GP Batteries International Limited
(Incorporated in the Republic of Singapore)
Co. Reg. No. 199002111N

Third Quarter Financial Statement For the Period Ended 31 December 2015

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

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

Group income statement for the third quarter ("Q3") and nine-month ("YTD") ended 31 December 2015. These figures have not been audited.

	Note	Q3 ended 31 Dec 2015 S$'000	Q3 ended 31 Dec 2014 S$'000	Change %	YTD ended 31 Dec 2015 S$'000	YTD ended 31 Dec 2014 S$'000	Change %
Revenue		193,096	189,419	1.9	595,588	548,996	8.5
Cost of sales		(146,705)	(146,736)	(0.0)	(458,349)	(423,642)	8.2
Gross profit		46,391	42,683	8.7	137,239	125,354	9.5
Other operating income & expenses		2,214	5,357	(58.7)	16,356	15,944	2.6
Distribution expenses		(15,259)	(14,382)	6.1	(52,526)	(42,361)	24.0
Administrative expenses		(23,865)	(19,708)	21.1	(67,221)	(57,874)	16.2
Finance costs		(1,679)	(1,295)	29.7	(4,726)	(4,099)	15.3
Profit before share of results of associates		7,802	12,655	(38.3)	29,122	36,964	(21.2)
Share of results of associates		1,326	(1,156)	n/m	3,690	(1,464)	n/m
Profit before income tax	A	9,128	11,499	(20.6)	32,812	35,500	(7.6)
Income tax	B	(4,918)	(4,591)	7.1	(9,888)	(10,513)	(5.9)
Profit after income tax		4,210	6,908	(39.1)	22,924	24,987	(8.3)
Attributable to:							
Equity holders of the Company		651	3,821	(83.0)	13,238	15,282	(13.4)
Non-controlling interests		3,559	3,087	15.3	9,686	9,705	(0.2)
		4,210	6,908	(39.1)	22,924	24,987	(8.3)
Gross profit margin		24.0%	22.5%		23.0%	22.8%	

n/m denotes "not meaningful"

Statement of Comprehensive Income

The Group	Q3 ended 31 Dec 2015 S$'000	Q3 ended 31 Dec 2014 S$'000	YTD ended 31 Dec 2015 S$'000	YTD ended 31 Dec 2014 S$'000
Profit for the period	4,210	6,908	22,924	24,987
Other comprehensive income:				
Items that may be subsequently reclassified to Profit or Loss:				
Translation differences arising from consolidation of foreign operations	(7,902)	4,759	(13,968)	9,750
Fair value (loss) gain on available-for-sale financial assets	331	(266)	(627)	(797)
Other comprehensive income for the period	(7,571)	4,493	(14,595)	8,953
Total comprehensive income for the period	(3,361)	11,401	8,329	33,940
Total comprehensive income for the period attributable to:				
Equity holders of the Company	(5,527)	6,418	(750)	20,969
Non-controlling interests	2,166	4,983	9,079	12,971
	(3,361)	11,401	8,329	33,940

Notes to the Income Statement

		Q3 ended 31 Dec 2015 S$'000	Q3 ended 31 Dec 2014 S$'000	YTD ended 31 Dec 2015 S$'000	YTD ended 31 Dec 2014 S$'000
(A)	Profit before taxation is arrived at after crediting (charging) the following:				
	Depreciation	(4,060)	(4,809)	(14,930)	(15,068)
	Foreign exchange gain [(i)]	1,063	3,737	9,887	3,702
	Gain on disposal of property, plant and equipment, net [(i)]	39	1,090	4,090	10,339
	Government grant [(i)]	495	410	1,659	805
	Impairment loss on property, plant and equipment	0	0	0	(20)
	Property, plant and equipment written off [(i)]	(193)	(490)	(510)	(646)
	Technical, marketing development & engineering fee income	5	26	14	119
(B)	Income tax is inclusive of:				
	Over (under) provision in respect of prior years' taxation	150	(52)	1,326	279

