



Karin Technology Holdings Limited

(Incorporated in Bermuda on 30 August 2002)
(Company Registration Number 32514)

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Annual General Meeting of the Company will be held at Topaz & Opal Room, Level 2, Sheraton Towers Singapore, 39 Scotts Road, Singapore 228230 on Thursday, 25 October 2018 at 10:00 a.m. to transact the following businesses:

AS ORDINARY BUSINESS

- To receive and adopt the Audited Financial Statements of the Company for the financial year ended 30 June 2018 together with the Directors' Report and the Auditor's Report thereon. (Resolution 1)
- To approve a final dividend of HK11.8 cents per ordinary share for the financial year ended 30 June 2018. (Resolution 2)
- To approve Directors' Fees of HK\$802,000 for the financial year ended 30 June 2018. (Resolution 3)
- To re-elect the following Directors retiring pursuant to Bye-law 86 of the Company's Bye-laws (the "Bye-laws"), and who, being eligible, offer themselves for re-election:
 - Prof. Ng Tung Sang (See explanatory Note 1) (Resolution 4)
 - Mr. Lee Yiu Chung, Eugene (See explanatory Note 2) (Resolution 5)
- To re-elect Mr. Ng Mun Kit, Michael who is retiring pursuant to Bye-law 85(6) of the Company's Bye-laws (the "Bye-laws"), and who, being eligible, offer himself for re-election. (See explanatory Note 3) (Resolution 6)
- To re-appoint Ernst & Young, Hong Kong as auditor of the Company and to authorise the Directors to fix their remuneration. (Resolution 7)

AS SPECIAL BUSINESS

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

- Authority to allot and issue shares (Resolution 8)

"That, pursuant to Rule 806 of the Listing Manual of the Singapore Exchange Securities Trading Limited ("SGX-ST"), authority be and is hereby given to the Directors of the Company to:-

 - issue shares in the capital of the Company ("Shares") whether by way of rights, bonus or otherwise; and/or
 - make or grant offers, agreements or options (collectively, "Instruments") that might or would require Shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into Shares,

at any time and upon such terms and conditions and for such purposes and to such persons as the Directors may in their absolute discretion deem fit; and

- (notwithstanding the authority conferred by this Resolution may have ceased to be in force) issue Shares in pursuance of any Instrument made or granted by the Directors while this Resolution was in force, provided that:
 - the aggregate number of Shares to be issued pursuant to this Resolution (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 50% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of Shares to be issued other than on a pro-rata basis to existing shareholders of the Company (including Shares to be issued in pursuance of Instruments made or granted pursuant to this Resolution) does not exceed 20% of the Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) (as calculated in accordance with sub-paragraph (2) below). Unless prior shareholder approval is required under the Listing Manual of the SGX-ST, an issue of treasury shares will not require further shareholder approval, and will not be included in the aforementioned limits.
 - (subject to such manner of calculation as may be prescribed by the SGX-ST) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the total number of issued Shares (excluding treasury shares and subsidiary holdings) is based on the Company's total number of issued Shares (excluding treasury Shares and subsidiary holdings) at the time this Resolution is passed, after adjusting for:
 - new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time this Resolution is passed; and
 - any subsequent bonus issue, consolidation or subdivision of shares;
 - in exercising the authority conferred by this Resolution, the Company shall comply with the provisions of the Listing Manual of the SGX-ST for the time being in force (unless such compliance has been waived by the SGX-ST) and the Bye-Laws for the time being of the Company; and
 - (unless revoked or varied by the Company in general meeting) the authority conferred by this Resolution shall continue in force until the conclusion of 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 the earlier." (See Explanatory Note 4)

- Authority to allot and issue Shares under the Karin Performance Share Plan (Resolution 9)

"That the Directors of the Company be and are hereby authorised to grant awards in accordance with the provisions of the Karin Performance Share Plan (the "Plan") and to allot and issue such number of fully paid Shares from time to time as may be required to be issued pursuant to the vesting of awards under the Plan provided always that the aggregate number of Shares to be issued pursuant to the Plan and all share awards or share options granted under any other schemes implemented by the Company (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) of the Company from time to time and that such authority shall, unless revoked or varied by the Company in general meeting, 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 of the Company is required by law to be held, whichever is earlier." (See Explanatory Note 5)

- Authority to grant options and issue shares under the 2014 Karin Employee Share Option Scheme (Resolution 10)

"That the Directors of the Company be and are hereby authorised to offer and grant options in accordance with the provisions of the 2014 Karin Employee Share Option Scheme ("Scheme") and to allot and issue from time to time such number of shares as may be required to be issued pursuant to the exercise of the options under the Scheme provided always that the aggregate number of shares to be issued pursuant to the Scheme shall not exceed 15% of the total number of issued shares (excluding treasury shares and subsidiary holdings) in the capital of the Company from time to time." (See Explanatory Note 6)

- Authority to Grant Options at a Discount under the 2014 Karin Employee Share Option Scheme (Resolution 11)

"That, subject to and contingent upon the passing of Resolution 10, the Directors of the Company be and are hereby authorised to offer and grant Options in accordance with the provisions of the 2014 Karin Employee Share Option Scheme ("2014 ESOS") to participants with exercise prices set at a discount to the Market Price (as defined in the Appendix dated 24 September 2014) subject to the following conditions:
 - the maximum discount shall not exceed 20% of the market price, which is the average of the last dealt prices for a Share as determined by reference to the daily official list or any other publication published by the SGX-ST for five (5) consecutive market days immediately prior to the relevant date of offer of the option to a participant of the 2014 ESOS (as determined in accordance with the rules of the 2014 ESOS); and
 - in no event shall the exercise price be less than the nominal value of each Share."

