. The impact from the application of FRS 21 and 102 are summarised as follows:

	<b>As previously reported S\$'000</b>	<b>Adoption of FRS 21 S\$'000</b>	<b>Adoption of FRS102 S\$'000</b>	<b>As restated S\$'000</b>
<b><u>Group</u></b>				
Retained profits:				
- 1.04.04	167,551	0	(388)	167,163
- 1.04.05	162,703	0	(904)	161,799
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Other reserve:				
- 1.04.04	0	0	388	388
- 1.04.05	0	0	904	904
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Profit after income tax:				
- Q1 ended 30.06.04	14,115	0	(129)	13,986
- Q2 ended 30.09.04	9,282	0	(129)	9,153
	23,397	0	(258)	23,139
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<b><u>Company</u></b>				
Retained profits:				
- 1.04.04	122,154	(22,931)	(388)	98,835
- 1.04.05	91,043	(29,694)	(904)	60,445
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Other reserve:				
- 1.04.04	0	0	388	388
- 1.04.05	0	0	904	904
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Translation reserve:				
- 1.04.04	(22,931)	22,931	0	0
- 1.04.05	(29,694)	29,694	0	0
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Profit after income tax:				
- Q1 ended 30.06.04	517	2,090	(129)	2,478
- Q2 ended 30.09.04	10,415	(2,344)	(129)	7,942
	10,932	(254)	(258)	10,420
<hr/> <hr/>				

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.**

	<b>Q2 ended 30.9.05</b>	<b>Q2 ended 30.9.04 (restated)</b>	<b>H1 ended 30.9.05</b>	<b>H1 ended 30.9.04 (restated)</b>
Earnings per ordinary share for the period after deducting any provision for preference dividends:				
(a) Based on weighted average number of ordinary shares in issue	3.55 cents	6.65 cents	6.96 cents	18.30 cents
(b) On a fully diluted basis	3.46 cents	6.53 cents	6.78 cents	17.98 cents
Weighted average number of ordinary shares	109,464,168	108,332,895	109,460,944	107,649,319

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 calculation the diluted earnings per ordinary shares, 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.**

	<b>Group</b>		<b>Company</b>	
	<b>30.9.05 S\$</b>	<b>31.3.05 S\$</b>	<b>30.9.05 S\$</b>	<b>31.3.05 S\$</b>
Net asset value per ordinary share based on issued share capital at the end of the period	3.05	2.99	2.76	2.69

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.**

Turnover for the three months ended 30 September 2005 was S\$236.8 million, an increase of 7.3% over the corresponding quarter last year. The consolidated profit before exceptional items decreased from S\$12.0 million to S\$7.4 million. The Group recorded an exceptional loss of S\$3.5 million for the current quarter. The profit after tax attributable to the equity holders of the Company for the second quarter was S\$3.9 million, against a profit of S\$7.2 million for the corresponding quarter last year.

The profit before exceptional items for the current quarter exceeded that of the Q1 ended 30 June 2005 by over S\$1.5 million or 25.9%.

For the six months ended 30 September 2005, the Group's turnover was S\$453.9 million, an increase of 3.1% over the same period last year. The consolidated profit before exceptional items decreased from S\$26.5 million to S\$13.2 million. The Group recorded an exceptional loss of S\$5.8 million for the six months period. The profit after tax attributable to the equity holders of the Company was S\$7.6 million, against a profit of S\$19.7 million for the corresponding six months last year.

Turnover increased mainly due to the continued increase in the sales of Nickel Metal Hydride rechargeable batteries and Alkaline primary cylindrical batteries. Gross profit margin for Alkaline primary cylindrical batteries was affected by high zinc prices and the strengthening of Renminbi while the gross profit margin for Nickel Metal Hydride rechargeable batteries improved marginally in Q2 ended 30 September 2005 compared to Q1 ended 30 June 2005 as the price of Nickel stabilized in Q2.

Cost-cutting measures resulted in the increase in profit before exceptional items for Q2 ended 30 September 2005 compared to Q1 ended 30 June 2005. However, the Group incurred exceptional expenses in relation to the relocation and rationalization of its manufacturing operations.

The relocation of our Danish alkaline 9V plant to Malaysia, and the shifting of the Nickel Metal Hydride rechargeable batteries operations in Malaysia to China have been completed. Relocation of part of the Lithium Ion batteries production facilities from Taiwan and Hong Kong to China is progressing slowly due to the required approvals by the relevant authorities.

Danionics A/S, our Danish partner for the manufacturing of Lithium polymer batteries is now at the final stage of discussion with a new investor to inject new funds into the Group's 50:50 joint venture company, Danionics Asia Limited.

There have been no further developments in the cadmium exposure cases now pending in the courts of China. The court rulings so far have been favourable to the Group.

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

These results are in line with the statement made by the Company in the announcement of results on 10 August 2005 for the financial period ended 30 June 2005.

**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.**

Business outlook remains uncertain with rising interest rates, increased production cost in China and keen competition but, demand for the Group's products is expected to be strong and with the continued easing of nickel prices, there will be positive effect on our cost in rechargeable batteries as we move forward.

In view of the current high oil price, there is a renewed interest in electric transportation. Therefore, the Company is actively working towards commercializing its NiMH EV battery technology.

The Group will continue its cost management measures and streamline its operations. It will also continue to promote its GP brand name to maintain its market share.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Yes

<b>Name of Dividend</b>	<b>Interim</b>
Dividend type	Cash
Dividend amount per share (in cents)	1.5 cents per ordinary share
Dividend rate	1.875% per ordinary share
Par value of shares	S\$0.80
Tax rate	Tax-exempt

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? Yes

<b>Name of Dividend</b>	<b>Interim</b>
Dividend type	Cash
Dividend amount per share (in cents)	3.8 cents per ordinary share
Dividend rate	4.75% per ordinary share
Par value of shares	S\$0.80
Tax rate	Tax-exempt

**(c) Date payable**

The Company's interim tax-exempt dividend of 1.5 Singapore cents per share will be paid on 29 November 2005.

**(d) Books closure date**

Notice is hereby given that the Register of Members and Transfer Books of the Company will be closed on 21 November 2005 for the preparation of the dividend warrants.

Registrable Transfers received by the Company's Registrar, Lim Associates (Pte) Ltd of 10 Collyer Quay #19-08, Ocean Building, Singapore 049315 up to 5.00 pm on 18 November 2005 will be registered before entitlements to the dividends are determined.

**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*)

Not applicable.

**BY ORDER OF THE BOARD**

Andrew Ng Sung On  
Chairman and Chief Executive  
8 November 2005