[(i)] Included in other operating income/other operating expenses in the consolidated statement of profit or loss

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

		The Group		The Company	
	Note	31 Dec 2015	31 Mar 2015	31 Dec 2015	31 Mar 2015
		S$'000	S$'000	S$'000	S$'000
Non-current assets					
Investment property		1,765	1,747	0	0
Property, plant & equipment		206,976	211,553	617	787
Interest in subsidiaries		0	0	332,812	332,877
Interest in associates		45,687	46,606	16,382	16,382
Available-for-sales investments		5,966	5,699	0	0
Deferred tax assets		4,756	3,661	0	0
Goodwill on consolidation		15,226	14,709	0	0
Deposits and prepayments		2,821	705	2,721	0
Total non-current assets		283,197	284,680	352,532	350,046
Current assets					
Stocks	A	113,917	101,123	0	0
Debtors	B	133,260	128,782	113,511	105,275
Tax recoverable		707	3,615	0	0
Deposits and prepayments		9,906	9,747	2,289	1,086
Bank balances and cash	C	117,552	81,042	8,794	6,987
		375,342	324,309	124,594	113,348
Assets held for sale		0	70	0	0
Total current assets		375,342	324,379	124,594	113,348
Current liabilities					
Creditors and accrued charges	D	162,102	135,922	104,404	139,930
Derivative financial instruments		501	195	0	0
Obligations under finance leases		122	196	0	0
Income tax payable		4,895	1,854	127	269
Bank loans and overdrafts	C	108,246	124,926	59,786	60,855
Total current liabilities		275,866	263,093	164,317	201,054
Net current assets (liabilities)		99,476	61,286	(39,723)	(87,706)
Non-current liabilities					
Bank loans	C	49,938	0	49,938	0
Obligations under finance leases		140	120	0	0
Deferred tax liabilities		2,888	3,317	0	0
Total non-current liabilities		52,966	3,437	49,938	0
Net assets		329,707	342,529	262,871	262,340
Represented by:					
Issued capital		257,400	257,400	257,400	257,400
Treasury shares	E	(5,761)	0	(5,761)	0
Reserves		(1,659)	7,957	11,232	4,940
Attributable to equity holders of the Company		249,980	265,357	262,871	262,340
Non-controlling interests		79,727	77,172	0	0
		329,707	342,529	262,871	262,340

Explanatory Notes to the Statement of Financial Position

(A) Stocks
Increase in stocks is mainly due to increase in turnover.

(B) Debtors
Increase in debtors is not commensurate with increase in turnover due to stepped up effort in collection.

(C) Bank balances and bank loans
Increase in bank balances and total bank loans were mainly due to:
- drawdown of a S$85 million three-year term loan; and
- repayment of some short term borrowings with the proceeds from the S$85 million three-year term loan.

(D) Creditors
Increase in creditors and accrued charges is mainly due to increase in turnover, accrued IT and advertising expenses and provision for double pay and bonus payable in the next quarter.

(E) Treasury Shares
During the nine months ended 31 December 2015, the Company purchased 6,319,900 issued shares via open market purchase. All such purchased shares were held as treasury shares as at 31 December 2015. There was no utilization of these treasury shares to date.

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

	As at 31 Dec 2015 S$'000	As at 31 Mar 2015 S$'000
Amount repayable in one year or less, or on demand		
Unsecured:		
Long term bank loans		
- scheduled repayments within 12 months	28,484	1,172
- not repayable within 12 months but contain a repayment on demand clause	2,989	-
Short term bank loans	67,459	110,120
Import and export loans	9,314	13,634
	108,246	124,926
Secured:		
Obligations under finance leases	122	196
Amount repayable after one year		
Unsecured:		
Long term bank loans	49,938	-
Secured:		
Obligations under finance leases	140	120

Details of any collateral

Carrying amount of fixed assets in respect of certain motor vehicles and equipment held under finance leases:

As at 31 Dec 2015		As at 31 Mar 2015	
The Group	The Company	The Group	The Company
S$610,000	S$NIL	S$556,000	S$NIL

Other comments to paragraph 1(b)(ii)

Not applicable.

