



HOTUNG INVESTMENT HOLDINGS LIMITED

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Hotung Investment Holdings Limited (the "**Company**") will be held at The Chevrons, 48 Boon Lay Way, Singapore 609961, on April 29, 2014 (Tuesday) at 10:30 a.m. for the following purposes:

AS ORDINARY BUSINESS

1. To receive and adopt the audited Financial Statements and the Reports of Directors and Auditors of the Company for the year ended December 31, 2013. (Resolution 1)
2. To approve and declare a first and final dividend for the year ended December 31, 2013 of NT\$0.31 per share, representing a yield of approximately 6.2% based on the par value of NT\$5.00 per share as recommended by the Directors, to be distributed in such manner as the Directors deem fit. The Directors be and are fully authorised to do all things they consider necessary, expedient and appropriate to effect and implement the above resolution. (Resolution 2)
3. To approve Directors' Fees of NT\$8.9 million for the year ended December 31, 2013 to the Directors of the Company. (Resolution 3)
4. To note the following Directors of the Company will be retiring by rotation pursuant to Bye-laws 94 and 95 of the Bye-laws of the Company:

Ms. Fang-Chu Sun;
Mr. Chang-Pang Chang;
Dr. Boon-Wan Tan; and
Mr. Kazuyoshi Mizukoshi.

And

To re-elect the following retiring Directors who have offered themselves for re-election:

- Mr. Chang-Pang Chang; and (Resolution 4)
Dr. Boon-Wan Tan. (Resolution 5)
(See Explanatory Note 1)
5. To elect Mr. Hann-Ching Wu as a Director of the Company pursuant to Bye-law 97 of the Bye-laws of the Company. (Resolution 6)
(See Explanatory Note 2)
6. To elect Mr. Sumiyuki Akaiwa as a Director of the Company pursuant to Bye-law 97 of the Bye-laws of the Company. (Resolution 7)
(See Explanatory Note 2)
7. To re-appoint Messrs KPMG LLP as Auditors of the Company until the conclusion of the next annual general meeting and to authorise the Board of Directors to fix their remuneration. (Resolution 8)

AS SPECIAL BUSINESS

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

8. **THAT :** (Resolution 9)
 - (A) subject to the provisions of the Bye-laws of the Company and the Listing Manual of the Singapore Exchange Securities Trading Limited ("**SGX-ST**"), the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue (whether by way of rights, bonus or otherwise) and deal with additional shares in the capital of the Company including but not limited to the listing of such additional shares on the SGX-ST and/or the offering of depository receipts in respect of such additional shares and to make or grant offers and agreements which might require the exercise of such power be and is hereby generally and unconditionally approved;

- (B) the approval in paragraph (A) above shall also authorise the Directors to allot and issue new shares pursuant to offers, agreements and options (collectively "**Instruments**") made or granted during the Relevant Period (as hereinafter defined) that might or would require shares to be issued, including but not limited to the creation and issuance during the Relevant Period of (as well as adjustments to) warrants, debentures or other instruments convertible into shares, upon such terms and conditions and for such purposes and to such persons as the Directors may, in their absolute discretion, deem fit, notwithstanding that such allotment and issuance of shares pursuant to the Instruments, warrants, debentures or other instruments convertible into shares are made after the end of the Relevant Period (as hereinafter defined);
- (C) the aggregate nominal amount of share capital to be allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) by the Directors pursuant to the approval in paragraph (A) above (including shares to be issued in pursuance of Instruments, warrants, debentures or other instruments convertible into shares made or granted pursuant to this Resolution) shall not exceed 50% of the aggregate nominal amount of the share capital of the Company in issue (excluding treasury shares) at the time this Resolution is passed, of which the aggregate nominal amount of share capital to be allotted other than on a pro-rata basis to the existing members of the Company (including shares to be issued in pursuance of Instruments, warrants, debentures or other instruments convertible into shares made or granted pursuant to this Resolution) shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue (excluding treasury shares) at the time this Resolution is passed and the said approval shall be limited accordingly.
- (D) 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 paragraph (C) above, the percentage of issued share capital shall be based on the issued share capital of the Company (excluding treasury shares) at the time this Resolution is passed, after adjusting for :
- (i) 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
 - (ii) any subsequent consolidation or sub-division of shares; and
- (E) for the purpose of this Resolution, "**Relevant Period**" means the period from the passing of this Resolution and expiring on earliest of:
- (i) the conclusion of the next annual general meeting of the Company;
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held; and
 - (iii) the date on which the authority given under this Resolution is revoked or varied by an ordinary resolution of the shareholders of the Company in general meeting.

(See Explanatory Note 3)

9. **THAT**, the following actions be and are hereby approved:

(Resolution 10)

- (A) the exercise by the Directors of the Company of all the powers of the Company to purchase or acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereinafter defined), at such price or prices as may be determined by the Directors of the Company from time to time up to the Maximum Price (as hereinafter defined), whether by way of:
- (i) market purchase(s) ("**On-Market Purchases**") on the SGX-ST; and/or
 - (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors of the Company as they consider fit based on the requirements of section 76C of the Companies Act, Chapter 50 of Singapore ("**Off-Market Purchases**"),

and otherwise in accordance with all other laws and regulations of Singapore and Bermuda and the rules of the SGX-ST as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally ("**Proposed Share Purchase Mandate**");

- (B) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Proposed Share Purchase Mandate may be exercised by the Directors of the Company at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earliest of:
- (i) the conclusion of the next annual general meeting of the Company or the date by which it is required to be held;
 - (ii) the date on which the share purchases are carried out to the full extent mandated; or
 - (iii) the date on which the authority contained in the Proposed Share Purchase Mandate is varied or revoked by ordinary resolution of the Company in general meeting.

