



HI-P INTERNATIONAL LIMITED

Company Registration No.198004817H
(Incorporated in the Republic of Singapore)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Hi-P International Limited (the "Company") will be held at Ficus Room 3, Level 2, Jurong Country Club, 9 Science Centre Road, Singapore 609078 on Thursday, 28 April 2016 at 2.30 p.m. for the following purposes:

ORDINARY BUSINESS

- To receive and adopt the Directors' Statement and Audited Financial Statements of the Company for the financial year ended 31 December 2015 together with the Auditors' Report thereon. **(Resolution 1)**
- To declare a final tax exempt one-tier dividend of 0.3 cents per ordinary share for the financial year ended 31 December 2015. [2014: 1.0 cents per ordinary share] **(Resolution 2)**
- To re-elect Madam Wong Huey Fang retiring pursuant to Article 91 of the Company's Constitution. [See Explanatory Note (i)] **(Resolution 3)**
- To re-elect Madam Leong Lai Peng retiring pursuant to Article 91 of the Company's Constitution. [See Explanatory Note (ii)] **(Resolution 4)**
- To re-appoint Mr Yao Hsiao Tung as a Director of the Company with effect from 28 April 2016 and to hold office subject to retirement by rotation in accordance with the Company's Constitution. [See Explanatory Note (iii)] **(Resolution 5)**
- To re-appoint Mr Chester Lin Chien as a Director of the Company with effect from 28 April 2016 and to hold office subject to retirement by rotation in accordance with the Company's Constitution. [See Explanatory Note (iv)] **(Resolution 6)**
- To approve the payment of Directors' fees of S\$358,000.00 for the financial year ended 31 December 2015. (2014: S\$358,000.00) **(Resolution 7)**
- To re-appoint Messrs Ernst & Young LLP as the Company's Auditors and to authorise the Directors to fix their remuneration. **(Resolution 8)**
- To transact any other ordinary business which may properly be transacted at an Annual General Meeting.

SPECIAL BUSINESS

To consider and, if thought fit, to pass the following resolutions as Ordinary Resolutions, with or without any modifications:

- Authority to allot and issue shares up to fifty per cent. (50%) of the total number of issued shares excluding treasury shares**

"That, pursuant to Section 161 of the Companies Act, Cap. 50 and Rule 806(2) of the Listing Manual of the Singapore Exchange Securities Trading Limited (the "Listing Manual"), authority be and is hereby given to the Directors to:-

- allot and issue shares in the Company; and
- issue convertible securities and any other securities in the Company pursuant to convertible securities

(whether by way of rights, bonus or otherwise) at any time and upon such terms and conditions and for such purposes and to such persons as the Directors shall in their absolute discretion deem fit, provided that the aggregate number of shares (including any shares to be issued pursuant to the convertible securities) in the Company to be issued pursuant to such authority shall not exceed fifty per cent. (50%) of the total number of issued shares excluding treasury shares, of which the aggregate number of shares and convertible securities issued other than on a pro-rata basis to the existing shareholders of the Company shall not exceed twenty per cent. (20%) of the total number of issued shares excluding treasury shares. Unless revoked or varied by the Company in general meeting, such authority shall continue in full force until the conclusion of the next Annual General Meeting of the Company or the date by which the next Annual General Meeting is required by law to be held, whichever is earlier, except that the Directors shall be authorised to allot and issue new shares pursuant to the convertible securities notwithstanding that such authority has ceased.

For the purposes of this Resolution and Rule 806(3) of the Listing Manual, the total number of issued shares excluding treasury shares is based on the Company's total number of issued shares excluding treasury shares at the time this Resolution is passed after adjusting for:-

- new shares arising from the conversion or exercise of convertible securities;
- new shares arising from the exercise of share options or vesting of share awards outstanding or subsisting at the time of the passing of this Resolution, provided the options or awards were granted in compliance with the rules of the Listing Manual; and
- any subsequent bonus issue, consolidation or subdivision of shares."

[See Explanatory Note (v)] **(Resolution 9)**

- Authority to grant options and issue shares under the Hi-P Employee Share Option Scheme 2014**

"That, pursuant to Section 161 of the Companies Act, Cap. 50, the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the Hi-P Employee Share Option Scheme 2014 (the "Option Scheme") and to allot and issue such number of fully paid up shares as may be required to be issued pursuant to the exercise of options granted under the Option Scheme provided always that the aggregate number of shares issued or issuable pursuant to the Option Scheme, which together with the aggregate number of shares issued or issuable pursuant to the Hi-P Employee Share Award Scheme and any other share schemes of the Company, shall not exceed fifteen per cent. (15%) of the total number of issued shares excluding treasury shares of the Company on the day preceding the date of grant of any option."

[See Explanatory Note (vi)] **(Resolution 10)**

- Authority to grant awards and issue shares under the Hi-P Employee Share Award Scheme**

"That, pursuant to Section 161 of the Companies Act, Cap. 50, the Directors of the Company be and are hereby authorised to offer and grant awards in accordance with the Hi-P Employee Share Award Scheme (the "Award Scheme") and to allot and issue such number of fully paid shares as may be required to be issued pursuant to the vesting of the awards under the Award Scheme provided always that the aggregate number of shares issued or issuable pursuant to the Award Scheme, which together with the aggregate number of shares issued or issuable pursuant to the Hi-P Employee Share Option Scheme 2014 and any other share schemes of the Company, shall not exceed fifteen per cent. (15%) of the total number of issued shares excluding treasury shares of the Company on the day preceding the date of grant of any award."

