

**VOLUNTARY UNCONDITIONAL GENERAL OFFER FOR HI-P INTERNATIONAL LIMITED
– DESPATCH OF OFFER DOCUMENT AND OPTIONS PROPOSAL LETTER**

1. INTRODUCTION

The board of directors (the "**Board**") of Hi-P International Limited (the "**Company**") refers to the voluntary unconditional general offer (the "**Offer**") made by CLSA Singapore Pte Ltd ("**CLSA**") and DBS Bank Ltd. ("**DBS**" and together with CLSA, the "**Joint Financial Advisers**") for and on behalf of YHT Venture Pte. Ltd. (the "**Offeror**"), which was announced on 18 December 2020 (the "**Offer Announcement**"), for all the issued and paid-up ordinary shares (the "**Shares**") in the capital of the Company, other than those Shares held, directly or indirectly, by the Offeror as at the date of the Offer.

Capitalised terms used herein, but not otherwise defined, shall have the meanings ascribed to them in the Offer Announcement.

2. DESPATCH OF OFFER DOCUMENT AND OPTIONS PROPOSAL LETTER

The Board wishes to inform shareholders of the Company (the "**Shareholders**") that the Joint Financial Advisers have on 7 January 2021 announced, for and on behalf of the Offeror, that:

- (a) the offer document dated 7 January 2021 ("**Offer Document**") which contains, *inter alia*, details of the Offer, together with the accompanying Form of Acceptance and Authorisation for Offer Shares ("**FAA**") have been despatched on 7 January 2021 to all Shareholders whose Offer Shares are deposited with The Central Depository (Pte) Limited ("**CDP**"); and
- (b) the letter dated 7 January 2021 (the "**Options Proposal Letter**") to all holders ("**Option Holders**") of outstanding share options ("**Options**") granted under the Hi-P Employee Share Option Scheme 2003 (which was approved by the Shareholders on 7 October 2003) and the Hi-P Employee Share Option Scheme 2014 (which was approved by the Shareholders on 29 April 2014) which contains, *inter alia*, details of the proposal made to the Option Holders in relation to the Options (the "**Options Proposal**"), together with the acceptance letter for the Options Proposal (the "**Options Proposal Acceptance Letter**"), has been despatched on 7 January 2021 to the Option Holders.

The Offer and Options Proposal are subject to the terms and conditions set out in the Offer Document and the Options Proposal Letter, copies of which are available on the website of the Singapore Exchange Securities Trading Limited at www.sgx.com.

3. OFFEREE CIRCULAR

A circular (the "**Offeree Circular**") containing, *inter alia*, the advice of Deloitte & Touche Corporate Finance Pte Ltd, (the "**IFA**") and the recommendations of the directors of the Company who are considered independent for the purposes of the Offer (the "**Independent Directors**") will be sent to Shareholders within 14 days from the despatch of the Offer Document, i.e. no later than 21 January 2021.

The Company will make an announcement to inform Shareholders of the despatch of the Offeree Circular in due course.

In the meantime, Shareholders are advised to exercise caution when dealing with their Shares and to refrain from taking any action in respect of their Shares which may be prejudicial to their interests, until Shareholders have considered the information and the recommendations of the Independent Directors, as well as the advice of the IFA, set out in the Offeree Circular to be issued by the Company in due course. Shareholders who are in doubt as to the action they should take should consult their stockbroker, bank manager, solicitor or other professional advisers.

4. DIRECTORS' RESPONSIBILITY STATEMENT

The directors of the Company (including those who may have delegated detailed supervision of this Announcement) have taken all reasonable care to ensure that the facts stated and all opinions expressed in this Announcement (other than those relating to the Offeror and the Offer) are fair and accurate, no material facts have been omitted from this Announcement, and that they jointly and severally accept responsibility accordingly. Where any information has been extracted from published or otherwise publicly available sources (including, without limitation, the Offer Announcement, Offer Document, Options Proposal Letter and any other announcements made by or on behalf of the Offeror), the sole responsibility of the directors of the Company has been to ensure that such information has been accurately and correctly extracted from such sources and/or reproduced in this Announcement in its proper form and context.

BY ORDER OF THE BOARD

Gerald Lim Thien Su
Lead Independent Director

7 January 2021