

Press Release

For Immediate Release

29 November 2023, Singapore

GP Industries completes a sustainability-linked loan of HK\$660 million in key milestone for Asia’s consumer batteries sector

Sustainability targets include greener manufacturing practices and corporate sustainability initiatives

GP Industries Limited (“GP Industries”, SGX: G20), the 85.59%-owned subsidiary of the Hong Kong-listed Gold Peak Technology Group Limited (“Gold Peak”, SEHK: 40), today completed a 3-year syndicated sustainability-linked loan facility (the “SLL Facility”) of HK\$660 million with 6 major banks in the Guangdong-Hong Kong-Macao Greater Bay Area. Despite a challenging macroeconomic environment, the SLL Facility was favorably received by the market, resulting in an oversubscription.

The final SLL Facility size was increased to HK\$660 million, making it the largest of its kind in the consumer primary batteries industrial sector in Asia, as GP Industries’ inaugural SLL Facility. The successful finalization of this financing reflects GP Industries’ commitment to sustainability, as well as the banking industry’s long-term optimism about and support for GP Industries’ contributions in Environmental, Social and Governance (“ESG”).

Victor Lo, Chairman & Chief Executive Officer of GP Industries and Chairman & Chief Executive of Gold Peak, said, “We have a strong commitment and track record for long-term sustainable development, and we aspire to find new ways to finance and operate our businesses sustainably. This SLL Facility reinforces our confidence and underscores our unwavering commitment to long-term business continuity and sustainable growth.”

“We will continue to improve our environmental and social performance, mitigate climate risks and invest in more medium to longer term ESG and strategic initiatives which deliver long-term value for our important stakeholders and shareholders. In embracing ESG as one of our core value drivers, I am confident that we will continue to make progress towards net-zero and deliver benefits to our diverse stakeholders, our community and our planet,” added Victor Lo.

Michael Lam, Vice-Chairman and Executive Vice-President of GP Industries, commented, “As a major leading global manufacturer of rechargeable consumer primary batteries in Asia, GP Industries has been investing significantly in sustainability and ESG initiatives. We have been regularly reporting our ESG performance to stakeholders since 2017 as an important part of GP Industries’ group-wide business operations to create long-term growth for its shareholders and the community as a whole. Our GP Recyko consumer rechargeable batteries, which are reusable and recyclable, are well-received by the market. Late last year, we launched an all-new paper packaging for GP Alkaline consumer batteries which significantly reduced the use of plastics, progressively changing the way our customers consume our products for a greener world. In our acoustics portfolio, KEF GP Group (“KGG Group”), which comprises KEF, Celestion and GP Electronics, will continue to invest in greener and energy efficient production facilities. Through significant research, design, engineering and manufacturing, KGG Group is able to deliver best-in-class product experience for our discerning customers.”

GP Industries places great emphasis on safeguarding the health and well-being of the communities in which it operates. By adopting best-in-class safety and sustainability business practices, GP Industries consistently delivers and exceeds generally accepted industry standards and regulatory requirements. As a responsible manufacturer, GP Industries has been investing in reducing environmental impact by minimizing waste and improving product recyclability. GP Batteries recently received the Bronze Medal in EcoVadis Sustainability assessment, surpassing both the industry average and half of the organizations worldwide assessed. GP Batteries’ 6 plants in Malaysia, Vietnam and China have achieved Zero Waste to Landfill Gold Validation. GP Industries is also in the process of installing more solar panels across a number of production facilities in China, Malaysia and the United Kingdom. In 2022, GP Energy Tech Limited, a new subsidiary of GP

Industries, was formed to focus on driving the development of more innovative, sustainable and environmental-friendly battery products and energy storage solutions.

This SLL Facility has been co-arranged by Hang Seng Bank Limited (“Hang Seng”) and United Overseas Bank Limited (“UOB”) as Mandated Lead Arrangers and Bookrunners, acting as SLL Advisor and SLL Coordinator respectively, collectively advising GP Industries on sustainability performance targets. The Bank of East Asia, Limited (“BEA”), Bank of Dongguan Co., Ltd., Hong Kong Branch, Tai Fung Bank Limited and The Shanghai Commercial & Savings Bank Ltd., Hong Kong Branch are acting as Lead Arrangers for this SLL Facility.

Regina Lee, Head of Commercial Banking at Hang Seng, said, “Our focus at Hang Seng extends beyond providing financial services. We strive to be a part of our customers’ journey towards sustainable growth, offering them a range of solutions that align with their strategic goals. In doing so, we believe we are not just supporting individual businesses but also contributing to the development of our community.”

Ricky Ng, Head of Wholesale Banking, UOB Hong Kong, said, “UOB is pleased to work with GP Industries on this inaugural syndicated sustainability-linked loan. As the industrial sector continues to play a critical role in reducing electricity consumption and improving sustainability metrics across Asia, this SLL accelerates the process for GP Industries to proactively manage the environmental impact of their business. We will remain committed to helping our clients navigate their sustainability roadmaps and making the transition towards a more sustainable future.”

Kelvin Au, Head of Wholesale Banking, BEA, said, “We are pleased to work with GP Industries. At BEA, we believe we have a role to play in building a low-carbon economy, and have established our own green and sustainable finance framework to guide our growth as a sustainable business. As part of our journey, we work closely with our customers, like GP Industries, in their green transition and create a positive impact in the communities that we serve.”

Ku Cheng-Chun, General Manager, The Shanghai Commercial & Savings Bank, Ltd. Hong Kong Branch, said, “We are honored to collaborate with Hang Seng Bank and UOB to participate in the syndicated facility to be extended to GPI International Limited. Gold Peak Technology Group, being a leader in the industry, had witnessed the industrial development in Hong Kong. The Shanghai Commercial and Savings Bank, Ltd. Is dedicated to serving the needs of the industry in Hong Kong, and we look forward to growing together with Gold Peak Technology Group and the other syndicated members.”

According to the SLL Facility agreement, the 3-year committed facility has a tiered incentive mechanism where GP Industries will be entitled to an interest reduction when the SLL Facility sustainability targets are achieved. This SLL Facility was signed by GPI International Limited, with its parent company, GP Industries, providing a corporate guarantee. GP Industries plans to use the proceeds of this SLL Facility to fund its continued long-term investment in better manufacturing processes, improving operating efficiency and becoming “greener” in every aspect of its day-to-day operations.



(Centre) Waltery Law, Executive Director and CFO of GP Industries, completed the SLL Facility of HK\$660 million with 6 major banks.



(5th from right) Victor Lo, Chairman of both GP Industries and Gold Peak, expressed gratitude to the banks for their staunch support on the SLL Facility.

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