

Hi-P INTERNATIONAL LIMITED

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

DISPOSAL OF SHARES IN DESIGN EXCHANGE PTE. LTD.

The Board of Directors of Hi-P International Limited (the “**Company**”, and together with its subsidiaries, the “**Group**”) wishes to announce that the Company has entered into a sale and purchase agreement dated 14 April 2016 (“**SPA**”) with Mr Song Kee Hong (the “**Purchaser**”) pursuant to which the Company agreed to sell to the Purchaser, 100,000 ordinary shares (“**Sale Shares**”) in the capital of Design Exchange Pte. Ltd. (“**Design Exchange**”), representing 40% of the total number of issued shares in the share capital of Design Exchange, at a nominal consideration of S\$1.00 (“**Disposal**”). The Disposal was completed on 14 April 2016.

The remaining 60% shareholding in Design Exchange is held by the Purchaser. Following completion of the Disposal, Design Exchange has ceased to be an associated company of the Company.

The net liabilities attributable to the Sale Shares as at 31 December 2015 was S\$111,073.16 and the carrying value of the Sale Shares in the books of the Group is zero. In view of the foregoing, the Company decided to undertake the Disposal. The consideration of S\$1.00 for the Disposal was arrived at on a willing-buyer, willing-seller basis, taking into consideration the book value and net liabilities attributable to the Sale Shares.

None of the directors or substantial shareholders of the Company have any interest, direct or indirect (other than through their shareholdings in the Company), in the Disposal.

None of the relative figures computed on the bases set out in Rule 1006 of the Singapore Exchange Securities Trading Limited (“**SGX-ST**”) Mainboard Rules (“**Listing Manual**”) for the Disposal, based on the Group’s results for the financial year ended 31 December 2015, exceeded 5%. However, as one of the said relative figures is negative figure, the Company has, pursuant to Rule 1007(1) of the Listing Manual, consulted the SGX-ST. Based on the information provided by the Company, the SGX-ST is of the view that the Disposal constitutes a “non-discloseable” transaction under Chapter 10 of the Listing Manual.

The Disposal is not expected to have any material impact on the consolidated net tangible assets per share and earnings per share of the Company for the current financial year.

A copy of the SPA is available for inspection during normal business hours at the Company’s registered office at 11 International Business Park, Jurong East, Singapore 609926, for three (3) months from the date of this announcement.

By Order of the Board

Yao Hsiao Tung
Executive Chairman and Chief Executive Officer

14 April 2016