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

	Q3 31 Dec 2015 S$'000	Q3 31 Dec 2014 S$'000	YTD 31 Dec 2015 S$'000	YTD 31 Dec 2014 S$'000
Operating activities				
Profit before income tax	9,128	11,499	32,812	35,500
Adjustments for:				
Allowance for doubtful debts (trade)	105	73	4,082	703
Allowance for stock, net	477	53	1,400	1,181
Depreciation	4,060	4,809	14,930	15,068
Finance costs	1,679	1,295	4,726	4,099
Gain on dilution of interest	0	0	0	(10)
Impairment loss on property, plant and equipment	0	0	0	20
Interest income	(632)	(146)	(1,265)	(724)
Gain on disposal of property, plant and equipment	(39)	(1,090)	(4,090)	(10,339)
Property, plant and equipment written off	193	490	510	646
Realised loss (gain) on derivative financial instruments	142	(228)	387	(298)
Share of results of associates	(1,326)	1,156	(3,690)	1,464
Unrealised fair value loss of derivative financial instruments	66	99	306	138
Unrealised foreign exchange (gain) loss	840	(3,083)	(5,144)	(2,121)
Operating profit before working capital changes	14,693	14,927	44,964	45,327
Stocks	(7,189)	7,482	(10,642)	(1,164)
Debtors	17,678	16,475	(8,166)	(1,207)
Deposits and prepayments	258	1,684	179	218
Creditors and accrued charges	(12,595)	(18,449)	20,296	(4,748)
Cash generated from operations	12,845	22,119	46,631	38,426
Income tax paid	(4,063)	(4,036)	(3,954)	(9,836)
Net cash generated from operating activities	8,782	18,083	42,677	28,590

	Q3 31 Dec 2015 S$'000	Q3 31 Dec 2014 S$'000	YTD 31 Dec 2015 S$'000	YTD 31 Dec 2014 S$'000
Investing activities				
Deposits paid for purchase of property, plant and equipment	(2,558)	0	(2,766)	(302)
Divestment of a subsidiary, net of cash disposed	0	0	0	(286)
Dividends received from associates	152	0	1,193	1,984
Interest received	632	146	1,265	724
Investment in associates	0	0	0	(304)
Proceeds on disposal of property, plant and equipment	387	7,593	3,828	19,264
Purchase of available-for-sale investments	(712)	0	(712)	(680)
Purchase of property, plant and equipment	(3,741)	(4,169)	(13,914)	(10,430)
Net cash (used in) from investing activities	(5,840)	3,570	(11,106)	9,970
Financing activities				
Drawdown of term loan	0	0	89,710	0
Payment of front end fee	0	0	(2,125)	0
Repayment of term loans	(6,920)	(5,369)	(7,959)	(16,853)
Other short term bank loans paid	3,064	(251)	(47,983)	(17,745)
Interest paid	(1,755)	(1,148)	(4,134)	(3,978)
Capital contributions from non-controlling shareholders	0	0	0	71
Dividends paid	(4,793)	0	(8,866)	(1,648)
Dividends paid to minority shareholders	0	0	(6,524)	(3,119)
Non trade balances due from associates	52	134	(64)	(11)
Non trade balances due to associates	(16)	90	362	229
Purchase of treasury shares	(1,920)	0	(5,761)	0
Repayment of obligations under finance leases	(36)	(87)	(131)	(233)
Net cash from (used in) financing activities	(12,324)	(6,631)	6,525	(43,287)
Net increase (decrease) in cash and cash equivalents	(9,382)	15,022	38,096	(4,727)
Cash and cash equivalents at beginning of period	127,361	74,094	81,042	93,979
Effect of exchange rate changes on the balance of cash held in foreign currencies	(427)	1,009	(1,586)	873
Cash and cash equivalents at end of period	117,552	90,125	117,552	90,125

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.