[See Explanatory Note (vii)] **(Resolution 11)**

By Order of the Board

Yao Hsiao Tung
Executive Chairman and Chief Executive Officer
Singapore, 12 April 2016

Explanatory Notes:

- If re-elected under Resolution 3, Madam Wong Huey Fang, retiring pursuant to Article 91 of the Company's Constitution, will continue in office as Executive Director. Madam Wong Huey Fang is the spouse of Mr Yao Hsiao Tung.
- If re-elected under Resolution 4, Madam Leong Lai Peng, retiring pursuant to Article 91 of the Company's Constitution, will continue in office as Independent Director, Chairman of the Remuneration Committee, a member of the Audit Committee and a member of Nominating Committee of the Company, and be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited.
- Mr Yao Hsiao Tung was re-appointed as Director of the Company in accordance with the then Section 153(6) of the Companies Act to hold office until the date of the annual general meeting of the Company to be held on 28 April 2016. Accordingly, notwithstanding the repeal of Section 153 of the Companies Act with effect from 3 January 2016, the Company is seeking shareholders' approval for the re-appointment of Mr Yao Hsiao Tung. If re-appointed under Resolution 5, Mr Yao Hsiao Tung will continue in office as Executive Chairman of the board of directors of the Company, subject to retirement by rotation in accordance with the Company's Constitution. Mr Yao Hsiao Tung is the spouse of Madam Wong Huey Fang.
- Mr Chester Lin Chien was re-appointed as Director of the Company in accordance with the then Section 153(6) of the Companies Act to hold office until the date of the annual general meeting of the Company to be held on 28 April 2016. Accordingly, notwithstanding the repeal of Section 153 of the Companies Act with effect from 3 January 2016, the Company is seeking shareholders' approval for the re-appointment of Mr Chester Lin Chien. If re-appointed under Resolution 6, Mr Chester Lin Chien will continue in office as Independent Director, Chairman of the Nominating Committee, a member of Remuneration Committee of the Company, subject to retirement by rotation in accordance with the Company's Constitution.
- The Ordinary Resolution 9 proposed in item 10 above, if passed, will empower the Directors from the date of the above Annual General Meeting until the date of the next Annual General Meeting, to allot and issue shares and convertible securities in the Company. The aggregate number of shares (including any shares issued pursuant to the convertible securities) which the Directors may allot and issue under this Resolution will not exceed fifty per cent. (50%) of the total number of issued shares excluding treasury shares (as defined in Resolution 9) of the Company. For issues of shares and convertible securities other than on a pro-rata basis to all shareholders, the aggregate number of shares to be issued shall not exceed twenty per cent. (20%) of the total number of issued shares excluding treasury shares (as defined in Resolution 9) of the Company. This authority will, unless previously revoked or varied at a general meeting, expire at the next Annual General Meeting of the Company or the date by which the next Annual General Meeting of the Company is required by law to be held, whichever is earlier. However, notwithstanding the cessation of this authority, the Directors are empowered to issue shares pursuant to any convertible securities issued under this authority.
- The Ordinary Resolution 10 proposed in item 11 above, if passed, will empower the Directors of the Company, to grant options and to allot and issue shares pursuant to the exercise of options under the Hi-P Employee Share Option Scheme 2014, which together with the allotment and issue of shares pursuant to the Hi-P Employee Share Award Scheme and any other share schemes of the Company, do not exceed in total fifteen per cent. (15%) of the total number of issued shares excluding treasury shares of the Company on the day preceding the date of grant of any option.
- The Ordinary Resolution 11 proposed in item 12 above, if passed, will empower the Directors of the Company, to grant awards and to allot and issue shares pursuant to the vesting of awards under the Hi-P Employee Share Award Scheme, which together with the allotment and issue of shares pursuant to the Hi-P Employee Share Option Scheme 2014 and any other share schemes of the Company, do not exceed in total fifteen per cent. (15%) of the total number of issued shares excluding treasury shares of the Company on the day preceding the date of grant of any award.

Notes:

- Detailed information of Madam Wong Huey Fang, Madam Leong Lai Peng, Mr Yao Hsiao Tung and Mr Chester Lin can be found under the section "Board of Directors" in the Company's Annual Report 2015.
- A member entitled to attend and vote at the Meeting is entitled to appoint not more than two proxies to attend and vote instead of him. A proxy need not be a member of the Company.
- If the appointor is a corporation, the proxy must be executed under seal or the hand of its duly authorised officer or attorney.
- The instrument appointing a proxy or proxies must be deposited at the office of the Company's share registrar, Tricor Barbinder Share Registration Services (a division of Tricor Singapore Pte. Ltd.) at 80 Robinson Road, #11-02 Singapore 068898 not less than forty-eight (48) hours before the time for holding the Meeting.

PERSONAL DATA PRIVACY:

By submitting an instrument appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the Annual General Meeting and/or any adjournment thereof, a member of the Company (i) consents to the collection, use and disclosure of the member's personal data by the Company (or its agents) for the purpose of the processing and administration by the Company (or its agents) of proxies and representatives appointed for the Annual General Meeting (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the Annual General Meeting (including any adjournment thereof), and in order for the Company (or its agents) to comply with any applicable laws, listing rules, regulations and/or guidelines (collectively, the "Purposes"), (ii) warrants that where the member discloses the personal data of the member's proxy(ies) and/or representative(s) to the Company (or its agents), the member has obtained the prior consent of such proxy(ies) and/or representative(s) for the collection, use and disclosure by the Company (or its agents) of the personal data of such proxy(ies) and/or representative(s) for the Purposes, and (iii) agrees that the member will indemnify the Company in respect of any penalties, liabilities, claims, demands, losses and damages as a result of the member's breach of warranty.