GP Batteries International Limited

(Incorporated in the Republic of Singapore)
Company Registration No. 199002111N

RESPONSE TO QUERY RAISED BY SINGAPORE EXCHANGE SECURITIES TRADING LIMITED ON THE FINANCIAL STATEMENT AND DIVIDEND ANNOUNCEMENT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2015

The Board of Directors (the "**Board**") of GP Batteries International Limited (the "**Company**") refers to the Company's Financial Statement and Dividend Announcement for the financial year ended 31 March 2015 released on 27 May 2015 and wishes to respond to the query raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") as follows:-

SGX-ST's Query:

Please furnish details on the key components of "Bank loans and overdrafts" amounting to approximately S$124,926,000, as compared to S$149,813,000, stated on page 4 of the financial statement and dividend announcement for the year ended 31 March 2015.

The Company's response:

The key components of "Bank loan and overdrafts" are short term borrowings such as trade finance, money market loans and overdrafts with financial institutions. The reason for the decrease as of 31 March 2015 as compared to 31 March 2014 was mainly due to the repayment of the Group's borrowings with positive cash flow generated by the Group's operating activities and proceeds from sale of properties, etc.

By Order of the Board

Lynn Wan Tiew Leng
Company Secretary
5 June 2015