

Global Markets

Asia

Sales in Asia grew by 13.7% as compared to the previous year and accounted for 54% of the total turnover of the Group.

In China, the Group managed to secure an entry into the consumer market for rechargeable batteries, chargers and portable lighting products through our established distribution network for Carbon Zinc and Alkaline batteries. The expanded product range has strengthened us against the intense price competition in primary batteries.

In the industrial sector, the Group faced strong competition from Chinese manufacturers in Nickel Cadmium rechargeable batteries. Although the prices are low, the quality level of the smaller competitors are generally quite dubious, and the goodwill and brand name of the GP products still command a premium.

In ASEAN, the Group has established a unique position to serve the local market with our comprehensive product range. Our ability to respond to the customers' demand in a rapid manner allows the customers to reap the benefits of short lead time and small inventories.

In Taiwan, trial production of our Lithium Ion facilities progressed very well. Most of the machinery has been installed and commissioned. We expect to formally launch our product towards the end of this year.

Aggressive marketing campaign implemented in China



Participating in the annual Electronics Fair in Hong Kong



The highly automated Lithium Ion battery plant in Taiwan



Environmentally friendly application

GP Batteries is a leader in EV battery development in Asia. The successful application of Nickel Metal Hydride battery has vastly expanded the operating range of electric scooters.



Europe

Sales in Europe grew by 7.7% as compared to the previous year and accounted for slightly over a quarter of the Group's turnover.

OEM sales increased substantially especially to cellular phone manufacturers. We are continuing with our strategy to be the best battery supplier outside of Japan.

In the consumer market, increasing awareness of the environmental impact of used battery benefited our sales of rechargeable Nickel Metal Hydride batteries and the PowerBank.

North & South America

Sales grew by 26.1% as compared to the previous year in the US, and accounted for slightly over 20% of the total turnover. The sales surge was mainly due to the increase in private label out-sourcing demand from large battery manufacturers.

Change in Majority Shareholder

In June 2000, the Company's majority shareholder, Gold Peak Industries (Holdings) Limited disposed its entire shareholdings of approximately 42.1% in the Company to its subsidiary, GP Industries Limited (formerly known as GPE Industries Limited). GP Industries Limited is now a majority shareholder of the Company.

Floating Rate Notes Issue

In June 2000, the Company entered into an agreement with its bankers to issue Floating Rate Notes of US\$50 million to re-finance the US\$35 million unsecured bonds due November 2000 and for additional working capital. There is the provision to increase up to US\$60 million in the event of an over-subscription.

Promoting the GP PowerBank in Asia

