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 ANNUAL REPORT FOR THE FINANCIAL YEAR ENDED 31 MARCH 2017

The board of directors (the "**Board**") of GP Batteries International Limited (the "**Company**") refers to the Company's Annual Report for the financial year ended 31 March 2017 (the "**Annual Report**") despatched to the shareholders on 13 July 2017 and wishes to announce the following in response to the query raised by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") on 27 July 2017:-

SGX-ST's Query:

As communicated, we would like to bring your attention to the segment under Corporate Governance - The Annual Remuneration Report (page 100). Under this segment, it was disclosed that the Company believes that the disclosure in bands of S$250,000 provides sufficient overview of the remuneration of the Directors.

We would appreciate it if you can address in your response, what are the **reasons** for the disclosure in bands of S$250,000 to consider as providing sufficient overview of the remuneration of the Directors?

Company's response:

Although the Code of Corporate Governance 2012 recommends the full disclosure of the remuneration of the individual directors and that of the top 5 key management personnel, the Board is of the opinion that the aggregate remuneration of these individuals are disclosed which give shareholders an adequate perspective of the remuneration of the leadership team that is responsible for leading the business of the Company. Individual attribution is less important to achieve that goal. More importantly, given the very specialised and highly competitive nature of the industry that the Company is engaged in, it would be prejudicial to the interests of the Company to fully disclose remuneration of these individuals from the retention of talent within the Company's perspective.

In view of the above, the Board believes that the disclosure in bands of S$250,000 provides sufficient overview of the remuneration of the Directors.

By Order of the Board

Kelly Kiar Lee Noi
Company Secretary
28 July 2017