- Proposed renewal of the Share Buyback Mandate (Resolution 12)

"That:
 - pursuant to the Bye-laws, the Companies Act 1981 of Bermuda (the "Companies Law") and the Listing Manual of the SGX-ST, approval be and is hereby given for the renewal of the Share Buyback Mandate (as hereinafter defined) and the Directors be authorised to exercise all the powers of the Company to purchase or otherwise acquire Shares not exceeding in aggregate the Prescribed Limit (as hereinafter defined), at such price(s) as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined) whether by way of:
 - on-market purchase(s) ("Market Purchases"), transacted on the SGX-ST through its ready market or, as the case may be, any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed stockbrokers appointed by the Company for the purpose; and/or
 - off-market purchase(s) ("Off-Market Purchases") (if effected otherwise than on the SGX-ST) in accordance with an equal access scheme(s) as may be determined or formulated by the Directors as they may consider fit and in the interests of the Company, which scheme(s) shall satisfy all the conditions prescribed by the Bye-laws and the Listing Manual, and otherwise in accordance with other laws and regulations (the "Share Buyback Mandate"); and
 - any Share that is purchased or otherwise acquired by the Company pursuant to the proposed Share Buyback Mandate shall, at the discretion of the Directors, either be cancelled or held in treasury and dealt with in accordance with the Companies Law;
 - unless varied or revoked by the Company in general meeting, the authority conferred on the Directors pursuant to the Share Buyback Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the passing of this resolution and expiring on the earlier of:
 - the date on which the Annual General Meeting is held or required by law or the Bye-laws to be held;
 - the date on which Share purchases or acquisitions pursuant to the Share Buyback Mandate are carried out to the full extent mandated; or
 - the date on which the authority conferred by the Share Buyback Mandate is varied or revoked at a general meeting,(the "Relevant Period").

In this resolution:

"**Prescribed Limit**" means 10% of the issued ordinary share capital of the Company as at the date of passing of this resolution unless the Company has effected a reduction of the share capital of the Company in accordance with the applicable provisions of the Companies Law, at any time during the Relevant Period, in which event the issued ordinary share capital of the Company shall be taken to be the amount of the issued ordinary share capital of the Company as altered (excluding any treasury shares that may be held by the Company from time to time); and

"**Maximum Price**" in relation to a Share to be purchased, means an amount (excluding brokerage, stamp duties, applicable goods and services tax and other related expenses) not exceeding:

- in the case of a Market Purchase: 105% of the Average Closing Price (as hereinafter defined); and
- in the case of an Off-Market Purchase: 120% of the Highest Last Dealt Price (as hereinafter defined), where:

"**Average Closing Price**" means the average of the closing market prices of a Share over the last five (5) market days, on which transactions in the Shares were recorded, preceding the day of the Market Purchase, and deemed to be adjusted for any corporate action that occurs after the relevant five-day period;

"**Highest Last Dealt Price**" means the highest price transacted for a Share as recorded on the market day on which there were trades in the Shares immediately preceding the day of the making of the offer pursuant to the Off-Market Purchase; and

"**day of the making of the offer**" means the day on which the Company announces its intention to make an offer for the purchase of Shares from shareholders of the Company stating the purchase price (which shall not be more than the Maximum Price calculated on the foregoing basis) for each Share and the relevant terms of the equal access scheme for effecting the Off-Market Purchase; and

the Directors be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or any of them may consider expedient, necessary, incidental or in the interests of the Company to give effect to the transactions contemplated and/or authorised by this resolution." (See Explanatory Note 7)

SPECIAL RESOLUTION

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

- Proposed Amendments to the Bye-Laws of The Company (Resolution 13)

"THAT

 - the amendments to the Bye-Laws of the Company as set out in the Appendix dated 3 October 2018 accompanying this Notice of Annual General Meeting be and are hereby approved and adopted as the Bye-Laws of the Company in substitution for, and to the exclusion of, Existing Bye-Laws; and
 - the Directors of the Company and/or any of them be and are hereby authorized to complete and to do all such acts and things (including executing all such documents as may be required) as they and/or he may consider expedient or necessary or in the interests of the Company to give effect to the transactions contemplated and/or authorized by this resolution.
- To transact any other business which may be properly transacted at an Annual General Meeting.