The Group	Share capital S$'000	Treasury shares S$'000	Capital reserve S$'000	Legal reserve S$'000	Translation reserve S$'000	Property/ asset revaluation reserve S$'000	Retained profits S$'000	Fair value reserve S$'000	Sub Total S$'000	Non-controlling interests S$'000	Total S$'000
Balance at 1 Apr 2015	257,400	0	(32,963)	22,001	(123,147)	3,358	137,502	1,206	265,357	77,172	342,529
Total comprehensive income:											
Profit for the year	0	0	0	0	0	0	2,833	0	2,833	3,235	6,068
Other comprehensive income for the period	0	0	0	0	(5,492)	0	0	(425)	(5,917)	(1,728)	(7,645)
Total	0	0	0	0	(5,492)	0	2,833	(425)	(3,084)	1,507	(1,577)
Transactions with owners, recognised directly in equity:											
Purchase of treasury shares	0	(654)	0	0	0	0	0	0	(654)	0	(654)
Dividends paid to non-controlling interests	0	0	0	0	0	0	0	0	0	(6,524)	(6,524)
Total	0	(654)	0	0	0	0	0	0	(654)	(6,524)	(7,178)
Balance at 30 Jun 2015	257,400	(654)	(32,963)	22,001	(128,639)	3,358	140,335	781	261,619	72,155	333,774
Total comprehensive income:											
Profit for the year	0	0	0	0	0	0	9,754	0	9,754	2,892	12,646
Other comprehensive income for the period	0	0	0	0	(1,360)	0	0	(533)	(1,893)	2,514	621
Total	0	0	0	0	(1,360)	0	9,754	(533)	7,861	5,406	13,267
Transactions with owners, recognised directly in equity:											
Purchase of treasury shares	0	(3,187)	0	0	0	0	0	0	(3,187)	0	(3,187)
Dividends paid	0	0	0	0	0	0	(4,073)	0	(4,073)	0	(4,073)
Total	0	(3,187)	0	0	0	0	(4,073)	0	(7,260)	0	(7,260)
Transfer to (from) reserves	0	0	0	173	0	0	(173)	0	0	0	0
Balance at 30 Sept 2015	257,400	(3,841)	(32,963)	22,174	(129,999)	3,358	145,843	248	262,220	77,561	339,781
Total comprehensive income:											
Profit for the year	0	0	0	0	0	0	651	0	651	3,559	4,210
Other comprehensive income for the period	0	0	0	0	(6,509)	0	0	331	(6,178)	(1,393)	(7,571)
Total	0	0	0	0	(6,509)	0	651	331	(5,527)	2,166	(3,361)
Transactions with owners, recognised directly in equity:											
Purchase of treasury shares	0	(1,920)	0	0	0	0	0	0	(1,920)	0	(1,920)
Dividends paid	0	0	0	0	0	0	(4,793)	0	(4,793)	0	(4,793)
Total	0	(1,920)	0	0	0	0	(4,793)	0	(6,713)	0	(6,713)
Balance at 31 Dec 2015	257,400	(5,761)	(32,963)	22,174	(136,508)	3,358	141,701	579	249,980	79,727	329,707

