

HI-P INTERNATIONAL LIMITED
Company Registration Number 198004817H
(Incorporated in the Republic of Singapore)

PROPOSED JOINT VENTURE - UPDATE

Capitalized terms used in this announcement shall, unless otherwise specified, have the same meaning as those defined in the announcement made by the Company on 16 June 2017 on the above captioned matter (the “**Announcement**”).

The Board of Directors of Hi-P International Limited (the “**Company**”) refers to the Announcement and wishes to announce that the Company’s wholly-owned subsidiary, Hugelomrate (Shanghai) International Trading Co., Ltd. (“**Hugelomrate**”) and its joint venture partner, Cino Coffee Machine Mfg Co., Ltd. (“**Cino**”) have amended the terms of the JV Agreement today in respect of the Proposed Joint Venture.

In connection with the Proposed Joint Venture, Cino and Hugelomrate have incorporated 深圳市西啡科技有限公司 (“**JV Company**”) in Shenzhen with an initial registered capital of RMB15,000,000 and initial shareholding proportion of 80% (Cino) and 20% (Hugelomrate) respectively. In accordance with the revised terms of the JV Agreement, Cino will invest an aggregate of RMB12 million into the JV Company as paid-up capital, whereas Hugelomrate will invest an aggregate of RMB20 million into the JV Company, of which RMB3 million is to be injected as paid-up capital and RMB17 million as capital reserve.

The change of terms of the JV Agreement is not expected to have any material effect on the net tangible assets per share and earnings per share of the Company for the current financial year ending 31 December 2017.

By Order of the Board of Directors

Yao Hsiao Tung
Executive Chairman and Chief Executive Officer
20 December 2017