Miscellaneous	
* Asterisks denote mandatory information	
Name of Announcer *	GP BATTERIES INT LTD
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Announcement is submitted with respect to $^{\star}$	GP BATTERIES INT LTD
Announcement is submitted by *	Tan San-Ju
Designation *	Company Secretary
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>> Announcement Details	
The details of the announcement start here	
Announcement Title *	PRESS STATEMENT - GP BATTERIES AND REPRESENTATIVES OF 145 FORMER WORKERS IN HUIZHOU REACH AGREEMENT OVER CADMIUM CHECKS
Description	Please see attached.



## **Press Statement**

## GP Batteries and representatives of 145 former workers in Huizhou reach agreement over cadmium checks

There were reports published by national, regional and international media recently on the court cases filed by 146 former workers against GP Batteries' two factories in Huizhou, China relating to the logistics arrangements of the mandatory annual cadmium checks and incidental expenses during the period, which are not complete. The cases were heard in open courts on November 3, 2006. A Mediation Agreement has been reached between GP Batteries and representatives of 145 former workers, which does not involve other compensation claims.

In 2004, more than 300 former workers filed legal claims to the courts for Rmb 250,000 each. All cases were heard in open courts in 2005; verdicts were that the workers' claims lacked legal basis. The workers appealed, and their appeals were dismissed in December 2005 and March/April 2006 respectively. The judgments were final.

GP Batteries has been providing annual cadmium checks for those classified as "Under Observation", whether or not they are current employees, until their bodily cadmium levels resume to normal and are removed from the list of "Under Observation". These mandatory cadmium checks have been arranged in strict compliance with China's "Diagnostic Criteria of Occupational Cadmium Poisoning" (GBZ17-2002) and "Laws Governing Prevention of Occupational Diseases". All arrangement and procedures fully conform to the requirements of local qualified medical institutes with the approval of municipal authorities. GP Batteries shoulders all related expenses including the medical checks, meals, accommodation, and transportation incurred.

From August 2005 to January 2006, the factories arranged annual cadmium checks for workers classified as "Under Observation" by batches. The concerned workers were notified of the schedules and arrangements by phone, registered mail and announcement in local newspapers.

In September and October 2006, 146 former workers, who had resigned from the factories on their own initiatives, were not satisfied with the logistics arrangement of the annual cadmium checks and took legal actions to the People's Court in Huizhou Municipality. They demanded cadmium checks and incidental expenses including payment for the loss of wages during cadmium check (誤工費) and allowances during their journeys to and from Huizhou. One of those former workers not diagnosed as "Under Observation" was not included in the Mediation Agreement.

GP Batteries and representatives of 145 former workers were in negotiations subsequent to the court hearings. Consensus was reached on the future arrangement of the cadmium checks and both parties have agreed that, as practiced previously, that annual cadmium checks for the 145 "Under Observation" workers will be provided at local qualified medical institutes in conformity with legal requirements and directions of local qualified medical institutes. The agreement also laid down the logistic arrangement of the cadmium checks in the future and payment of incidental expenses such as payment for the loss of wages during cadmium check (誤工費), transportation, and food allowances during their journeys to and from Huizhou, etc.

GP Batteries reiterates that it will continue to provide all current or former workers who are classified as "Under Observation" with the mandatory annual cadmium checks until their bodily cadmium levels resume to normal and they are removed from the list of "Under Observation" by medical authorities.

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