The Group	Share capital S$'000	Capital reserve S$'000	Legal reserve S$'000	Translation reserve S$'000	Property/ asset revaluation reserve S$'000	Retained profits S$'000	Fair value reserve S$'000	Sub Total S$'000	Non-controlling interests S$'000	Total S$'000
Balance at 1 Apr 2014	257,400	(32,963)	21,778	(131,161)	3,358	128,452	1,382	248,246	61,802	310,048
Total comprehensive income:										
Profit for the year	0	0	0	0	0	2,342	0	2,342	2,585	4,927
Other comprehensive income for the period	0	0	0	(1,336)	0	0	(572)	(1,908)	(546)	(2,454)
Total	0	0	0	(1,336)	0	2,342	(572)	434	2,039	2,473
Transactions with owners, recognised directly in equity:										
Dividends paid to non-controlling interests	0	0	0	0	0	0	0	0	(3,119)	(3,119)
Total	0	0	0	0	0	0	0	0	(3,119)	(3,119)
Balance at 30 Jun 2014	257,400	(32,963)	21,778	(132,497)	3,358	130,794	810	248,680	60,722	309,402
Total comprehensive income:										
Profit for the year	0	0	0	0	0	9,119	0	9,119	4,033	13,152
Other comprehensive income for the period	0	0	0	4,957	0	0	41	4,998	1,916	6,914
Total	0	0	0	4,957	0	9,119	41	14,117	5,949	20,066
Transactions with owners, recognised directly in equity:										
Dividends paid	0	0	0	0	0	(1,648)	0	(1,648)	0	(1,648)
Capital contributions by non-controlling interests	0	0	0	0	0	0	0	0	71	71
Effects of changes in shareholdings on non-controlling interests	0	0	0	0	0	0	0	0	(170)	(170)
Total	0	0	0	0	0	(1,648)	0	(1,648)	(99)	(1,747)
Transfer to (from) reserves	0	0	223	0	0	(223)	0	0	0	0
Balance at 30 Sept 2014	257,400	(32,963)	22,001	(127,540)	3,358	138,042	851	261,149	66,572	327,721
Total comprehensive income:										
Profit for the year	0	0	0	0	0	3,821	0	3,821	3,087	6,908
Other comprehensive income for the period	0	0	0	2,863	0	0	(266)	2,597	1,896	4,493
Total	0	0	0	2,863	0	3,821	(266)	6,418	4,983	11,401
Balance at 31 Dec 2014	257,400	(32,963)	22,001	(124,677)	3,358	141,863	585	267,567	71,555	339,122

The Company	Share capital S$'000	Treasury shares S$'000	Retained profits S$'000	Translation reserve S$'000	Total S$'000
Balance at 1 Apr 2015	257,400	0	9,372	(4,432)	262,340
Total comprehensive income					
Loss for the period	0	0	(6,511)	0	(6,511)
Other comprehensive income	0	0	0	1,237	1,237
	0	0	(6,511)	1,237	(5,274)
Transactions with owners, recognised directly in equity:					
Purchase of treasury shares	0	(654)	0	0	(654)
Balance at 30 Jun 2015	257,400	(654)	2,861	(3,195)	256,412
Total comprehensive income					
Profit for the period	0	0	7,394	0	7,394
Other comprehensive loss	0	0	0	(3,623)	(3,623)
	0	0	7,394	(3,623)	3,771
Transactions with owners, recognised directly in equity:					
Purchase of treasury shares	0	(3,187)	0	0	(3,187)
Dividends paid	0	0	(4,073)	0	(4,073)
Balance at 30 Sept 2015	257,400	(3,841)	6,182	(6,818)	252,923
Total comprehensive income					
Profit for the period	0	0	16,703	0	16,703
Other comprehensive loss	0	0	0	(42)	(42)
	0	0	16,703	(42)	16,661
Transactions with owners, recognised directly in equity:					
Purchase of treasury shares	0	(1,920)	0	0	(1,920)
Dividends paid	0	0	(4,793)	0	(4,793)
Balance at 31 Dec 2015	257,400	(5,761)	18,092	(6,860)	262,871