BY ORDER OF THE BOARD

Wong Chi Cheung, Clarence
Chan Lai Yin
Joint Company Secretaries
Singapore, 3 October 2018

Explanatory Notes on Businesses to be Transacted:-

- Prof. Ng Tung Sang, if re-elected, will remain as Chairman of the Nominating Committee, Member of Audit and Risk Management Committee and Remuneration Committee. Prof. Ng Tung Sang will be considered independent for the purposes of Rule 704(8) of the Listing Manual of the Singapore Exchange Securities Trading Limited. The detailed information of Prof Ng Tung Sang can be found under Board of Directors Section of the Company's Annual Report. There are no relationships (including immediate family relationship) between Prof. Ng Tung Sang and the other Directors and the Company or its 10% shareholders.
- Mr. Lee Yiu Chung, Eugene is an Executive Director. The detailed information of Mr. Lee Yiu Chung, Eugene can be found under Board of Directors section of the Company's Annual Report. There are no relationships (including immediate family relationship) between Mr. Lee Yiu Chung, Eugene and the other Directors and the Company or its 10% shareholders.
- Mr. Ng Mun Kit, Michael is an Executive Director of the Company. The detailed information of Mr. Ng Mun Kit, Michael can be found under Board of Directors section of the Company's Annual Report. Mr. Ng Mun Kit, Michael is the son of Mr. Ng Yuk Wing, Philip, a substantial shareholder of the Company. He is nephew of Mr. Ng Kin Wing, Raymond and Mr. Ng Kam Wing, Allan, Executive Chairman & Chief Executive Officer and Chief Technology Officer of the Group respectively. Save as aforesaid, there are no relationships (including immediate family relationship) between Mr. Ng Mun Kit, Michael and the other Directors and the Company or its 10% shareholders.
- Resolution 8, if passed, will empower the Directors from the date of the above 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 50% of the Company's total number of issued shares (excluding treasury shares and subsidiary holdings) of the Company. For issues of shares other than on a pro rata basis to all shareholders, the aggregate number of shares to be issued will not exceed 20% of Company's total number of issued Shares (excluding treasury shares and subsidiary holdings) 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 Instrument made or granted under this authority.
- Resolution 9, if passed, will empower the Directors, from the date of the above meeting until the next Annual General Meeting, to grant awards and to allot and issue such number of fully paid Shares from time to time as may be required to be issued pursuant to the Plan, provided that the aggregate number of Shares to be issued pursuant to the Plan and all share awards or share options granted under any other schemes implemented by the Company (if any) shall not exceed 15% of the total number of issued Shares (excluding treasury shares and subsidiary holdings) from time to time.
- Resolution 10, if passed, will empower the Directors of the Company to offer and grant options under the Scheme and to allot and issue shares pursuant to the exercise of such options under the Scheme not exceeding 15 percent of the total number of issued shares (excluding treasury Shares and subsidiary holdings) in the capital of the Company from time to time.
- Resolution 12, if passed, will empower the Directors, from the date of the above meeting until the next Annual General Meeting, to repurchase Shares by way of Market Purchases or Off-Market Purchases of up to 10% of the issued ordinary share capital of the Company at such price up to the Maximum Price. Information relating to this proposed resolution is set out in the appendix attached to the annual report.

Notes:-

- If a Member being a Depositor whose name appears in the Depository Register (as defined in Bye-Laws of the Company) wishes to attend and vote at the Annual General Meeting, then he/she/it should complete the Proxy Form and deposit the duly completed Proxy Form at the office of the Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), either by hand to 80 Robinson Road, #11-02, Singapore 068898 or by post to 80 Robinson Road, #02-00, Singapore 068898 at least forty-eight (48) hours before the time of the Annual General Meeting.
- If a Depositor wishes to appoint a proxy/proxies, then the Proxy Form must be signed and deposited at the office of the Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), at least forty-eight (48) hours before the time of the Annual General Meeting.

BOOKS CLOSURE DATE

Subject to approval of Shareholders at the Annual General Meeting, the Register of Members and Share Transfer Books of the Company will be closed on 2 November 2018, for the purpose of determining Members' entitlements to a final dividend of HK11.8 cents per ordinary share for the financial year ended 30 June 2018 (the "Proposed Final Dividend").

Duly completed registrable transfers in respect of the shares in the Company received up to the close of business at 5:00 p.m. on 1 November 2018 by the Company's Singapore Share Transfer Agent, Tricor Barbinder Share Registration Services (A division of Tricor Singapore Pte. Ltd.), 80 Robinson Road, #02-00, Singapore 068898 will be registered to determine Members' entitlements to the Proposed Final Dividend. Members whose Securities Accounts with The Central Depository (Pte) Limited are credited with shares in the Company as at 5:00 p.m. on 1 November 2018 will be entitled to the Proposed Final Dividend.

The Proposed Final Dividend, if approved at the Annual General Meeting, will be paid on 22 November 2018.

PERSONAL DATA PRIVACY:

By submitting a proxy form appointing a proxy(ies) and/or representative(s) to attend, speak and vote at the AGM 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 AGM (including any adjournment thereof) and the preparation and compilation of the attendance lists, minutes and other documents relating to the AGM (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.