(C) in this Resolution:

"Maximum Limit" means that number of Shares representing 10% of the issued ordinary share capital of the Company (excluding treasury shares) as at the date of the general meeting at which the Proposed Share Purchase Mandate is approved by the shareholders of the Company; and

"Maximum Price" in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of an On-Market Purchase of a Share, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an Off-Market Purchase of a Share pursuant to an equal access scheme, 130% of the Highest Last Dealt Price of the Shares,

where:

"Average Closing Price" means the average closing price of the Shares over the period of five (5) days on which the SGX-ST is open for securities trading ("**Market Days**") in which transactions in the Shares on the SGX-ST were recorded before the day on which such On-Market Purchase is made and deemed to be adjusted for any corporate action which occurs after the relevant five (5) day period;

"Highest Last Dealt Price" means the highest price transacted for a Share on the Market Day on which the Shares were transacted on the SGX-ST immediately preceding the date of the making of the offer pursuant to the Off-Market Purchase; and

"date of the making of the offer" means the date on which the Company announces its intention to make an offer for an Off-Market Purchase, 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.

(See Explanatory Note 4)

10. To transact any other business that may be transacted at an annual general meeting.

By Order of the Board

Shu-Hui Lo
Company Secretary

Taipei, Taiwan
April 14, 2014

Explanatory Note(s) :

Explanatory Note 1:

Pursuant to Bye-law 94, except for the directors holding office as Managing Director, at each annual general meeting, one-third of the directors shall retire from office by rotation. The following Directors of the Company, being the longest in service, will be retiring during the annual general meeting to be held on April 29, 2014 ("AGM 2014") pursuant to Bye-law 95.

*Ms. Fang-Chu Sun;
Mr. Chang-Pang Chang;
Dr. Boon-Wan Tan; and
Mr. Kazuyoshi Mizukoshi.*

Ms. Fang-Chu Sun and Mr. Kazuyoshi Mizukoshi indicated their retirement voluntarily to the Company and their intention not to seek re-election, pursuant to Bye-laws 94 and 95 of the Company. Save for Ms. Fang-Chu Sun and Mr. Kazuyoshi Mizukoshi, the rest of the Directors who are retiring have offered themselves for re-election.

Explanatory Note 2:

The proposed election of Mr. Hann-Ching Wu and Mr. Sumiyuki Akaiwa as new Directors is made pursuant to Bye-law 97 of the Company which requires that the proposed election be referred to Shareholders in general meeting. The Nominating Committee of the Company had reviewed the curriculum vitae of Mr. Hann-Ching Wu and Mr. Sumiyuki Akaiwa and has delivered its recommendation through the Board to appoint Mr. Hann-Ching Wu and Mr. Sumiyuki Akaiwa as members of the Board at the forthcoming AGM 2014.

Explanatory Note 3:

Ordinary Resolution 9 proposed in item 8 above, if passed, will authorise the Directors of the Company to issue further Shares and to make or grant Instruments, warrants, debentures and other instruments convertible into shares and to issue Shares in pursuance of such Instruments, warrants, debentures and other instruments convertible into shares up to an amount not exceeding 50% of the aggregate nominal amount of the share capital of the Company in issue (excluding treasury shares) at the time this resolution is passed, of which the aggregate nominal amount of share capital to be allotted other than on a pro-rata basis to the existing members of the Company (including shares to be issued in pursuance of Instruments, warrants, debentures and other instruments convertible into shares made or granted pursuant to this resolution) shall not exceed 20% of the aggregate nominal amount of the share capital of the Company in issue (excluding treasury shares) at the time this resolution is passed.

For the purpose of determining the aggregate number of Shares that may be issued, the percentage of Shares shall be based on the issued share capital of the Company (excluding treasury shares) at the time this resolution is passed, after adjusting for (1) new Shares arising from the conversion or exercise of any convertible securities or share options or vesting of share awards that are outstanding or subsisting when this resolution is passed; and (2) any subsequent consolidation or sub-division of Shares. This authority will, unless revoked or varied at a general meeting, expire at the conclusion of the next annual general meeting of the Company or the expiration of the period within which the next annual general meeting of the Company is required to be held, whichever is earliest.

Explanatory Note 4:

Ordinary Resolution 10 proposed in item 9 above, if passed, will empower the Directors of the Company to purchase Shares by way of On-Market Purchases and/or Off-Market Purchases in accordance with the terms and conditions set out in the Company's circular dated December 19, 2008 (approved by shareholders of the Company on January 7, 2009).

Please refer to Appendix (enclosed in a CD-ROM) to this Notice of Annual General Meeting of the Company for additional information in relation to the proposed renewal of the share purchase mandate.