The Company	Share capital S$'000	Treasury shares S$'000	Retained profits S$'000	Translation reserve S$'000	Total S$'000
Balance at 1 Apr 2014	257,400	0	20,405	(20)	277,785
Total comprehensive income					
Loss for the period	0	0	(3,329)	0	(3,329)
Other comprehensive loss	0	0	0	(491)	(491)
	0	0	(3,329)	(491)	(3,820)
Balance at 30 Jun 2014	257,400	0	17,076	(511)	273,965
Total comprehensive income					
Loss for the period	0	0	(30)	0	(30)
Other comprehensive loss	0	0	0	(602)	(602)
	0	0	(30)	(602)	(632)
Transactions with owners, recognised directly in equity:					
Dividends paid	0	0	(1,648)	0	(1,648)
Balance at 30 Sept 2014	257,400	0	15,398	(1,113)	271,685
Total comprehensive income					
Loss for the period	0	0	(1,717)	0	(1,717)
Other comprehensive loss	0	0	0	(1,141)	(1,141)
	0	0	(1,717)	(1,141)	(2,858)
Balance at 31 Dec 2014	257,400	0	13,681	(2,254)	268,827

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 well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, 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 was no change in the share capital of the Company from 30 September 2015 to 31 December 2015. There were no shares that may be issued on conversion of any outstanding convertibles as at 31 December 2015 and 31 December 2014.

As at 31 December 2015, the Company held 6,319,900 (31 December 2014: Nil) of its issued shares as treasury shares.

1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.

As at	**31 Dec 2015**	**31 Mar 2015**
Total number of issued shares	164,806,752	164,806,752
Less: Number of treasury shares	(6,319,900)	-
Total number of issued shares excluding treasury shares	158,486,852	164,806,752

During the period ended 31 December 2015, the Company purchased 6,319,900 issued shares via open market purchase and all these shares were held as treasury shares as at 31 December 2015.

1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.

As at 31 December 2015, there were no sales, transfers, disposals, cancellation and/or use of treasury shares.

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 ("FRS"), the new FRS and Interpretations of FRS ("INT FRS") that are mandatory on the Group for its financial year commenced on 1 April 2015, the Group has adopted the same accounting policies and methods of computation for the current financial period as those adopted for the audited financial statements for the financial year ended 31 March 2015.

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 FRS, new FRS and INT FRS effective for the Company's financial year commencing on 1 April 2015 does not have a material financial effect on the Group and the Company.

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.

	Q3 ended 31 Dec 2015	Q3 ended 31 Dec 2014	YTD ended 31 Dec 2015	YTD ended 31 Dec 2014
Earnings per share ("EPS") in cents				
Basic & Diluted	0.41	2.32	8.16	9.27
Number of shares				
Weighted average number of ordinary shares used in calculating basic & diluted EPS	159,616,714	164,806,752	162,271,072	164,806,752

7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:

(a) current financial period reported on; and

(b) immediately preceding financial year.

	The Group		The Company	
	31 Dec 2015	**31 Mar 2015**	**31 Dec 2015**	**31 Mar 2015**
Net asset value per ordinary share	S$1.58	S$1.61	S$1.66	S$1.59

Net asset value per ordinary share as at 31 December 2015 and 31 March 2015 were computed based on 158,486,852 and 164,806,752 ordinary shares respectively.

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 31 December 2015 was S$193.1 million, an increase of 1.9% over the corresponding period last year. Turnover for the nine months ended 31 December 2015 was S$595.6 million, an increase of 8.5% over the corresponding period last year. As the Singapore dollar has weakened significantly against the US dollar, the changes in turnover decreased by 7.1% and 0.7% for the three months and nine months ended 31 December 2015 respectively over the corresponding periods last year in US dollar terms.

Sales of primary batteries increased by 3.1% and 8.1% for the three months and nine months ended 31 December 2015 respectively over the corresponding periods last year. For rechargeable batteries, sales for the three months ended 31 December 2015 decreased by 0.9% while sales for the nine months ended 31 December 2015 increased by 11.5% as compared to the corresponding periods last year.

