For immediate release

YHT VENTURE PTE. LTD. LAUNCHES
VOLUNTARY UNCONDITIONAL GENERAL OFFER FOR HI-P INTERNATIONAL LIMITED
AT S$2.00 PER SHARE

Unless otherwise defined herein, all capitalised terms which are used in this Press Release shall have the meanings ascribed to them in the offer announcement dated 18 December 2020 made by CLSA Singapore Pte Ltd ("**CLSA**") and DBS Bank Ltd. ("**DBS Bank**") for and on behalf of the Offeror (the "**Offer Announcement**"). A copy of the Offer Announcement is available on http://www.sgx.com. Shareholders are advised to read this Press Release in conjunction with, and in the context of, the full text of the Offer Announcement.

- Offer Price per Share is S$2.00 in cash, representing premia to the following benchmarks:
  - a premium of approximately 13.6% over the last transacted price per Share of S$1.76 on 14 December 2020;
  - premia of approximately 23.2%, 42.3%, 50.6% and 62.5% over the VWAP per Share for the 1-month, 3-month, 6-month and 12-month periods up to and including the Last Trading Day respectively;
  - a premium of 160.1% over the NAV per Share as of 30 June 2020; and
  - a premium of 34.2% over the average price targets by equity research analysts covering the Company
- The Offer will be unconditional in all respects.
- Shareholders who accept the Offer will receive payment of the Offer Price within 7 business days of the date of receipt of their valid acceptances by the Offeror.
- The Offeror does not intend to revise the Offer Price, save that the Offeror reserves the right to do so in accordance with the Code if a competitive situation arises.
- The Offeror has secured irrevocable undertakings to accept the Offer in respect of approximately 83.50% of the total number of Shares.

YHT Venture Pte. Ltd. (the "**Offeror**"), a vehicle wholly owned by Chairman and CEO Mr Yao Hsiao Tung ("**Mr Yao**"), has today announced a voluntary unconditional general offer (the "**Offer**") for all the Shares of Singapore-listed Hi-P International Limited (the **"Company"**), other than those Shares held, directly or indirectly, by the Offeror as at the date of the Offer.

Mr Yao is the existing controlling shareholder of the Company. Mr Yao, together with Wong Huey Fang ("**Madam Wong**"), have provided irrevocable undertakings (collectively, the "**Irrevocable Undertakings**") to the Offeror to, amongst others:

- accept the Offer in respect of all their Shares as at the date of the Irrevocable Undertakings (the "**Undertaking Shares**"), which collectively represent approximately 83.50% of the total number of Shares, and any Shares which they may acquire on or after the date of the Irrevocable Undertakings;

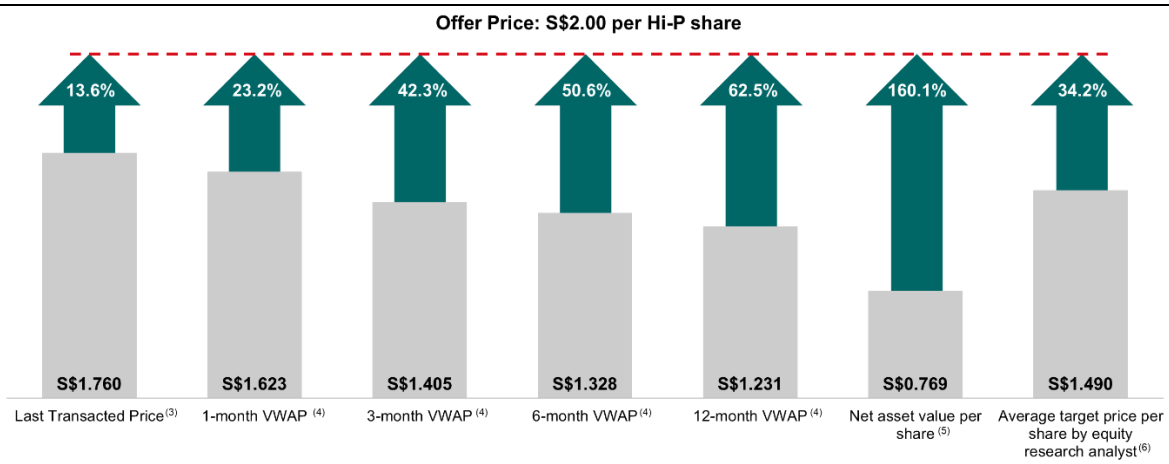
- not transfer or otherwise dispose of any Shares held by them from the date of the Irrevocable Undertakings until the closing date of the Offer (as may be extended from time to time by or on behalf of the Offeror) other than in accordance with the terms of the Irrevocable Undertakings;
- not exercise all or any of their share options in the Company as at the date of the Irrevocable Undertakings and share options which may be granted to them after the date of the Irrevocable Undertakings, and not to accept the Options Proposal[1] in respect of their share options; and
- direct that the aggregate Offer Price payable (**"Reinvestment Amount"**) to Mr Yao and Madam Wong in respect of their Undertaking Shares be applied to subscribe for new shares in the capital of the Offeror, on the basis that the issue price per new share in the Offeror will be equivalent to the Offer Price.

The consideration for each Share is S$2.00 ("**Offer Price"**). **The Offeror does not intend to revise the Offer Price, save that the Offeror reserves the right to do so in accordance with the Code if a competitive situation arises.** As the Offer will be unconditional in all respects, Shareholders who accept the Offer will receive payment of the Offer Price within 7 business days of the date of receipt of their valid acceptances by the Offeror. Depending on when the settlement date in respect of the Shares tendered in acceptance of the Offer by an accepting Shareholder falls, the Offer Price payable to a Shareholder who validly accepts the Offer may be reduced by the amount of any distribution declared, paid or made by the Company in respect of the Shares on or after 18 December 2020 (**"Offer Announcement Date"**)[2]**.**

The Offer Price represents an opportunity for Shareholders to realise their entire investment in cash at a favourable valuation amidst prevailing economic uncertainty driven by the ongoing COVID-19 pandemic and low trading liquidity in the Shares.