For the three months ended 31 December 2015, sales in Asia increased by 7.7% while sales in the Americas decreased by 10.4% as compared to the corresponding periods last year. For the nine months ended 31 December 2015, sales in Asia and the Americas increased by 11.9%and 4.1% respectively over the corresponding period last year.

Profit before income tax for the three months and nine months ended 31 December 2015 were S$9.1 million and S$32.8 million respectively as compared to S$11.5 million and S$35.5 million over the respective corresponding periods last year. Gross profit margins for the three months and nine months ended 31 December 2015 were 24.0% and 23.0% respectively as compared to 22.5% and 22.8% in the respective corresponding periods last year mainly due to the decrease in material prices.

Distribution expenses for the three months and nine months ended 31 December 2015 were S$15.3 million and S$52.5 million respectively as compared to S$14.4 million and S$42.4 million over the respective corresponding periods last year. The increase was mainly due to increase in turnover as well as additional S$4.0 million doubtful debt provisions made in last quarter as a prudent measure against the weakening economy in the PRC.

Administrative expenses for the three months and nine months ended 31 December 2015 were S$23.9 million and S$67.2 million respectively as compared to S$19.7 million and S$57.9 million over the respective corresponding periods last year. This was mainly due to increase in staff cost, office rental and IT expenses.

Finance costs for the three months and nine months ended 31 December 2015 were S$1.7 million and S$4.7 million respectively as compared to S$1.3 million and S$4.1 million over the respective corresponding periods last year mainly due to additional interest expenses incurred after the draw down of the S$85 million three-year term loan facility in July 2015.

Net other operating income for the three months ended 31 December 2015 was S$2.2 million as compared to S$5.4 million last year as there was a foreign exchange gain of S$3.7 million recorded last year as compared to a foreign exchange gain of S$1.1 million recorded this year. Net other operating income for the nine months ended 31 December 2015 was S$16.4 million as compared to S$15.9 million over the same period last year mainly due to (a) a gain of S$4.0 million arising from the disposal of a factory building in the PRC this year as compared to a gain of S$9.2 million arising from the disposal of a factory building in Singapore last year; and (b) a gain on foreign exchange of S$9.9 million this year as compared to a foreign exchange gain of S$3.7 million last year.

Share of profits of associates for the three months and nine months ended 31 December 2015 were S$1.3 million and S$3.7 million respectively as compared to losses of S$1.2 million and S$1.5 million over the respective corresponding periods last year mainly due to the improved performance of STL Group and AZ Limited, the Group's 40%-owned associate in Russia.

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

Not applicable.

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 business outlook is challenging. Market slowdown will continue to negatively impact the sales especially in emerging markets.

The primary battery market worldwide will continue to be slow growing and the Group will place more emphasis on faster growing rechargeable batteries markets.

The oversupply situation for the more mature product categories will become more apparent and very keen competition will continue.

The Group will continue to strengthen our brand building activities and focus on distribution development in target regions. The Group's balance sheet remains healthy.

11. Dividend

(a) Current Financial Period Reported On

Any dividend declared for the current financial period reported on?

No.

(b) Corresponding Period of the Immediately Preceding Financial Year

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

No.

(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.

13. If the Group has obtained a general mandate from shareholders for Interested Person Transactions ("IPT"), the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.

The Company does not have a shareholders' mandate for IPT.

14. Confirmation by the Board Pursuant to Rule 705(5)

We, Victor Lo Chung Wing and Richard Ku Yuk Hing, being two directors of GP Batteries International Limited (the "Company"), do hereby confirm on behalf of the directors of the Company that, to the best of our knowledge, nothing has come to the attention of the board of directors of the Company which may render the financial statements for third quarter ended 31 December 2015 to be false or misleading in any material aspect.

BY ORDER OF THE BOARD

Victor Lo Chung Wing
Chairman and Chief Executive Officer

Richard Ku Yuk Hing
Vice Chairman

2 February 2016