[1] Under the Options Proposal, Option Holders will receive a cash amount ("**Option Price**") in consideration of such Option Holders agreeing to not exercise all or any of their Options into new Shares and not to exercise any of their rights as Option Holders from the date of their acceptance of the Options Proposal to the respective dates of expiry of such Options. The Option Price will be calculated on a "see-through" basis.

[2] In the event any distribution is or has been declared, paid or made by the Company in respect of the Shares on or after the Offer Announcement Date, the Offer Price payable to a Shareholder who validly accepts or has validly accepted the Offer shall be reduced by an amount which is equal to the amount of such distribution, depending on when the settlement date in respect of the Shares tendered in acceptance of the Offer by such accepting Shareholder falls, as follows: (a) if such settlement date falls on or before the books closure date for the determination of entitlements to the distribution (the **"Books Closure Date"**), the Offer Price for each Share shall be S$2.00, as the Offeror will receive the distribution in respect of such Offer Share from the Company; or (b) if such settlement date falls after the Books Closure Date, the Offer Price for each Share shall be reduced by an amount which is equal to the amount of the distribution in respect of each Share, as the Offeror will not receive the distribution in respect of such Share from the Company



Notes:

3. As at 14 December 2020, being the last full market day on which the Shares were transacted prior to the Offer Announcement Date ("**Last Trading Day**")
4. The volume weighted average price ("**VWAP**") of Shares are rounded to the nearest three (3) decimal places and computed on data sourced from Bloomberg L.P. up to and including the Last Trading Day. The respective premia are rounded to the nearest one (1) decimal place
5. Based on as reported NAV per Share as at 30 June 2020 disclosed in the Company's 1H2020 Financial Statements. The percentage premium is rounded to the nearest one (1) decimal place
6. Computed based on simple average of analyst target prices extracted from Bloomberg L.P. as at 16 December 2020 including target prices issued by UOB Kay Hian, DBS Bank, Maybank Kim Eng and CGS-CIMB. In addition to the target prices extracted from Bloomberg L.P., CLSA's target price has also been included in computing the simple average

The Offeror is making the Offer with a view to delisting the Company from the SGX-ST, and if and when entitled, the Offeror intends to exercise its rights of compulsory acquisition under the Companies Act, for the following reasons:

i. The successful delisting of the Company will give the Offeror and the management of the Company more flexibility to manage the business of the Company, optimise the use of its management and capital resources as well as facilitate the implementation of any operational changes.

ii. Since 2004, the Company has not carried out any corporate exercise to raise funds on the SGX-ST. The Offeror is of the view that the Company is unlikely to require access to Singapore capital markets to finance its operations in the foreseeable future. Accordingly, it is not necessary for the Company to maintain a listing on the SGX-ST.

iii. The Company incurs compliance and associated costs in maintaining its listed status. Delisting will allow the Company to save on expenses relating to the maintenance of its listed status and focus its resources on its business operations.

Further details of the Offer are set out in the Offer Announcement and will be set out in the Offer Document to be despatched to Shareholders in due course.

CLSA and DBS Bank have been appointed as joint financial advisers to the Offeror in connection with the Offer. Any enquiries relating to the Offer should be directed during office hours to:

CLSA Singapore Pte Ltd	DBS Bank Ltd.
Corporate Finance & Capital Markets	Strategic Advisory
Telephone: (65) 6416 7888	Telephone: (65) 6878 2150

Responsibility Statement

The directors of the Offeror (including those who may have delegated detailed supervision of this Press Release) have taken all reasonable care to ensure that the facts stated and opinions expressed in this Press Release (other than those relating to the Company) are fair and accurate and that there are no other material facts not contained in this Press Release, the omission of which would make any statement in this Press Release misleading.

Where any information has been extracted or reproduced from published or publicly available sources or obtained from the Company, the sole responsibility of the directors of the Offeror has been to ensure through reasonable enquiries, that such information is accurately extracted from such sources or, as the case may be, reflected or reproduced in this Press Release.

The directors of the Offeror jointly and severally accept responsibility accordingly.

Forward-Looking Statements

All statements other than statements of historical facts included in this Press Release are or may be forward-looking statements. Forward-looking statements include but are not limited to those using words such as "aim", "seek", "expect", "anticipate", "estimate", "believe", "intend", "project", "plan", "strategy", "forecast" and similar expressions or future or conditional verbs such as "will", "would", "shall", "should", "could", "may" and "might". These statements reflect the Offeror's current expectations, beliefs, hopes, intentions or strategies regarding the future and assumptions in light of currently available information.

Such forward-looking statements are not guarantees of future performance or events and involve known and unknown risks and uncertainties. Accordingly, actual results may differ materially from those described in such forward-looking statements. Shareholders and investors should not place undue reliance on such forward-looking statements, and neither the Offeror nor the Joint Financial Advisers undertakes any obligation to update publicly or revise any forward-looking statements.

About the Offeror

The Offeror is an investment holding vehicle incorporated in Singapore on 2 December 2020. As at the date of this Press Release, the Offeror is 100% held by Mr Yao.

About the Company

The Company was incorporated in Singapore on 26 December 1980 and is listed on the Main Board of the SGX-ST. The principal activities of the Company and its subsidiaries are those relating to integrated contract manufacturing.